

Section A: Revenue Budget Monitor

	Revised Budget	Forecast Outturn	Outturn Variance
P02	£43.9m	£45.6m	£3.9m overspend

May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb
3.9									
▼									

Position by Division

	2022/23 - Full Year						Total Potential variance incl risk
	Approved Budget	Revised Budget	Revised Forecast Outturn	Initial Outturn Variance		High Risks	
	£000s	£000s	£000s	£000s	Context	£000s	
Resources							
Digital Transformation	14,460	14,659	16,136	1,477			1,477
Legal and Democratic Services	7,980	8,054	8,142	89			89
Finance	8,418	8,747	8,860	113			113
HR, Workplace & Organisational Design	10,211	10,808	10,810	1			1
Management - Resources	(2,250)	(2,250)	(2,250)	0		2,125	2,125
Policy, Strategy & Partnerships	3,729	3,879	3,933	54			54
Total Resources	42,547	43,897	45,631	1,734		2,125	3,859

Key Messages:

At Period 2 the Resources Directorate is forecasting a full year risk adjusted overspend against budget of £3.9m. This overspend is largely due to additional cost pressures in IT systems and cost of additional agency staff in Finance.

- **Digital Transformation** – is projecting an overspend of £1.5m. This reflects incremental spend of up to £1m on Microsoft desktop licensing agreements and £0.5m for Microsoft Azure both of which are driven by the growing use of cloud-based technology and the increased shift to home-working over the past 2 years.
- **Legal and Democratic Services** is forecasting a net overspend of £0.1m. This is caused by both an increase in the volume of Coroners inquests (a consequence of the backlog which built up during COVID) and also increased spend in members' travel activity following the recent change in political make-up. These pressures are partially offset by a forecast increase in demand for ceremonies and registrar services.
- **Finance** is forecasting a £0.4m cost pressure due to additional agency spend in the interim whilst the Finance Improvement Plan is being implemented and due to additional finance resourcing for Council wide projects which cannot be recharged to those project budgets in full. A range of divisional mitigations are expected to reduce this pressure by £300k to a net £0.1m forecast overspend.

- **HR, Workplace and Organisational Design** is forecasting to operate within its budget envelope.
- **Management – Resources** budget comprises both the Council’s total £2m Succession Planning/Senior Management savings and £0.250m of Strategic Review savings. Deliverability of this £2m saving is currently assessed as high risk. Of the £0.250m for Strategic Review, £0.125m is assessed as high risk. This saving is Corporate in nature and will be moved to be held and reported alongside BCC’s other corporate savings initiatives.
- **Policy, Strategy and Partnerships** is forecasting a low level overspend (<£0.1m) linked largely to costs against the “One City” plan.

Savings Delivery

Resources Led Savings												
22/23 Resources Directorate Savings Target (£'000s):											1,908	
22/23 Cross Cutting (Resources Led) Savings Target (£'000s):											4,704	
In Year (22/23) Total:											6,612	
A - Resources Directorate						B - Cross cutting (Resources led)						
This month			Last month			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	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	660	660	100%			3,335	3,335	100%				
Yes - savings are safe	1,248	350	28%			1,369	0	0%				
SAVING CLOSED - CONFIRMED AS 'SECURED & DELIVERED'	0	0	n/a	Pending next month at P3			0	0	n/a	Pending next month at P3		
NO RAG PROVIDED	0	0	n/a			0	0	n/a				
Grand Total	1,908	1,010	53%			4,704	3,335	71%				
n/a - represents one off savings or mitigations in previous year	-536	0	0%	Pending next month at P3			-728	0	0%	Pending next month at P3		
WRITTEN OFF	0	0	n/a			0	0	n/a				
Grand Total	1,372	1,010	74%			3,976	3,335	84%				

Top 5 largest savings at risk in 22/23 (ordered by size of saving at risk)			
ID	Cross cutting?	Name of Proposal	Value at Risk in 22/23 (£'000)
NEW2223_CEN01	Yes	Management and capacity review	£ 2,000
Z1_NS_03_2223CEN04	Yes	Common Activities (incl. Streamline strategic support services) RECURRING RESOURCES	£ 876
NEW2223_CEN05	Yes	Strategic Business Review offees and Charges	£ 250
NEW2223_R30	No	Reduce funding for Mayor's Office	£ 205
NEW4_Amended_B	No	Digital transformation savings - from DTP1 and DTP2 activities	£ 140

Mitigated savings from previous years that remain 'due' for delivery this year (£m)	
Amount due from previous year(s):	£ 1.13
Amount reported at risk:	£ 0.16

Key Changes since last month:
n/a - changes to be highlighted from P3 onwards

Key messages/Comments
1. The Resources Directorate begin the year with 32 savings lines for 22/23, with a total value of £6.6m (this includes cross-cutting Resource Led savings - see split in tables A and B above)
2. Of this, £4m of these savings are reporting a **RED - at risk** status and 2.6m are reporting a **GREEN - savings are safe** status.
3. Of the £6.6m target, £1.13m relates to rollovers from previous years, with £0.16m of this rollover value at risk in P2

Section B: Risks and Opportunities

Div	Service	Ris Opp	Description of impact	Risk £ <small>Enter as pos figure</small>	Opportunity <small>Enter as neg figure</small>	Likelihood (%)	Net Risk <small>(Opportunit)</small>	Detailed Comment
DT	Service Operations	Risk	Contract costs to exceed budget (see previous year - Agilisys/Win7 Licences/AWS/Multivue)	400,000		50%	200,000	
Legal & Democratic	Local Land Charges	Risk	The income target does not take into consideration the loss of income when Bristol income transfers to the National Land Registry estimated to be mid financial year. 905 searches April and May. Forecast 385 searches a month in line with 2020/21 outturn.	230,000		75%	172,500	Bristol could lose 30% of its land charges income after transfer circa £230k
PSP	City Office	Risk	Income risk as key partners already fund and limited further opportunities to attract investment, particularly in light of changing council governance system.	62,000		90%	55,800	
PSP	City Office	Opportunity	Income possibly achievable through many small-scale contributions or grants; team to prioritise continuing activity to attract funds.		(62,000)	20%	-12,400	
PSP	City Office	Risk	Costs relating to Harvard Bloomberg Collaboration Track on food waste project.	16,000		100%	16,000	
PSP	City Office	Opportunity	Charging to appropriate partners (inc. Bristol Waste) and internal departments based on topic of project.		(16,000)	100%	-16,000	
PSP	City Office	Risk	Cost of producing One City Plan 2023/24, as CO budget has no provision outside of staffing, (e.g. design cost)	15,000		100%	15,000	
PSP	City Office	Opportunity	Waive design cost if Bristol Design are meeting income targets; or seek cover from alternative source such as partner, sponsor or Mayor's discretionary budget.		(15,000)	100%	-15,000	
PSP	City Office	Risk	Relies on City Office achieving 100% of its at-risk income target (above) in order to release the GF benefit of this contribution.	30,000		90%	27,000	
PSP	City Office	Opportunity	Previous indication by DPH that they may be willing to fund residual pressures subject to detail, valid PH case and their own budget position in-ways.		(79,600)	50%	-39,800	
TOTAL							403,100	

Section C: Capital

Approved Budget	Revised Budget	Expenditure to Date	Forecast Outturn	Outturn Variance
£17.2m	£17.2m	£0.7m	£16.0m	(£1.2m)
		4% of Budget	93% of Budget	

Gross expenditure by Programme

Ref	Scheme	Current Year (FY2022) - Period 2				Performance to budget	
		Budget	Expenditure to Date	Forecast	Variance	Expenditure to date	Forecast
Resources							
NH06A	Bristol Operations Centre - Phase 2	128	1	58	(70)	1%	45%
PL21	Building Practice Service - Essential H&S	4,182	124	4,049	(133)	3%	97%
PL27	Vehicle Fleet Replacement Programme	3,523	409	2,934	(589)	12%	83%
RE01	ICT Refresh Programme	1,854	274	1,650	(204)	15%	89%
RE03	ITTP – IT Transformation Programme	33	21	36	3	62%	109%
RE06	Return to Workplace ICT equipment – Covid Response Fund	0	(11)	0	0		
RE07	Digital Transformation - Networks - Pending Business Case Development	1,250	0	1,250	0	0%	100%
RE08	Digital transformation - Invest to Save - Pending Business Case Development	5,100	0	5,100	0	0%	100%
RE09	Expansion of Flax Bourton Mortuary	1,159	(85)	932	(228)	-7%	80%
Total Resources		17,230	731	16,009	(1,221)	4%	93%

Key Messages:

- **Building Practice Service** is shortly to be transferred to G&R directorate to align with the recent transferral of FM services to G&R. The programme has reprofiled £0.1m of forecast Schools spend in to 23/24
- **Vehicle Fleet Replacement Programme** has reprofiled £0.6.m in to 23/24 reflecting delays to the Centre of Excellence Scheme (specifically £0.5m for the implementation of charge points infrastructure) and £0.1m for delays to delivery of vehicles to BCC.
- **ICT Refresh Programme** has reprofiled £0.2m in to 23/24.
- **Expansion of Flax Bourton Mortuary** also forecasts a £0.2m reprofile in to 23/24.