

Appendix 1 - Revenue Monitoring Commentary Quarter 2 2023/24

Portfolio Number and Description	Cashlimit Number and Description	Current Budget £000	Actuals to date £000	Quarter 2 Published Forecast £000	Change from Previous Quarter Forecast Over / (Under) £000	2023/24 Outturn Variance Over / (Under) £000	Outturn Variance Analysis	Outturn Recovery Plan		
Detailed Analysis of Budgets for Leader of Council										
P04	Leader of Council	1112	Housing Delivery Vehicle	(1,000)	(88)	(1,000)	0	0	No variance reported	Not applicable
P04	Leader of Council	1119	Emergency Planning	659	369	646	(24)	(12)	Favourable movement across the service due to staff vacancies.	Not applicable
P04	Leader of Council	1136	External Affairs & Partnerships	0	60	20	20	20	Key external subscriptions for Sustainable Communities and the Council (Key Cities and Western Gateway) where we have no budget.	Vacancy management and reduction in discretionary spend will be targeted across the Sustainable Communities department.
P04	Leader of Council			(341)	342	(334)	(4)	8		
Detailed Analysis of Budgets for Climate Emergency and Sustainable Travel										
P27	Climate Emergency and Sustainable Travel	1127	Environmental Monitoring (Air Pollution)	191	48	80	(4)	(111)	Favourable staffing variance due to vacancies and recovery of staff time charged to projects	Not applicable
P27	Climate Emergency and Sustainable Travel	1135	Transport Planning, Policy and Sustainable Transport	381	829	381	0	0	No variance reported	Not applicable
P27	Climate Emergency and Sustainable Travel	1137	Green Transformation	760	943	727	(33)	(33)	Vacancy savings within the service along with a reduction in non-staffing spend.	Not applicable
P27	Climate Emergency and Sustainable Travel Total			1,333	1,821	1,189	(37)	(144)		
Detailed Analysis of Budgets for Council Priorities and Delivery										
P32	Council Priorities and Delivery	1047	Human Resources & Organisational Development	2,192	2,413	2,208	(19)	16	Staff turnover savings partially offset by net vacancy saving in Health & Safety team	Both staffing and running costs will be monitored closely throughout the year to establish any opportunities to mitigate the current adverse variance forecast
P32	Council Priorities and Delivery	1130	Corporate Governance	1,819	864	1,863	4	44	Vacancy saving not expected to be delivered	Both staffing and running costs will be monitored closely throughout the year to establish any opportunities to mitigate the current adverse variance forecast
P32	Council Priorities and Delivery	1131	Corporate Strategy and Communications	4,249	1,078	4,214	2	(35)	Underspend due to recharging of officer time to Homes For Ukraine Grant	Not applicable
P32	Council Priorities and Delivery	1132	Business Change	821	658	821	0	0	No material variance	Not applicable
P32	Council Priorities and Delivery Total			9,081	5,014	9,106	(12)	25		
Detailed Analysis of Budgets for Resources										
P19	Resources	1032	Information Technology	5,355	4,286	5,506	109	150	Over budget position due to contract inflation, partially mitigated through holding staff vacancies.	A large percentage of IT costs are fixed contracts which there is little room for mitigation against. Efforts are therefore being focused on variable costs such as telephony (both landline and mobile phones) as well as user licenses. This is in an effort to reduce costs and become more streamlined.
P19	Resources	1040	Finance	2,167	1,293	2,175	(79)	9	Adverse variance due to revised timetable for efficiency savings with delivery in Quarter 4.	Recurrent savings to be delivered in Quarter 4.
P19	Resources	1041	Revenues & Benefits	1,893	2,420	1,833	(55)	(60)	The forecast underspend is linked to staffing vacancies	Not applicable
P19	Resources	1042	Risk & Assurance Services	1,284	559	1,284	0	0	No variance reported	Not applicable
P19	Resources	1053	Council Solicitor & Democratic Services	2,655	1,801	2,801	(53)	146	Unmet savings target in Legal and Democratic Services and vacancy savings target. This projected overspend will be mitigated over the year by a reduction in external legal spend costs across Council services	Projected overspend will be mitigated over the year by a reduction in external legal spend costs across Council services and holding vacant posts
P19	Resources	1054	Hsg / Council Tax Benefits Subsidy	(195)	2,878	385	130	580	Ongoing budget pressure due to temporary accommodation being provided at a cost higher than the claimable subsidy.	Cost management actions to be implemented by Housing team to bring placement costs in line with subsidy.
P19	Resources	1055	Capital Financing / Interest	4,789	4,027	3,679	(400)	(1,110)	There is a £800k underbudget forecast on borrowing costs, mainly due to reprofiling of borrowing requirements throughout the year. Income from investment interest is currently forecast to be £300k in excess of budgeted levels due to the further increases in interest rates since the budget was set. There is also a small under budget position on the Ex-Avon Debt repayments.	Not applicable
P19	Resources	1056	Unfunded Pensions	1,388	107	1,388	0	0	No variance reported	Not applicable
P19	Resources	1057	Corporate Budgets including Capital, Audit and Bank Charges	(2,779)	(6,678)	(2,779)	0	0	This includes higher than budgeted E-Payment costs of £30k due to the additional transactional fees and volume of transactions, and £15k on Apprenticeship Levy partially due to the higher than budgeted 2022/23 pay award. These are offset by lower forecast spend on Audit Fees due to some of the additional work charged in 2022/23 not currently anticipated to be required in 2023/24.	Not applicable
P19	Resources	1058	Magistrates	12	3	12	0	0	No variance reported	Not applicable
P19	Resources	1059	Coroners	450	331	510	60	60	The £60k over budget position is a result of inflationary pressures and increased costs in deceased transportation.	These costs are unavoidable and will be built into future years' budget planning
P19	Resources	1060	Environment Agency	258	193	258	0	0	No variance reported	Not applicable
P19	Resources	1061	West of England Combined Authority Levy	5,194	3,636	5,194	0	0	No variance reported	Not applicable
P19	Resources	1081	Commercial Estate	(12,650)	(10,059)	(11,796)	830	854	Increased fees and costs relating to the Commercial Estate (including an increase in Service Supported Borrowing costs) along with agency staff costs forecast for the whole year and unachieved income.	Service expenditure is being closely scrutinised to realise in year savings (including reduction in agency costs), whilst void properties will be readied for let as soon as possible.
P19	Resources	1118	Procurement & Commissioning	313	1,369	238	(78)	(75)	The forecast underspend is linked to staffing vacancies and contract underspends	Not applicable
P19	Resources Total			10,133	6,166	10,688	465	555		

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Detailed Analysis of Budgets for Economic And Cultural Sustainable Development										
P33	Economic And Cultural Sustainable Development	1018	Heritage Services	(8,233)	(8,608)	(10,373)	(1,499)	(2,140)	Current performance has been reflected in a confident Quarter 3-4 forecast for visitor numbers. Additional income forecast partially offset by variable costs linked to the visitor business (retail cost of sales, credit card charges etc.) Pay pressure forecast at Quarter 1 is unchanged, the weighting of grade 1-7 staff in the service means the provisional pay award is significantly higher than budgeted.	Not applicable
P33	Economic And Cultural Sustainable Development	1037	Property Services	580	755	559	(35)	(21)	Staff vacancy	Not applicable
P33	Economic And Cultural Sustainable Development	1038	Corporate Estate Including R&M	4,789	3,930	5,289	(444)	500	The Corporate Estate has improved its reporting of overspend down to £500k. Ongoing un-let buildings along with an ongoing target to reduce costs of £500k result in an adverse financial position being reported. This is mitigated by appointment of compliance team and estate management team lead mid-way through financial year (but forecast for longer), reduced security costs at Culverhay and savings in business rates and improved energy costs owing to solar panel installations across the corporate office buildings.	Work is ongoing to identify potential opportunities to reduce running costs and also to attract prospective tenants into our estate.
P33	Economic And Cultural Sustainable Development	1039	Traded Services	0	1	0	0	0	No variance reported	Not applicable
P33	Economic And Cultural Sustainable Development	1052	Regeneration	(33)	830	(5)	23	28	Favourable staff vacancies are offsetting income generation opportunities which results in an overall adverse position for the department.	Posts are being filled.
P33	Economic And Cultural Sustainable Development	1109	World Heritage	120	80	136	16	16	Future expenditure on salaries and consultancy is partly offset by a reduction in World Heritage Enhancement Fund fees that will be funded from CIL resulting in an adverse forecast.	Consultancy costs may be able to be reduced but this is a new working model for World Heritage so we will have to see how this works out first.
P33	Economic And Cultural Sustainable Development	1121	Events and Active Lifestyles	332	(212)	343	5	10	Pressures on events income budgets across the service. In part mitigated by stopping non essential spend	Staffing levels and expenditure being closely monitored and any savings opportunities will be realised.
P33	Economic And Cultural Sustainable Development	1126	Visit Bath	76	81	76	0	0	No variance reported	Not applicable
P33	Economic And Cultural Sustainable Development	1128	Business & Skills	385	359	395	3	10	No material variance	Not applicable
P33	Economic And Cultural Sustainable Development Total			(1,983)	(2,784)	(3,581)	(1,932)	(1,598)		
Detailed Analysis of Budgets for Adult Services										
P20	Adult Services	1019	Leisure	342	257	544	34	202	GLL (Greenwich Leisure Limited) annual management fee is lower than expected plus BRT (Bath Recreation Trust) rent review has resulted in an uplift in annual rental.	The Council is exploring ways of reducing energy bills (including energy efficiency measures and increasing income on GLL contract).
P20	Adult Services	1036	Adults Substance Misuse (DAT)	64	847	64	0	0	No variance reported	Not applicable
P20	Adult Services	1073	Adults & Older People-Mental Health Commissioning	9,009	5,191	9,009	528	0	The Market Sustainability and Improvement Grant (MSIF) has been applied in line with Market Uplifts and the service is reporting a balanced position.	Not applicable
P20	Adult Services	1086	Adult Care Commissioning	1,147	339	1,078	(70)	(70)	Small underspend resulting from staff vacancies.	Not applicable
P20	Adult Services	1088	Older People & Physically Disabled Purchasing	12,405	7,304	12,405	16	0	A rise in demand for Adult Social Care (ASC), particularly around support for hospital discharge. Nursing placements have risen by 31% , residential placements by 7% and homecare by 33% between Sep 22 and Sep 23. The underlying adverse variance of £395k will be covered by a transfer from the ASC reserves.	Commissioners are working with providers to effectively manage market and a forum of ASC professionals are meeting weekly to review high cost and complex placements.
P20	Adult Services	1091	Learning Disabilities Commissioning	15,312	10,554	18,327	2,719	3,015	Significant cost increase have been experienced in Supported Living and Residential resulting in an underlying adverse variance of £2.1m, which will be covered by a transfer from the ASC reserves. Whilst success has been achieved in working with clients to identify alternative solutions, the joint review of the funding sources within the Pooled arrangements is not progressing as planned and the achievement is now at risk. The forecast adverse variance of £3m recognises this risk.	Supported Living schemes (w.e.f. Jan '24) continue being progressed with the aim to offset expensive spot purchased packages. Commissioning are also reviewing expenditure on several transitions from Children's with the aim to drive down costs. This has already led to £0.6m savings this quarter
P20	Adult Services	1093	Physical Disability, Hearing & Vision	3,499	1,540	3,422	(295)	(77)	Small favourable balance resulting from various package movements.	Not applicable
P20	Adult Services	1094	Public Health	0	2,166	0	0	0	No variance reported	Not applicable
P20	Adult Services	1110	Better Care Fund	6,781	12,473	6,781	(2)	(0)	No material variance	Not applicable
P20	Adult Services	1113	CCG B&NES CHC and FNC Payments	0	(281)	0	0	0	No variance reported	Not applicable
P20	Adult Services	1114	Community Equipment	237	416	319	82	82	Demand pressures around hospital discharge and helping to live independently for longer have resulted in an increase in the use of equipment.	New requests are being actively challenged and alternative funding streams are being explored
P20	Adult Services	1123	Safeguarding Adults	2,497	(18)	2,497	12	(0)	No material variance	Not applicable
P20	Adult Services	1124	Community Resource Centres & Extra Care Income	8,356	4,203	8,405	10	49	Demand for agency to maintain safe staffing levels is creating a small budget pressure. Management are taking action to mitigate this demand and cover internally wherever possible.	Management are working with HR to improve and streamline recruitment processes. Strict monitoring and controls are in place to limit use of agency.
P20	Adult Services Total			59,649	44,990	62,851	3,034	3,202		

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Detailed Analysis of Budgets for Children's Services										
P21	Children's Services	1076	Children, Young People & Families	17,215	25,901	20,790	1,226	3,575	£3.3m pressure across all demand led budget areas. This pressure occurs as follows; Unaccompanied Asylum Seeker Children care (UASC) £1.4m, Independent Foster Care £0.7m, Residential Care £0.8m, Disabled Children care £0.6m and spend to support those not in care £0.8m. These gross spend pressures have been offset by £1m in-year mitigations. There is a further £0.2m pressure across salaries, which is the amount of agency spend (£0.7m) that is not mitigated from the under budget position of base staffing salaries. £1.9m demand led budget pressures continued from 22/23, due to ongoing increased demand and complexity of supporting our children and young people.	Detailed monitoring of UASC numbers and costs. Continued monitoring and scrutiny of High Risk Areas, predominantly demand led budgets, savings targets and agency spend. £1.1m in-year recovery achieved in addition to £1.2m base budgeted Transformation savings.
P21	Children's Services	1077	Inclusion & Prevention	2,522	1,061	2,444	(54)	(79)	Reduction in non-salary spend across the cash limit.	Not applicable
P21	Children's Services	1078	Education Transformation	11,083	1,118	12,045	140	962	Main pressure £1m from Home to School Transport costs; primarily due to inflationary increases.	HTST process is being reviewed from end to end to ensure the most efficient and effective delivery of our statutory responsibility in a challenging market place; new Routing software being introduced. Longer term cost savings will be achieved when additional more local education placements are available as part of the Safety Value Project (SEN Recovery Plan).
P21	Children's Services	1079	Schools Budgets	(1,767)	(4,037)	(1,767)	0	0	Although Dedicated School Grant (DSG) shows a balanced position, the deficit carried into this year on the balance sheet was £13.5m. The overspend of the DSG in year last year was £7.7m. This historical deficit and in year overspends are being address via the Safety Value project in conjunction with the Department for Education (DFE) over a 5 year period. In 2022/23 the first payment from the DFE of £7.68m was received and further payment in 2023-24 of £1.65m is planned. The current in year forecast for the DSG is an overspend of £6.8m, which exceeds our planned safety valve programme position by £3m.	Recovery plan via Safety Valve Project, being monitored by Department for Education, alongside B&NES.
P21	Children's Services	1116	Integrated Commissioning - CYP	2,662	2,160	2,792	(15)	130	Increased contract costs to ensure statutory services are provided.	Review of all contract and departmental costs ongoing.
P21	Children's Services	1117	Safeguarding - CYP	85	34	80	(4)	(6)	Reduction in training spend.	Not applicable
P21 Children's Services Total				31,800	26,238	36,383	1,293	4,583		
Detailed Analysis of Budgets for Highways										
P34	Highways	1103	Transport & Parking Services - Parking	(8,668)	(4,819)	(9,405)	(109)	(737)	Income levels for on street and off street parking are exceeding budget across the majority of locations (£879k), plus staff savings of (£326k) across the service. This favourable position has been reduced by pressures on Bus Lane Enforcement (£156k), and an under recovery of Financial Assistance Scheme Framework Income (£312k).	Not applicable
P34	Highways	1104	Public & Passenger Transport	216	513	37	(196)	(179)	Favourable movement across the service due to staff vacancies, and underspend on fleet costs and non essential spend.	Not applicable
P34	Highways	1129	Clean Air Zone	0	(2,119)	0	0	0	Income levels are slightly exceeding budgeted levels in part due to increased level of penalty charge notice derived income and debt recovery. Whilst there was a minor dip in this recovery due to an internal printing matter this was resolved swiftly bringing with it an anticipated return to a favourable budget. Entry charge income is slightly down on original budgets but remaining fairly consistent, there is projected downturn with increased vehicle compliance, although this is less favourable to budget it is offset by increased levels of penalty charge notice income and recoveries through debt enforcement. Future budget assume continuing trends, which at this point seem to be aligning close to forecast levels. Any overall shortfall should be covered by the new burdens principle	Not applicable
P34	Highways	1133	Network & Traffic Management	728	219	413	(266)	(314)	Favourable movement across the service due to staff vacancies, and increased streetworks income.	Not applicable
P34	Highways	1134	Highway Maintenance	6,416	3,707	6,389	(61)	(27)	Favourable movement across the service due largely due to staff vacancies.	Not applicable
P34 Highways Total				(1,308)	(2,499)	(2,565)	(632)	(1,257)		
Detailed Analysis of Budgets for Neighbourhood Services										
P05	Neighbourhood Services	1089	Community Safety	194	282	198	(1)	5	No material variance	Not applicable
P05	Neighbourhood Services	1101	Neighbourhoods & Environment - Waste & Fleet Services	19,086	(142,209)	19,529	184	443	Pressures on staffing budgets across the service, this has been reduced by £94k due to an increase in recycle income sales, due to current market conditions	Staffing levels being closely monitored and any opportunity for vacancy management will be realised. The planned relocation to the Pixash Depot during Quarter 3 will impact on running costs, although quantification of this won't be known until the facility is occupied.
P05	Neighbourhood Services	1102	Neighbourhoods & Environment - Parks & Bereavement Services	1,536	1,276	1,563	(100)	27	Pressures on staffing budgets across the service (£127k), partly mitigated due to a reduction in non essential spend, and recovery of staff time charged to projects.	Staffing levels and expenditure being closely monitored and any savings opportunities will be realised.
P05	Neighbourhood Services	1115	Registrars Service	(98)	(300)	(94)	4	4	No material variance	Not applicable
P05	Neighbourhood Services	1122	Customer Services (Including Libraries)	2,405	1,025	2,466	(10)	60	Vacancy saving not expected to be delivered	Both staffing and running costs will be monitored closely throughout the year to establish any opportunities to mitigate the current adverse variance forecast
P05	Neighbourhood Services	1139	Public Protection	1,107	621	1,283	172	176	The adverse position on Public Protection is due to the underachievement on Pest Control, Dog Warden and Licensing income.	Limited scope to find savings within the service. Expenditure being closely monitored and any savings opportunities will be realised.
P05 Neighbourhood Services Total				24,229	(139,307)	24,945	248	716		

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Detailed Analysis of Budgets for Built Environment and Sustainable Development										
P35	Built Environment and Sustainable Development	1029	Housing	1,295	358	1,346	31	52	The adverse financial position reflects an underachievement of income in relation to homesearch fees, a write off in relation to Homefinders Scheme, borrowing costs and staffing movements.	We will be trying to mitigate the adverse position by reviewing our grant income and spend closely.
P35	Built Environment and Sustainable Development	1106	Development Management	1,208	2,141	1,373	52	165	The adverse position is due to the predicted underachievement of planning income which has been partly offset by vacancy management.	To help recover the financial position, in year mitigations are planned including new income streams and vacancy management and an expected national increase to planning fees in the new year. Also a number of large planning applications and Planning Performance Agreements are expected over the next few months which will partly mitigate the current underachievement of income as we haven't forecasted them all due to the risk if they don't come in.
P35	Built Environment and Sustainable Development	1138	Building Control	(39)	41	158	41	197	Pressures on Building Control and Land charges income due to current market conditions, slightly reduced due to reduction in expenditure.	Limited scope to find savings within the service. Expenditure being closely monitored and any savings opportunities will be realised.
P35	Built Environment and Sustainable Development Total			2,464	2,540	2,877	124	413		
	Council Total			135,056	(57,480)	141,560	2,546	6,504		