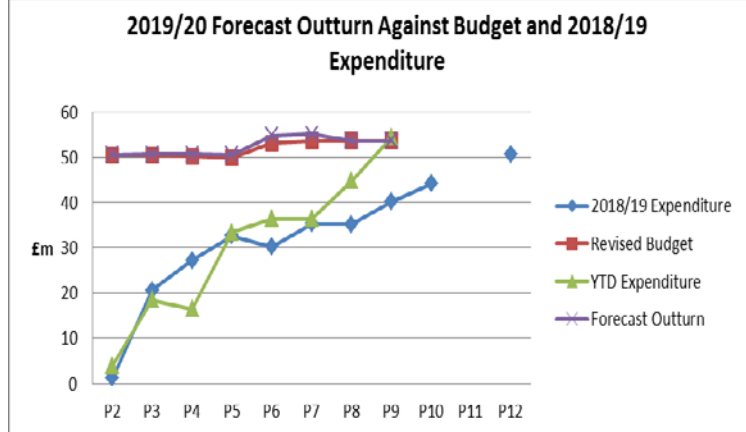


a: 2019/20 Summary Headlines

Revised Budget	Forecast Outturn	Outturn Variance
P9 £53.6m	£53.7m	£0.1m overspend

b: Budget Monitor

1. Overall Position and Movement

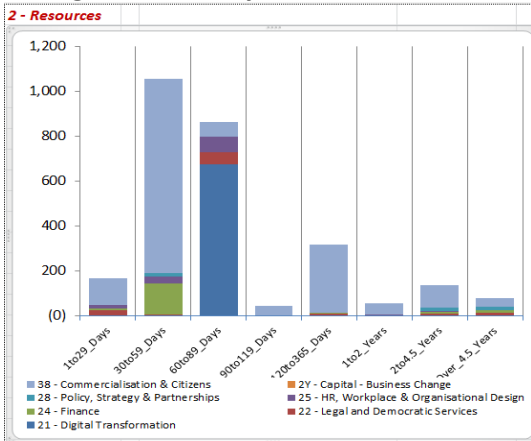


Revised budget	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
53.6	0.2	0.3	0.5	0.7	1.7	1.5	0.1	0.1			
	▲	▲	▲	▲	▲	▼	▼	▲			

2. Revenue Position by Division

Revenue Position by Division	2019/20 - Full Year			Outturn Variance
	Approved Budget	Revised Budget	Forecast Outturn	
	£000s			
Digital Transformation	11.5	11.7	11.5	(0.2)
Legal and Democratic Services	6.9	6.8	6.5	(0.3)
Finance	11.5	11.6	11.6	(0.0)
HR, Workplace & Organisational Design	10.6	10.4	9.9	(0.5)
Policy, Strategy and Partnerships	2.9	3.0	2.9	(0.1)
Commercialisation and Citizens	10.4	10.1	11.3	1.2
Total	53.9	53.6	53.7	0.1

3. Aged Debt Analysis



Key Messages:

The forecast total outturn is unchanged this month, continuing to indicate a £0.1m overspend.

Within the services there was a slight (£50k) improvement in forecast due to increases in internal trading recharges for both Legal Services and for Democratic Services.

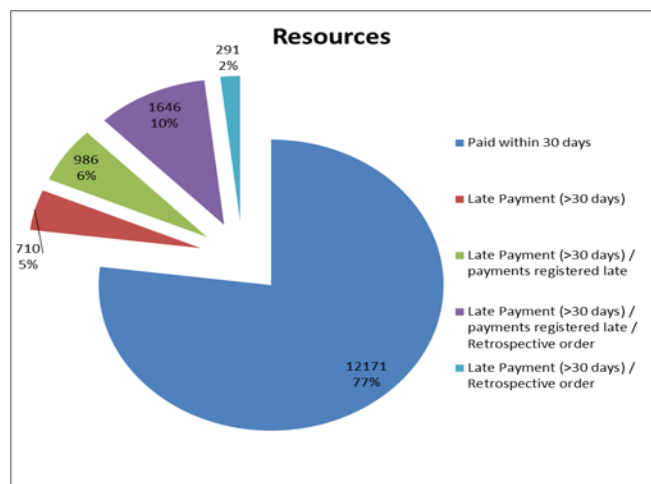
The £0.1m total forecast variance at P9 is primarily due to –

- Digital Transformation – where eligible expenditure within the IT Transformation Programme is to be funded by Capital Receipts (as approved by Cabinet 3/7/19) thereby enabling the release of £0.2m core budget.
- Legal and Democratic Services - releasing £0.2m from the Electoral Services Election budget not required for 2019 or 2020 elections and increasing internal trading recharges by £0.1m.
- HR, Workplace and Organisational Design - forecasting a net underspend of £0.5m arising from £0.6m savings due to salary underspends (recruitment delays/non recruitment), sub-contract savings and L&D underspend offset by a £0.1m pressure in the annual Holiday Purchase Scheme.
- Policy, Strategy and Partnerships - identifying £0.1m spend attributed to BREXIT preparedness and appropriately rechargeable to the BREXIT funding budget.
- Commercialisation and Citizens – where there is a £1.5m adverse result forecast within Commercialisation and Citizens’ Facilities Management representing 18/19 underachieved savings challenges brought forward and combined with additional savings challenges for 19/20 (subtotal £0.3m). In addition, Cleaning and Events’ face risks to income budgets of £0.6m whilst Building Security, Building Practice, Property Services, Stationery and Mail face combined risks to cost budget of £0.6m.

This FM risk is to be offset by TWS increasing income by £0.3m and by £0.38m of one-off funding being transferred from the Mayor's savings consultation reserve to reduce the 2019/20 impact of saving scheme FP01-Third Party Savings. From 20/21 ongoing full mitigation of this £0.38m is proposed in the annual budget.

Payment Statistics

Division	Amount Paid (£)	Number of invoices paid	Average days to pay	Late Payment (>30 days)	Invoice registered late (>30 days after invoice date)	% of late payments registered late	Invoices paid without order	Retrospective order
2 - Resources								
21 Digital Transformation	9,810,795	2,358	56	716	30%	494 21%	14 1%	606 26%
22 Legal and Democratic Services	3,515,003	1,929	46	659	34%	537 28%	13 1%	814 42%
24 Finance	2,547,527	974	35	193	20%	142 15%	329 34%	46 5%
25 HR, Workplace & Organisational Design	2,540,026	1,548	30	221	14%	143 9%	1 0%	267 17%
28 Policy, Strategy & Partnerships	885,243	685	26	101	15%	30 4%	0 0%	72 11%
2Y Capital - Business Change	9,671,902	670	33	127	19%	77 11%	0 0%	34 5%
38 Commercialisation & Citizens	11,682,750	7,640	35	1,616	21%	1,218 16%	22 0%	2,314 30%
2-ResourcesTotal	40,653,245	15,804	38	3,633	23%	2,641 17%	379 2%	4,153 26%



Invoices Paid Without An Order:
The majority of these invoices occur within Finance and relate to Council Tax collection and debt enforcement.

Retrospective Order:
The majority of these invoices arise within Commercialisation and Citizens' Facilities Management.

c: Risks and Opportunities

5. Savings Delivery RAG Status

19/20 Resources Directorate Savings Target (£'000s):							4,785																		
	This month			Last month			Top 5 largest savings at risk in 19/20 (ordered by size of saving at risk)																		
	Total value of savings (£'000s)	Value at risk (£'000s)	Proportion at risk	Total value of savings (£'000s)	Value at risk (£'000s)	Proportion at risk																			
No - savings are at risk	1,516	1,249	82%	1,516	688	45%	<table border="1"> <thead> <tr> <th>ID</th> <th>Name of Proposal</th> <th>Value at Risk in 19/20 (£'000)</th> </tr> </thead> <tbody> <tr> <td>NEW1-2</td> <td>*17/18 Rollover*Facilities Management Savings</td> <td>£ 873</td> </tr> <tr> <td>NEW3-2</td> <td>17/18 Rollover - Generate additional income from our historic assets</td> <td>£ 230</td> </tr> <tr> <td>BE7-4</td> <td>18/19 rollover - Corporate saving - ongoing mitigation to be identified</td> <td>£ 120</td> </tr> <tr> <td>IN31</td> <td>Reviewing options for cash payments and/or cash related traded services</td> <td>£ 15</td> </tr> <tr> <td>BE6-7</td> <td>18/19 rollover - Mitigation for Workforce policy and review - Resources Directorate Savings Target</td> <td>£ 11</td> </tr> </tbody> </table>	ID	Name of Proposal	Value at Risk in 19/20 (£'000)	NEW1-2	*17/18 Rollover*Facilities Management Savings	£ 873	NEW3-2	17/18 Rollover - Generate additional income from our historic assets	£ 230	BE7-4	18/19 rollover - Corporate saving - ongoing mitigation to be identified	£ 120	IN31	Reviewing options for cash payments and/or cash related traded services	£ 15	BE6-7	18/19 rollover - Mitigation for Workforce policy and review - Resources Directorate Savings Target	£ 11
ID	Name of Proposal	Value at Risk in 19/20 (£'000)																							
NEW1-2	*17/18 Rollover*Facilities Management Savings	£ 873																							
NEW3-2	17/18 Rollover - Generate additional income from our historic assets	£ 230																							
BE7-4	18/19 rollover - Corporate saving - ongoing mitigation to be identified	£ 120																							
IN31	Reviewing options for cash payments and/or cash related traded services	£ 15																							
BE6-7	18/19 rollover - Mitigation for Workforce policy and review - Resources Directorate Savings Target	£ 11																							
Yes - savings are safe	3,226	0	0%	3,102	0	0%																			
SAVING CLOSED - CONFIRMED AS 'SECURED & DELIVERED'	43	0	0%	43	0	0%																			
NO RAG PROVIDED	0	0	n/a	0	0	n/a																			
Grand Total	4,785	1,249	26%	4,661	688	15%																			
n/a - represents one off savings or mitigations in previous year	-2,374	0	0%	-2,374	0	0%																			
Accelerated efficiencies (balancing line)	-268	0	0%	-268	0	0																			
WRITTEN OFF	23	0	0%	23	0	0%																			
Grand Total	2,166	1,249	58%	2,042	688	34%																			
							Mitigated savings from previous years' that remain 'due' for delivery this year (£'000)																		
							Amount due from previous year(s): £ 1,696																		
							Amount reported at risk: £ 984																		

Key Changes since last month:

- FP01-8A One off mitigations within Neighbourhoods & Communities service (£124k):** Following approval at Delivery Executive of the FP01-8 Change Request to split the mitigations for the FP01 £380k shortfall, £124k of this savings has been transferred to the Resources Directorate target, but also marked as safe for 19/20. This represents a one off mitigation only. Although the rest of this saving continues to sit in Resources base budget, it was agreed the other £256k at risk was to be mitigated from G&R.
- IN31 Reviewing options for cash payments and/or cash related traded services (£50k):** The value of savings at risk has reduced from the full amount (£50k) to £15k this month.
- NEW1-2 *17/18 Rollover*Facilities Management Savings (£873k):** The value of savings at risk has increased this month from £257k to the full amount (£873k) now reporting at risk for 19/20. This has also led to the increase to the 'rollover risk from 18/19'.
- NEW3-2 17/18 Rollover - Generate additional income from our historic assets (£250k):** The value of savings at risk has reduced by £20k this month leaving a total continued risk of £230k.
- It is understood that some of the FM savings are moving to new Director ownership - given the long history with some of these savings and challenges in delivering, this requires formal handover and confirmation of acceptance by the new Director, before change request can be formalised.

6. Revenue Risks and Opportunities

Division	Risk or Opportunity	Which may impact on costs	Risk/(Opportunity) £	Likelihood (%)	Net Risk /(Opportunity) £
Policy, Strategy and Partnerships	Risk	Non recovery of forecast internal trading income - staff time	583,000	30%	174,900
Policy, Strategy and Partnerships	Opportunity	Begin to recharge YTD internal trading income - staff time (40% now recovered as at P9)	(583,000)	30%	(174,900)
Finance	Risk	Non recovery of forecast internal trading income - staff time (8% recovered as at P9)	499,000	70%	349,300
Finance	Opportunity	Begin to recharge YTD internal trading income - staff time	(499,000)	70%	(349,300)
Finance	Risk	Risk & Insurance - prior year costs	114,000	100%	114,000
Finance	Opportunity	Risk & Insurance - bottom line underspends or Risk and Insurance reserve	(114,000)	100%	(114,000)
Finance	Risk	Annual LA errors going above the upper threshold	238,000	50%	119,000
Finance	Opportunity	Reduction in Subsidy income received, relating to the LA Error going above the upper threshold will be met from earmarked	(238,000)	50%	(119,000)
Finance	Risk	Risk if the actual net HB payments are 0.2% higher than forecast	285,000	50%	142,500
Finance	Opportunity	Opportunity if the actual net HB payments are 0.2% lower than forecast	(285,000)	50%	(142,500)
Commercialisation and Citizens	Risk	Facilities Management - ongoing budget risk. Continues to be evaluated alongside measures to mitigate.	552,550	100%	552,550
Commercialisation and Citizens	Risk	Trading With Schools	300,000	50%	150,000
					702,550

7. Capital

Approved Budget	Revised Budget	Expenditure to Date	Forecast Outturn	Outturn Variance
£18.7m	£16.1m	£7.6m	£16.0m	£0.1m under
		47% of budget	99% of budget	

Ref	Scheme	Budget	Expenditure to Date	Forecast	Variance	Expenditure to date	Forecast
Resources							
NH08	Omni Channel Contact Centre (ICT System development)	0	(44)	0	0		
PL21	Building Practice Service - Essential H&S	3,504	1,530	3,207	(297)	44%	92%
PL27	Vehicle Fleet Replacement Programme	2,391	2,112	2,560	169	88%	107%
PL36	Investment in Markets infrastructure & buildings	90	21	90	0	23%	100%
RE01	ICT Refresh Programme	1,620	95	1,620	0	6%	100%
RE02	ICT Development - HR/Finance	1,317	861	1,317	0	65%	100%
RE03	ITTP – IT Transformation Programme	6,399	2,955	6,399	0	46%	100%
RE05	Mobile Working for Social Care (Adults & Children)	781	104	781	0	13%	100%
Total Resources		16,102	7,633	15,974	(128)	47%	99%

The ICT capital programme budgets have been revised to reflect latest forecasts. These include the ICT Refresh programme (which includes the roll out of new laptops) which has been re-profiled from 19/20 to 20/21 and the IT Transformation Programme with latest milestone reviews.