

SUMMARY HEADLINES

Latest Financial Position

The graphs on the dashboards summarise the financial performance of the Council.

The latest revenue forecast outturn shows an overspend of £8.5m (compared to £9.0m P2). The pressures are relating to:
 People £7.4m (£7.2m) - mainly due to the rising cost of care packages for adults, and Property £2.6m (£2.9m) - mainly due to unachieved savings.

Progress on delivery against the savings tracker is 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 £5.9m (18%) are marked as low confidence. The top 3 include, recommissioning Community Support Services, reshaping our Children Centre Services and seeking efficiencies from our property portfolio. 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 £160m. Current forecasts for the year total £155m. However an extrapolation of P3 actuals would suggest an outturn of £148m. 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 £7m.

Net Risks & Opportunities

Risks identified across the Council, resulting from a combination of internal & external pressures; as at P3 total £28.4m to which mitigations are proposed. The major risks include:

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

In converse opportunities for greater than budgeted income generation or costs reduction total £22.2m. The net risk (yellow bar on the corresponding graph) indicates a further net risk exposure of £3.1m as at P3. This assumes a 50% (medium) chance of these risks materialising. This position must be considered in the context of the overall level of reserves.

The latest capital outturn projection is £213.6 m, compared to the latest Budget position of £223.7m, an underspend of £10.1m. This projection is a fully funded position and the spend as at P3 is £10.7m which represent just 5% of the projected outturn. This figure is low and reflects the fact that many allocations with the programme are earmarked subject to busoness case and Cabinet approval, which is still awaited.
 2017/18 underspends are reported within the HRA capital programme £4.8m primarily to be delays to major block refurbishments and People £3.6m, mainly in Schools Organisation/Childrens Services.
 Over all years Place projects are forecast to overspend by £6.7m including Metrobus £4.3m, Renewable energy £5.0m, offset ny underspend on Vehicle Replacement of £2.3m

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
£ 365 m		9.1	8.5									
	2016/17	29.2	30.9	31.1	27.5	17.5	16.9	11.0	11.6			10.5

2. Revenue Position by Dep

Budget Area	Over/ (under) spend £m
People	7.4
Place	1.7
Neighbourhoods	-0.2
Resources & City Director	-0.3

3. Savings Delivery RAG Status

	17/18	Total value of savings (£m)	Value at risk (£m)	Risk (%)
R No - savings are at risk		12.3	6.4	52%
G Yes - savings are safe		20.8	0.1	0%
Grand Total		33.1	6.5	20%

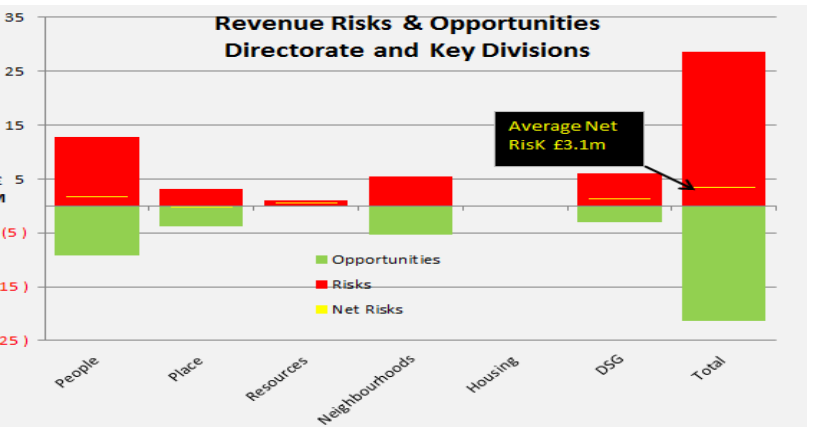
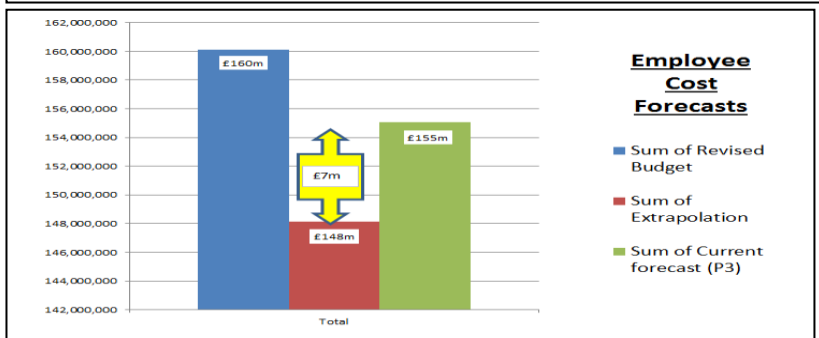
	18/19	Total value of savings (£m)	Value at risk (£m)	Risk (%)
R No - no plan in place		1.6	1.5	97%
A Yes - plan in place but still to deliver		12.2	0.1	1%
G Yes - savings can be taken from budget		2.7	0.0	0%
Grand Total		16.5	1.6	10%

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 - Recommission community support services	1.3
RS03 - Reshape Children's Centres' services	0.8
BE2 - Review our property services	0.8
BE7 - Organisational redesign including the council's senior management structures	0.6
RS02 - Reduce road maintenance budgets	0.4

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)
BE3 - Restructure Admin and Business Support Teams	0.5
FP14 - In-house enforcement	0.3
BE1 - Restructuring support teams	0.3
RS02 - Reduce road maintenance budgets	0.3
BE23 - Registrar's office improvements	0.1

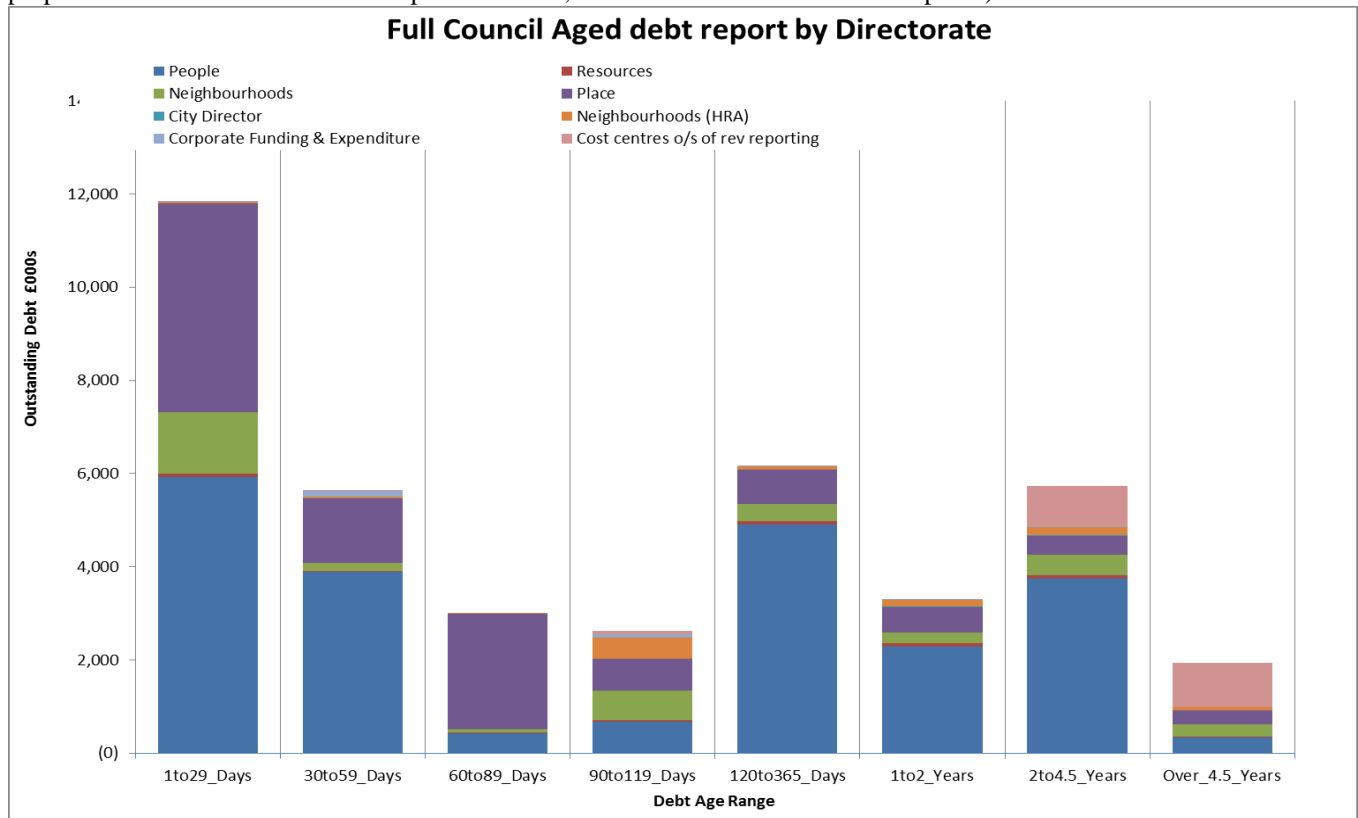


Capital Programme

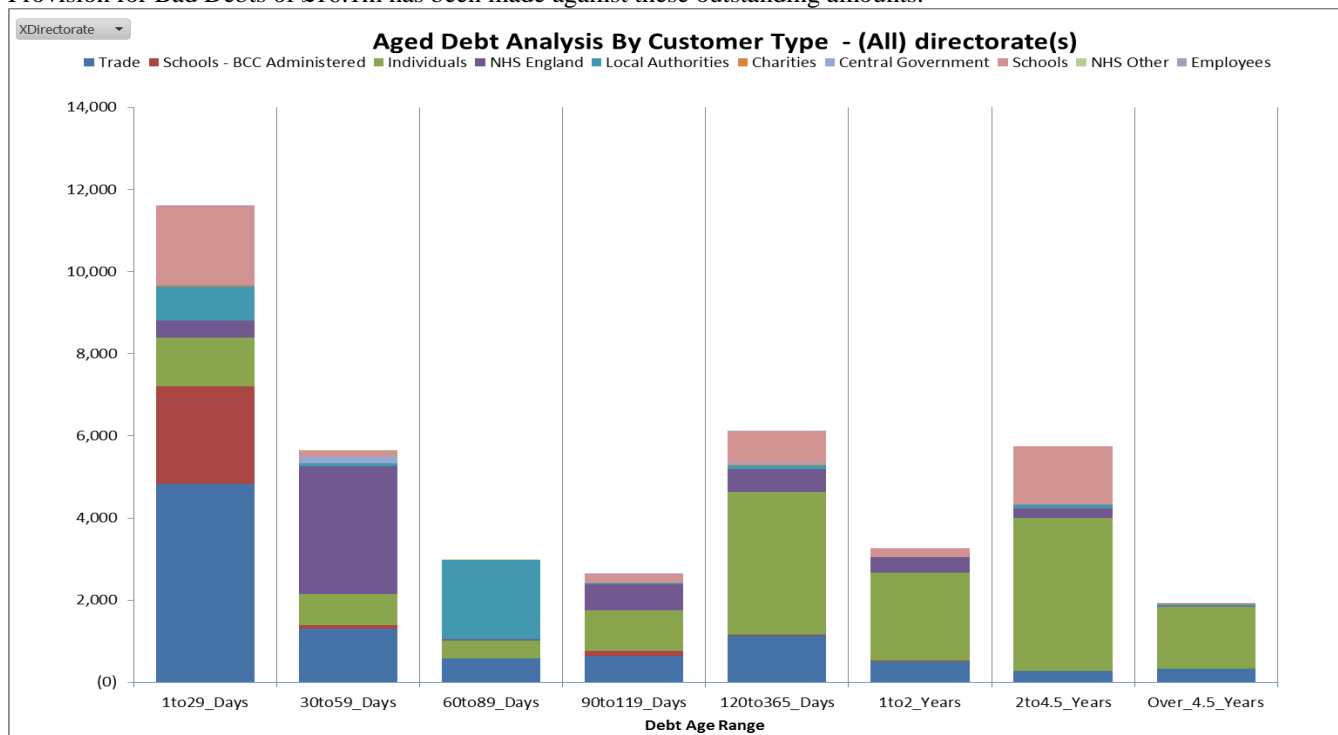
Project Ref.	SUMMARY	Total Revised Approved Budget	Spend to 31st March 2017	In Year - 17/18			Future Years		FY Total		All Years	
		A	B	C	D	E	F	G	H (=F+G)	I (=E+H)	A-I	
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
People		182,628	34,395	36,663	3,265	33,112	-3,551	37,179	75,651	112,830	180,337	-2,291
Place		545,955	75,288	112,625	2,810	112,731	108	107,483	257,184	364,667	552,686	6,751
Neighbourhoods		36,910	8,181	10,343	483	9,178	-1,165	8,278	11,400	19,678	37,037	1,271
Resources		35,611	11,394	9,417	-368	9,043	-374	6,900	8,100	15,000	35,437	-174
City Director		-66	-66	0	0	0	0	0	0	0	-66	0
Corporate		62,264	7,735	12,577	0	12,279	-298	11,000	31,000	42,000	62,014	-250
HRA		270,543	48,767	42,076	4,470	37,263	-4,813	47,100	132,600	179,700	265,730	-4,813
Grand Total		1,133,945	185,694	223,701	10,660	213,606	-10,056	217,940	515,935	733,875	1,133,175	-670

Debt Management

At the end of P3 the Council had £39.8m of aged debt; £11.1m of which has been outstanding for more than a year. The majority of the debt relates to Social Care. (There is currently £1.5m of aged debt which is currently not attributed to departments, a large proportion of which relates to the People directorate, and will be reflected in the P4 reports.)



Provision for Bad Debts of £16.1m has been made against these outstanding amounts.



36% of debts are owed by individuals, and these are the majority of the older debts. Trade debtors make up 24%, whilst Schools (including BCC administered) owe £7.4m which is 17% of the total. NHS £5.4m (14%) and Local Authorities £3.0m (8%) make up the majority of the remainder. Larger debtors are being prioritised for action, especially those that are also creditors, so that future potential payments can be held against outstanding debts.