

a: Revenue Budget Monitor

	Revised Budget	Forecast Outturn	Outturn Variance	Of which :	
				Covid	Non Covid
P07	£50.5m	£58.9m	£8.4m overspend	£8.5m	£(0.1)m
P06	£50.6m	£58.1m	£7.7m overspend	£8.1m	(£0.4m)

May	June	Aug	Sept	Oct	Nov	Dec	Jan	Feb
7.6	5.4	8.7	7.7	8.4				
	▲	▼	▲	▼				

Position by Division

Period 7 Budget Monitoring - Summary

General Fund	2020/21 - Full Year			P7 Forecast Variance				Movement vs P6: Increase /(Decrease)		
	Revised Budget	Revised Outturn	Revised Outturn Variance	COVID-19 Exp	COVID-19 Inc	COVID	Non-COVID	COVID	Non-COVID	Total Movement
	£000s			£000s		£000s		£000s		
Resources										
Digital Transformation	15,598	14,956	(642)	200	350	550	(1,192)	250	(0)	250
Legal and Democratic Services	8,164	8,802	638	695	277	972	(334)	0	(67)	(67)
Finance	9,044	13,898	4,854	3,614	1,985	5,599	(745)	117	(90)	27
HR, Workplace & Organisational Design	14,337	17,886	3,549	600	680	1,280	2,269	(3)	492	489
Policy, Strategy & Partnerships	3,384	3,384	0	60	0	60	(60)	0	(9)	(9)
Total Resources	50,527	58,926	8,399	5,169	3,292	8,461	(62)	364	326	690

Key Messages:

There has been slight budget movement in Period 7 so that, in order to complete the transfer of Cultural Services, £42k full year budget has with approval moved from Resources to the Growth and Regeneration Directorate.

The full year forecast position has deteriorated by a further £0.7m this month. £0.4m of this is driven by Covid whilst £0.3m is not directly due to Covid.

In closer detail –

- Digital Transformation has reduced its previous forecast underspend by £0.3m down from a net £0.9m to a £0.6m underspend. This move recognises that Covid has required an increased spend in smartphones and dongles to facilitate working from home.
 - Legal and Democratic Services indicate a small improvement in full year forecast reflecting an expectation that court costs will be lower than previously expected and that more of the Legal team's workload relates to and will therefore be rechargeable to Capital projects.
 - Finance shows a negligible net move in the month. However the Benefits service is forecasting an additional £0.2m pressure due to the provision of free school meals during October half-term. Offsetting this to some extent, Procurement is forecasting up to a £0.1m improvement to its assessed view of PPE costs. These are both Covid-related.
- The Revenues service sees a £0.1m reduction in costs for non-Covid reasons. It predicts that there will be various one-off non-staff related savings this year, for example in printing costs and also due to the deferral of the single person discount.

- HR, Workplace and Organisational Design are now presented here with Facilities Management and those services remaining under Commercialisation and Citizens since the recent disaggregation of this division also included. The division shows a deterioration in forecast for non-Covid reasons of £0.5m. This is due to a £0.2m reduction in Trading With Schools requirement for contracted HR Services as schools continue to reclassify as academies. In addition, during business consolidation of Facilities Management and Commercialisation & Citizens, previously reported £0.3m duplication of saving was identified and removed.

Savings Delivery

20/21 Resources Directorate Savings Target (£'000s):							3,258															
	This month			Last month			Top 5 largest savings at risk in 20/21 (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	0	0	n/a	0	0	n/a	<table border="1"> <thead> <tr> <th>ID</th> <th>Name of Proposal</th> <th>Value at Risk in 20/21 (£'000)</th> </tr> </thead> <tbody> <tr> <td></td> <td>No savings reporting as at risk in 20/21</td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> </tr> </tbody> </table>	ID	Name of Proposal	Value at Risk in 20/21 (£'000)		No savings reporting as at risk in 20/21										
ID	Name of Proposal	Value at Risk in 20/21 (£'000)																				
	No savings reporting as at risk in 20/21																					
Yes - savings are safe	1,832	0	0%	1,832	0	0%																
SAVING CLOSED - CONFIRMED AS SECURED & NOT AT RISK	1,426	0	0%	1,426	0	0%																
NO RAG PROVIDED	0	0	n/a	0	0	n/a																
Grand Total	3,258	0	0%	3,258	0	0%																
n/a - represents one off savings or mitigations in previous year	-1,340	0	0%	-1,340	0	0%	<table border="1"> <thead> <tr> <th colspan="3">Mitigated savings from previous years' that remain 'due' for delivery this year (£m)</th> </tr> </thead> <tbody> <tr> <td>Amount due from previous year(s):</td> <td>£</td> <td>1.60</td> </tr> <tr> <td>Amount reported at risk:</td> <td>£</td> <td>-</td> </tr> </tbody> </table>	Mitigated savings from previous years' that remain 'due' for delivery this year (£m)			Amount due from previous year(s):	£	1.60	Amount reported at risk:	£	-						
Mitigated savings from previous years' that remain 'due' for delivery this year (£m)																						
Amount due from previous year(s):	£	1.60																				
Amount reported at risk:	£	-																				
Accelerated efficiencies (balancing line)	268	0	0%	268	0	0%																
WRITTEN OFF	0	0	n/a	0	0	n/a																
Grand Total	2,186	0	0%	2,186	0	0%																

Key Changes since last month:
NO CHANGES IN P7 - reminder below of the key changes in P6:
 1. There have been a number of significant changes for the Resources Directorate this month due to the Change Request approved at DE on the 30/09/20. A large number of the 20/21 savings in 20/21 weren't deliverable and have 'rolled over' into 21/22. This change request confirms mitigation for a large group of savings in resources via IT underspend or Covid funds. The changes relating to 20/21 are as follows:
 - BE42 Reducing Fraud & Avoidance - split into BE42-a and BE42-b, with £50k relating to COVID-19 mitigation and the remaining £50k to continue as original plans. Both are marked **as safe** for 20/21.
 - BE43 Improved Debt Management - split into BE43-a and BE43-b, with £50k relating to in year COVID-19 mitigation and the remaining £100k rolling into 21/22. Marked **as safe** for 20/21 and 21/22.
 - BE6-7 18/19 rollover - mitigation for Workforce Policy & Review - split into BE6-7-a and BE6-7-b, with £23k relating to OTHER mitigation and £60k in line with original plans (both now marked **as safe**).
 - IN23-2 18/19 rollover - More income from commercial opportunities - split into IN23-2-a and IN23-2-b, with £150k relating to in year COVID-19 mitigation and £310k relating to OTHER mitigation, both of which have been marked **as safe** for 20/21.
 - NEW 1-2x and NEW 1-2y 17/18 rollover Facilities Management savings - split into NEW1-2x-a and NEW1-2y-a, with £446k relating to in year COVID-19 mitigation and £49k relating to OTHER mitigation, both of which have been marked **as safe** for 20/21.
 - BE7-4 18/19 rollover - CORPORATE SAVING now reporting full £120k **as safe** for 20/21
 - NEW 3-2 17/18 rollover - generate additional income from our historical assets - now reporting full £250k **as safe** for 20/21

b: Risks and Opportunities

Risk or Opportunity	Description of impact	Risk/(Opportunity) £	Likelihood (%age)	Net Risk /(Opportunity) £
Risk	Annual LA errors for 19/20 going above the lower or upper threshold following external audit review. Risk estimated to be between £400k to £500k.	450,000	50%	225,000
Opportunity	Reduction in Subsidy income received, relating to the LA Error going above the lower or upper threshold for the previous financial year will be met from earmarked reserves.	(450,000)	50%	(225,000)
Opportunity	Forecast assumes that locums will be engaged until the end of the financial year. This is dependent on the implementation of the team re-structure	(280,000)	25%	(70,000)
Opportunity	Facilities Management	(522,000)	50%	(261,000)
Risk	Digital Transformation - Contracts	300,000	100%	300,000
Opportunity	Digital Transformation - Contracts	(300,000)	50%	(150,000)
Risk	Digital Transformation - Internal Income Recharge	300,000	100%	300,000
Opportunity	Digital Transformation - Internal Income Recharge	(100,000)	100%	(100,000)
				76,686

c: Capital

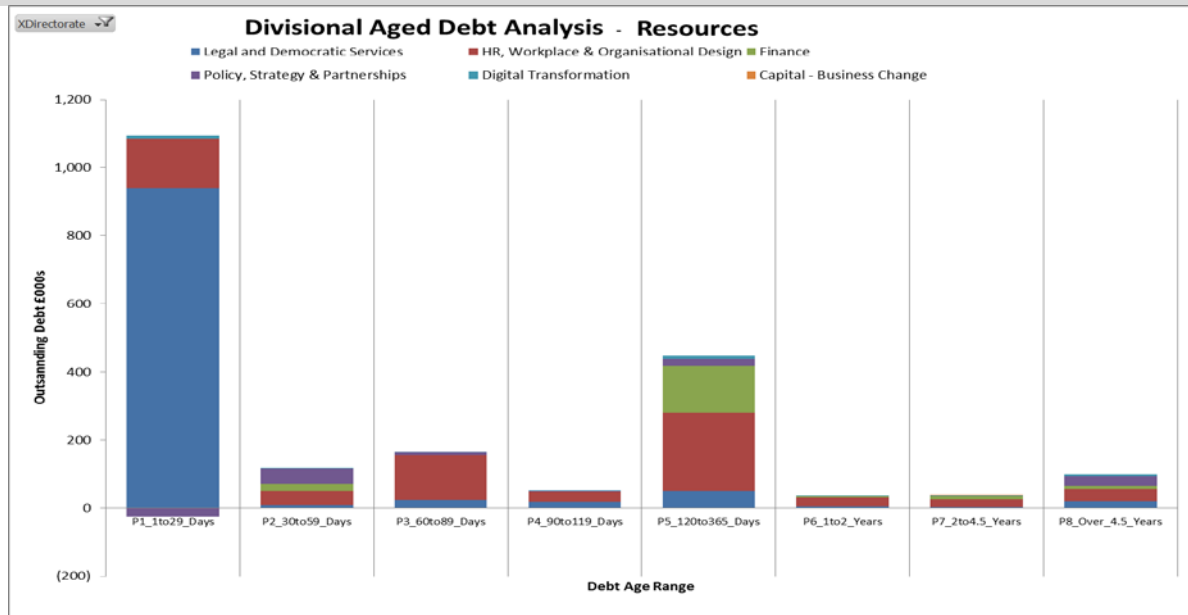
Approved Budget £17.7m	Revised Budget £17.9m	Expenditure to Date £13.8m 77% of Budget	Forecast Outturn £18.0m 101% of budget	Outturn Variance £0.1m
---	--	--	--	---

Gross Expenditure by Programme			Current Year (FY2020)				Scheme Total for Current Timeframe (FY2020 : FY2024)				
Ref	Scheme	Description	Budget	Budget Manager Forecast	Variance based on budget manager forecast		Budget	Forecast	Variance		
			£000s	£000s	£000s	%	£000s	£000s	£000s	%	
Resources											
PL21	Building Practice Service - Essential H&S	Health & Safety works to maintain the structural fabric and condition of existing Council buildings to meet statutory compliance.	2,200	2,200	(0)	0%	11,698	11,698	0	0%	
PL27	Vehicle Fleet Replacement Programme	Vehicle Fleet replacement programme.	1,244	1,244	0	0%	3,345	3,345	0	0%	
RE01	ICT Refresh Programme	A programme of investment to replace and upgrade the Council's ICT assets.	5,643	5,643	0	0%	9,753	9,753	0	0%	
RE02	ICT Development - HR/Finance	Development of HR/Finance System.	517	517	0	0%	517	517	0	0%	
RE03	ITTP – IT Transformation Programme	Investment that will be required to support ICT infrastructure including a Cloud Hosting solution.	8,317	8,351	34	0%	8,459	8,459	0	0%	
XX02	Technical Accounting (Year end adjustments)	NA	0	80	80	0%	0	80	80	0%	
Total Resources			17,921	18,034	114	1%	33,772	33,852	80	0%	

Key Messages:

- IT Transformation Programme has increased its current year forecast by a further £34k, again accelerating budget previously planned for 21/22 in to 20/21. Its' total forecast programme spend remains in line with the programme's approved budget.
- The Technical Accounting line item of £80k represents Covid-related emergency Capital IT purchases (such as laptops). Both these low level pressures in current year spend will be offset by forecast underspends across other BCC Directorate projects.

d: Aged Debt



Within Resources, outstanding income now totals £2.0m representing an increase of £0.7m since last month. £1.4m of this falls within the 1 - 119 days window and relates largely to Facilities Management Services. At 120 days the debt is referred to the Council's Debt Recovery Team. The 120 - 4.5 years window represents £0.6m of which £0.3m relates to 3 companies and pay recovery is being progressed. A further £0.1m is in the process of being written off having previously been fully provided against.