

Bristol City Council

Period 10 2024/25 - Finance Monitoring Revenue Report

1. REVENUE SUMMARY POSITION

- 1.1. The council budget for 2024/25 was agreed by Full Council on 28 February 2024. This report relates to the Period 10 full year forecast for 2024/25 (January 2025 extrapolated). It is an exception report and as such focuses on key financial issues for the council including movements since Period 8 as reported to February's Strategy and Resources Committee. No significant variances have been identified or accelerated by budget holders beyond those issues highlighted in this report.
- 1.2. The council operates directorate cash limited budgets and Executive Directors are responsible for ensuring that appropriate action is taken to contain both revenue and capital spending in line with each directorate's overall budget limit. Budget holders forecasting a risk of overspend which can potentially be brought back in line with their budget should, in the first instance, set out in-service risks and opportunities for mitigation. Where these pressures cannot be contained across the directorate or opportunities are considered undeliverable, the budget scrutiny process will be triggered.
- 1.3. Whilst the council is structured by directorate with Executive Directors being appointed by directorate and being responsible for revenue and capital cash limited budgets by directorate, the council's governance arrangements are based on a committee system. Consequently, in order to support effective management and control under this committee model, financial information and analysis by committee is provided in parallel to that by directorate within the main report. Appendices are set out by committee, as a minimum quarterly and otherwise by exception where a significant movement is forecast so that, subsequent to review at Strategy and Resources Committee, they may follow on for review by the appropriate policy committee.
- 1.4. At Period 10, the council is forecasting an end of year overspend of £17.8 million against its current approved General Fund budget of £533.7 million.
- 1.5. Over and above this £17.8 million overspend, there are emerging risks and opportunities within each of the service directorates that have not yet crystallised. These are consequently excluded from the forecast but are captured within the report. These risks (of £5.1m) and opportunities (of £3.3m) present a total weighted additional net risk of £1.8 million.
- 1.6. This total weighted additional net risk of £1.8 million reflects a net improvement in the period of £(3.2) million. This improvement is primarily driven by a reduction of £(2.8) million in Adults and Communities' net risk position following 2 further months of savings non-delivery being formally acknowledged and incorporated now in to the P10 forecast position (£0.6m) combined with the materialisation of what was previously a pressure in Adult purchasing (£2m). Whilst there has been a reduction of less than £0.1million in Growth and Regeneration's net risks and opportunities position, this actually contains the offsetting impact of the materialisation or removal of £11.5 million of risks and £11.5 million of opportunities in advance of 31 March year end.

- 1.7. The budget included delivery of embedded plans for £45.3 million savings. A further £4.2m savings have been added to this target since the start of the current year. Any slippage to these budgeted savings programmes which is not recoverable in-year represents a risk to the outturn (either within the forecast or within the risks and opportunities) which it will be necessary to mitigate.
- 1.8. The forecast outturn on the Housing Revenue Account (HRA) is currently adverse with a £12.1 million (8%) overspend against the approved gross budget of £151.0 million. Further detail can be found in paragraph 5.3 and Appendix A3.
- 1.9. The forecast for the Dedicated Schools Grant (DSG) is currently an overspend of £33.0 million (6.7%) against the revised gross budget of £491.7 million. Following application of the Safety Valve combined with contribution from the General Fund, the net deficit to be carried forward at the close of 2024/25 is forecast to deteriorate in-year by £17.6 million (3.6% of revised gross budget) to £54.7 million (unmitigated this is £91.6 million). Further detail can be found in paragraph 5.4.
- 1.10. The forecast outturn on the Public Health Grant is in line with budget at P10.
- 1.11. The forecast outturn on the Bristol Harbour Authority account continues to report no forecast variance to budget at P10.
- 1.12. Reflecting corporate ownership of both the forecast budget overspend and the additional emerging net risk, the council has implemented in-year measures to reduce this financial pressure. These measures include the establishment of panels with the specific aim of focusing control on spend, procurement and contracts, the workforce and debt recovery.

2. GENERAL FUND REVENUE POSITION

- 2.1. The assessment at Period 10 shows the Council's scheduled General Fund forecasting a risk adjusted overspend of £17.8 million. This is a 3.3% adverse variance on the approved gross budget of £533.7 million.
- 2.2. Table 1a below provides an overview of the council's Period 10 forecast position for the 2024/25 financial year by directorate.

Table 1a: P10 2024/25 Summary Full Year General Fund Revenue Forecast by Directorate

Period 10 Budget Monitoring - Summary	Approved Budget	Revised Budget	Forecast	Forecast variance at P8/(P9)	Movement in forecast variance at P10	Forecast variance at P10	Forecast variance at P10
	£'000	£'000	£'000	£'000	£'000	£'000	%
9 - Children & Education							
15 - Children and Families Services	98,689	104,044	126,092	20,767	1,280	22,047	21.2%
16 - Education, Inclusion and Skills	26,458	26,208	27,535	1,068	258	1,327	5.1%
1B - Transformation – Our Families Programme	0	3	3	0	0	0	0.0%

Total 9 - Children & Education	125,148	130,256	153,630	21,835	1,538	23,374	17.9%
8 - Adults & Communities							
14 - Adult Social Care	165,368	186,308	194,277	7,828	141	7,969	4.3%
36 - Communities and Public Health - General Fund	6,471	6,584	6,411	(140)	(33)	(173)	-2.6%
57 - Commissioning, Contracts Quality and Performance (Adults)	24,672	13,951	13,367	(51)	(533)	(583)	-4.2%
Total 8 - Adult & Communities	196,511	206,843	214,055	7,637	(424)	7,213	3.5%
4 - Growth & Regeneration							
37 - Housing & Landlord Services	22,943	24,038	27,215	3,348	(171)	3,177	13.2%
46 - Economy of Place	4,009	4,138	3,232	4	(909)	(905)	-21.9%
47 - Management of Place	(4,543)	(5,711)	(5,619)	0	92	92	-1.6%
4A - Management - G&R	(3,628)	(547)	(547)	0	0	0	0.0%
4B - Property, Assets and Infrastructure	42,986	44,599	45,899	75	1,225	1,301	2.9%
Total Bristol Harbour Authority	(621)						
Total 4 - Growth & Regeneration	61,146	66,516	70,180	3,427	237	3,664	5.5%
2 - Resources							
21 - Policy, Strategy and Digital	21,245	21,683	21,055	59	(687)	(628)	-2.9%
22 - Legal and Democratic Services	16,375	17,239	17,121	(70)	(49)	(119)	-0.7%
24 - Finance	8,788	11,333	12,782	1,595	(146)	1,449	12.8%
25 - Workforce & Change	3,247	3,662	2,718	(636)	(309)	(944)	-25.8%
26 - Strategic Transformation	110	10	0	(10)	0	(10)	-100.0%
Total 2 - Resources	49,765	53,928	53,676	938	(1,190)	(252)	-0.5%
SERVICE NET EXPENDITURE	432,570	457,542	491,541	33,837	161	33,998	7.4%
X2 - Levies	3,693	2,693	2,613	(80)	0	(80)	-3.0%
X3 - Corporate Expenditure	56,406	29,315	24,826	(4,614)	125	(4,489)	-15.3%
X4 - Capital Financing	26,768	28,021	27,021	(1,000)	0	(1,000)	-3.6%
X6 - Year-end Transactions	0	1,986	1,986	(0)	0	(0)	0.0%
X9 - Corporate Allowances	14,283	14,162	3,562	(10,600)	0	(10,600)	-74.8%
Total Corporate	101,151	76,178	60,009	(16,295)	125	(16,169)	-21.2%
TOTAL REVENUE NET EXPENDITURE	533,721	533,721	551,549	17,542	286	17,829	3.3%

2.3. Table 1b below provides an overview of the council's Period 10 forecast position for the 2024/25 financial year by committee (combining General Fund revenue with Ring Fenced Accounts).

Table 1b: P10 2024/25 Summary Full Year General Fund Revenue and Ring-fenced

Period 10 Budget Monitoring - Summary	Approved Budget	Revised Budget	Forecast	Forecast variance at P8/P9	Movement in forecast variance at P10	Forecast variance at P10	Forecast variance at P10
	£'000	£'000	£'000	£'000	£'000	£'000	%

Children and Young People							
15 - Children and Families Services	98,689	104,044	126,092	20,767	1,280	22,047	21.2%
16 - Education, Inclusion and Skills	26,458	26,208	27,535	1,068	258	1,327	5.1%
1B - Transformation – Our Families Programme	0	3	3	0	0	0	0.0%
Total Children and Young People	125,148	130,256	153,630	21,835	1,538	23,374	17.9%
Dedicated Schools Grant							
Total Dedicated Schools Grant	491,736	491,741	509,294	16,020	1,533	17,553	3.6%
Total Dedicated Schools Grant	491,736	491,741	509,294	16,020	1,533	17,553	3.6%
Adult Social Care							
14 - Adult Social Care	165,368	186,308	194,277	7,828	141	7,969	4.3%
57 - Commissioning, Contracts Quality and Performance (Adults)	24,672	13,951	13,367	(51)	(533)	(583)	-4.2%
Total Adult Social Care	190,041	200,259	207,644	7,777	(392)	7,385	3.7%
Public Health and Communities							
36 - Communities and Public Health - General Fund	6,471	6,584	6,411	(140)	(33)	(173)	-2.6%
3B - Communities and Public Health - Other Grants	0	0	0	(0)	0	0	0.0%
47 - Management of Place	7,890	8,347	8,493	0	146	146	1.8%
Total Public Health and Communities	14,360	14,931	14,905	(140)	113	(26)	-0.2%
Public Health Grant							
34 - Public Health Grant	0	0	0	0	0	0	0.0%
Total Public Health Grant	0	0	0	0	0	0	0.0%
Homes and Housing Delivery							
37 - Housing & Landlord Services	22,943	24,038	27,215	3,348	(171)	3,177	13.2%
Total Homes and Housing Delivery	22,943	24,038	27,215	3,348	(171)	3,177	13.2%
Housing Revenue Account							
Total Housing Revenue Account	150,982	150,982	163,059	13,228	(1,151)	12,077	8.0%
Total Housing Revenue Account	150,982	150,982	163,059	13,228	(1,151)	12,077	8.0%
Transport and Connectivity							

Period 10 Budget Monitoring - Summary	Approved Budget	Revised Budget	Forecast	Forecast variance at P8/P9	Movement in forecast variance at P10	Forecast variance at P10	Forecast variance at P10
	£'000	£'000	£'000	£'000	£'000	£'000	%
46 - Economy of Place	100	(293)	(312)	(0)	(18)	(18)	6.3%
47 - Management of Place	(12,783)	(14,687)	(14,715)	0	(29)	(29)	0.2%
4B - Property, Assets and Infrastructure	0	0	0	0	0	0	0.0%
Total Transport and Connectivity	(12,683)	(14,980)	(15,027)	0	(47)	(47)	0.3%

Environment and Sustainability							
46 - Economy of Place	743	770	770	0	0	0	0.0%
4B - Property, Assets and Infrastructure	46,809	47,330	47,104	17	(243)	(226)	-0.5%
Total Environment and Sustainability	47,552	48,100	47,874	17	(243)	(226)	-0.5%

Economy and Skills							
46 - Economy of Place	1,421	1,339	811	4	(532)	(528)	-39.4%
47 - Management of Place	351	629	603	(0)	(25)	(26)	-4.1%
4A - Management - G&R	(3,628)	(547)	(547)	0	0	0	0.0%
4B - Property, Assets and Infrastructure	120	146	141	(4)	(1)	(5)	-3.2%
Total Economy and Skills	(1,737)	1,566	1,008	(0)	(558)	(558)	-35.6%

Bristol Harbour Authority							
Total Bristol Harbour Authority		0	(0)	0	(0)	(0)	0.0%
Total Bristol Harbour Authority	0	0	(0)	0	(0)	(0)	0.0%

Strategy and Resources - Service							
21 - Policy, Strategy and Digital	21,245	21,683	21,055	59	(687)	(628)	-2.9%
22 - Legal and Democratic Services	16,375	17,239	17,121	(70)	(49)	(119)	-0.7%
24 - Finance	8,788	11,333	12,782	1,595	(146)	1,449	12.8%
25 - HR, Workplace & Organisational Design	3,247	3,662	2,718	(636)	(309)	(944)	-25.8%
26 - Strategic Transformation	110	10	0	(10)	0	(10)	-100.0%
46 - Economy of Place	1,745	2,322	1,963	0	(359)	(359)	-15.5%
4B - Property, Assets and Infrastructure	(3,943)	(2,877)	(1,346)	61	1,470	1,531	-53.2%
Total Bristol Harbour Authority	(621)	Moved to Ring-fenced Account					
Total Strategy and Resources - Service	46,947	53,373	54,292	999	(80)	920	1.7%

SERVICE NET EXPENDITURE	1,075,288	1,100,265	1,163,893	63,086	543	63,628	5.8%
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Strategy and Resources - Corporate							
X2 - Levies	3,693	2,693	2,613	(80)	0	(80)	-3.0%

Period 10 Budget Monitoring - Summary	Approved Budget	Revised Budget	Forecast	Forecast variance at P8/P9	Movement in forecast variance at P10	Forecast variance at P10	Forecast variance at P10
	£'000	£'000	£'000	£'000	£'000	£'000	%
X3 - Corporate Expenditure	56,406	29,315	24,826	(4,614)	125	(4,489)	-15.3%
X4 - Capital Financing	26,768	28,021	27,021	(1,000)	0	(1,000)	-3.6%
X6 - Year-end Transactions	0	1,986	1,986	(0)	0	(0)	0.0%
X9 - Corporate Allowances	14,283	14,162	3,562	(10,600)	0	(10,600)	-74.8%
Total Strategy and Resources - Corporate	101,151	76,178	60,009	(16,295)	125	(16,169)	-21.2%

TOTAL REVENUE & RINGFENCED NET EXPENDITURE	1,176,439	1,176,443	1,223,902	46,791	668	47,459	4.0%
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LESS Ring-fenced Budgets:

Period 10 Budget Monitoring - Summary	Approved Budget	Revised Budget	Forecast	Forecast variance at P8	Movement in forecast variance at P10	Forecast variance at P10	Forecast variance at P10
	£'000	£'000	£'000		£'000	£'000	%
Total Housing Revenue Account	(150,982)	(150,982)	(163,059)	(13,228)	1,151.2	(12,077)	8.0%
Total Dedicated Schools Grant	(491,736)	(491,741)	(509,294)	(16,020)	(1,533.1)	(17,553)	3.6%
Total Public Health Grant	0	0	0	(0)	0.0	0	0.0%
Total Bristol Harbour Authority	0	0	(0)	0	(0.2)	(0)	0.0%
Total Ring-fenced Budgets	(642,718)	(642,723)	(672,353)	(29,249)	(382.1)	(29,631)	4.6%

TOTAL REVENUE NET EXPENDITURE (EXC RINGFENCED)	533,721	533,721	551,549	17,542	285.857	17,828	3.3%
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2.4. Where a committee's forecast movement since its last reported detailed appendix (that at P8) is significant (greater than £1.0 million) then additional service detail is provided, by exception, in a further appendix for the relevant committee.

2.4. Adults, Communities and Public Health Directorate

Adult Social Care

2.4.1. Adult Social Care (ASC) is forecasting an overspend of £7.4 million on a net budget of £200.3 million (3.7%). The main variances concern cost pressures in relation to individual care and support packages. Cost pressures in adults purchasing budget reflect increased demand, inflationary costs and increased acuity for service users.

2.4.2. In summary, for Period 10, the movement relates to:

- A net increase of £0.4 million to £16.7 million overspend associated with individual care packages and support.
- An adjustment of £0.6 million to savings to be achieved in this financial year through spend control measures.

- An increase in employee costs of £0.6 million with a projected underspend now of £0.2 million and other net underspends across the service of £1.3 million.
- 2.4.3 At this stage of the financial year, there remains some uncertainty with forecasts with several key risks and opportunities, including conclusion to the impact of winter. These factors are likely to materialise during the remainder of the year and may affect the final financial position.

Communities and Public Health

2.4.4 At the end of Period 10 the Communities and Public Health General Fund is forecasting a favourable variance of approximately £0.2 million (-2.6%).

2.5. Children and Education Directorate

2.5.1. The Children and Education directorate is forecasting an adverse variance of £23.4 million at Period 10 on a revised budget of £130.3 million (17.9%).

Children and Families Service

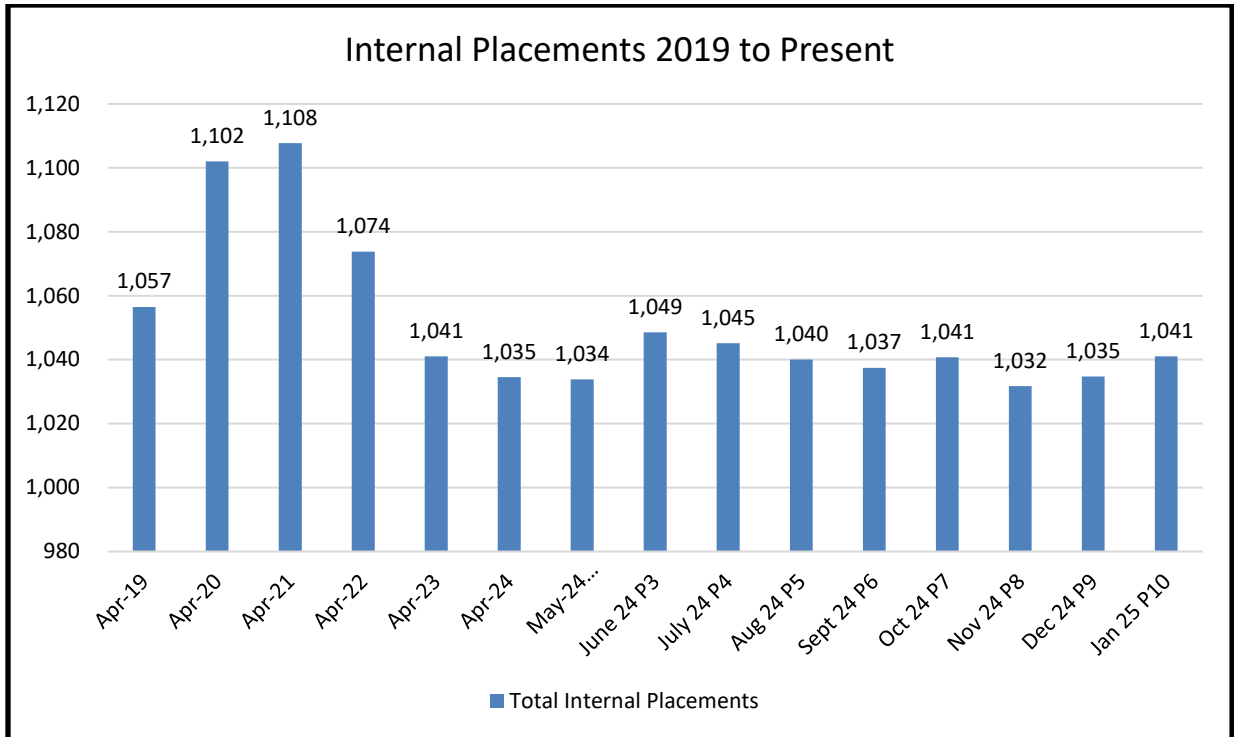
2.5.2. The Children and Families service is forecasting an overspend of £22.0 million against a budget of £104.0 million (21.2%). This is due to escalating numbers and associated high unit costs of children and young people in the care of the local authority that require Out of Authority, Independent Foster Care (IFA) or Un-registered External Placements. The availability of suitable internal placements has reduced over the last twelve months resulting in more reliance being placed on the more expensive external placement market.

2.5.3. The forecast overspend demonstrates an adverse movement when compared to Period 8 due to increased unit costs, and mitigations expected through reductions in various types of external placements due to step down, re-unification and/or ceasing placements not being achieved. There has been an overall reduction in the number of external placements due to placements ending or children turning 18 and moving into housing options.

2.5.4. Other non-placement budgets have seen their forecasts vary adversely due, in the main, to increased rents related to utilities price increases, increased agency staff costs and high-cost remand placements.

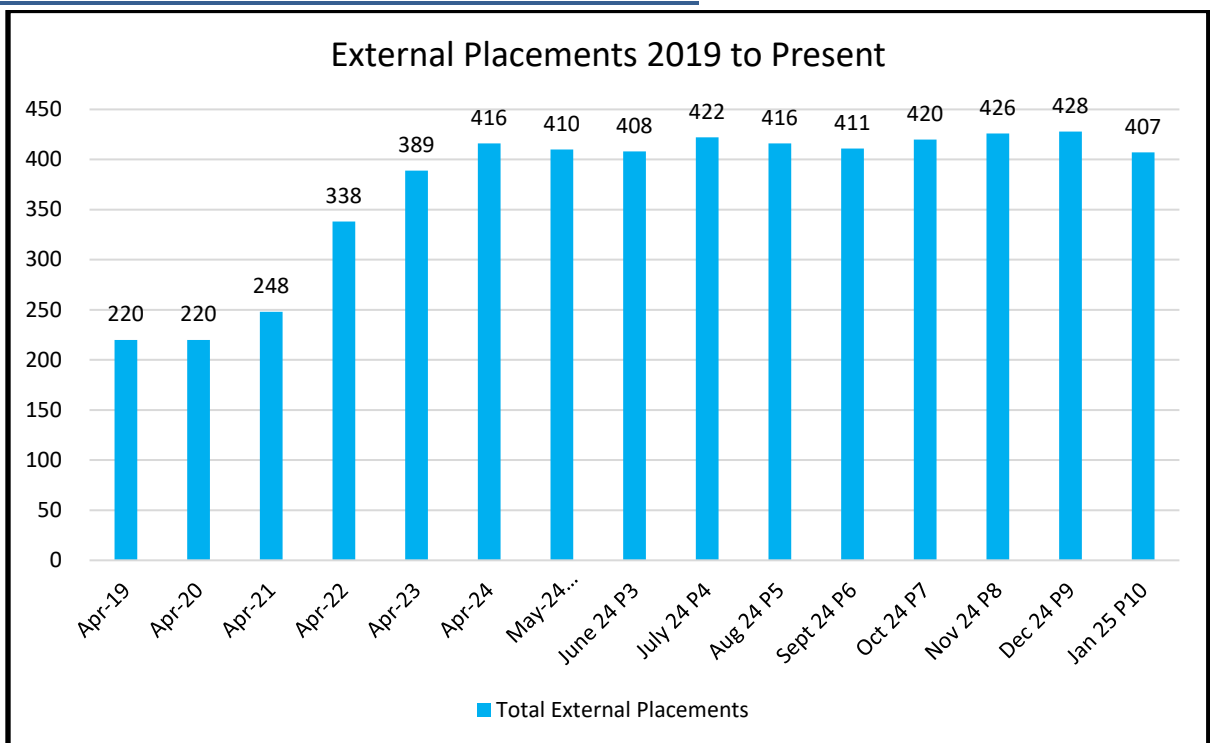
2.5.5. The charts below demonstrate the change in internal placements (Table 2a) and external placements (Table 2b), the latter including Independent Foster Agency (IFA) placements, in recent years.

[Table 2a: Internal Placements 2018 to Present](#)



Internal Placements includes Foster Care, Adoption, Responsibility Orders (RO), Special Guardianship Orders (SGO), and Children’s Homes

Table 2b: External Placements 2018 to Present



External Placements includes External Supported Accommodation (ESA), Independent Foster Agency (IFA), Out-of-Authority (OOA), Parent and Baby units, Secure, Un-Registered, and Agency Placements

Educational Improvement

2.5.6. The Education Improvement Division is currently forecasting an overspend at Period 10 of £1.3 million against a budget of £26.2 million (5.1%). This is due to pressures

associated with volumes of children and young people requiring Home to School Transport.

2.6. Resources Directorate

- 2.6.1. The Resources Directorate is reporting a £(0.3) million underspend against a revised budget of £53.9 million (-0.5%), with further detail provided at Appendix A4. There has been a favourable movement of £(1.2) million since Period 8, which includes £(0.7) million within Policy, Strategy and Digital, primarily due to reductions in IT contract forecasts, increases in staffing underspends and internal income recharges, and a £(0.3) million favourable movement within Workforce and Change, which is mainly due to increased income recharges within Portfolios, Programmes and Projects.
- 2.6.2. There is an overspend of £1.4 million within Finance division which comprises a £2.7 million pressure in relation to insurance due to an increased cost in insurance premia driven by commercial and market conditions. This is partly offset by a favourable forecast position of £(1.0) million across Revenues and Benefits primarily relating to increased summons fee income. Policy, Strategy and Digital is reporting an underspend of £(0.6) million which includes staffing underspends of £(1.3) million as a result of holding posts vacant, the Channel Shift project and overachievement of internal recharges. Again this is partly offset by IT contract and inflationary pressures of £0.6 million. There is a £(0.1) million underspend against budget within Legal and Democratic services, which includes increased external fee income within Statutory Registration, offset in part by locum, disbursement and Barrister/King's Counsel pressures within Legal Services. Workforce and Change is reporting an underspend of £(0.9) million against budget primarily due to overachievement of income, including increased uptake of the staff Holiday Purchase Scheme, increased internal income in relation to the agency contract and increased income recharges; this is offsetting income shortfalls in relation to the Trading with Schools service.
- 2.6.3. The net position for risks and opportunities is a £0.7 million risk. This is mainly due to a risk of £0.5m across Revenues and Benefits, comprised of a £0.6 million risk in relation to 'Gross to Net' Housing Benefit payments, partly offset by potential opportunities in relation to the 22/23 benefits audit of £(0.2) million. There is a further risk of £0.2 million within Policy, Strategy and Digital in relation to a decreased HRA contribution within Service Operations and Performance and Intelligence.

2.7. Growth and Regeneration Directorate

- 2.7.1. The Growth and Regeneration Directorate is forecasting a £3.7 million (5.5%) overspend against its revised net expenditure budget of £66.5 million. This overspend continues to be driven by the need to provide temporary accommodation for people experiencing homelessness in the city. This pressure is currently forecast to lead to a £3.2 million overspend in Housing and Landlord Services. There is also a £1.3 million overspend in Property, Assets and Infrastructure relating to the failure to deliver Property Programme savings which are now expected to be delivered in 2025/26.
- 2.7.2. Savings opportunities continue to be worked through in order to mitigate this forecast overspend. The forecast includes a forecast underspend of £0.9 million which relates to funding, planned for the Bristol Music Trust in relation to the Bristol Beacon, being released. The directorate has worked to balance other pressures through reducing the

costs associated with the council's estate and use of Clean Air Zone funding where appropriate.

3. SAVINGS PROGRAMME – SUMMARY

3.1. The General Fund savings programme for 2024/25 agreed by Council and included in the General fund budget is £34.0 million (per Budget Report Appendix 8). This comprises 24/25 savings of £24.0 million and £10.0 million carried forward from prior years still requiring delivery. In addition to this £34.0 million there were an additional net £11.2* million of savings undelivered at 2023/24's full year outturn (P12 Provisional Outturn Report, Appendix 2, Category D) which also carry forward into 2024/25 for delivery as well as £2.6 million of savings identified and committed as part of business case approvals to date and the reversal of £1.7 million prior year non-recurrent savings. Consequently, a total net £49.5 million savings is tracked for delivery in the current financial year.

(*Previously described as £11.3 million, now revised to exclude £0.04 million business case savings undelivered in 2023/24 which carry forward in to 24/25 for delivery).

Table 3a: Summary of Savings Delivery by Directorate

Directorate	Total savings due in 24/25 per savings tracker £m	Business cases previously agreed £m	Changes approved by DE during 24/25 £m	One-off savings in 24/25 £m	Rollover of undelivered savings from previous year £m	Net - savings as per Budget 24/25 £m Appendix 8	2024/25 Savings reported as safe		2024/25 Savings reported as at risk	
							£m	£m	£m	%
Children's & Education	6.902	-	0.000	(0.697)	(0.890)	5.315	5.602	1.300	19%	
Adults and Communities	16.387	(0.255)	0.000	-	(5.124)	11.008	9.152	7.235	44%	
Resources (& Shareholding)	2.799	(0.264)	0.000	(0.100)	(0.660)	1.775	2.785	0.014	1%	
Growth & Regeneration	13.130	(2.110)	0.000	(0.870)	(4.553)	5.597	11.746	1.384	11%	
Corporate (All)	10.300	-	0.000	-	-	10.300	10.300	0.000	0%	
Total	49.518	(2.629)	-	(1.667)	(11.227)	33.995	39.585	9.933	20%	

Table 3b: Summary of Savings Delivery by Committee

Committee	Total savings due in 24/25 per savings tracker £m	Business cases previously agreed £m	Changes approved by DE during 24/25 £m	One-off savings in 24/25 £m	Rollover of undelivered savings from previous year £m	Net - savings as per Budget 24/25 £m Appendix 8	2024/25 Savings reported as safe	2024/25 Savings reported as at risk	
							£m	£m	%
Children and Young People	6.902	-	0.000	(0.697)	(0.890)	5.315	5.602	1.300	19%
Adult Social Care	16.312	(0.255)	0.000	-	(5.124)	10.933	9.077	7.235	44%
Public Health and Communities	0.688	-	0.000	(0.600)	(0.538)	(0.450)	0.591	0.097	14%
Homes and Housing Delivery	4.479	(2.110)	0.000	-	(0.282)	2.087	5.154	(0.675)	-15%
Transport and Connectivity	4.446	-	0.000	(0.370)	(0.885)	3.191	3.481	0.965	22%
Environment and Sustainability	0.000	-	0.000	-	-	0.000	0.000	0.000	0%
Economy and Skills	0.296	-	0.000	-	(0.086)	0.210	0.196	0.100	34%
Strategy and Resources	16.395	(0.264)	0.000	-	(3.422)	12.709	15.484	0.911	6%
Total	49.518	(2.629)	-	(1.667)	(11.227)	33.995	39.585	9.933	20%

3.2. As at P10, £39.6 million (80%) of savings are considered safe and £9.9 million (20%) are reported at risk and are being monitored and reviewed for delivery or in-year mitigation where possible. Based on likelihood of impact, these reported saving delivery risks are captured either in the forecast outturn at Section 2 above or in the directorates' risk and opportunities register at Section 4 below.

3.3. Savings tracker change requests – the following savings were amended at P10:

3.3.1 Savings ID/name: 24_RM_S_G040 'Bottle Yard Studios additional savings target.' This is a Growth and Regeneration saving of £0.5m. The savings identified will not be made due to the decision to sell Bottle Yard Studios. Alternative savings are expected to be made instead.

4. RISKS AND OPPORTUNITIES

- 4.1. There are other financial risks and opportunities to the Council which have been identified and could materialise during the financial year. These are not reflected in the forecast. They are a combination of costs, savings delivery, income generation and funding opportunities.
- 4.2. The table below summarises the risks and opportunities by directorate and committee. It shows an additional emerging net risk to the General Fund full year forecast outturn of £1.8 million. This reflects net improvement of £3.2 million since P8 which is primarily driven by a reduction of £(2.8) million in Adults and Communities' net risk position following 2 further months of savings non-delivery being formally acknowledged and incorporated now in to the P10 forecast position (£0.6m) combined with the materialisation of what was previously a pressure in Adult purchasing (£2m). Growth and Regeneration's net reduction of less than £0.1 million contains the offsetting impact of the materialisation else removal of £11.5 million of risks and £11.5 million of opportunities in advance of 31 March year end.

Table 4a: Summary Risks and Opportunities by Directorate

Total Net Risks / (Opportunities)	P10		
	Total Net Risk £'000	Total Net Opportunity £'000	Net Risk / (Opportunity) £'000
Directorate			
8 - Adult & Communities	3,262	0	3,262
9 - Children & Education	0	0	0
2- Resources	1,578	(894)	684
4 - Growth & Regeneration	229	(128)	102
Corporate	0	(2,250)	(2,250)
TOTAL	5,069	(3,272)	1,797

Table 4b: Summary Risks and Opportunities by Committee

Total Net Risks / (Opportunities)	P10		
	Total Net Risk £'000	Total Net Opportunity £'000	Net Risk / (Opportunity) £'000
Committee			
Children and Young People	0	0	0
Adult Social Care	2,965	0	2,965
Public Health and Communities	425	(128)	298
Homes and Housing Delivery	525	0	525
Transport and Connectivity	0	0	0
Environment and Sustainability	100	0	100
Economy and Skills	0	0	0
Strategy and Resources	1,578	(3,144)	(1,566)
Total	5,594	(3,272)	2,322
Less Ringfenced budgets:			(525)

	(525)	0	
Total (excluding ringfenced):	5,069	(3,272)	1,797

5. RING-FENCED BUDGETS

5.1. There are a number of funds held by the council where the council must ensure that the income or grant is ringfenced and spent only in specific service areas. The four main activities that are ringfenced through legislation and/or government funding rules and covered in this P10 report are the Housing Revenue Account (HRA), the Dedicated Schools Grant (DSG), Public Health and Bristol Harbour Authority.

5.2. The table below provides an overview of the council's Period 10 forecast position for the 2024/25 financial year.

Table 5: P10 2024/25 Summary Full Year Ring-Fenced Fund Forecast

Period 10 Budget Monitoring - Summary	Approved Budget	Revised Budget	Forecast	Forecast variance at P8	Movement in forecast variance at P10	Forecast variance at P10	Forecast variance at P10
	£'000	£'000	£'000		£'000	£'000	%
Total Housing Revenue Account	(150,982)	(150,982)	(163,059)	(13,228)	1,151.2	(12,077)	8.0%
Total Dedicated Schools Grant	(491,736)	(491,741)	(509,294)	(16,020)	(1,533.1)	(17,553)	3.6%
Total Public Health Grant	0	0	0	(0)	0.0	0	0.0%
Total Bristol Harbour Authority	0	0	(0)	0	(0.2)	(0)	0.0%
Total Ring-fenced Budgets	(642,718)	(642,723)	(672,353)	(29,249)	(382.1)	(29,631)	4.6%

5.3. Housing Revenue Account (HRA)

5.3.1. The Housing Revenue Account (HRA) is a self-financing account, and the Council will ensure it continues to manage within the resources available, including levels of HRA reserves. The HRA does not directly impact on the council's wider General Fund budget. Income to the HRA is primarily received through the rents and other charges paid by tenants and leaseholders.

5.3.2. The HRA is currently forecasting an adverse outturn of £12.1 million against its approved budget of £151 million. The main drivers of this forecast position are adverse variances of:

- £1.7 million for Income - due mainly to lower service charge income and lower rental income due to more void properties
- Negligible net movement within Repairs and Maintenance expenditure. However, a £1.6 million overspend on response repairs due to a backlog of repair works from prior years offsets £1.6 million of spend eligible for capitalisation
- £9.2 million overspend on Supervision and Management. This is mostly due to additional staff costs for compliance with the Housing and Consumer standards,

additional insurance costs and additional security costs due to the delay to the fire alarm project

- £1.4 million additional depreciation charge
- £1.8 million assets write off
- £0.3 million additional council tax charges for void properties
- £0.8 million increase in forecast impairment provision.

5.3.3. These overspends are expected to be partially offset by favourable variances of £1.3 million against energy costs in communal areas, lower interest payable of £1.4 million and additional interest receivable of £0.4 million. Any overspend reported at the year end 31 March 2025 will be contained within the HRA general reserves.

5.4. Dedicated Schools Grant (DSG)

5.4.1. 2024/25 gross allocation for Dedicated Schools Grant (DSG) approved budget of £491.7 million was approved at Full Council in February 2024. This equated to a net amount of £220.1 million after deduction for academies recoupment, National Non-Domestic Rates (NNDR) and direct funding of high needs places by Education and Skills Funding Agency (ESFA).

5.4.2. The DSG budget is subject to ESFA revisions during the year for academy conversion recoupment and changes to validated pupil and place data determined from termly headcount and other data collections. The revised gross budget notified in November 2024 is £491.7 million (net amount £214.6 million after in-year deductions for academy conversions, revised Early Years headcounts, and High Needs import/export adjustments up to November 2024).

5.4.3. Against the revised budget, the DSG is forecasting to overspend by £33.0 million in 2024/25. However, this is mitigated due to Safety Valve contributions from the Department for Education (DfE) and from Bristol City Council so that the revised mitigated overspend is £17.6 million, representing a 3.6% forecast overspend on the DSG.

5.4.4. The forecast overspend is due to both the increasing numbers of children and young people with Education Health and Care Plans (EHCPs) being placed in high-cost Independent Non-Maintained Schools resulting from a current lack of sufficiency of local maintained provision and also from delays in the development of new local provision so that some of this new provision will not now become available for use until 2025/26.

5.4.5. The forecast expenditure at P10 demonstrates an adverse movement since P8 of £1.5m due mainly to the reprofiling of contributions over the deficit recovery period and also due to the allocation of non-statutory top-up funding in respect to a Nursery cohort transitioning to Primary, together with increased volumes and associated costs of Personal Budgets and children being provided with education other than at school (EOTAS).

- 5.4.6. Early Years is forecasting a net in-year balanced position. However, this position includes a forecast pressure of £0.6 million demand for top up funding on SEND.
- 5.4.7. Central Schools Services Block (CSSB) is showing a forecast overspend of £0.2 million due to a change in budget and increased costs of national copyright licences.
- 5.4.8. Schools Block and the High Needs Transformation programme are forecasting in-year balanced positions.
- 5.4.9. Bristol City Council formally joined the Safety Valve programme at the end of 2023/24, and the DSG ended the year with an £18.5 million in-year overspend. Whilst the forecast overspend in the DSG is continuing to grow, the Safety Valve programme is developing mitigations to meet demand for SEND support within available funding.

Table 6: Period 10 - DSG Summary Full Year Forecast

Bristol Dedicated Schools Grant 2024/25	2023/24 b/fwd	Gross DSG Funding 2024/25	P10 DSG Forecast	In-Year Variance P10	Forecast c/wd
	£m	£m	£m	£m	£m
Schools	(2.311)	344.379	344.379	0.000	(2.311)
De-Delegation	(0.464)	0.000	(0.001)	(0.001)	(0.465)
Central School Services Block	(0.001)	2.729	2.956	0.227	0.226
Early Years	(0.262)	55.464	55.451	(0.013)	(0.275)
High Needs Block	62.647	89.168	121.979	32.811	95.457
High Needs Transformation	(0.982)	0.000	0.000	0.000	(0.982)
DSG Funding	0.000	(491.741)	(491.741)	0.000	0.000
Total Gross (Unmitigated)	58.626	0.000	33.024	33.024	91.649
Safety Valve	(21.520)	0.000	(15.470)	(15.470)	(36.990)
Net Total	37.106	0.000	17.554	17.554	54.659

5.5. The Public Health Grant

5.5.1 Public Health (PH) Grant of £36.4 million was awarded for 2024/25 by Department of Health and Social Care (DHSC). At the end of Period 10 Public Health is reporting no variance to budget.

5.6. Bristol Harbour Account

5.6.1 The Bristol Harbour Account holds budget of £0.6 million following disaggregation from the Management of Place division in Growth and Regeneration. At the end of Period 10 the Harbour Account is reporting no variance to budget.

6. CAPITAL SUMMARY

6.1. The Capital programme budget at Period 10 has been revised down by £31.1 million, from £337.4 million at Period 8, to £306.3 million. This decrease relates to the re-profiling of £31.9 million relating to the HRA into future periods as set out in the P8 report (as approved at Strategy and Resources Committee 20 January 2025) offset by recent approvals and delegated decisions of £0.8m as set out below.

Table 7: Budget Movements P8 to P10 2024/25

Directorate	Budget P8	Budget P10	Movement
	£m	£m	£m
Childrens & Education	18.0	18.0	0.0
Adults & Communities	7.5	7.5	0.0
Growth and Regeneration	118.6	119.4	0.8
Resources	4.3	4.3	0.0
Bristol Harbour Fund	1.1	1.1	0.0
GF service Total	149.5	150.3	0.8
Housing Revenue Account	177.9	146.0	(31.9)
HRA service Total	177.9	146.0	(31.9)
HRA & GF Service Total	327.4	296.3	(31.1)
Corporate Contingencies & Funds	10.0	10.0	0.0
Capital Programme Grand Total	337.4	306.3	(31.1)

Growth and Regeneration

PE06C - Local Authority Housing Fund (LAHF) 2024/25 Grant award for refugees accommodation (£676k). The balance relates to low value grant and S106 income added to the programme.

6.2. The Capital programme budget comprises £150.3 million for General Fund (excluding corporate and other technical adjustments budget totalling £10.0m) and £146.0 million for the HRA. The forecast variation against budget at Period 10 is a £26.3 million

underspend, representing a £13.2 million underspend on General Fund (8.8% of the GF Total), plus £7.5 million underspend on corporate contingency and adjustments, and a £5.6 million underspend on the HRA (3.8% of the HRA Total).

Table 8a: P10 2024/25 Capital Programme Forecast Summary By Directorate

Approved Budget (Feb 24)	Budget Changes up to P10	Directorate	Revised Budget	Actual Spend to date	Budget Spend to date	P10 Forecast Outturn	Forecast to Budget Variance
£m	£m		£m	£m	%	£m	£m
42.5	(24.5)	Childrens & Education	18.0	10.9	61%	15.4	(2.6)
7.8	(0.3)	Adults & Communities	7.5	4.5	60%	5.5	(2.0)
151.1	(31.7)	Growth and Regeneration	119.4	71.9	60%	111.9	(7.5)
2.7	1.6	Resources	4.3	1.3	30%	3.2	(1.1)
2.6	(1.5)	Bristol Harbour Fund	1.1	0.6	51%	1.1	0.0
206.7	(56.4)	GF service Total	150.3	89.2	59%	137.1	(13.2)
358.0	(212.0)	Housing Revenue Account	146.0	102.2	70%	140.4	(5.6)
358.0	(212.0)	HRA service Total	146.0	102.2	70%	140.4	(5.6)
564.7	(268.4)	HRA & GF Service Total	296.3	191.4	65%	277.5	(18.8)
12.0	(2.0)	Corporate Contingencies & Funds	10.0	1.0	10%	2.5	(7.5)
576.7	(270.4)	Capital Programme Grand Total	306.3	192.4	63%	280.0	(26.3)

Last Year 2023/24 Comparison at end of Period 10

298.1	(30.3)	Capital Programme Grand Total	267.8	153.6	57%	239.9	(27.9)
Actual Expenditure achieved - 2023/24 Outturn Report £232m							

Table 8b: P10 2024/25 Capital Programme Forecast Summary By Committee

Approved Budget (Feb 24)	Budget Changes up to P10	Policy Committee	Revised Budget	Actual Spend to date	Budget Spend to date	P10 Forecast Outturn	Forecast to Budget Variance
£m	£m		£m	£m	%	£m	£m
42.5	(24.5)	Children and Young People	18.0	10.9	61%	15.3	(2.7)
3.8	(1.8)	Adult Social Care	2.0	0.1	5%	0.1	(1.9)
9.6	(1.5)	Public Health and Communities	8.1	6.0	74%	7.6	(0.5)

385.8	(215.5)	Homes and Housing Delivery	170.3	115.5	68%	158.6	(11.7)
49.6	(3.9)	Transport and Connectivity	45.7	32.9	72%	48.5	2.8
12.8	(3.5)	Environment and Sustainability	9.3	5.6	60%	10.1	0.8
15.4	5.4	Economy and Skills	20.8	11.7	56%	16.7	(4.1)
57.2	(25.1)	Strategy and Resources	32.1	9.7	30%	23.1	(9.0)
576.7	(270.4)	Capital Programme Grand Total	306.3	192.4	63%	280.0	(26.3)

6.3. The spend for the first ten months of the year (£191.4m excluding contingencies) is lower than expected compared to the annual budget (65%). This suggests that some programme budgets will need to be re-profiled into future years following full year financial close. This would be reported in the P12 2024/25 provisional outturn report and at P2 for 2025/26. Should this trajectory follow the same path over the remaining months of the year, this predicts a spend deficit of £66.6m (22%) compared to the latest budget (£296.3m). However, this does not take account of the council's pattern of higher expenditure towards the end of the financial year which would indicate an outturn in the region of £260m (12% slippage compared latest budget, 6% compared to latest forecast).

6.4. The material forecast changes are summarised below.

6.4.1. Children and Education

- PE02 - Schools Organisation/SEN Investment Programme £(2.2) million forecast underspend. Slippage is now expected on Broomhill Infants and Juniors, Harry Crook Centre, Oasis New Oak, Oasis Longcross and North Star 82.
- PE01 - School Organisation/ Children's Services £0.3 million forecast acceleration of spend anticipated on the Sefton Park and Ashley Down kitchen refurbishments.
- PE06 - Children Social Care Services £(1.2) million forecast underspend. The conversion and renovation work to the Children's Homes is not expected to complete until around June 2025.
- CRF2 – South Bristol Youth Zone. £0.5 million forecast acceleration of spend. £4.0 million of the budget for the South Bristol Youth Zone was previously reprofiled to future years. The development agreement has now been signed and work is progressing quicker than previously envisaged, with milestone payments of around £0.5 million due this financial year.

6.4.2. Adults and Communities

- PE06B - Adult Social Care – Better Lives at Home Programme (£2.0) million reprofiling into future periods due to changes in delivery plans of the two main ASC programmes which are expected to start in 2025/26 and be completed in 2027/28. Planned start date for the New Fosseyway is in June 2025 with expected practical completion date of December 2026. However, the planned start date for the Blake Centre site is in October 2025 and the expected practical completion date will be in November 2027.

6.4.3. Growth and Regeneration

- PL30 – Housing Delivery Programme (£4.1) million: forecast underspend following the reprofiling of £2.5 million on Hengrove Work Package 3 after delays for Goram Homes in securing planning consent, and delays in agreeing and mobilising Goram’s programme of works with their delivery partner (Vistry) and sub-contractors. In addition, smaller slippages are forecast on four other schemes following realignment of the forecast to the updated milestones and scheme progress status.
- GR03 - ASEA 2 Flood Defences (£3.4) million: the forecast underspend arises due to a change in the funding source. It had previously been envisaged that this would be reclaimed from Economic Development Fund (EDF), however the majority of this year’s construction work will now be funded through the Flood Defence Grant in Aid (held by South Gloucestershire Council) and not from EDF. This reduces the forecast to £0.3 million.
- NH07 – Private Housing (£1.3) million: This is on mandatory DFG adaptation due to revision of forecasts based on assessment of spend to date and additional works anticipated to be carried out by the end of the year in this demand led workstream.
- GR17 – Local Transport Schemes (£1.1) million: forecast underspend due to the A432 Fishponds Road Local Safety Improvements. This project covers both Bristol and South Gloucestershire, with Bristol currently holding the budget. An agreement is currently being agreed for the transfer of South Gloucestershire’s portion of the budget (£1m).
- PE06C Local Authority Housing Fund (LAHF) - Refugee Resettlement (£0.8) million: Afghan Resettlement (£0.1m) slippage on forecast revision to reflect anticipated slippage of acquisition of one unit into next financial year. LAHF Round 3 (£0.7m) slippage to next year as unlikely to be spent this year given the withdrawal of interest by Ashley Community & Housing. Curo Group have since been approached and confirmed that they can act as our delivery partners.
- GR15 – Active Transport £1.5 million: primarily due to an overspend on the East Bristol Liveable Neighbourhood project of £1.1m. This is due to delays to the trial scheme implementation caused by disruption to works. Additionally, the iterative nature of the project has meant that some costs have been realised that were not originally forecasted at the OBC stage. Overspends are also seen on the Old City and King Street LCWIP (£0.3m) and Streetspace 1 Overton Road, Princess Street (£0.3m) projects, alongside an underspend on Park Row ATF3 (£0.2m).
- GR14 – Public Transport £2.9 million: primarily due to overspends on the Strategic Corridors City Centre (£1.4m) and A4 Portway (£1.5m) projects. These overspends are not true overspends and are due to approved budgets not yet having been loaded into the authority’s accounting system. Compared to approved budgets, both projects are forecast to be on budget.

6.4.4. Resources (£1.2 million)

- The forecast reduction of £(1.2) million within the Resources directorate primarily relates to RE07 Digital Transformation Programme for Networks where an underspend of £(0.9) million has been confirmed following a detailed review of the project in December 2024.

6.4.5. Housing Revenue Account (£5.6 million)

- HRA2 - New Build and Land Enabling (£4.2) million. This is made up of:-

Underspend/Slippage:

- Brunel Ford (£0.3m) – forecast slipped on scheme being delayed due to challenges including scheme costs coming much higher than approved budget. Decision to proceed with the scheme has now been made after a pause and the work is expected to commence in April/May 2025.
- Branwhite (£0.6m) – forecast slippage due to delays arising from illegal encampment on site. The site is in contractor's control and PCSA work is being undertaken.
- Brentry (£0.5m) – forecast slippage based on the contractor advising of project delays on account of various factors including slower response on Section 38 and street lighting advice matters.
- Filwood Cinema (£1.6m) – forecast updated to align to the most recent status of the scheme's progress.
- Cedar House (£0.8m) – forecast slippage owing to various delays including a review of fire strategy that resulted in the need for additional works.
- Romney House – Developer led (£1m) – forecast slipped on account of further delays on site. We are waiting to get a new works programme and cashflow forecast from the developer.
- Cameron Centre (£0.9m) – forecast slippage arising from scheme delays caused by issues in gaining vacant possession.
- Site Feasibility & Conversions (£0.3m) – forecast slippage arising on account of time to be needed for getting vacant possession of the properties and completing their appropriation from the General Fund.
- Other smaller downward adjustments to forecasts made on the below schemes to align to anticipated full year spend outturn based on most recent progress level and other relevant factors:
 - Conversion Project (£0.2m)
 - Bell Close (£0.2m)
 - 96-98 West Street (£0.2m)
- Various other small slippage/forward slippage arising on alignment of forecast to the spend to date and other relevant factors, summing up to a net slippage of (£0.3m).

Spend Brought Forward/Overspends:

- Leinster Avenue £0.5m- Brought forward to align to the most recent anticipated full year spend based on an updated estimate in light of progress of works to date.
- Lawrence Weston and New Kingsland £0.8m – now the scheme is complete, forecast updated to account for all other payments that will be made within 2024/25 except for the final retention money.

- EDAROTH £1m – Brought forward to align with revised 24/25 spend estimates given the planning approval has now been achieved.
- Acquisition Programmes £0.4m – Brought forward to adjust the full year forecast to the latest status of progress on the programme. A significant slippage of forecasts on these schemes had been recorded in the previous periods.
- HRA1 – Planned Programme – Major Projects (£1.4) million as a result of:-
 - Walwyn Gardens (£0.8 million) – forecast slippage due to delays in works progress caused by issues around loft shaft and drainage and also to some extent slower than expected pace of work on the part of the contractor
 - Ropewalk House (£0.3 million) – forecast slippage due to delays in tender award
 - Beaufont House (£0.5 million) -forecast slippage due to delays caused by the contractor's Building Safety Regulation (BSR) application being rejected. A revised application is being worked on
 - Fire Alarm Installations (£0.7 million) -forecast slippage arising on alignment of forecasts to the most updated status of progress on the scheme.
 - Windows - Cityleap (£0.5 million) - forecast slippage arising on alignment of forecasts to the most updated status of progress.

These are offset by the following spend brought forward:-

- Bishport Major Works £0.3 million - Acceleration of budget due to additional costs on windows and cladding arising from the fire damage to the flat. This additional cost is being contained within the total budget and within the budgeted timeframe.
- Major Adaptation £1.1 million. Acceleration of budget to cover for the higher than previously anticipated adaptation cases in this demand led workstream. These additional costs will be managed within the HRA business plan.

7. OTHER DECISIONS

- 7.1. Finance key decision number 41 to accept and spend £1.8 million Holiday Activity and Food Programme grant funding for 2025/26 to improve the well-being, social engagement and health outcomes of children from low-income families during the school holidays.
- 7.2. Finance key decision number 40 to accept and spend up to £6.7 million Drug and Alcohol Treatment and Recovery intervention Grant (DATRIG) for 2025/26 to deliver duties in line with the conditions of the grant and Bristol's local drug strategy.