

Section A: Revenue Budget Monitor

	Revised Budget	Forecast Outturn	Outturn Variance	Of which:	
				Covid-19	Non-Covid
P07	£55.8m	£64.5m	£8.6m overspend	£9.8m	£ (1.2m)
P06	£55.8m	£64.3m	£8.5m overspend	£9.7m	£(1.2m)

May	Jun/Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb
9.1	10.6	10.1	8.5	8.6				
	▼	▲	▲	▼				

Position by Division

SERVICE NET EXPENDITURE SUMMARY	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/Inco	Non-COVID
	£000s				£000s				
4 - Growth & Regeneration									
37 - Housing & Landlord Services	14,896	14,802	15,786	984	2,303	0	2,303		(1,319)
42 - Development of Place	1,591	1,530	1,417	(113)	0	0	0		(113)
46 - Economy of Place	12,519	12,908	13,969	1,061	131	1,061	1,192		(131)
47 - Management of Place	33,049	33,735	40,483	6,748	412	5,906	6,318		430
49 - Property and Asset Strategy	(7,122)	(7,122)	(7,168)	(46)	0	0	0		(46)
Total 4 - Growth & Regeneration	54,933	55,852	64,487	8,635	2,846	6,967	9,813	0	(1,178)

The Growth & Regeneration Directorate reported an **£8.6m** overspend against the revised net expenditure budget of **£55.852m** in P07. The overspend results from a combination of the impact of the Covid lockdown which is still having a significant impact on several of the directorate's fee generating services; the additional pressure of providing support for homelessness during the pandemic; as well as additional enforcement costs as well as cleaning & materials resulting from extra measures introduced to keep people safe and dealing with associated issues.

* Note – the total budget has increased by circa **£1m** due to inflationary increases in the Waste contract, and other minor adjustments.

Key Messages:

Housing & Landlord Services

The Division is forecasting an overspend of **£0.984m** against a revised budget of **£14.8m**. This is a reduction of **£0.77m** against the previously reported overspend of **£1.75m** at P06. The reason for change is a one-off mitigation of **£1.1m**, due to funding from Public Health to accommodate additional vulnerable households by ensuring that COVID safe accommodation is provided. This was offset by increasing cost in B&B placements and Rogue Landlord Enforcement services.

The main reasons for the expenditure pressures are:

- **131 Housing Options** – Forecast overspend of **£1.030m**.

Housing Benefits, subsidy loss has a forecast overspend at P07 of **£1m**. The main reason for overspending is due to the impact of the pandemic which has seen an increase in Temporary Accommodation. The measures to reduce this overspend are currently being considered i.e. Increasing block purchases and changes in the type of accommodation provided.

- **132 GF - Private Housing & Accessible Homes** – (**£0.045m**)

The underspend reduced by £0.052m compared with previously reported in period 6. This is due to increasing cost in Rogue Landlord Enforcement services.

- **135 Housing Solutions** – Forecast to budget.

There is no change to forecast compared with previously reported at P05.

Development of Place

The division is forecasting a **£0.1m** underspend. Mainly due to additional income.

Economy of Place

The division is forecasting a **£1.1m** (£0.24m negative movement against last month) overspend against a revised budget of **£12.908m**. The total Covid-19 related budget pressure is £1.196m, which is offset by underspends that total £0.11m. The main reasons for the £1.2m overspend are:

- **Culture Services** - Most of this is attributable to an estimated shortfall in income across a range of services due to the pandemic £1.1m, as well as Covid related expenditure.
- **Various** – Other smaller Covid-19 pressures within the division are largely mitigated by underspends elsewhere.

Management of Place

The division is forecasting a **£6.7m** overspend against a revised budget of **£33.735m**. The main reasons for the variance are projected shortfall in income across a few services due to the impact of Covid-19:

- The Pandemic as well as the gradual re-opening of society is still being felt in the Councils Car Parks and resident parking schemes and parking charge notices etc. Occupancy has reduced significantly during the pandemic. And Income is forecast to range from between 60-85% between now and the end of the financial year. Estimated in-year loss is **£5.2m**.
- Licensing Income is also reporting a significant Covid-19 related income shortfall for both Licensing and Pest control totalling **£0.7m**.
- Various additional costs are being incurred due to Covid-19 (Waste, enforcement, cleaning & materials, additional staff) related to covid-19 restrictions and these represent an additional pressure of **£0.4m**.
- The non-covid related activities also reported a significant net movement of £982k, which is due to additional energy costs (£2.4m) from street lighting and corporate buildings due to the increase costs of extending current contracts by an additional 3 months with the expectation that prices would have normalised by then. These additional costs have been offset in part by additional bus lane enforcement income (£1.3m), as well as other smaller favourable movements during the month.

Property & Asset Strategy Management – The division is forecasting a Nil variance. There are however some significant risks which have been captured in the Risks & Opportunities log in section B below.

Savings Delivery

21/22 G&R Directorate Savings Target (£'000s):							2,135															
	This month			Last month			Top 5 largest savings at risk in year (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	825	615	75%	825	725	88%	<table border="1"> <thead> <tr> <th>ID</th> <th>Name of Proposal</th> <th>Value at Risk in 21/22 (£'000)</th> </tr> </thead> <tbody> <tr> <td>FP36-E2</td> <td>MITIGATION/ROLLOVER For "Identify alternative funding to continue to support people in Council Housing".</td> <td>£ 210</td> </tr> <tr> <td>FP01-7b</td> <td>Alternative to expensive nightly accommodation</td> <td>£ 190</td> </tr> <tr> <td>IN27b</td> <td>Generating and saving money through energy generation and efficiency</td> <td>£ 180</td> </tr> <tr> <td>IN25_continued</td> <td>Increase income generation and efficiency across culture services</td> <td>£ 35</td> </tr> </tbody> </table>	ID	Name of Proposal	Value at Risk in 21/22 (£'000)	FP36-E2	MITIGATION/ROLLOVER For "Identify alternative funding to continue to support people in Council Housing".	£ 210	FP01-7b	Alternative to expensive nightly accommodation	£ 190	IN27b	Generating and saving money through energy generation and efficiency	£ 180	IN25_continued	Increase income generation and efficiency across culture services	£ 35
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Yes - savings are safe	1,252	0	0%	1,252	0	0%																
SAVING CLOSED - CONFIRMED AS 'SECURED & DELIVERED'	58	0	0%	58	0	0%																
NO RAG PROVIDED	0	0	n/a	0	0	n/a																
Grand Total	2,135	615	29%	2,135	725	34%																
n/a - represents one off savings or mitigations in previous year	-1,652	0	0%	-1,652	0	0%	<table border="1"> <thead> <tr> <th colspan="2">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>£ 0.78</td> </tr> <tr> <td>Amount reported at risk:</td> <td>£ 0.58</td> </tr> </tbody> </table>	Mitigated savings from previous years' that remain 'due' for delivery this year (£m)		Amount due from previous year(s):	£ 0.78	Amount reported at risk:	£ 0.58									
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WRITTEN OFF	1,195	0	0%	1,195	0	0%																
Grand Total	1,678	615	37%	1,678	725	43%																

Key Changes since last month

1. The value at risk has **reduced** this month for the G&R Directorate, due to FP01-7b Alternative to expensive nightly accommodation (£300k) reducing the amount at risk from the full £300k to £190k (a change request will soon follow to restructure this saving).

Key messages/ Comments

1. Of the £2.1m target, £0.8m is continuing to report as 'RED', with **£0.6m of that stated as at risk. All 4** of the savings at risk relate to rollover/legacy items.

2. Of the legacy savings at risk, a large proportion of these have been endorsed by G&R EDM (22/09/21) to be put forward for corporate consideration to **write off**, given these are deemed not deliverable. This was flagged at Delivery Executive 13/10, which confirmed that these are still under consideration as part of wider budget setting plans.

3. There are two other savings (worth >£0.2m total) that are continuing to progressing through the 'secured and delivered' process, but yet to achieve full sign offs (RS02 operations centre vacancy reduction, and RS11 reduce funding to key arts providers).

4. In addition to in year mitigations needed for savings at risk above, note that G&R is also due to find an additional £240k contribution to the Common Activities in-year target, and likely to also have some contribution to wider thematic savings such as Third Party Spend.

Section B: Risks and Opportunities

GROWTH & REGENERATION DIRECTORATE RISKS & OPPORTUNITIES

Division Name	Risk / Opportunity	Description	NET Risk / Op £'000
Management of Place	Risk	Energy Services additional project costs	410
Management of Place	Risk	Income shortfall	250
Housing & Landlord Services	Risk	Housing savings shortfall	210
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Management of Place	Risk	Income shortfall	115
Management of Place	Risk	Income shortfall	87
Management of Place	Risk	Energy grant pressure	30
Management of Place	Risk	Energy Service Staff & Overheads	14
Growth & Regeneration	Gross Risk		1,306
Economy of Place	Opportunity	Additional income - following deep dive	-350
Management of Place	Opportunity	Potential non-cv19 underspends in MOP Reg Services	-434
Management of Place	Opportunity	Potential non-cv19 underspends in MOP Highways	?
Growth & Regeneration	Gross Opportunity		-784
			522

The net risks and opportunities flagged by service managers total **£0.5m, down** £0.5m from last month. The Energy cost pressure from last month is now reflected in the forecast. The Directorate is engaging in continuous reviews with an aim to identifying mitigating options that can help address the remaining risks. Any unmitigated pressure by the end of P09 will be escalated.

Section C: Capital

Approved Budget	Revised Budget	Expenditure to Date	Forecast Outturn	Outturn Variance
£191.8m	£150.9m	£46.4m	£146m	£4.4m
		31% of Budget	97% of Budget	
2020/21	Comparator			
£163.3m	£104.7m	£28.5m	£108.3m	£ (3.6m)

Gross expenditure by Programme		Current Year (FY2021) - Period 7				Performance to budget	
Ref	Scheme	Budget	Expenditure to Date	Forecast	Variance	Expenditure to date	Forecast
		£000s				%	
Growth & Regeneration							
CRF3	Covid Recovery Fund – Economic Infrastructure	850	0	850	0	0%	100%
GR01	Strategic Property – Temple Meads Development	5,777	392	5,631	(147)	7%	97%
GR03	Economy Development - ASEA 2 Flood Defences	3,634	178	3,634	0	5%	100%
GR05	Strategic Property - Hawkfield Site	2,000	167	2,000	0	8%	100%
GR05A	South Bristol Light Industrial Workspace Redevelopment	(127)	0	127	253	0%	-100%
GR08	Delivery of Regeneration of Bedminster Green	982	215	1,195	213	22%	122%
GR09	Clean Air Zone Programme	11,600	272	11,600	0	2%	100%
NH01	Libraries for the Future	152	20	152	0	13%	100%
NH02	Investment in parks and green spaces	1,523	631	1,684	161	41%	111%
NH03	Cemeteries & Crematoria - Pending Business Case Development	672	62	517	(155)	9%	77%
NH04	Third Household Waste Recycling and Re-use Centre	4,782	1,611	4,782	0	34%	100%
NH06A	Bristol Operations Centre - Phase 2	1,911	1,733	1,911	0	91%	100%
NH07	Private Housing	3,527	1,503	3,528	1	43%	100%
PL01	Metrobus	569	154	911	341	27%	160%
PL02	Passenger Transport	758	153	696	(62)	20%	92%
PL04	Strategic Transport	1,916	1,396	2,788	873	73%	146%
PL05	Sustainable Transport	2,123	729	1,727	(396)	34%	81%
PL06	Portway Park & Ride Rail Platform	1,000	217	1,000	0	22%	100%
PL09	Highways infrastructure - bridge investment	2,490	812	971	(1,519)	33%	39%
PL09A	Highways infrastructure - Cumberland Road Stabilisation Scheme	6,075	2,359	5,545	(530)	39%	91%
PL10	Highways & Traffic Infrastructure - General	12,588	4,970	11,605	(983)	39%	92%
PL10B	Highways & Traffic - Street Lighting	579	172	579	0	30%	100%
PL10C	Transport Parking Services	1,357	997	1,357	0	73%	100%
PL11A	Cattle Market Road site re-development	500	147	500	0	29%	100%
PL14	Bristol Legible City Scheme	162	57	162	0	35%	100%
PL15	Environmental Improvements Programme	179	122	159	(20)	68%	89%
PL17	Resilience Fund (£1m of the £10m Port Sale)	47	1	47	0	3%	100%
PL18	Energy services - Renewable energy investment scheme	10,067	2,001	10,508	440	20%	104%
PL18A	Energy Services – Bristol Heat Networks expansion	7,605	4,553	7,605	0	60%	100%
PL18B	Energy Services - School Efficiencies	341	196	262	(79)	57%	77%
PL18D	Energy Services - EU Replicate Grant	(154)	0	12	166	0%	-8%
PL20	Strategic Property	270	157	261	(9)	58%	97%
PL22	Strategic Property - Investment in existing waste facilities	469	0	469	0	0%	100%
PL23	Strategic Property - Temple St	341	16	100	(241)	5%	29%
PL24	Bristol Beacon	28,478	16,910	28,478	0	59%	100%
PL30	Housing Delivery Programme	15,804	3,445	13,110	(2,694)	22%	83%
PL30A	Housing Programme delivered through Housing Company	18,172	0	18,172	0	0%	100%
PL32	Western Harbour Design Development	180	0	180	0	0%	100%
PL34	Strategic property - Community investment scheme	1,150	0	1,150	0	0%	100%
PL35	Harbour Operational Infrastructure	132	43	88	(44)	32%	67%
PL36	Investment in Markets infrastructure & buildings	387	(12)	370	(17)	-3%	96%
Total Growth & Regeneration		150,873	46,378	146,425	(4,447)	31%	97%

Key Messages

The current report shows **£46.4m** YTD (£8m in P7) spend against the revised budget of **£150.9m**, and a forecast underspend of **£4.4m**. To achieve the budget target for 2021/22, the directorate will need to increase the average spend per month by **£13m** to an average of **£20m** (excluding HRA) each month for the rest of the year. Services are expected to submit a revised budget profile during the P8 monitoring cycles to revise down the current year forecast as well as reflect a realistic programme for future years. The newly procured Strategic Partner are also being tasked with coming forward with proposals to help deliver the Capital programme at pace in line with their mandate.