

Section A: Revenue Budget Monitor

	Revised Budget	Forecast Outturn	Outturn Variance
P08	£47.2m	£47.7m	£0.5m overspend
P07	£44.3m	£44.3m	£0.0m

May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb
0.0	0.0	0.0	(1.6)	0.0	0.0	0.5			
▲↑			▲↑			▼↓			

Position by Division

Quarter 3 / Period 8 - Summary	Approved budget	Revised Budget	Q3/P8 Forecast	Q1/P2 variance	P3/P4 variance	Q2/P5 variance	Total Variance YTD Q3/P8	Total Variance %
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	
2 - Resources								
21 - Policy, Strategy and Digital	21,008	21,383	21,402	2	(0)	(700)	18	0.1%
22 - Legal and Democratic Services	14,575	15,616	16,414	0	0	(254)	798	5.1%
24 - Finance	6,142	6,903	6,783	(3)	0	(437)	(120)	-1.7%
25 - HR, Workplace & Organisational Design	3,155	3,188	3,104	0	0	(164)	(84)	-2.6%
26 - Management - Resources	181	110	0	0	0	0	(110)	-100.0%
Total 2 - Resources	45,061	47,200	47,702	(1)	0	(1,555)	502	1.1%

Key Messages:

The Resources Directorate is forecasting a full year overspend of £0.5m (1.1%) against a revised budget of £47.2m which is an adverse movement of £0.5m from Period 7. The movement across the directorate is a result of items previously listed within risks and opportunities now being fully reflected in the forecast. It is anticipated that the directorate will identify a range of one-off mitigations before the full year outturn.

There is an in-year pressure of £0.8m within Legal & Democratic Services primarily due to additional locum and agency costs as a result of rising demand for statutory Adult Care and Child Protection work. This will be an ongoing pressure for Legal Services, forecast to be £0.5m, which will be reflected as part of budget setting and the MTFP update.

There is a £1m pressure within Finance due to increased insurance premiums however this is currently being mitigated by underspends across the rest of the division resulting in a net under spend of (£0.1m). There is expected to be an ongoing pressure in relation to insurance premiums which needs to be considered as part of the MTFP update.

The net position for risks and opportunities is £0.6m. The most material risks are £0.4m within HR, Workplace & Organisational Design in relation to contractual issues resulting in underachievement of the income target and £0.2m within Finance due to recruitment challenges resulting in the use of

interim resource at a higher price point than anticipated to cover urgent and critical areas including HRA.

Detail by division is provided below:

- **Digital Transformation** is forecasting to budget with no material change from the P7 forecast.

Within the division there are material variances with pressures of £0.3m relating to computing contracts and unavoidable inflationary costs being offset by one-off underspends in salaries (£0.2m) due to service restructures within Policy, Strategy & Communications and Digital Transformation (both have 24/25 MTFP savings which have been partially achieved in 23/24). In addition, there is forecast to be a (£0.1m) over-achievement of income in the Performance & Intelligence Service.

- **Legal and Democratic Services** is forecasting an in-year £0.8m pressure with a deterioration of £0.1m from P7 forecast position.

There is a net £0.4m pressure in Legal Services, £0.8m relating to additional locums and agency staff and rising numbers of complex cases requiring Counsel and External Lawyers, both of which are to deal with the increasing demand of statutory Adult Care and Child Protection work. The overspend is partially mitigated by (£0.2m) over-achievement of fee income and access to (£0.2m) one-off funding to mitigate staffing and Child Protection pressure.

In addition, it is forecast that there will be on-going pressures to Legal Services of £0.5m in 24/25 if the current levels of Adult Care and Child Protection complex cases are maintained.

The remaining £0.4m pressure in Legal and Democratic Services relates to £0.2m in staffing pressures within the Executive Office and Senior Leadership Team and £0.2m within the Business Support Service due to 23/24 MTFP savings targets being only partially achieved.

Between P7 and P8 there was a deterioration of £0.1m. This was due to a £0.05m Legal Services disbursements pressure and a £0.05m decrease in fee income for the Modern Records Team under the Information Governance Service.

- **Finance** is forecasting an underspend of (£0.1m). There is a £1.0m pressure due to increased insurance premiums however this is offset by over achievement of income targets in the benefits service comprising (£0.5m) recharges of unsubsidised temporary accommodation to the Growth & Regeneration directorate, (£0.2m) benefits overpayment recoveries and an underspend of (£0.4m) due to staff vacancies.
- **HR, Workplace and Organisational Design** is forecasting a favourable position of (£0.08m) due to overachievement of the savings target for the second holiday purchase scheme (£0.04m) and an under spend within training (£0.04m).
- **Management – Resources** budget contains the over-achievement of the Council's Succession Planning/Senior Management savings target which was exceeded by (£0.1m).

Savings Delivery

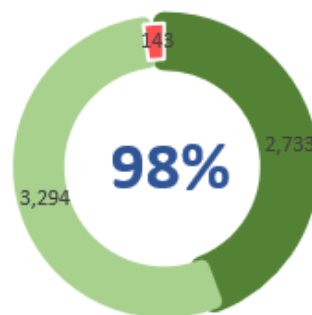
Resources (& Shareholding)					
BRAG	No. of Items	Plan £'000	Forecast £'000	Of Which Verified £'000	Variance £'000
Blue	7	1,529	1,529	531	-
Green	27	4,398	4,398	2,102	-
Amber	4	118	100	100	(18)
Red	2	125	-	-	(125)
Total	40	6,170	6,027	2,733	(143)

£'000s

Savings not forecast to deliver

Verified forecast savings

Unverified forecast savings



Section B: Risks and Opportunities

Division	Service	Risk or Opportunity	Description of Impact	Risk (Opportunity) £'000	Likelihood %	Net Risk (Opportunity) £'000
Finance	Benefits	Risk	Annual LA errors in 22/23 going above the lower threshold	500,000	50%	250,000
Finance	Benefits	Opportunity	Reduction in Subsidy income received, relating to the LA Error in 22/23 going above the lower threshold will be met from earmarked reserves.	(500,000)	50%	(250,000)
Finance	Revenues	Risk OR Opp	Summons income variation	59,000	100%	59,000
Finance	Revenues	Risk OR Opp	Summons income variation	(117,000)	100%	(117,000)
Finance	Corporate Finance	Risk	Interims expenditure pressure	300,000	75%	225,000
HR	People Operations	Risk	Contingent Workforce Contract Renewal increased costs	Unknown	Unknown	Unknown
HR	Safety, Health & Wellbeing	Risk	Occupational Health/ Employee Assistance Programme/ Health monitoring contract renewal	Unknown	Unknown	Unknown
HR	People Operations	Risk	Contractual issues resulting in the underachievement of income target.	780,071	50%	390,036
PSD	Digital Transformation	Risk	Underachievement of business case savings	236,000	0%	0
PSD	Digital Transformation	Opportunity	Overachievement of business case savings	(236,000)	0%	0
PSD	Digital Strategy & Transformation	Risk	Cyber security review of posture	80,000	80%	64,000
PSD	Citizens Services	Opportunity	PCI Manned Telephony - Uplift of 170 channels	(54,000)	100%	(54,000)
L&D	Legal Services	Opportunity	Internal / External Income	(200,000)	0%	0
L&D	Statutory Registration	Opportunity	Coroners - Pathologist Pay	(94,000)	0%	0
L&D	Executive Office	Risk	City Mayor's Office	130,000	0%	0
Net Total - Resources				884,071		567,036

Section C: Capital

Approved Budget £5.6m	Revised Budget £5.6m	Expenditure to Date £2.3m 41% of Budget	Forecast Outturn £4.0m 70% of Budget	Outturn Variance (£1.7m)
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Gross Expenditure by Programme

Ref	Scheme	Current Year (FY2023) - Period 8				Performance to budget	
		Budget	Expenditure to Date	Forecast	Variance	Expenditure to date	Forecast
£000s						%	
RE01	ICT Refresh Programme	500	0	150	(350)	0%	30%
RE03	ITTP - IT Transformation Programme (CLOSED March 2023)	0	(2)	(2)	(2)		
RE07	Digital Transformation Programme - Networks	3,507	1,852	2,129	(1,378)	53%	61%
RE08	Digital Transformation Programme	560	409	607	46	73%	108%
RE09	Expansion of Flax Bourton Mortuary	1,066	43	1,086	20	4%	102%
Total Resources		5,633	2,302	3,969	(1,664)	41%	70%

Key Messages:

- **(RE01) ICT Refresh Programme** - The project budget and forecast spend was reprofiled in P6 from £1.8m to £0.5m, reflecting that the Programme was largely complete. The forecast has been reduced further in P8 to bring it in line with the current commitment for new laptops of £0.15m.
- **(RE07) Digital Transformation – Networks** – The project, after a deep dive of its position post P8, is now forecasting an in-year underspend of £1.4m. In addition, the project has agreed to return £0.5m capital funding it no longer requires, which has been approved by the Director of DT, and is now in the forecast across the capital budget lifetime of the project. This funding was a contingency amount set aside in case of additional costs in procuring hardware. This process is now complete and the contingency was not required.
- **(RE08) Digital Transformation Programme** – After a deep-dive of the DTP projects in scope, the P8 forecast of £0.6m has returned an in-year overspend of £0.05m, an increase of £0.05m from the P7 position. In addition, eDiscovery for SARS project has descoped and has confirmed a project underspend of £0.15m, it is forecast across the capital budget lifetime of the project.
- **(RE09) Expansion of Flax Bourton Mortuary** – Extension has been built and moved onto site. Current forecasts are that Bristol City Council have a £0.02m pressure (£0.05m across all 4 local authorities) and whilst it is hoped that this can be mitigated against contingency, there have been challenges during the build which could add to the current financial forecast cost.