

Appendix A

Bristol City Council

2017/18 – Budget Monitor Report

2017/18

P4

SUMMARY HEADLINES

Latest Financial Position

The latest revenue forecast outturn shows a forecast overspend of £6.1m (£8.4m Period 3). The pressures are relating to:

People £6.9m (£7.4m) - mainly due to the rising cost of care packages for adults, and Property £2.5m (£2.6m) - mainly due to unachieved savings.

Savings Delivery

Progress on delivery against the savings tracker is continued to be monitored weekly and savings are categorised into confidence of delivery. Market conditions and delays have occurred to original planned consultation dates and the latest position shows that savings totalling £4.9m (15%) are marked as low confidence. A range of measures are proposed to ensure delivery or appropriate mitigations and the effectiveness of these will be closely monitored.

Employee Cost Forecasts

The revised budget for employee costs is £153m. Current forecasts for the year total £143m. However an extrapolation of P04 actuals would suggest an outturn of £137m. This suggests that budget managers are expecting to fill vacancies over the rest of the year, or that there is a potential for further savings of up to £5.7m (gross prior to recharges to other services), this has reduced from £7.0m from P03. A review of vacancies is in progress.

Risks & Opportunities

Risks identified across the Council, resulting from a combination of internal & external pressures; as at P04 total £27.8m to which mitigations are proposed. The major risks include:

- £6m – CCG turnaround plans
- £3.1m – Social Care savings not achieved
- £6m – DSG deficits

Opportunities for greater than budgeted income generation or costs reduction total £24.2m.

Main areas of opportunity include:

- Use of improved Better Care funding to respond to Adult Social Care pressures
- Use of flexible homelessness support grant

The net risk (yellow bar on the corresponding graph) indicates the net risk exposure of £3.2m as at P04. This currently assumes a 50% (medium) chance of these risks materialising, but these are under ongoing review. The position must be considered in the context of the overall level of reserves.

Debt Management

Current aged debt at the end of July is £33.2m, this is down from £39.8m at the end of June. Debt owed for longer than a year is still just under £11.0m (compared to £11.1m at the end of June). Processes are being improved to ensure speedier recovery and a case management review of all high value debts.

1. Overall Position and Movement

Forecast 2017/18 - Overspend £m													
Revised Budget	2017/18	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	
£365m		9.1	8.5	6.1									
		▲	▼	▼									
	2016/17	29.2	32.9	31.1	27.5	17.5	16.9	11.0	11.6				10.5
		▲	▲	▼	▼	▼	▼	▼	▼	▲			▼

2. Revenue Position by Directorate

Budget Area	Over/ (under) spend £m	Movement since P3
People	6.9	-0.4
Place	0.6	-1.5
Neighbourhoods	-0.7	-0.5
Resources & City Director	-0.3	0.0
Total	6.5	-2.4

3. Savings Delivery RAG Status

17/18	Total value of savings (£m)	Value at risk (£m)	Risk (%)
R No - savings are at risk	9.488	4.873	51%
G Yes - savings are safe	23.581	0.000	0%
Grand Total	33.069	4.873	15%

Top 5 largest savings at risk in 17/18 (ordered by size of saving at risk)

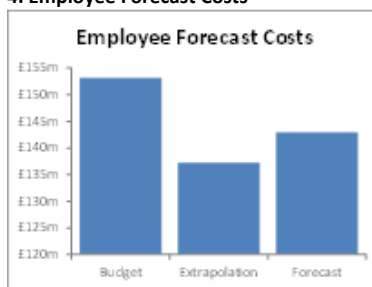
ID - Name of Proposal	Value at Risk in (£m)
FP04 - Remission community support services	1.350
BE2 - Review our property services	0.750
BE7 - Organisational redesign including the council's senior	0.600
RS03 - Reshape Children's Centres' services	0.550
FP10 - Increase Council Foster Carers	0.360

18/19	Total value of savings (£m)	Value at risk (£m)	Risk (%)
R No - no plan in place	1.807	1.807	100%
A Yes - plan in place but still to deliver	11.961	0.254	2%
G Yes - savings can be taken from budget	2.766	0.000	0%
Grand Total	16.534	2.061	12%

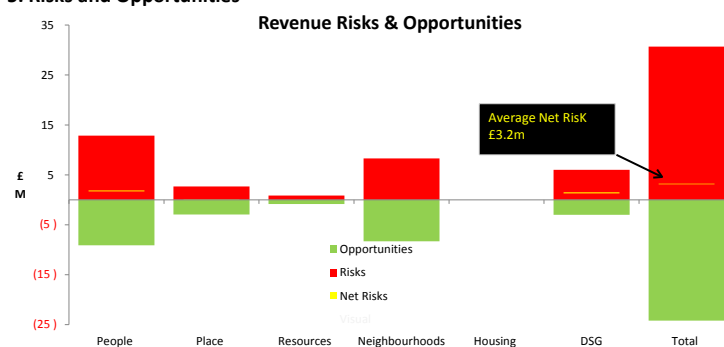
Top 5 largest savings at risk in 18/19 (ordered by size of saving at risk)

ID - Name of Proposal	Value at Risk in (£m)
FP11 - Single city-wide Information, Advice and Guidance Serv	0.500
BE3g - Restructure Admin and Business Support Teams	0.366
FP14 - In-house enforcement	0.287
BE1 - 10 Restructuring support teams	0.274
RS02 - Reduce road maintenance budgets	0.250

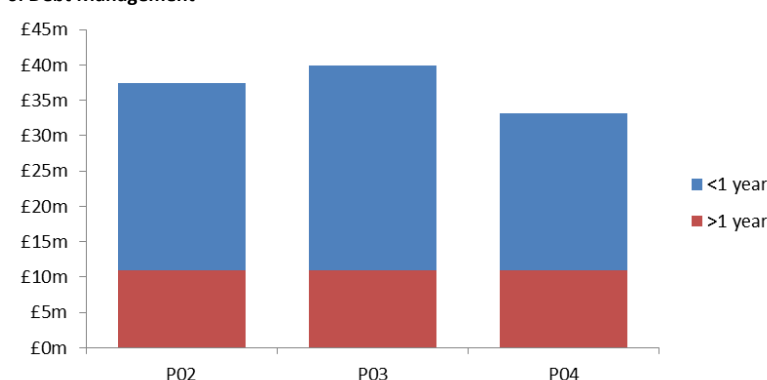
4. Employee Forecast Costs



5. Risks and Opportunities



6. Debt Management



Capital Programme

The latest capital outturn projection is £212.4m, compared to the latest Budget position of £230.0m, an underspend of £17.6m. This is due to an increase in budget of £6.3m primarily related to grant funded transport scheme.

2017/18 underspends are reported within the HRA capital programme £5.0m primarily to be delays to major block refurbishments.

Over all years Place projects are forecast to overspend by £9.5m including Metrobus £4.3m, Renewable energy £3.7m, sustainable transport £1.4m and Property Services £1.5m. This is partially offset by underspend on Vehicle Replacement of £2.3m.

Gross expenditure by Programme	Current Year (FY2017)				Performance to budget		Scheme Total for Current Timeframe (FY2016 : FY2021)						Performance to budget		
	Budget	Expenditure to Date	Forecast	Variance	Expenditure to date	Forecast	Budget	Total Expenditure to Date	Commitments	Variance - Total budget vs actual + commitments	Forecast (including prior years actuals)	Variance Total scheme budget vs total scheme forecast	Expenditure to date	Expenditure + Committed to date	Forecast
	£000s				%		£000s						%		
People	34,635	5,505	34,365	(270)	16%	99%	195,599	39,900	1,741	(153,957)	195,649	51	20%	21%	100%
Resources	6,926	(310)	6,726	(200)	-4%	97%	33,717	11,680	1,929	(20,108)	33,717	0	35%	40%	100%
Neighbourhoods	11,151	1,008	8,869	(2,283)	9%	80%	38,152	9,189	1,247	(27,717)	36,688	(1,464)	24%	27%	96%
Place	122,500	13,640	112,871	(9,629)	11%	92%	548,383	89,055	29,429	(429,899)	557,863	9,480	16%	22%	102%
Neighbourhoods (HRA)	42,076	7,527	37,108	(4,968)	18%	88%	270,544	56,295	1,971	(212,278)	265,576	(4,968)	21%	22%	98%
Corporate	12,670	0	12,420	(250)	0%	98%	59,815	5,145	0	(54,670)	59,815	0	9%	9%	100%
Total Capital Expenditure	229,958	27,369	212,359	(17,600)	12%	92%	1,146,209	211,264	36,317	(898,629)	1,149,308	3,099	18%	22%	100%