

Section A: Revenue Budget Monitor

	Revised Budget	Forecast Outturn	Outturn Variance
P08	£46.6m	£48.6m	£2.0m overspend
<i>P07</i>	<i>£43.4m</i>	<i>£45.4m</i>	<i>£2.0m overspend</i>

May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb
3.9	3.2	3.6	2.0	2.2	2.0	2.0			
▼↓	▲↑	▼↓	▲↑	▼↓	▲↑				

Position by Division

<i>Period 8/Quarter 3 - Summary</i>	Revised Budget	Q2 Variance including Mitigations	Supplementary Estimate/Contingency Released	P6 Movement by exception	P7 Movement by exception	P8 Detailed movement	Q3 Variance	Q3 Variance as % Net Budget
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	%
Resources								
Digital Transformation	14,855	1,072	(150)	210		(216)	916	6.2%
Legal and Democratic Services	15,228	(227)				28	(199)	-1.3%
Finance	8,674	(316)		1,100		0	784	9.0%
HR, Workplace & Organisational Design	4,477	(315)				(45)	(360)	-8.0%
Management - Resources	(1,633)	908	(1,000)		900	180	988	-60.5%
Policy, Strategy & Partnerships	4,953	28		(210)		53	(129)	-2.6%
Total Resources	46,554	1,150	(1,150)	1,100	900	0	2,000	4.3%

Key Messages:

At Period 8 the Resources Directorate is forecasting a full year risk adjusted adverse variance against budget of £2.0m. This overspend is largely due to £1.1m subsidy Loss on Exempt accommodations and £1.0m due to Management and succession planning target shortfall in the year and partly offset by £0.1m reduction in cost due to increase in participation of Staff in the annual Leave Top-up scheme (ALTU)

The Period 8 forecast position remains unchanged from Period 7.

- **Digital Transformation** - is projecting a net overspend of £0.9m compared to budget. The overspend reflects incremental spend of up to £0.9m 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 2.5 years, plus further increases in various licence costs. This overspend has been partially offset by £0.3m in-year management recovery actions / mitigations and £0.2m salary underspends in the Citizens Services area.

- **Legal and Democratic Services** is forecasting an in-year underspend of £0.2m, of which £0.3m relates to in year mitigations partially offset by divisional pressure of £0.1m across Democratic Services and Executive Office.
- **Finance** continues to forecast an adverse variance of £0.8m driven by; £1.1m subsidy loss on Exempt Accommodations (in Benefit Services) which will not be recharged to other directorates this year and £0.1m due to interim Agency employees. This adverse variance is partly offset by £0.4m of “in-year” mitigations. Within the revenues service, loss of summons income and recoveries of overpayments is causing a £1.3m pressure, however this is offset by vacancy savings across the benefits and revenues services and the use of provisions.
- **HR, Workplace and Organisational Design** is forecasting a favourable variance of £(0.4)m due to in-year mitigations and additional savings from Annual Leave Top-up scheme (ALTU)
- **Management – Resources** budget contains the Council’s Succession Planning/Senior Management savings target. The £1m adverse variance reflects saving targets currently assessed as high risk, which is being mitigated by a vacancy freeze across the Council.
- **Policy, Strategy and Partnerships** is forecasting an adverse variance of £0.1m due to in-year pressure relating to succession planning and exit costs, offset by £0.3m management recovery actions / mitigations.

Savings Delivery

22/23 Resources Directorate Savings Target (£'000s):
22/23 Cross Cutting (Resources Led) Savings Target (£'000s):

1,908

5,104

In Year (22/23) Total:

7,012

	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	924	441	48%	2,183	1,648	75%
Yes - savings are safe	6,089	0	0%	4,830	0	0%
SAVING CLOSED - CONFIRMED AS 'SECURED & DELIVERED'	0	0	n/a	0	0	n/a
NO RAG PROVIDED	0	0	n/a	0	0	n/a
Grand Total	7,012	441	6%	7,012	1,648	24%
n/a - represents one off savings or mitigations in previous year	-1,264	0	0%	-1,264	0	0%
WRITTEN OFF	0	0	n/a	0	0	#VALUE!
Grand Total	5,748	441	8%	4,376	1,513	35%

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)
21_NS_03_2223CEN04	Yes	Common Activities (incl. Streamline strategic support services)	£ 239
NEW2223_CEN05b	Yes	Strategic Business Review of Fees and Charges	£ 63
NEW2223_R28	No	Allocate Public Health funding to City Office	£ 30
NEW2223_R12	No	Review insurance administration charges (Since P8 this has been confirmed as Safe - and will be amended by P9 reporting)	£ 25
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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:	£	0.43

Key changes since last month

1. Target savings unchanged.

2. NEW2223_CEN01b Management & Capacity Review - Change request processed from P7 to P8 to request to show the remaining £1m in 22/23 as being met via one off vacancy savings (the other £1m target already agreed to be covered one off via optimism bias). This is now reporting as safe rather than at risk. Given these are tactical one off saving only, this £1m is now rolled over and due as part of the 23/24 target totalling £5.5m. This includes various workstreams incl. succession planning, senior leadership restructuring, permanent vacancy deletion.

2. First submission since P3 for following savings lines, all of which are now reporting as safe (reducing amount at risk by total of £0.2m); 21_NEW20 Office Based Costs / 21_NEW19 Transport Related Savings / NEW2223_R17 Debt Management.

3. 21_NS_03_2223CEN04 Common Activities - there has been a minimal increase to the savings at risk since P7 (<£5k difference) - amount at risk is ~£0.3m.

4. Two savings led within the Finance division were reported at risk in P8, but have since been confirmed as error and are GREEN/safe (Insurance admin charges, and Review PFI) - this will reduce savings at risk by a further £50k to what is currently shown.

Section B: Risks and Opportunities

Division	Service	Risk or Opportunity	Description of impact	Risk/ (Opportunity) £	Likelihood (%)	Net Risk / (Opportunity) £
HR	Employment Initiatives	Risk	Guidant income (rebate) loss due to recruitment freeze	200,000	50%	100,000
HR	HR Services	Opportunity	Negotiate reduced TWS fee (from £55k to £25k)	(30,000)	50%	(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-year.	(79,600)	50%	(39,800)
All	All	Risk	Egress Prevent Solution Contract - 8 months of Year 2 of contract to apportioned out across the organisation	13,346	100%	13,346
All	All	Opportunity	Absorption of costs across all Divisions of the Resources Directorate	(13,346)	100%	(13,346)
TOTAL				120,400		93,800

Section C: Capital

Approved Budget	Revised Budget	Expenditure to Date	Forecast Outturn	Outturn Variance
£4.2m	£4.2m	£0.8m	£2.1m	(£2.2) m

Gross Expenditure by Programme

Ref	Scheme	Current Year (FY2022) - Period 8				Performance to budget	
		Budget	Expenditure to Date	Forecast	Variance	Expenditure to date	Forecast
						£000s	%
NH06A	Bristol Operations Centre - Phase 2	128	99	90	(38)	77%	70%
RE01	ICT Refresh Programme	1,338	607	726	(612)	45%	54%
RE03	ITTP – IT Transformation Programme	33	27	33	0	83%	100%
RE06	Return to Workplace ICT equipment – Covid Response Fund	0	(9)	0	0		
RE07	Digital Transformation - Networks - Pending Business Case Development	1,228	21	350	(878)	2%	28%
RE08	Digital Transformation Programme	672	28	682	10	4%	102%
RE09	Expansion of Flax Bourton Mortuary	884	48	200	(684)	5%	23%
Total Resources		4,284	822	2,081	(2,203)	19%	49%

Key Messages:

- **(NH06A) Bristol Operations Centre** – Project now complete with funding received. Project closure underway to finalise position.

- **(RE01) ICT Refresh Programme** – £0.6m re-profiled into 23/24, with £0.2m retained to cover new laptop requests and maintenance issues with servers
- **(RE07) Digital Transformation – Networks** - £0.223m funding has been released to fund Full Business with additional £0.127m retained in year to cover 22/23 commitment. The remaining #’Pending’ funding has been reprofiled into 23/24
- **(RE08) Digital Transformation Programme** – No change in forecast from P7, DTP projects still expected to use 22/23 budget allocations.
- **(RE09) Expansion of Flax Bourton Mortuary** – Revised options appraisal, shared with s151 Officers on the 7th of December, confirmed Plan B is still to be £0.5m over approved funding levels. This was therefore rejected. Work to explore further options is underway but build costs will not start until 23/24 and have been reprofiled accordingly. Fees are expected to total £0.2m in 22/23