

Appendix 3 - 2024/25 General Fund Variances

General Fund - Directorate / Service Area	Variance Type	Variance Description	Quarter 1 Forecast over/(under) spend £m
Housing and Regeneration			
Economic Development	Overspend	Economic Development Management - unbudgeted recharges related to Strategy, Policy & Improvement.	0.2
Economic Development	Overspend	Employment & Skills - Historic unachievable income target for ITRES.	0.1
Economic Development	Underspend	Vacant posts related to the Growth team.	(0.1)
Housing & Regeneration	Underspend	Vacant posts within the Housing Regeneration & New Build team.	(0.1)
Housing Options	Overspend	Homelessness accommodation costs - £6.4m due to increased use of B&B and commercial hotels and higher rates and incentive payments to retain existing properties offset by proposed £1.1m reserve drawdown.	5.3
Housing Options	Overspend	Homelessness Housing benefit subsidy loss - £1.4m with rents being higher than subsidy levels.	1.4
Housing Options	Overspend	Homelessness employee costs - 0.9m in-year impact of recruitment to 34 new posts and transfer of 43 posts from temporary to permanent.	0.9
Housing Options	Overspend	Lettings - a reduction of the choice-based letting service recharge to the HRA. The revised recharge is based on the number of lets to Council owned property.	0.4
Housing Options	Overspend	Increased legal costs relating to two judicial reviews and a s204 appeal.	0.1
Planning & Building Control	Overspend	Development Management - Shortfall against the planning income target for statutory fees where the volume of planning applications is projected to be less than budgeted levels.	0.2
Planning & Building Control	Overspend	Spatial Data Team - Loss of local land charge income when service transfers to central government during Q4.	0.1
Planning & Building Control	Underspend	Building Control GF - Vacant posts relating to additional registered building inspector posts as part of the Council's response to the Building Safety and Fire Safety Acts (2024/25 growth).	(1.2)
Planning & Building Control	Underspend	Development Management - Additional CIL administration income forecast which will be applied to the development management service, reducing the general fund burden.	(0.3)
Planning & Building Control	Underspend	Vacant posts within Development Management, Digital & Commercial Innovation and Spatial Data teams.	(0.3)
Planning & Building Control	Underspend	Development Management - Underspend against Consultant and Counsel fees with no public enquiries planned.	(0.1)
Property and Major Programmes	Overspend	Corporate Landlord Model (CLM) - Higher than budgeted business rate charge for the Town Hall with the rateable value being higher than projected. This decision has been appealed.	1.5
Property and Major Programmes	Overspend	Corporate Property - Vacant property costs - security, maintenance, insurance, utilities, rates on school buildings deemed surplus to requirements.	0.5
Property and Major Programmes	Overspend	CLM - Slipped saving relating to letting floor space within the Town Hall.	0.5
Property and Major Programmes	Overspend	Property and Major Programmes (PMP) Management - Insufficient budget to meet the cost of the Divisional Director with the post being given up as part of a previous Chief Executive saving and employment of a supernumerary post.	0.3
Property and Major Programmes	Overspend	Non-Operational Investment Estate - Shortfall in income.	0.2
Property and Major Programmes	Overspend	CLM - Security costs at Town Hall. Costs were budgeted to be shared with IDEA Store but this service has yet to transfer to the Town Hall.	0.1
Property and Major Programmes	Overspend	Non-Operational Investment Estate - Void units resulting from capital works at the Montefiore building.	0.1
Property and Major Programmes	Underspend	CLM - Reduced electricity costs for the Town Hall.	(2.1)
Property and Major Programmes	Underspend	Vacant posts within Facilities Management and Corporate Property team.	(0.6)
Property and Major Programmes	Underspend	Corporate Property - Forecast increased recharge to HRA with higher than budgeted time being spent on HRA commercial stock.	(0.2)
Property and Major Programmes	Underspend	Capital Delivery - Higher than budgeted HRA recharge due to greater focus on HRA new build programme.	(0.1)
Resources	Overspend	Corporate Director - Agency costs and supernumerary posts.	0.2
Resources	Overspend	Regeneration - LIF funding no longer available resulting in more costs being met from general fund budget provision.	0.1
Resources	Overspend	Service Design, Improvement & PMO team - increased employee related costs from agency cover for the Head of Service post whilst the substantive postholder is absent.	0.1
Resources	Underspend	Strategy, Policy & Improvement - Delays to recruiting into vacant posts.	(0.1)
Total Housing and Regeneration			7.1
Health and Adult Social Care			
Adults Social Care	Overspend	The outturn position is based on expected increase in demand and inflationary increases in prices expected through the year and the department is actioning recovery plans to mitigate these anticipated pressures.	3.5
Integrated Commissioning	Overspend	Currently the transport service activity is higher than the budgeted spend for the service.	0.6
Total Health and Adult Social Care			4.1
Communities			
Community Safety	Underspend	The Metropolitan Police Force are experiencing significant challenges in recruitment and retention of police officers in London, resulting in an underspend against the approved growth.	(1.1)
Community Safety	Underspend	Recruitment process for THEO's is ongoing, however there have been some progress challenges and pauses resulting in delays in recruitment.	(0.6)
Culture	Overspend	Sports & Physical Activities - Business rate charges higher than budgeted. Budget based on GLL costs who had charitable status and a discounted charge. Unbudgeted charge on void property at St George's.	0.5
Culture	Overspend	Sports & Physical Activities - Income will be foregone whilst essential refurbishment takes place at York Hall Spa and the facility is closed.	0.2
Culture	Overspend	Sports & Physical Activities - Unachievable income target relating to GLL profit share.	0.1
Public Realm	Overspend	Waste Operations - Conversion of 130 temporary staff to permanent (46 posts were budgeted as covering vacancies).	1.9
Public Realm	Overspend	Waste Operations - Overtime work at weekends and sickness cover.	1.7
Public Realm	Overspend	Waste Operations - Increased vehicle repairs & maintenance.	1.1
Public Realm	Overspend	Highways & Traffic Management - Salary capitalisation shortfall	0.9
Public Realm	Overspend	Street Trading Account - Higher than budgeted recharge from waste and street cleansing services	0.5
Public Realm	Overspend	Highways & Traffic Management - Sunk costs that cannot be capitalised resulting from the TFL capital programme not progressing in full	0.3
Public Realm	Overspend	Waste Operations - Increased vehicle insurance costs	0.3
Public Realm	Overspend	Commercial Waste - Reduced income due to loss of customers during Covid and the service being unable to grow its customer base back to pre-pandemic levels	0.3
Public Realm	Overspend	Fleet Services - Slipped saving relating to cost savings from the electrification of the fleet. The procurement process is currently underway and ongoing	0.3
Public Realm	Overspend	Operational Services - Higher than budgeted costs against the waste disposal contract	0.2
Public Realm	Overspend	Waste Operations - Additional tools, brushes, cleaning products are required to undertake work such as weed clearance and increased cleanliness of streets requested by the Mayor	0.2
Public Realm	Overspend	Highways & Traffic Management - Festive lighting costs have increased due to additional events during the year	0.1

Public Realm	Overspend	Highways & Traffic Management - A savings target increased the advertising income budget in 2024/25 and this saving is slipping with sites still being identified and planning permission sought	0.1
Public Realm	Overspend	Waste Operations - Unachievable historic income target relating to bulky waste collections, which remains a non-chargeable service	0.1
Public Realm	Overspend	Environmental & Regulatory Services - There is no reserve to offset the costs of selective landlord licenses as it was taken as part of a historic sweep of reserve balances	0.1
Public Realm	Underspend	Parking Services - various enforcement initiatives, Impact of the diesel surcharge on visitor parking and Increased demand for visitor vouchers	(1.3)
Public Realm	Overspend	Parking Services - Transfer of projected surplus to the Parking Control reserve (as per above row)	1.3
Public Realm	Underspend	Vacant posts within Highways & Traffic Management, Public Realm Management and Mandatory licensing service team - Employee related costs lower than budgeted with posts being held vacant	(1.3)
Public Realm	Underspend	Waste Operations - Reduced use of agency staff.	(0.7)
Public Realm	Underspend	Highways & Traffic Management - reduction in the unit price of electricity for street lighting.	(0.4)
Public Realm	Underspend	Highways & Traffic Management - unbudgeted Historic s278 income used to fund business as usual activities.	(0.4)
Public Realm	Underspend	Concessionary Fares - Mayor of London has frozen fares for freedom passes.	(0.4)
Public Realm	Underspend	Operational Services - Unbudgeted income relating to the sale of recyclable materials.	(0.2)
Public Realm	Underspend	Operational Services - Council's profit share of electricity sold by the waste disposal contractor.	(0.2)
Public Realm	Underspend	Highways & Traffic Management - Reduced insurance costs resulting from less claims and repudiations of existing claims.	(0.1)
Public Realm	Underspend	Highways & Traffic Management - Unbudgeted income from developers for new charges made for Construction Management Plans.	(0.1)
Public Realm	Underspend	Waste Operations - Reduced cleaning of Blackwell Tunnel with TFL not requesting this service post Covid.	(0.1)
Public Realm	Underspend	Environmental & Regulatory Services - Over recovery of Houses in Multiple Occupancy (HMO) licensing income.	(0.1)
Total Communities			3.2
Resources			
Customer Services	Underspend	Staffing vacancies within the service area, including a senior post.	(0.2)
Customer Services	Underspend	Staffing pension scheme costs related to the service less than budgeted.	(0.1)
Customer Services	Underspend	Underspends on telephony cost budgets.	(0.1)
Finance Procurement and Audit	Overspend	Staffing cost pressures of £0.6m, largely relating to the Procurement Team of £0.5m due to the current high number of procurements occurring, particular within Health and Adult Social Care.	0.6
Workforce OD and Business Support	Overspend	Delay in implementation of savings related to staffing restructures.	0.5
Total Resources			0.7
Chief Executive's Office			
Legal and Monitoring Officer Services	Overspend	In the main due to the workload and the associated agency costs.	0.5
Total Chief Executive's Office			0.5
Children's Services			
Commissioning	Overspend	Staffing at the top of salary scale and use of agency staff for strategic and policy projects.	0.1
Education	Overspend	SEND related pressures including transport.	2.2
Supporting Families	Underspend	Underspend in new youth provision due to ongoing recruitment.	(2.3)
Education Resources	Underspend	Use of free schools meals earmarked reserves	(1.8)
Total Children's Services			(1.8)
Corporate			
Pay Inflation	Overspend	Based on the latest pay offer there will be a pressure of £1.2m.	1.2
Best Value Inspectors	Overspend	Estimated Cost.	0.4
Audit Fees	Overspend	Significant national increase in external audit fees due to the issues in the sector.	0.2
Risk Reserve	Underspend	No further contributions or withdrawals from the reserve in year.	(2.3)
Total Corporate			(0.5)
Net General Fund Total			13.3