Section A: Revenue Budget Monitor

	Revised Budget	Forecast Outturn	Outturn Variance	Of which: Covid-19	Non-Covid
P09	**£55.9m**	**£64.2m**	**£8.3m *overspend***	**£8.8m**	**£(0.5m)**
P08	*£55.9m*	*£64.6m*	*£8.7m overspend*	*£10.0m*	*£(1.3m)*

May	Jun/Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb
9.1	10.6	10.1	8.5	8.6	8.7	8.3		
	▼	▲	▲	▼	▼	▲		

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	15,650	849	882	0	882		(33)
42 - Development of Place	1,591	1,530	1,368	(162)	0	0	0		(162)
46 - Economy of Place	12,519	12,900	14,379	1,480	131	1,165	1,296		184
47 - Management of Place	33,049	33,743	40,094	6,351	412	6,198	6,610		(259)
49 - Property and Asset Strategy	(7,122)	(7,122)	(7,315)	(192)	0	0	0		(192)
Total 4 - Growth & Regeneration	**54,933**	**55,852**	**64,177**	**8,325**	**1,425**	**7,363**	**8,788**	**0**	**(463)**

The Growth & Regeneration Directorate reported a net **£8.3m** 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 on several of the directorate's fee generating services; the additional pressure of providing support for homelessness during the pandemic. The Overspend position has been partially mitigated from underspends and income generated via non-covid impacted income sources i.e., Bus Lane enforcement income.

Key Messages:

<u>Housing & Landlord Services</u>

The Division is forecasting an overspend of **£0.849m** against a revised budget of **£14.8m.** This is a slight increase of £22k against the previously reported overspend of **£0.827m** at P08. The reason for change is due to a slight increase in subsidy loss.

The main reasons for the expenditure pressures are:

- **131 Housing Options –** Forecast overspend of **£0.882m.**
  Housing Benefits subsidy loss is continuing to increase a forecasted overspend of **£2.8m** at Period 9. 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 staffing (21/22 only) of £0.11m.

- **132 GF - Private Housing & Accessible Homes – (£0.033m)**
  There is no change to forecast compared with period 8. The underspend is due to additional income from licensing fees than budgeted.

- **135 Housing Solutions –** Forecast to budget.
  There is no change to forecast compared with previously reported at P08.

Development of Place
The division is forecasting a **£0.16m** underspend, resulting from additional Planning application income and other underspends.

Economy of Place
The division is forecasting a **£1.5m** overspend against a revised budget of **£12.9m**. The total Covid–19 related budget pressure is £1.3m, and non-covid overspend of £0.2m. 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 £1m, as well as Covid related expenditure, partially offset by staffing budget underspends.

- **Various –** Other smaller Covid-19 pressures within the division are mitigated by underspends elsewhere.

Management of Place
The division is forecasting a **£6.3m** 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 for income affected by the pandemic. Estimated in-year loss is **£5.5m**.
- 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**. Some are partially mitigated by PH (Public Health) grants.
- The non-covid related activities also reported a significant net movement of £259k, which is due to additional energy costs from street lighting and corporate buildings over and above what was previously reported due to the increase costs of extending current contracts by an additional 3 months, partially overset by additional bus lane enforcement income, as well as other smaller favourable movements during the month.

Property & Asset Strategy Management – The division is forecasting a **£0.2m** 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	715	615	86%	*825*	*615*	*75%*
Yes - savings are safe	1,252	0	0%	*1,252*	*0*	*0%*
SAVING CLOSED - CONFIRMED AS 'SECURED & DELIVERED'	168	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 For "Identify alternative funding to continue to support people in Council Housing".	£ 210
FP01-7d	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:	£ 0.18

Key Changes since last month

1. The total value of the savings reporting a RED RAG status has reduced this month, friom £825k to £715k, however the value at risk remains at £615k. This is due to the following changes in P9:
**FP01-7b Alternative to expensive nightly accommodation (total £300k) has been split into two lines: FP01-7c (£110k) now marked as secured and delivered and FP01-7d (£190k) which has been marked as 'savings at risk' for 21/22*

Key messages/ Comments

1. Of the £2.1m target, £0.7m is reporting 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, £400k has been agreed for write-off which will be processed into the 22/23 budget (approved by DE December 2021). In year mitigations are yet to be confirmed. No other legacy write-offs were approved.
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	Potential decrease in Energy recharges	700
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**		**994**
Management of Place	Opportunity	Additional Income from Waste	-80
Management of Place	Opportunity	Anticipated cost reductions	-100
Management of Place	Opportunity	Cost reduction	-158
Management of Place	Opportunity	Additional underspends	-420
Management of Place	Opportunity	Potentially higher income than currently forecasted	-500
Economy of Place	Opportunity	Potentially higher income than currently forecasted	-100
Growth & Regeneration	**Gross Opportunity**		**-1,358**
			-364

The net risks and opportunities flagged by service managers total **£0.4m net opportunity, up** £0.9m from last month which reported a net risk position of £0.5m. 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.

Section C: Capital

Approved Budget	Revised Budget	Expenditure to Date	Forecast Outturn	Outturn Variance
£191.8m	**£122.5m**	**£64.7m**	**£123m**	**£0.3m**
		34% of Budget	64% of Budget	
2020/21	**Comparator**			
£163.3m	£106.2m	£41.3m	£108.2m	£ 2.0

Gross expenditure by Programme

Ref	Scheme	Current Year (FY2021) - Period 9				Performance to budget	
		Budget	Expenditure to Date	Forecast	Variance	Expenditure to date	Forecast
Growth & Regeneration							
CRF3	Covid Recovery Fund – Economic Infrastructure	170	0	170	0	0%	100%
GR01	Strategic Property – Temple Meads Development	3,806	886	3,806	0	23%	100%
GR03	Economy Development - ASEA 2 Flood Defences	3,634	178	3,634	0	5%	100%
GR05	Strategic Property - Hawkfield Site	1,000	428	1,000	0	43%	100%
GR05A	South Bristol Light Industrial Workspace Redevelopment	220	53	220	0	24%	100%
GR06	Innovation & Sustainability - OPCR 2	0	3	0	0		
GR08	Delivery of Regeneration of Bedminster Green	482	298	815	333	62%	169%
GR09	Clean Air Zone Programme	2,525	724	2,525	0	29%	100%
NH01	Libraries for the Future	152	28	152	0	18%	100%
NH02	Investment in parks and green spaces	2,066	899	2,065	(1)	44%	100%
NH03	Cemetries & Crematoria - Pending Business Case Development	417	67	417	0	16%	100%
NH04	Third Household Waste Recycling and Re-use Centre	3,782	1,780	3,782	0	47%	100%
NH06	Bristol Operations Centre - Phase 1	0	1	0	0		
NH06A	Bristol Operations Centre - Phase 2	2,036	1,876	2,036	0	92%	100%
NH07	Private Housing	3,527	2,126	3,528	1	60%	100%
PL01	Metrobus	569	1,112	1,648	1,078	195%	289%
PL02	Passenger Transport	696	178	696	0	25%	100%
PL04	Strategic Transport	1,916	1,974	3,068	1,152	103%	160%
PL05	Sustainable Transport	1,959	926	1,449	(510)	47%	74%
PL06	Portway Park & Ride Rail Platform	500	217	500	0	43%	100%
PL09	Highways infrastructure - bridge investment	985	846	1,035	50	86%	105%
PL09A	Highways infrastructure - Cumberland Road Stabilisation Scheme	4,800	3,177	4,549	(251)	66%	95%
PL10	Highways & Traffic Infrastructure - General	10,453	6,582	10,340	(113)	63%	99%
PL10B	Highways & Traffic - Street Lighting	379	319	379	0	84%	100%
PL10C	Transport Parking Services	1,357	1,214	1,357	0	89%	100%
PL11A	Cattle Market Road site re-development	200	162	200	0	81%	100%
PL14	Bristol Legible City Scheme	162	62	162	0	38%	100%
PL15	Environmental Improvements Programme	159	122	159	(0)	77%	100%
PL17	Resilience Fund (£1m of the £10m Port Sale)	47	2	17	(30)	4%	36%
PL18	Energy services - Renewable energy investment scheme	10,418	3,372	7,186	(3,232)	32%	69%
PL18A	Energy Services – Bristol Heat Networks expansion	6,605	7,284	9,262	2,657	110%	140%
PL18B	Energy Services - School Efficiencies	262	196	262	(0)	75%	100%
PL18D	Energy Services - EU Replicate Grant	(154)	1	0	154	-1%	0%
PL20	Strategic Property	230	157	206	(24)	68%	90%
PL22	Strategic Property - Investment in existing waste facilities	469	0	469	0	0%	100%
PL23	Strategic Property - Temple St	142	16	76	(66)	11%	53%
PL24	Bristol Beacon	28,478	23,323	28,478	0	82%	100%
PL30	Housing Delivery Programme	8,972	4,046	8,040	(932)	45%	90%
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	300	0	300	0	0%	100%
PL35	Harbour Operational Infrastructure	88	62	88	0	71%	100%
PL36	Investment in Markets infrastructure & buildings	387	(9)	387	0	-2%	100%
Total Growth & Regeneration		**122,550**	**64,690**	**122,818**	**268**	**53%**	**100%**

Key Messages

The current report shows **£64.7m** YTD (£9.6 in month) spend against the revised budget of **£122.6m**, and a forecast overspend of **£0.3m**. To achieve the budget target for 2021/22, the directorate will need to increase the average spend per month by **£10m** to an average of **£19.4m** excluding HRA (Housing Revenue Account) each month for the rest of the year.

Services submitted revised budget profile during the P8 monitoring cycles and additional revisions are being proposed as part of the budget setting process. This should result in more realistic programmes for future years, starting 2022. 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.