

Section A: Revenue Budget Monitor

	Revised Budget	Forecast Outturn	Outturn Variance
P05	£45.9m	£44.3m	(£1.6m) underspend
P02	£45.6m	£45.6m	£0.0m

May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb
0.0	0.0	0.0	(1.6)						
▲↑			▲↑						

Position by Division

Period 5/ Quarter 2 - Summary	Approved budget	Revised Budget	Q2/P5 Forecast	Q1/P2 variance	P3/P4 variance	Q2/P5 variance	Total Variance	Total Variance %
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	
2 - Resources								
21 - Policy, Strategy and Digital	21,008	21,215	20,517	2	(0)	(700)	(698)	-3.3%
22 - Legal and Democratic Services	14,575	14,871	14,617	0	0	(254)	(254)	-1.7%
24 - Finance	6,142	6,679	6,239	(3)	0	(437)	(440)	-6.6%
25 - HR, Workplace & Organisational Design	3,155	2,954	2,790	0	0	(164)	(164)	-5.6%
26 - Management - Resources	181	153	153	0	0	0	0	0.0%
Total 2 - Resources	45,061	45,872	44,316	(1)	0	(1,555)	(1,556)	-3.4%

Key Messages:

The Resources Directorate is currently forecasting a favourable movement /underspend of £1.6m against the revised Budget position of £45.9m. This £1.6m favourable movement in Period 5 represents the recovery mitigations identified to be held in abeyance for offset against Children and Education's in-year pressures.

£0.2m of this comes from an expected uptake in Annual Leave Top-Up introduced in September and £1.4m of this is mainly attributable to increase in chargeable/ recoverable activities.

Emerging risks to this budget position are captured on the Risk and Opportunities register which is currently estimated at a net weighted risk of £0.6m with the main risks being a potential increase in the contract cost for transport of the deceased for the Coroners and Mortuary service within Legal and Democratic Services division, a dependence on agency and interim staff to fill critical vacant positions within the Finance division and an increase in agency/locum solicitors in Legal Services working mainly on Adult care and Child Protection cases.

Savings Delivery

Resources Led Savings																																				
23/24 Resources Directorate Savings Target (£'000s):											5,916																									
23/24 Cross Cutting (Resources Led) Savings Target (£'000s):											3,402																									
In Year (23/24) Total:											9,318																									
A - Resources Directorate						B - Cross cutting (Resources led)						<table border="1"> <thead> <tr> <th colspan="4">Top 5 largest savings at risk in 23/24 (ordered by size of saving at risk)</th> </tr> <tr> <th>ID</th> <th>Cross cutting?</th> <th>Name of Proposal</th> <th>Value at Risk in 23/24 (£'000)</th> </tr> </thead> <tbody> <tr> <td>2324-R7</td> <td>N</td> <td>Mayor's Office</td> <td>£ 75</td> </tr> <tr> <td>NEW2223_R8</td> <td>N</td> <td>Review democratic engagement to modernise service delivery</td> <td>£ 50</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Top 5 largest savings at risk in 23/24 (ordered by size of saving at risk)				ID	Cross cutting?	Name of Proposal	Value at Risk in 23/24 (£'000)	2324-R7	N	Mayor's Office	£ 75	NEW2223_R8	N	Review democratic engagement to modernise service delivery	£ 50								
Top 5 largest savings at risk in 23/24 (ordered by size of saving at risk)																																				
ID	Cross cutting?	Name of Proposal	Value at Risk in 23/24 (£'000)																																	
2324-R7	N	Mayor's Office	£ 75																																	
NEW2223_R8	N	Review democratic engagement to modernise service delivery	£ 50																																	
Total value of savings (£'000s)	This month Value at risk (£'000s)	Proportion at risk	Last month Total value of savings (£'000s)	Last month Value at risk (£'000s)	Proportion at risk	Total value of savings (£'000s)	This month Value at risk (£'000s)	Proportion at risk	Last month Total value of savings (£'000s)	Last month Value at risk (£'000s)	Proportion at risk																									
No - savings are at risk	125	125	100%	125	125	100%	0	0	n/a	500	250	50%																								
Yes - savings are safe	5,560	0	0%	5,560	0	0%	3,402	0	0%	2,902	0	0%																								
SAVING CLOSED - CONFIRMED AS SECURED & DELIVERED	231	0	0%	231	0	0%	0	0	n/a	0	0	n/a																								
NO RAG PROVIDED	0	0	n/a	0	0	n/a	0	0	n/a	0	0	n/a																								
Grand Total	5,916	125	2%	5,916	125	2%	3,402	0	0%	3,402	250	7%																								
Represents increased cost rather than saving	-25	0	0%	-25	0	0%	0	0	n/a	0	0	n/a																								
n/a - represents last year's saving was due one off only	-150	0	0%	-150	0	0%	0	0	n/a	0	0	n/a																								
Grand Total	5,741	125	2%	5,741	125	2%	3,402	0	0%	3,402	250	7%																								
n/a - represents a saving was mitigated last year	-150			-150			-2,970			-2,970																										
WRITTEN OFF	0			0			0			0																										
Grand Total	5,591	125	2%	5,591	125	2%	432	0	0%	432	250	1																								
Key changes since last month Target for 22/23 has remained at £9.3m.																																				
1. NEW2223_CEN05b Strategic Business Review of Fees and Charges is reporting the full 500k saving as safe in P5, a reduction of £250k in at risk savings since P4.																																				
Key messages/ Comments 1. Resources started the 23/24 FY year with a target of £11.6m savings to find (30 savings lines)- of which £5.1m were Resources specific, and £6.5m cross cutting in nature (of which £5.5m relates to the Management & Capacity review. This has now reduced after M&C savings apportioned to other Directorates. 2. Note this updated £9.3m target includes £2.8m of undelivered rollovers from last year that remain due - this comes primarily from rolled over Management & Capacity savings (£2), but also rollovers from fees and charges review, Common Activities, and several smaller items. 3. The largest savings at risk are shown in the top right corner - P5 shows the full £500k saving for Strategic Review of Fees and Charges as safe (an improvement of £250k from P4). The Mayor's office savings (£0.08m) and Review of democratic engagement to modernise service delivery (£0.05m) currently reporting the highest amounts at risk. 4. Note that these figures above exclude additional savings committed in summer 2022 relating to recurring mitigations and others signed-off in business cases - specifically Digital Transformation programme which has a net £428k net savings due this year (assuming some rollover from last year) DTP is looking at a proposal to rebase the timeline and phasing of savings. 5. In total Resources (when accounting for business case savings) Resources has 36 separate savings due in 23/24 with £10m due.																																				

Section B: Risks and Opportunities

Division	Service	Risk or Opportunity	Description of Impact	Risk (Opportunity) £'000	Likelihood %	Net Risk (Opportunity) £'000
Resources	Finance - ARI	Risk	Risk due to recruitment challenges in finance and requirement to use interim resource at a higher price point that anticipated to cover urgent and critical areas including HRA.	300	75%	225
Resources	Finance - Rev & Benefits	Risk	Annual approved Local Authority errors on DWP subsidy payments above the lower threshold for 2021/22 resulting in loss of subsidy payments	340	100%	340
Resources	Finance - Rev & Benefits	Opportunity	Reserves earmarked to fund loss in subsidy payments to be used to mitigate risk above	(340)	100%	(340)
Resources	Legal Services	Risk	Staffing (including Agency) cost pressure - additional locums and agency staff to take on additional work mainly for Adult Care & Child Protection	360	90%	324

Resources	Democratic Services	Risk	Existing budget of £8.5k to organise Remembrance Sunday activities when in-house. Richmond Events Management have now taken the organisation at a yearly contract cost of £25k, resulting in an on-going pressure of £16.5k On-going pressure of £8.5k costs pa for the hire of the Lord Mayor's car, with no budget	25	90%	23
Resources	Statutory Registration	Risk	Increase in contract price for 23/24 for seven-month period to October 23, after which the current contract lapses to be replaced either by a new temporary contract or for service to come in-house. This risk assumes that there will be a new temporary contract for the rest of the financial year with unit cost rising from £275 to £400	155	100%	155
Resources	Statutory Registration	Opportunity	Registrars fee income actual at P4 forecast an overachievement of income budget plus underspend across salary budgets through vacancies	(170)	95%	(162)
Resources	Executive Office	Risk	In advance of the closure of City Mayor's office in 24/25, MTFP savings of £75k at risk	75	100%	75
			Assumed internal mitigations	(640)	100%	(640)
Total - Resources			TOTAL			0

Section C: Capital

Approved Budget	Revised Budget	Expenditure to Date	Forecast Outturn	Outturn Variance
£8.4m	£8.4m	£2.1m 25% of Budget	£7.0m 83% of Budget	(£1.4m)

Gross Expenditure by Programme		Current Year (FY2023) - Period 5				Performance to budget	
Ref	Scheme	Budget	Expenditure to Date	Forecast	Variance	Expenditure to date	Forecast
£000s						%	
Resources							
RE01	ICT Refresh Programme	1,795	0	1,795	0	0%	100%
RE03	ITTP - IT Transformation Programme (CLOSED March 2023)	0	(2)	0	0		
RE07	Digital Transformation Programme - Networks	4,511	1,691	3,507	(1,005)	37%	78%
RE08	Digital Transformation Programme	1,053	412	557	(496)	39%	53%
RE09	Expansion of Flax Bourton Mortuary	1,066	15	1,125	59	1%	105%
Total Resources		8,425	2,116	6,983	(1,442)	25%	83%

Key Messages:

- **(RE07) Digital Transformation – Networks** – The project has re-profiled its 23/24 spend, requesting £1.0m budget be moved back into 24/25.
- **(RE08) Digital Transformation Programme** – £0.45m of 23/24 spend has been re-profiled to next year for Telephony / Contact Centre and CRM & Channel Shift. In addition, eDiscovery for SARS is forecasting an in-year underspend of £0.043m due to the project being descoped.
- **(RE09) Expansion of Flax Bourton Mortuary** – Expansion has now been approved and the project is now moving ahead with its remaining budget forecasted to be spent in 23/24. Currently, the project is showing a £0.06m overspend, and discussions with the Budget Manager is being held to find how this can be mitigated within the financial year.