

Period 9 Budget Monitoring - Detailed budget summary by division\service

Division: Property

Services provided by Property

The strategic and operational management of the council's land, buildings and office accommodation (excluding social housing). The estate comprises property held for either service delivery, investment or development purposes.

| Summary by Service | | 2016/17 - Full Year | | | | Period 7 Forecast | |
|-----------------------|-----------------------|---------------------|----------------|------------------|------------------|----------------------|------------------|
| Service | | Approved Budget | Revised Budget | Forecast Outturn | Outturn Variance | Movement in Forecast | Forecast Outturn |
| | | £000s | | | | £000s | |
| 411 | Facilities Management | 2,913 | 2,927 | 4,958 | 2,031 | (193) | 5,151 |
| 412 | Asset Strategy | 418 | 418 | 195 | (223) | (204) | 399 |
| 413 | Property Management | (10,824) | (10,812) | (3,484) | 7,328 | 18 | (3,502) |
| Total Property | | (7,493) | (7,468) | 1,668 | 9,136 | (379) | 2,047 |

| Summary by CIPFA group (Account Type) | | 2016/17 - Full Year | | | | Period 7 Forecast | |
|---------------------------------------|---|---------------------|-----------------|------------------|------------------|----------------------|------------------|
| CIPFA description | | Approved Budget | Revised Budget | Forecast Outturn | Outturn Variance | Movement in Forecast | Forecast Outturn |
| | | £000s | | | | £000s | |
| 1 | Employees | 10,757 | 10,578 | 10,675 | 97 | (40) | 10,715 |
| 2 | Premises-Related Expenditure | 9,266 | 9,415 | 12,014 | 2,599 | 2,294 | 9,720 |
| 3 | Transport-Related Expenditure | 4,288 | 4,288 | 1,986 | (2,302) | (35) | 2,021 |
| 4 | Supplies & Services | 4,793 | 4,793 | 3,871 | (921) | (642) | 4,514 |
| 5 | Third Party Payments | 474 | 474 | 457 | (17) | 23 | 434 |
| 6 | Transfer Payments | 68 | 68 | 68 | 0 | 0 | 68 |
| 7 | Support Services | (2,649) | (2,594) | 259 | 2,853 | 375 | (115) |
| 8 | Depreciation and Impairment Losses | 1,945 | 1,945 | 879 | (1,065) | (234) | 1,114 |
| X | Capital Financing Costs | 5 | 5 | 5 | 0 | 0 | 5 |
| Expenditure | | 28,947 | 28,972 | 30,216 | 1,244 | 1,740 | 28,475 |
| 9 | Income | (36,440) | (36,440) | (28,252) | 8,187 | (1,824) | (26,428) |
| Income | | (36,440) | (36,440) | (28,252) | 8,187 | (1,824) | (26,428) |
| N | Income & Expenditure outside of Net Cost of Service | 0 | 0 | (295) | (295) | (295) | 0 |
| Transfer to \ from reserves | | 0 | 0 | (295) | (295) | (295) | 0 |
| NET Expenditure | | (7,493) | (7,468) | 1,668 | 9,136 | (379) | 2,047 |

Notes

Property - £9.1m forecast overspend

Since period 7 there has been a £0.38m improvement the reported overspend for the Property division.

The overspend in the Property service largely relates to a forecast £7.7m shortfall in the delivery of the MTFS savings target (relating to 2015/16 and 2016/17), which broadly assumed savings in the following areas:

- Increased return on investment property holdings;
- Reduced running costs from the disposal of admin buildings;
- Reductions in facilities management costs.

There is a £600k historic overspend (since before 2012) on Facilities Management that mostly relates to unachievable recovery on internal trading income target for corporate waste management activities.

There is a £125k forecast deficit regarding a potential shortfall on rechargeable income for equipment use and maintenance services provided by Fleet to waste management (in turn by the Bristol Waste Company). Fleet service is actively exploring options with Waste Management team and Bristol Waste to mitigate this deficit including reductions on borrowing charge by sale of not-in-use assets under the waste contract, and seeking agreement on TUPE maintenance staff to the Bristol Waste company. It is to fully resolve this current forecast deficit back to £0.

There is a £153k forecast overspend against the budget for National Non Domestic Rates (NNDR) due to the historic absence of budget allocated for M-shed and Junction 3 when these buildings were constructed in 2011/12 and when budgets were centralised since financial year 2014/15. Savings achieved on NNDR for buildings that the Council no longer occupy have been separately given up under savings programmes.

There is a £125k forecast shortfall in income against the budget target for Markets as a result of an historic revenue target, which has not been met for the last 5 years. This deficit reduces to £78k when savings in Repairs and Maintenance are taken into account.

There are £67k costs due to increased workload in Security due to staff sickness and vacancies however this has reduced from £137k since period 7 due to savings in non-essential spend.

There is a £100k shortfall in income at the Create Centre resulting from loss of external tenants due to reduced parking; a letting rationalisation is underway to mitigate this.

There is a £54k shortfall in conference services income from the Passenger Shed (old station building Temple Meads) due to its poor condition, but the position is expected to improve.

Period 9 Budget Monitoring - Detailed budget summary by division\service
Division: Planning

Services provided by Planning

Planning is divided into Strategic City Planning, Development Management which includes Building Control and Planning Enforcement and City Design which includes Engineering Design.

| Summary by Service | | 2016/17 - Full Year | | | | Period 7 Forecast | |
|-----------------------|-------------------------|---------------------|----------------|------------------|------------------|----------------------|------------------|
| Service | | Approved Budget | Revised Budget | Forecast Outturn | Outturn Variance | Movement in Forecast | Forecast Outturn |
| | | £000s | | | | £000s | |
| 421 | Strategic City Planning | 691 | 808 | 796 | (11) | (4) | 800 |
| 422 | City Design | 11 | 2 | (242) | (244) | (240) | (2) |
| 425 | Development Management | (378) | (423) | (625) | (202) | 46 | (671) |
| Total Planning | | 324 | 387 | (70) | (457) | (198) | 128 |

| Summary by CIPFA group (Account Type) | | 2016/17 - Full Year | | | | Period 7 Forecast | |
|---------------------------------------|---|---------------------|----------------|------------------|------------------|----------------------|------------------|
| CIPFA description | | Approved Budget | Revised Budget | Forecast Outturn | Outturn Variance | Movement in Forecast | Forecast Outturn |
| | | £000s | | | | £000s | |
| 1 | Employees | 5,483 | 5,490 | 5,230 | (260) | (20) | 5,250 |
| 2 | Premises-Related Expenditure | 4 | 1 | 2 | 1 | (0) | 2 |
| 3 | Transport-Related Expenditure | 10 | 10 | 17 | 7 | 1 | 16 |
| 4 | Supplies & Services | 284 | 256 | 704 | 448 | 13 | 691 |
| 5 | Third Party Payments | 25 | 25 | 15 | (10) | 0 | 15 |
| 7 | Support Services | 24 | 74 | 77 | 3 | (14) | 91 |
| Expenditure | | 5,828 | 5,855 | 6,044 | 190 | (20) | 6,065 |
| 9 | Income | (5,504) | (5,579) | (6,115) | (536) | (178) | (5,937) |
| Income | | (5,504) | (5,579) | (6,115) | (536) | (178) | (5,937) |
| N | Income & Expenditure outside of Net Cost of Service | 0 | 111 | 0 | (111) | 0 | 0 |
| Transfer to \ from reserves | | 0 | 111 | 0 | (111) | 0 | 0 |
| NET Expenditure | | 324 | 387 | (70) | (457) | (198) | 128 |

Notes

Planning - (£0.5m) forecast underspend

In the Planning division there is a forecast underspend of (£0.5m) which has increased by (£0.1m) since period 7 as a result of increased income forecast within Engineering design. The remaining variance is due to increased income from Development Management fees as well as from savings plans being implemented.

Period 9 Budget Monitoring - Detailed budget summary by division\service
Division: Transport

Services provided by Transport

The Service is split into four distinct areas of operation – Strategic City Transport, Traffic, Highways and Sustainable Transport.

| Summary by Service | | 2016/17 - Full Year | | | | Period 7 Forecast | |
|------------------------|--------------------------|---------------------|----------------|------------------|------------------|----------------------|------------------|
| Service | | Approved Budget | Revised Budget | Forecast Outturn | Outturn Variance | Movement in Forecast | Forecast Outturn |
| | | £000s | | | | £000s | |
| 431 | Highways | 4,701 | 4,299 | 4,007 | (292) | 24 | 3,983 |
| 432 | Traffic | (3,370) | (4,391) | (7,817) | (3,426) | (2,490) | (5,327) |
| 433 | Strategic City Transport | 2,148 | 1,523 | 1,226 | (296) | (269) | 1,495 |
| 434 | Sustainable Transport | 12,628 | 12,661 | 12,514 | (146) | (270) | 12,784 |
| Total Transport | | 16,107 | 14,091 | 9,931 | (4,161) | (3,005) | 12,935 |

| Summary by CIPFA group (Account Type) | | 2016/17 - Full Year | | | | Period 7 Forecast | |
|---------------------------------------|---|---------------------|-----------------|------------------|------------------|----------------------|------------------|
| CIPFA description | | Approved Budget | Revised Budget | Forecast Outturn | Outturn Variance | Movement in Forecast | Forecast Outturn |
| | | £000s | | | | £000s | |
| 1 | Employees | 11,716 | 11,381 | 10,868 | (513) | (89) | 10,958 |
| 2 | Premises-Related Expenditure | 1,769 | 1,639 | 1,344 | (294) | (225) | 1,569 |
| 3 | Transport-Related Expenditure | 5,155 | 5,155 | 4,331 | (824) | (0) | 4,332 |
| 4 | Supplies & Services | 2,528 | 2,299 | 4,476 | 2,178 | (133) | 4,609 |
| 5 | Third Party Payments | 20,098 | 27,610 | 29,949 | 2,338 | (1,513) | 31,462 |
| 6 | Transfer Payments | 2,976 | 8,181 | 7,528 | (653) | (931) | 8,460 |
| 7 | Support Services | 3,697 | 3,707 | 2,746 | (961) | (719) | 3,465 |
| 8 | Depreciation and Impairment Losses | 600 | 600 | (16) | (616) | (616) | 600 |
| Expenditure | | 48,540 | 60,572 | 61,227 | 655 | (4,226) | 65,454 |
| 9 | Income | (32,309) | (46,356) | (50,512) | (4,156) | 1,238 | (51,751) |
| Income | | (32,309) | (46,356) | (50,512) | (4,156) | 1,238 | (51,751) |
| N | Income & Expenditure outside of Net Cost of Service | (124) | (124) | (784) | (660) | (17) | (767) |
| Transfer to \ from reserves | | (124) | (124) | (784) | (660) | (17) | (767) |
| NET Expenditure | | 16,107 | 14,091 | 9,931 | (4,161) | (3,005) | 12,935 |

Notes

Transport – (£4.2m) forecast underspend

The forecast underspend has increased by (£3.0m) since period 7. The largest part of this movement (£2.0m) is as a result of the refinancing related to Residents Parking, where accelerated loan payback was previously applied, and the payback period is being extended such that the initial £6m capital loan will now be fully paid back in financial year 2019/20 (instead of 2017/18 as with the existing accelerated repayment plan). The remainder includes (£0.3m) additional income in Parking Services (bringing the total underspend in Parking Services to £1.2m) and (£0.2m) from savings in Concessionary fares, based on the latest passenger data.

The remaining underspend consists of (£0.2m) savings from Supported bus services; (£0.3m) savings in controllable spend in Highways services; (£0.3m) in Strategic City Transport and (£0.2m) increased income in Signals and Lighting, reduced by additional costs in Park and Ride services of £0.2m.

Period 9 Budget Monitoring - Detailed budget summary by division\service

Division: Economy

Services provided by Economy

The Economy team supports the delivery of capital programmes and projects including culture, specific interventions, the development of housing, the physical regeneration of Bristol Temple Quarter Enterprise Zone and building schools across the City.

| Summary by Service | | 2016/17 - Full Year | | | | Period 7 Forecast | |
|----------------------|----------------------|---------------------|----------------|------------------|------------------|----------------------|------------------|
| Service | | Approved Budget | Revised Budget | Forecast Outturn | Outturn Variance | Movement in Forecast | Forecast Outturn |
| | | £000s | | | | £000s | |
| 441 | Culture Services | 3,360 | 3,380 | 3,469 | 89 | 12 | 3,457 |
| 442 | Cultural Development | 1,178 | 1,111 | 1,097 | (14) | (12) | 1,109 |
| 443 | Economic Development | 485 | 442 | 4 | (438) | (75) | 79 |
| 444 | Major Projects | 925 | 767 | 927 | 160 | 24 | 903 |
| 445 | Management – Place | 215 | (266) | (62) | 204 | 1 | (63) |
| Total Economy | | 6,163 | 5,435 | 5,435 | (0) | (50) | 5,485 |

| Summary by CIPFA group (Account Type) | | 2016/17 - Full Year | | | | Period 7 Forecast | |
|---------------------------------------|---|---------------------|----------------|------------------|------------------|----------------------|------------------|
| CIPFA description | | Approved Budget | Revised Budget | Forecast Outturn | Outturn Variance | Movement in Forecast | Forecast Outturn |
| | | £000s | | | | £000s | |
| 1 | Employees | 6,638 | 6,610 | 6,758 | 148 | (40) | 6,798 |
| 2 | Premises-Related Expenditure | 1,062 | 944 | 1,227 | 284 | 74 | 1,153 |
| 3 | Transport-Related Expenditure | 44 | 43 | 35 | (7) | (8) | 44 |
| 4 | Supplies & Services | 1,883 | 1,792 | 2,808 | 1,017 | (91) | 2,899 |
| 5 | Third Party Payments | 2,389 | 2,323 | 2,609 | 285 | 146 | 2,463 |
| 6 | Transfer Payments | 357 | 367 | 130 | (237) | (110) | 240 |
| 7 | Support Services | 600 | 200 | 797 | 597 | 46 | 751 |
| Expenditure | | 12,975 | 12,279 | 14,365 | 2,086 | 18 | 14,347 |
| 9 | Income | (6,812) | (6,844) | (8,452) | (1,609) | (95) | (8,357) |
| Income | | (6,812) | (6,844) | (8,452) | (1,609) | (95) | (8,357) |
| N | Income & Expenditure outside of Net Cost of Service | 0 | 0 | (477) | (477) | 27 | (504) |
| Transfer to \ from reserves | | 0 | 0 | (477) | (477) | 27 | (504) |
| NET Expenditure | | 6,163 | 5,435 | 5,435 | (0) | (50) | 5,485 |

Notes

Economy – on budget

Although this division is forecasting to be on budget overall, this includes elements of increased rental income at Filwood Green Business Park (£0.2m); increased trading income from at the Bottleyard (£0.1m) and an in-year benefit from reduced Economic development grant payments. However these are offset by overspends of £0.2m in the Place Directors account and £0.1m relating to the Temple Quarter Enterprise Zone.

The forecast has been adjusted to take into account the agreed amendment to Museum Opening hours agreed by Cabinet on 6th September 2016, which resulted in partial mitigation for the current year overspend and the remaining overspend (£0.2m) will be fully mitigated in 17/18.

The reported position for the Division in Period 9 has improved by £45k comparing to the Period 7 position due to the increased income explained above

Period 9 Budget Monitoring - Detailed budget summary by division\service
Division: Economy - ABS Team

Services provided by Economy - ABS Team

| Summary by Service | | 2016/17 - Full Year | | | | Period 7 Forecast | |
|--------------------------|--------------------------|---------------------|----------------|------------------|------------------|----------------------|------------------|
| Service | | Approved Budget | Revised Budget | Forecast Outturn | Outturn Variance | Movement in Forecast | Forecast Outturn |
| | | £000s | | | | £000s | |
| 451 | Economy - Major Projects | 2,020 | 1,818 | 1,661 | (157) | 31 | 1,630 |
| Total Economy - ABS Team | | 2,020 | 1,818 | 1,661 | (157) | 31 | 1,630 |

| Summary by CIPFA group (Account Type) | | 2016/17 - Full Year | | | | Period 7 Forecast | |
|---------------------------------------|-------------------------------|---------------------|----------------|------------------|------------------|----------------------|------------------|
| CIPFA description | | Approved Budget | Revised Budget | Forecast Outturn | Outturn Variance | Movement in Forecast | Forecast Outturn |
| | | £000s | | | | £000s | |
| 1 | Employees | 2,478 | 2,277 | 2,042 | (235) | 20 | 2,022 |
| 3 | Transport-Related Expenditure | 0 | 0 | 1 | 1 | 0 | 1 |
| 4 | Supplies & Services | 8 | 7 | 11 | 4 | (1) | 12 |
| 7 | Support Services | 0 | 0 | 73 | 73 | 11 | 62 |
| Expenditure | | 2,486 | 2,284 | 2,126 | (157) | 31 | 2,096 |
| 9 | Income | (465) | (465) | (465) | 0 | 0 | (465) |
| Income | | (465) | (465) | (465) | 0 | 0 | (465) |
| NET Expenditure | | 2,020 | 1,818 | 1,661 | (157) | 31 | 1,630 |

Notes

There are forecast savings against salary budgets in the Admin and Business Support (ABS) service of £0.2m.

Period 9 Budget Monitoring - Detailed budget summary by division\service

Division: Energy

Services provided by Energy

The Energy Service is made up of a number of different teams, including Housing (Warm Up Bristol), Investment programmes, Infrastructure, Community Energy, Environmental performance, energy supply and marine.

| Summary by Service | | 2016/17 - Full Year | | | | Period 7 Forecast | |
|---------------------|--------------------------------------|---------------------|----------------|------------------|------------------|----------------------|------------------|
| Service | | Approved Budget | Revised Budget | Forecast Outturn | Outturn Variance | Movement in Forecast | Forecast Outturn |
| | | £000s | | | | £000s | |
| 531 | Energy Programme Manager (Corporate) | 2,713 | 2,504 | 2,732 | 228 | (323) | 3,056 |
| 532 | Energy Programme Manager (Community) | 411 | 417 | (1,379) | (1,796) | (136) | (1,242) |
| Total Energy | | 3,124 | 2,921 | 1,353 | (1,568) | (460) | 1,813 |

| Summary by CIPFA group (Account Type) | | 2016/17 - Full Year | | | | Period 7 Forecast | |
|---------------------------------------|---|---------------------|----------------|------------------|------------------|----------------------|------------------|
| CIPFA description | | Approved Budget | Revised Budget | Forecast Outturn | Outturn Variance | Movement in Forecast | Forecast Outturn |
| | | £000s | | | | £000s | |
| 1 | Employees | 1,658 | 1,613 | 1,578 | (35) | (5) | 1,583 |
| 2 | Premises-Related Expenditure | 8,880 | 8,880 | 8,486 | (394) | (361) | 8,848 |
| 3 | Transport-Related Expenditure | 20 | 20 | 142 | 122 | (2) | 144 |
| 4 | Supplies & Services | 416 | 409 | (612) | (1,021) | (2,146) | 1,534 |
| 5 | Third Party Payments | 20 | 20 | 2,092 | 2,072 | 2,037 | 55 |
| 6 | Transfer Payments | 0 | 0 | 692 | 692 | 328 | 364 |
| 7 | Support Services | 776 | 776 | (28) | (804) | (514) | 486 |
| 8 | Depreciation and Impairment Losses | (543) | (543) | (2,622) | (2,079) | (1,930) | (692) |
| X | Capital Financing Costs | 161 | 161 | 161 | 0 | 0 | 161 |
| Expenditure | | 11,388 | 11,335 | 9,890 | (1,446) | (2,592) | 12,482 |
| 9 | Income | (8,264) | (8,464) | (9,009) | (544) | 1,710 | (10,719) |
| Income | | (8,264) | (8,464) | (9,009) | (544) | 1,710 | (10,719) |
| N | Income & Expenditure outside of Net Cost of Service | 0 | 50 | 472 | 422 | 422 | 50 |
| Transfer to \ from reserves | | 0 | 50 | 472 | 422 | 422 | 50 |
| NET Expenditure | | 3,124 | 2,921 | 1,353 | (1,568) | (460) | 1,813 |

Notes

Energy – (£1.6m) forecast underspend

£1.3m of the forecast underspend is due to the decision to reallocate the use of grant income from Capital to Revenue which resulted in a one-off gain to the Revenue account this year. This means that some capital projects will be transferred to prudential borrowing at an estimated annual revenue cost of £81k p.a.

There is anticipated to be a shortfall in rechargeable income from the HRA and Trading for Schools in the Energy (utility purchase) budget. This is due to the Energy price reduction in recent years being captured as a corporate saving which was not reflected in income target for the energy service. This presents a net overspend of £418k this year however this has reduced by £220k since period 7, following recent utility eProcurement via DPS.

It should be noted that this forecast is based on the assumption of a mild winter, and that an overspend of up to £400k may emerge should the remaining winter weather become severe.

There is a 72k income shortfall in District Energy / Biomass (Renewable Heating Incentive). A saving in prudential borrowing costs of £140k has been partly offset by reduced Wind Energy income (£97k).

A one-off saving of £491k is now anticipated as a result of the Green Deal revenue contribution. Lastly, there is a £189k surplus reported under Solar based on a previously un-forecast receipt from BEC for grid connection.