## Section A: Revenue Budget Monitor

| | Revised Budget | Forecast Outturn | Outturn Variance | Of which: Covid-19 | Non-Covid |
|---|---|---|---|---|---|
| **P08** | **£55.9m** | **£64.6m** | **£8.7m *overspend*** | **£10.0m** | **£(1.3m)** |
| *P07* | *£55.8m* | *£64.3m* | *£8.6m overspend* | *£9.8m* | *£(1.2m)* |

| May | Jun/Jul | Aug | Sept | Oct | Nov | Dec | Jan | Feb |
|---|---|---|---|---|---|---|---|---|
| 9.1 | 10.6 | 10.1 | 8.5 | 8.6 | 8.7 | | | |
| | ▼ | ▲ | ▲ | ▼ | ▼ | | | |

### 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/Income | Non-COVID |
| | | £000s | | £000s | | | £000s | | |
| **4 - Growth & Regeneration** | | | | | | | | | |
| 37 - Housing & Landlord Services | 14,896 | 14,802 | 15,628 | 827 | 2,303 | 0 | 2,303 | | (1,476) |
| 42 - Development of Place | 1,591 | 1,530 | 1,456 | (74) | 0 | 0 | 0 | | (74) |
| 46 - Economy of Place | 12,519 | 12,900 | 14,403 | 1,504 | 131 | 1,165 | 1,296 | | 208 |
| 47 - Management of Place | 33,049 | 33,743 | 40,349 | 6,606 | 412 | 6,037 | 6,449 | | 157 |
| 49 - Property and Asset Strategy | (7,122) | (7,122) | (7,242) | (120) | 0 | 0 | 0 | | (120) |
| **Total 4 - Growth & Regeneration** | **54,933** | **55,852** | **64,594** | **8,742** | **2,846** | **7,202** | **10,048** | **0** | **(1,306)** |

The Growth & Regeneration Directorate reported an **£8.7m** overspend against the revised net expenditure budget of **£55.9m** in P08. 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.

### Key Messages:

#### <u>Housing & Landlord Services</u>

The Division is forecasting an overspend of **£0.827m** against a revised budget of **£14.8m.** This is a reduction of **£0.158m** against the previously reported overspend of **£0.984m** at P07. The reason for change is due to favourable variance in residual grant of £0.223m which was offset by £0.060m increase cost in B&B placements.

The main reasons for the expenditure pressures are:

- **131 Housing Options –** Forecast overspend of **£0.860m.**
  Housing Benefits subsidy loss is continuing to increase a forecasted overspend of **£2.8m** at Period 8. This is offset by £1.8m a one-off mitigation (as below) reducing overspend to £1m.

1. **£1.1m** is one off payment from Public Health to accommodate additional vulnerable households by ensuring that COVID safe accommodation is provided.
2. **£0.49m** from the drawdown of the New Burden Reserve and re-purposing of Residual Grant funding.
3. **£0.22**m from COVID grant covering subsidy loss.

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. In addition to this as subsidy loss increases HB and income on services charges rises and overall housing options pressure will be maintained at £2.3m in 22/23.

There is also favourable variance in residual grant funding of £0.223m which is offset by £0.060m increase cost in B&B placements.

- **132 GF - Private Housing & Accessible Homes – (£0.033m)**
  The underspend reduced by £0.012m compared with previously reported in period 7. This is mainly due to increase in cost related to Travellers - Kingsweston Lane and Encampments.

- **135 Housing Solutions –** Forecast to budget.
  There is no change to forecast compared with previously reported at P07.

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

**Economy of Place**
The division is forecasting a **£1.5m** (£0.24m negative movement against last month) overspend against a revised budget of **£12.908m**. The total Covid–19 related budget pressure is £1.296m, and £0.2m non-covid overspend. The main reasons for the £1.5m 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.
- **Strategic City Transport** – One-off costs from settlement payment £0.6m.
- **Various -** Other smaller Covid-19 pressures within the division largely mitigated by underspends elsewhere.

**Management of Place**
The division is forecasting a **£6.6m** 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. 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 **£5.4m**. It should be noted that there are other parking operations (including bus lane enforcement) that are tracking ahead of target.
- 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 **£0.3m**.

- The non-covid related activities also reported a significant net movement of £0.2m, 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 (note that a recent approval of a further extension which will be going to Cabinet in January 2022 will see a further £0.4m added to the forecast overspend in P9). These additional costs have been significantly offset by additional bus lane enforcement income and other non-covid impacted parking revenue, as well as other smaller favourable movements during the month.

**Property & Asset Strategy Management –** The division is forecasting a **£0.1m** underspend. Mainly due to additional income.

## Savings Delivery

**21/22 G&R Directorate Savings Target (£'000s): 2,135**

| | This month | | | Last month | | |
|---|---|---|---|---|---|---|
| | 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* | *615* | *75%* |
| 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*** | ***615*** | ***29%*** |
| n/a - represents one off savings or mitigations in previous year | -1,652 | 0 | 0% | *-1,652* | *0* | *0%* |
| WRITTEN OFF | 1,195 | 0 | 0% | *1,195* | *0* | *0%* |
| **Grand Total** | **1,678** | **615** | **37%** | ***1,678*** | ***615*** | ***37%*** |

**Top 5 largest savings at risk in year (ordered by size of saving at risk)**

| ID | Name of Proposal | Value at Risk in 21/22 (£'000) |
|---|---|---|
| FP36-E2 | MITIGATION/ROLLOVER<br>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 |
| | | |

**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** |

**Key Changes since last month**

There have been no changes to the 21/22 savings position for the G&R Directorate in P8

**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 (which remains underway).
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 Actities in-year target, and likely to also have some contribution to wider thematic savings such as Third Party Spend. G&R have confirmed this can be met but a detailed plan remains outstanding.

### Section B: Risks and Opportunities

## GROWTH & REGENERATION DIRECTORATE RISKS & OPPPORTUNITIES

| Division Name | Risk / Opportunity | Description | NET Risk / Op £'000 |
|---|---|---|---|
| Management of Place | Risk | Income shortfall | 250 |
| Management of Place | Risk | Energy grant pressure | 30 |
| Management of Place | Risk | Energy Service Staff & Overheads | 14 |
| **Growth & Regeneration** | **Gross Risk** | | **294** |
| Management of Place | Opportunity | Potential non-cv19 underspends in MOP Highways | ? |
| **Growth & Regeneration** | **Gross Opportunity** | | **0** |
| | | | |
| | | | **294** |

The net risks and opportunities flagged by service managers total **£0.3m, down** £0.15m from last month. The Directorate is engaging in continuous reviews with an aim to identifying mitigating options that can help address the remaining risks. A significant number of pressures are now being mitigated from within the various divisions and have been reported in the narrative in section A above.

## Section C: Capital

| Approved Budget | Revised Budget | Expenditure to Date | Forecast Outturn | Outturn Variance |
|---|---|---|---|---|
| **£191.8m** | **£151.9m** | **£55.1m** | **£122m** | **(£29.9m)** |
| | | 36% of Budget | 80% of Budget | |
| **2020/21** | **Comparator** | | | |
| £163.3m | £105.3m | £35.2m | £98.7m | (£6.6m) |

## Programme Expenditure / Funding

| Scheme / Project | | Current Year (FY2021) – Period 8 | | | | Performance to budget | |
|---|---|---|---|---|---|---|---|
| | | Budget | Expenditure to Date | Forecast | Variance | Expenditure to date | Forecast |
| | | £000s | | | | % | |
| **Growth & Regeneration** | | | | | | | |
| CRF3 | Covid Recovery Fund – Economic Infrastructure | 850 | 0 | 170 | (680) | 0% | 20% |
| GR01 | Strategic Property – Temple Meads Development | 5,777 | 793 | 3,806 | (1,972) | 14% | 66% |
| GR03 | Economy Development - ASEA 2 Flood Defences | 3,634 | 178 | 3,634 | 0 | 5% | 100% |
| GR05 | Strategic Property - Hawkfield Site | 2,000 | 328 | 1,000 | (1,000) | 16% | 50% |
| GR05A | South Bristol Light Industrial Workspace Redevelopment | (127) | 53 | (127) | (0) | -42% | 100% |
| GR07 | Areas for Growth & Regeneration - Pending Business Case Devel | 0 | 0 | 0 | 0 | | |
| GR08 | Delivery of Regeneration of Bedminster Green | 982 | 243 | 695 | (287) | 25% | 71% |
| GR09 | Clean Air Zone Programme | 11,600 | 422 | 2,525 | (9,075) | 4% | 22% |
| NH01 | Libraries for the Future | 152 | 28 | 152 | 0 | 18% | 100% |
| NH02 | Investment in parks and green spaces | 2,156 | 780 | 1,436 | (719) | 36% | 67% |
| NH03 | Cemetries & Crematoria - Pending Business Case Development | 672 | 67 | 417 | (255) | 10% | 62% |
| NH04 | Third Household Waste Recycling and Re-use Centre | 4,782 | 1,611 | 3,782 | (1,000) | 34% | 79% |
| NH06A | Bristol Operations Centre - Phase 2 | 1,911 | 1,803 | 2,036 | 125 | 94% | 107% |
| NH07 | Private Housing | 3,527 | 1,854 | 3,527 | 0 | 53% | 100% |
| PL01 | Metrobus | 569 | 182 | 911 | 341 | 32% | 160% |
| PL02 | Passenger Transport | 758 | 162 | 696 | (62) | 21% | 92% |
| PL04 | Strategic Transport | 1,916 | 1,759 | 2,788 | 873 | 92% | 146% |
| PL05 | Sustainable Transport | 2,123 | 877 | 1,434 | (689) | 41% | 68% |
| PL06 | Portway Park & Ride Rail Platform | 1,000 | 217 | 500 | (500) | 22% | 50% |
| PL09 | Highways infrastructure - bridge investment | 2,490 | 809 | 985 | (1,505) | 32% | 40% |
| PL09A | Highways infrastructure - Cumberland Road Stabilisation Schem | 6,075 | 2,821 | 4,800 | (1,275) | 46% | 79% |
| PL10 | Highways & Traffic Infrastructure - General | 12,588 | 5,795 | 10,453 | (2,134) | 46% | 83% |
| PL10B | Highways & Traffic - Street Lighting | 579 | 319 | 379 | (200) | 55% | 65% |
| PL10C | Transport Parking Services | 1,357 | 1,211 | 1,357 | 0 | 89% | 100% |
| PL11A | Cattle Market Road site re-development | 500 | 159 | 200 | (300) | 32% | 40% |
| PL14 | Bristol Legible City Scheme | 162 | 62 | 162 | 0 | 38% | 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 | 10,418 | 2,522 | 10,067 | (350) | 24% | 97% |
| PL18A | Energy Services – Bristol Heat Networks expansion | 7,605 | 5,560 | 6,605 | (1,000) | 73% | 87% |
| PL18B | Energy Services - School Efficiencies | 341 | 196 | 262 | (79) | 57% | 77% |
| PL18D | Energy Services - EU Replicate Grant | (154) | 1 | (154) | 0 | -1% | 100% |
| PL20 | Strategic Property | 270 | 157 | 230 | (40) | 58% | 85% |
| PL22 | Strategic Property - Investment in existing waste facilities | 469 | 0 | 469 | 0 | 0% | 100% |
| PL23 | Strategic Property - Temple St | 341 | 16 | 142 | (199) | 5% | 42% |
| PL24 | Bristol Beacon | 28,478 | 20,114 | 28,478 | 0 | 71% | 100% |
| PL26 | Old Vic & St George's | 0 | 0 | 0 | 0 | | |
| PL30 | Housing Delivery Programme | 15,804 | 3,843 | 8,772 | (7,032) | 24% | 56% |
| 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 | 300 | (850) | 0% | 26% |
| PL35 | Harbour Operational Infrastructure | 132 | 47 | 88 | (44) | 35% | 67% |
| PL36 | Investment in Markets infrastructure & buildings | 387 | (10) | 387 | 0 | -3% | 100% |
| Total Growth & Regeneration | | 151,856 | 55,106 | 121,927 | (29,928) | 36% | 80% |

## Key Messages

The current report shows **£55.1m** YTD (£8.7m in P8) spend against the revised budget of **£121.9m**, and a forecast underspend of **£30m**. To achieve the forecast for 2021/22, the directorate will need to increase the average spend per month by an additional **£8m** to an average of **£16.7m** (excluding HRA) each month for the rest of the year. Services have submitted 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 (although this still leaves an ambitious programme for the rest of 21/22). The newly procured Strategic Partner are also being tasks with coming forward with proposals to help deliver the Capital programme at pace in line with their mandate.