

a: Revenue Budget Monitor

	Revised Budget	Forecast	Outturn	Of which :	
P02	£53.1m	£56m	£2.9m overspend	Covid	Non Covid
				£3.5m	(£0.6m)

May	June	Jul/Aug	Sept	Oct	Nov	Dec	Jan	Feb
2.9								

Position by Division

	2021/22 - Full Year					Variance Analysis				
	Approved Budget	Revised Budget	Forecast Outturn	Outturn Variance		COVID-19 Exp	COVID-19 Inc	Gross COVID Impact	Covid Service Grants/Income	Non-COVID
	£000s			£000s	Context	£000s				
Resources										
Digital Transformation	15,305	15,165	15,344	179		221	0	221		(42)
Legal and Democratic Services	8,484	8,484	8,187	(297)		22	0	22		(319)
Finance	8,885	8,885	12,033	3,148		2,298	829	3,127		21
HR, Workplace & Organisational Design	16,546	17,146	17,030	(116)		0	162	162		(278)
Total Resources	52,655	53,115	56,031	2,916		2,541	991	3,532	0	(616)

Key Messages:

Of note across the divisions:

- **Digital Transformation** is forecasting a £0.2m overspend. As a consequence of COVID-19 there continues to be a requirement for additional Zoom licences costing £0.1m and for additional phone numbers and phone usage also costing £0.1m.
- **Legal and Democratic Services** is forecasting a (£0.3m) underspend. Land charge income was budgeted to be transferred to Central Government but this move is currently delayed. The forecast assumes that this delay will be for the full year.
- **Finance** is forecasting a £2.9m overspend. The Benefits service is forecasting a £2m pressure which relates to ongoing emergency and hardship fund payments due to COVID-19. The Revenues service is forecasting a shortfall of £0.9m relating to the ongoing loss of summons and overpayments income. It is assumed at this stage that recovery activity will recommence in the second half of the year.
- **HR, Workplace and Organisational Design** is forecasting a (£0.1m) underspend. This consists of a COVID-19 pressure of £0.2m due to loss of external income on venue hire and on Security and Cash In Transit. This is forecast to be offset by a non-COVID underspend of (£0.3m) due to a one year (£0.2m) saving on Fleet Services depreciation (with the delayed investment in replacement fleet vehicles) and (£0.1m) arising in Building Practice where current vacancies have been put on hold due to the Common Activities programme.

It should be noted that £0.5m savings targeted to be made as part of Common Activities programme were initially set against HR as part of the approved Budget 21/22. Since these savings are expected to be generated as a result of review and re-structure across Bristol City Council, this £0.5m has been re-assigned from HR budget to Corporate budget.

Savings Delivery

21/22 Resources Directorate Savings Target (£'000s):

3,493

	This month			Last month			Top 5 largest savings at risk in 21/22 (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	ID	Name of Proposal	Value at Risk in 21/22 (£'000)
No - savings are at risk	2,235	2,115	95%				21_NS_04	Third Party Savings	£ 500
Yes - savings are safe	978	0	0%				21_NS_05	Corporate Landlord Delivery Model	£ 500
SAVING CLOSED - CONFIRMED AS 'SECURED & DELIVERED'	280	0	0%				21_NS_03	Common Activities	£ 380
NO RAG PROVIDED	0	0	n/a				21_New03	Centralisation of contract management	£ 250
Grand Total	3,493	2,115	61%				NEW-4_Amended	Digital Transformation savings (Replaces legacy rollovers from 1920)	£ 140
n/a - represents one off savings or mitigations in previous year	-1,448	0	0%				Mitigated savings from previous years' that remain 'due' for delivery this year (£m)		
WRITTEN OFF	1,205	0	0%				Amount due from previous year(s):		£ 0.12
Grand Total	3,250	2,115	65%				Amount reported at risk:		£ -

Key Changes since last month:

n/a

b: Risks and Opportunities

Division	Risk or Opportunity		Risk / (Opportunity)	Likelihood (%)	Net Risk / (Opportunity)	Detailed Comment
Digital Transformation	Risk	Digital Transformation - Contracts	500,000	80%	400,000	Microsoft Desktop Licensing agreement new contract commences July 2021 and due both to an increase in the unit price of the licences and also to an increase in the total number of licences required over the lifetime of the contract, there will be an additional commitment of up to £0.5m in 21/22
Digital Transformation	Risk	Digital Transformation - Contracts	300,000	80%	240,000	Microsoft Azure Licensing agreement new contract commenced May 2021 for the continued use of Azure Cloud based infrastructure. The contract value commitment in 21/22 is £0.3m greater than 2021 actual and in addition there is a delay in switching off of legacy support tools that will be replaced by Azure as this awaits the progress of the DTP business case.
Digital Transformation	Risk	Digital Transformation - Contracts	237,000	100%	237,000	Resources Legacy issue saving of £140k and contribution to Print Scanning & Strategy budget under Print & Mail project £97k to FM both wired from existing Digital Transformation contract budgets. These items represent a savings offered up by the Division however measures to reduce spend still to be agreed. Whilst the DTP is progressing, in the short term, solutions such as stopping non-essential unlied support contracts and reduction in staff numbers will be examined.
Digital Transformation	Opportunity	Digital Transformation - Contracts	(837,000)	80%	(669,600)	Systems Support Team transferred from People with £0.2m pressure in 2021. DT confirmed that staffing pressure will be offset in 21/22 by fully absorbing into existing DT staffing budgets.
Digital Transformation	Opportunity	Digital Transformation - Staffing	(200,000)	100%	(200,000)	Year on year overachievement of Citizens Services income target resulted in £0.125m being used as contribution to write-off of Resources carried forward legacy issues. This overachievement may not be repeated.
Digital Transformation	Risk	Citizens Services - Income	125,000	100%	125,000	To explore ways of increasing income levels during 21/22
Digital Transformation	Opportunity	Citizens Services - Income	(125,000)	100%	(125,000)	Staff charged to ITTP have been retained but there is currently no confirmed funding stream to cover the additional costs. If no funding stream identified then the DT BAU budget will pick up the pressure.
Digital Transformation	Risk	Digital Transformation - Income	370,000	50%	185,000	Awaiting progress of Digital Transformation Programme business case to confirm recharging of DT BAU staff time plus identification of further internal projects to recharge staff time to.
Digital Transformation	Opportunity	Digital Transformation - Income	(370,000)	50%	(185,000)	In 2021, there was an increase in Telephone Communications spend due to increase in smart phone & dongle numbers and usage charges through staff working at home because of COVID. The DT 21/22 forecast has £0.150m as a full year COVID pressure through retained increase in numbers. If grant MHCLG grant does not cover this retained pressure (or only covers, say 6 months) then there will be an additional pressure to the DT BAU forecast position.
Digital Transformation	Risk	Digital Transformation - Contracts			0	Costs currently committed to DTP before the business case and funding has been approved. Current commitments are £0.330m for intelligent-I delivery, £0.276m Adoption Change Management Team & £0.094m Consultant Resource. In addition a baseline position is being prepared for a Windows 10 project team to complete the roll-out of new laptops.
Digital Transformation	Opportunity	Digital Transformation - DTP	(700,000)	100%	(700,000)	DTP business case is approved and funding becomes available to cover the agreed committed costs.
Legal	Risk	Statutory Registration - Land Charges	245,000	25%	61,250	Income generated by Land charges was due to be centralised later this year and a subsequent budget adjustment of £245k was agreed to reduce the income target. Centralization was delayed due to COVID-19. The forecast currently assumes this income stream will remain in place through to March next year. The Risk is around whether this still may happen in this financial year.
Legal	Risk	Legal and Democratic Services - Legal Services	0	100%	0	Restructure is delayed and forecast assumes use of agency staff for the full year.
HR, Workplace & Organizational	Risk	Holiday Purchase Scheme	430,000	100%	430,000	People Operations - Low take up of ALTU - holiday purchase scheme due to higher than normal levels of carried forward leave through consequences of COVID. Shortfall based on the a straight line forecast of April & May actual less 2021 confirmed OSG / HBA requirement.
HR, Workplace & Organizational	Risk	Childcare Voucher Scheme	85,000	100%	85,000	People Operations - Childcare Voucher Scheme has an unachievable income target which has accumulated through inflation over last 5 to 6 years.
HR, Workplace & Organizational	Opportunity	Childcare Voucher Scheme	(85,000)	100%	(85,000)	Look for opportunities to charge out for staff and offset any underspend on other areas of the service against the above CVS pressure.
HR, Workplace & Organizational	Opportunity	Change Services - Employees	(300,000)	100%	(300,000)	Current staffing levels indicate an underspend across all employees (both permanent & agency)
HR, Workplace & Organizational	Risk	Change Services - Employees	300,000	100%	300,000	In the event of additional work being approved by CLB then additional capacity will be needed.
HR, Workplace & Organizational	Opportunity	FM Service area	(400,000)	100%	(400,000)	One-off in year opportunity over and above £(0.2)m in P2 forecast
					98,650	

c: Capital

Approved Budget	Revised Budget	Expenditure to Date	Forecast Outturn	Outturn Variance
£8.6m	£8.6m	£0.3m 4% of Budget	£8.6m 100% of budget	(£0m)

Gross expenditure by Programme

Ref	Scheme	Current Year (FY2021) - Period 2				Performance to budget	
		Budget	Expenditure to Date	Forecast	Variance	Expenditure to date	Forecast
£000s						%	
PL21	Building Practice Service - Essential H&S	2,787	64	2,803	16	2%	101%
PL27	Vehicle Fleet Replacement Programme	4,053	131	3,996	(57)	3%	99%
RE01	ICT Refresh Programme	1,571	86	1,571	0	5%	100%
RE03	ITTP – IT Transformation Programme	219	89	219	0	41%	100%
Total Resources		8,629	370	8,589	(41)	4%	100%

Key Messages:

At this early stage in the new financial year all Resources programmes expect to spend in line with their annual budgets.

