

## 1. General Fund

- 1.1. The Council is currently forecasting a £4.3m overspend on the approved general fund budget (£376.3m). At this point of the financial year any immitigable risks of overspend may trigger supplementary estimate at year-end. However it is expected that managers will continue to carry out actions that would mitigate these risks.
- 1.2. The table below provides a summary of the current forecast position by directorate for 2019/20. Additional service details are provided for each Directorate in individual appendices.

Figure 1: General Fund Forecast Net Expenditure

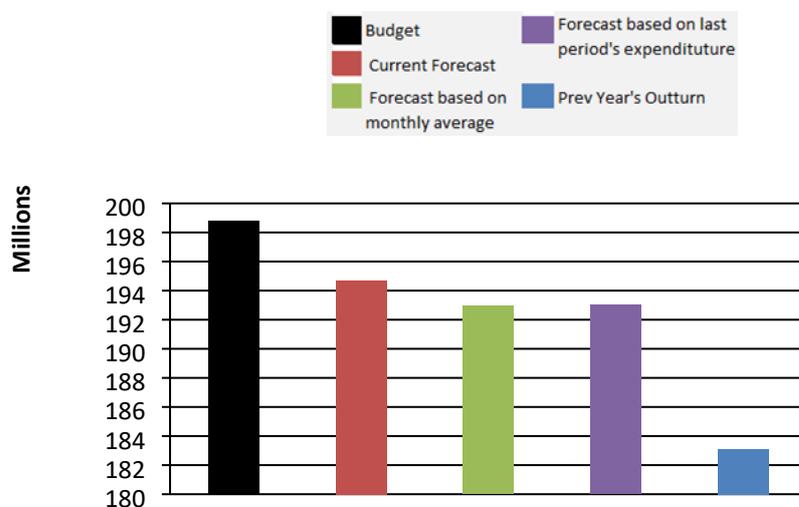
Approved Budget*	Directorate	Revised Budget	Outturn	Variance	Variance as % of Net Budget
£m		£m	£m	£m	
226.6	People	226.9	229.8	2.8	1.2%
53.7	Resources	53.1	54.9	1.7	3.3%
61.0	Growth and Regeneration	59.7	59.7	0.0	(0.0%)
<b>341.3</b>	<b>Sub-total</b>	<b>339.7</b>	<b>344.3</b>	<b>4.6</b>	<b>1.3%</b>
35.0	Other Budgets**	36.6	36.4	-0.2	(0.6%)
<b>376.3</b>	<b>Net Expenditure Total</b>	<b>376.3</b>	<b>380.6</b>	<b>4.3</b>	<b>1.2%</b>

\*Other Budgets includes capital financing and borrowing costs, and nun-apportioned central overheads.

- 1.3. The forecast overspend in People is predominantly within Adult Social Care (£2.2m) meanwhile assuming a level of the planned efficiency initiatives will be delivered in the service against the c£4m target. Adult Social Care has seen sharp increases in demand for residential care for over 65s linked with hospital discharges since May 2019. There are also increasing costs in providing residential support to transitioning young people to adulthood and providing support to working age adults in the communities. Contracting arrangements are being reviewed and options are being considered that include changing elements of the payment mechanism. However it must be stated that there is a concern that if the emerging trend for older adults continues, the ability to deliver a balanced budget by the end of the financial year will be unachievable.
- 1.4. The Education improvement budget forecast remains at risk of overspend of £0.5m. (no change compared to P5), and principally relating to Home-School Transport. This is a recurrent issue and was addressed by a temporary supplementary estimate in 2018/19. For 2019/20, the service is pursuing a range of initiatives to manage demand and cost, including: procuring a new software system to get better management information and to improve route planning; participating in a Department for Education project looking at good practice in Home-School Transport; and considering how the SEN Capital Strategy can help minimise the need for transport by having provision where it is needed.
- 1.5. The remaining forecast overspend is within Commercialisation and Citizens in the Resources Directorate where the forecast £0.7m in P5 has increased to £1.7m. Reasons are that the Bristol Investment Fund has transferred into the division from Growth and Regeneration with a pressure of £0.25m relating to a shortfall in making the savings target in-year. This had been highlighted as a risk in the Growth and Regeneration risk log but has now been forecast as a pressure. The current review of Facilities Management has highlighted further pressures on savings (£0.6m) which could be improved if the service is successful with a current tender bid plus forecast costs for security, salary and software costs.
- 1.6. At this mid-point of the financial year more certainty is built into the forecast and Figure 2 below illustrates that the difference between the budget holders' forecast on employees spend and the

extrapolated current monthly averages are moving closer. There could be scope to make further savings through salaries however there are factors such as turnover provision that also need to be accounted for.

Figure 2: Employee cost run-rate comparison to management forecast



## 2. Ring-Fenced Accounts

### Housing Revenue Account

- 2.1. The HRA is forecasting an underspend of £1.4m against the budget set and this relates to the recruitment and retention issues in the Construction industry generally, and the service is seeking to fill vacancies and over programme where possible in order to ensure maximum deliverability of the planned programme. Any underspend at year-end will be built into the future programme.

### Dedicated Schools Grant

- 2.1. The total Dedicated Schools Grant (DSG) budget, including amounts recouped by the Education and Skills Funding Agency for Academies is £357.1m for 2019/20 and this includes accelerated funding of £ 2.407m from 2020/21. The DSG is currently forecasting an in year underspend of £0.653m which will add to the carried forward balance of £1.9m in the DSG reserve.
- 2.2. The High Needs budget includes transfers from other block of £2.566m and the accelerated funding of £2.407m from 2020/21, therefore the underlying position for High Needs is a shortfall of c.£5m. The forecast is broadly in line with this budget, showing £0.106m overspend. SR19 announcement indicated the funding position for DSG over the next 3 years this includes additional High Needs funding for DSG. This additional funding coupled with the High Needs Transformation Programme will aim to ensure a balance budget position by end of year 3 and to deliver service improvements taking any opportunities to transfer funding from other blocks within the DSG budget to best meet our need.
- 2.3. Early years DSG income is based on actual take up of places and measured at 4 census points during the year. The first 2 of these are available and the forecast is based on these participation levels, along with an estimate of future levels, giving an underspend of £0.759m. As actual levels are notified both the income and forecast will vary during the year.

### Public Health

- 2.4. Public Health is forecasting to deliver a balance budget in 2019/20 which remains consistent with

P5. The total grant receipt of £31.6m included a 2.5% reduction (£0.9m) this year. The risk that the agreed 2019/20 budget may be overspent to a value of £0.7m (P5) has now reduced to £0.14m through a combination of releasing savings through restructure and decommissioning.

## 2.5. Virements

Figure 3 summarises the inter-directorate virements up until P6. Material virements which relate to £1.6m of the £2m central charge adjustments are finance adjustments for prudential borrowing which includes Residents Parking, Trenchard Street Car Park, Bus Shelters and Metrobus.

Figure 3: Summary of Virement Transactions as at P6

Directorate	Allocation of inflation	Service Changes	Addition Income/Grant	Inflation Adjustment	Central Charge adjustments	Intra Cost Centre adjustments	Reallocation of savings	Grand total
	£'000							
People		201	0	171	0	0	-11	361
Resources		-201	20	0	-19	-152	-230	-583
Growth and Regeneration	160	0	-20	235	-1,961	175	214	-1,197
Corporate Funding & Expenditure	-160	0	0	-406	1,981	-23	26	1,418
Grand total	0	0	0	0	0	0	0	0

## 3. Savings Programme

- 3.1. The savings / efficiency programme agreed by Council in 2018 included savings totalling £11.7m for 2019/20. There was also £6.1m of savings with largely one off activity carried forward from 2018/19 to 2019/20 which still require full delivery in 2019/20, therefore increasing the total savings delivery target for 2019/20 is £17.8m.
- 3.2. At P6 £3.65m of £17.8m savings are reported to be at risk where further work / mitigating actions may be required in order to deliver. This is a slight reduction from P5. Of the £3.65m savings that are still at risk, £2.0m relates to the Adult Social Care Better Lives Programme and the remainder relates to Council-wide cross-cutting savings initiatives.
- 3.3. One adjustment has been made within the target (which remains at £17.8m) and this relates to £0.22m transferring from Growth and Regeneration to Resources in relation to the movement of the Bristol Investment Fund budgets to Resources.

Figure 3: Summary of Delivery of Savings by Directorate

Directorate	2019/20 Savings £m	2019/20 Savings reported as safe	2019/20 Savings reported as at risk	
		£m	£m	%
People	<b>8.98</b>	<b>6.90</b>	<b>2.09</b>	<b>23%</b>
Resources & Cross-Cutting	<b>4.39</b>	<b>3.49</b>	<b>0.90</b>	<b>20%</b>
Growth and Regeneration	<b>4.41</b>	<b>3.75</b>	<b>0.66</b>	<b>15%</b>
<b>Total</b>	<b>17.79</b>	<b>14.14</b>	<b>3.65</b>	<b>21%</b>

## Period 6 Budget Monitoring - Summary

	2019/20 - Full Year			
	Approved Budget	Revised Budget	Forecast Outturn	Outturn Variance
	£000s			£000s
<b>People</b>				
Adult Social Care	148,805	148,998	151,157	2,159
Children and Families Services	62,439	62,436	62,505	69
Educational Improvement	12,103	12,274	12,859	585
Public Health - General Fund	3,237	3,237	3,237	0
<b>Total People</b>	<b>226,584</b>	<b>226,945</b>	<b>229,758</b>	<b>2,813</b>
<b>Resources</b>				
Digital Transformation	12,130	12,168	12,168	0
Legal and Democratic Services	6,898	6,808	6,928	120
Finance	10,898	10,921	10,962	41
HR, Workplace & Organisational Design	10,568	10,413	10,154	(259)
Policy, Strategy & Partnerships	2,939	3,035	3,128	93
Commercialisation & Citizens	10,259	9,764	11,516	1,752
<b>Total Resources</b>	<b>53,692</b>	<b>53,109</b>	<b>54,856</b>	<b>1,747</b>
<b>Growth &amp; Regeneration</b>				
Housing & Landlord Services	11,649	11,602	11,302	(301)
Development of Place	1,277	1,287	1,292	5
Economy of Place	2,678	3,410	3,696	286
Management of Place	45,389	43,385	43,388	4
<b>Total Growth &amp; Regeneration</b>	<b>60,993</b>	<b>59,684</b>	<b>59,678</b>	<b>(6)</b>
<b>SERVICE NET EXPENDITURE</b>	<b>341,269</b>	<b>339,738</b>	<b>344,292</b>	<b>4,554</b>
<b>Levies</b>	857	857	860	3
Corporate Expenditure	34,174	35,300	35,085	(215)
Capital Financing	0	405	405	0
Corporate Revenue Funding	(376,299)	(376,299)	(376,299)	0
<b>TOTAL REVENUE NET EXPENDITURE</b>	<b>0</b>	<b>0</b>	<b>4,343</b>	<b>4,343</b>

## HOUSING REVENUE ACCOUNT SUMMARY

	2019/20 - Full Year			
	Approved Budget	Revised Budget	Forecast Outturn	Outturn Variance
	£000s			£000s
<b>Housing Revenue Account</b>				
Strategy, Planning & Governance	(102,687)	(102,687)	(103,095)	(408)
Responsive Repairs	26,192	26,192	26,895	703
Planned Programmes	18,095	18,095	18,983	887
Estate Management	9,408	9,408	8,699	(710)
HRA - Funding & Expenditure	11,745	11,745	11,745	0
HRA - Capital Financing	11,617	11,617	11,617	0
HRA - Year-end transactions	25,630	25,630	25,630	0
<b>Total Housing Revenue Account</b>	<b>0</b>	<b>0</b>	<b>474</b>	<b>474</b>

## RING FENCED BUDGETS

	2019/20 - Full Year			
	Approved Budget	Revised Budget	Forecast Outturn	Outturn Variance
	£000s			£000s
Public Health	0	0	0	(0)
Dedicated Schools Grant	(0)	(0)	0	0
<b>Total Ring fenced budgets</b>	<b>(0)</b>	<b>(0)</b>	<b>0</b>	<b>0</b>