

Appendix 1 - Revenue Monitoring Commentary Quarter 2 2020/21

Portfolio Number and Description		Cashlimit Number and Description	Current Budget £000	Actuals to date £000	Quarter 2 Published Forecast £000	Quarter 1 Published Outturn Variance £000	Change from Previous Quarter Forecast Over / (Under) £000	2020/21 Quarter 2 Outturn Variance Over / (Under) £000	Outturn Variance Analysis	Outturn Recovery Plan	
Detailed Analysis of Budgets for the Leader											
P04	Leader	1112	Housing Delivery Vehicle	(1,000)	(245)	(1,000)	0	0	0	Dividend from Aequus expected to be received in full.	Not applicable
P04	Leader	1126	Visit Bath	367	367	367	0	0	0	No current forecast pressures identified	Not applicable
P04	Leader Total			(633)	122	(633)	0	0	0		
Detailed Analysis of Budgets for Resources and Deputy Leader											
P19	Resources and Deputy Leader	1032	Information Technology	4,963	3,220	5,109	111	35	146	Information Technology expenditure pressures due to additional demands resulting from working remotely.	Some of the additional spend will eventually be covered from the Covid-19 grant,
P19	Resources and Deputy Leader	1037	Property Services	675	549	594	(85)	4	(81)	Staffing underspends (delay in recruitment and reduced hours) and a reduction on supplies and services expenditure.	Not applicable
P19	Resources and Deputy Leader	1038	Corporate Estate Including R&M	3,492	3,029	4,053	1	559	561	The forecast overspend position reflects the ongoing impacts of Covid-19 and movement in occupational income from corporate premises. Underspends forecast on utilities, maintenance and servicing have been overshadowed by a number of factors including adverse impacts of the cost of cleaning, historical under recovery of postage recharges, and under-recovery of project team capital income recharges due to staff deployment on revenue/Covid related activities. £160k of the pressure relates to the excess costs of maintaining the BCA site following loss of income from Bath Spa tenancy, resultant holding costs and ongoing out of hours security due to anti social behaviour.	Service review has commenced
P19	Resources and Deputy Leader	1039	Traded Services	24	3	24	0	0	0	No current forecast pressures identified	Not applicable
P19	Resources and Deputy Leader	1040	Finance	3,069	1,417	3,005	(102)	38	(64)	Forecast overspend resulting from vacancy management.	Not applicable
P19	Resources and Deputy Leader	1041	Revenues & Benefits	915	1,099	967	90	(39)	51	Anticipated impact on Court Fee income as a result of Covid-19 related grace period	New government Sales, Fees and Charges scheme will be considered for reimbursement of lost income.
P19	Resources and Deputy Leader	1042	Risk & Assurance Services	1,082	864	1,057	(26)	0	(26)	No current forecast pressures identified	Not applicable
P19	Resources and Deputy Leader	1045	Strategy & Performance	1,910	1,577	3,400	223	1,267	1,490	Procurement savings of £388k, and £750k Digital savings are not considered achievable due to focus and reprioritisation of Covid-19 recovery work. Unbudgeted costs associated with the Recovery Board are also being forecast here.	Work is ongoing to focus on delivery of savings, whilst costs associated with Covid-19 recovery work will eventually be funded from the Covid-19 grant.
P19	Resources and Deputy Leader	1047	Human Resources	1,565	817	1,570	(2,928)	2,932	5	No material variance	Not applicable
P19	Resources and Deputy Leader	1053	Council Solicitor & Democratic Services	2,571	1,479	2,650	238	(159)	79	£100k saving for Shared Service which in the current climate is parked pending negotiations with neighbouring authorities £83k reduction in s106 income based on previous run rates. £50k savings target Members support - no current Political will for this saving to be achieved at this stage. Savings in Members allowances is offset these pressures.	Recruitment to 30 hour post will recover some of this. The historic loss of income will be offset to some extent by increased income and reduction of expenses elsewhere in the Directorate.
P19	Resources and Deputy Leader	1054	Hsg / Council Tax Benefits Subsidy	(195)	2,051	(195)	0	0	0	No current forecast pressures identified	Not applicable
P19	Resources and Deputy Leader	1055	Capital Financing / Interest	7,650	3,874	5,470	(2,000)	(180)	(2,180)	£2.2m underspend forecast for interest payments due to the rephasing of Capital Spend. This is in addition to the £1m saving from Corporate Supported Borrowing included in the separate Corporate Budgets Cash Limit. There is also a £20k shortfall in investment interest income forecast, due to a drop in market rates.	Not applicable
P19	Resources and Deputy Leader	1056	Unfunded Pensions	1,588	716	1,558	0	(30)	(30)	Small underspend forecast based on current spend to date.	Not applicable
P19	Resources and Deputy Leader	1057	Corporate Budgets including Capital, Audit and Bank Charges	(3,315)	(32,542)	(15,505)	(14,017)	1,827	(12,190)	This underspend includes the £11.3m MHCLG grants for Covid-19 Support and a £1m underspend forecast in Corporate Supported Borrowing due to review & rephasing of Capital Programme. There is a £680k shortfall of income forecast from Bath Spa Profit Share due to the Covid-19 closure, which is partially offset by Sales, Fees and Charges compensation funding.	Not applicable
P19	Resources and Deputy Leader	1058	Magistrates	12	6	12	0	0	0	No current forecast pressures identified	Not applicable
P19	Resources and Deputy Leader	1059	Coroners	335	263	381	46	0	46	Additional spend forecast due to Covid-19.	This is a one-off unavoidable cost. Any increase in costs that go beyond 20/21 would be known and factored into the 21/22 budget.
P19	Resources and Deputy Leader	1060	Environment Agency	244	183	244	0	0	0	No current forecast pressures identified	Not applicable
P19	Resources and Deputy Leader	1061	West of England Combined Authority Levy	4,994	3,496	4,767	(227)	0	(227)	There is a £227k rebate due back from the West of England Combined Authority for the levy paid to them, following the underspend on concessionary fares in 2019/20.	Not applicable
P19	Resources and Deputy Leader	1081	Commercial Estate	(15,217)	(7,437)	(8,614)	6,573	30	6,603	The financial position remains unchanged from the previous quarter and it is still too early to make any accurate prediction as to how this will ultimately materialise. The Council is continuing to work closely with its commercial tenants in an attempt to mitigate the impacts of the virus on their business.	Alongside the above measures, work is also ongoing to review tenants applications for financial support and where appropriately demonstrated through the provision financial and trading information tenants are being offered assistance.
P19	Resources and Deputy Leader	1118	Procurement & Commissioning	228	1,501	242	18	(4)	14	Minor overspend.	Not applicable
P19	Resources and Deputy Leader	1125	Improving The Way we work	(210)	28	0	180	30	210	Corporate savings (Business Intelligence and Comms consolidation) have now been recognised as not achievable in current climate with refocus on recovery plans.	Ongoing work from the Recovery Board will aim to increase the saving to budgeted levels.
P19	Resources and Deputy Leader Total			16,381	(13,807)	10,787	(11,904)	6,310	(5,594)		

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Detailed Analysis of Budgets for Adult Care Health and Wellbeing											
P20	Adult Services	1036	Adults Substance Misuse (DAT)	514	(1,898)	430	(86)	3	(84)	The underspend reflects planned savings.	Not applicable
P20	Adult Services	1073	Adults & Older People-Mental Health Commissioning	10,654	5,181	9,617	(1,139)	102	(1,037)	The underbudget position remains constant due to attrition during the COVID period and Hospital Discharge packages being funded by the NHS funding route. Adjustments are reflected in the outturn forecast to account for the packages currently being funded in this way to transfer to Adult Social Care and we are starting to see an increase in placements coming to panel.	The position remains relatively constant due to the reduced activity during the Covid period, although new placements are now being added. Pressure is still being seen in high cost placements but this continues to be reviewed by commissioners through the panel process and through contract monitoring
P20	Adult Services	1086	Adult Care Commissioning	1,626	204	1,520	(144)	39	(105)	Vacancies are being held and planned recruitment of new posts has been delayed .	Underspend will be used to offset pressures in other areas within Adult Social Care
P20	Adult Services	1088	Older People & Physically Disabled Purchasing	12,908	4,840	13,018	605	(496)	109	People being discharged from hospital are being charged directly against the Health funded Covid budget and as a result we are seeing a gradual reduction in care home placements recorded against Older People budget. Care home placement funded by the Council has fallen by 30 over the last 5 months. This continued reduction has reduced demand pressures within Older People budget.	A number of actions have taken place to drive change and achieve savings in line with recovery plan. This includes introduction of panels to examine all new requests for support ensuring that the any care approved is the right care.
P20	Adult Services	1091	Learning Disabilities Commissioning	18,069	6,150	18,100	49	(18)	31	Continued pressure on placement costs is being seen and this is being reviewed by commissioners regularly including review through revised panel process. Work to review contracts is underway to ensure that they are being delivered in the most efficient way. This, together with additional in year plans, will be monitored to ensure progress is being achieved.	Pressure is still being seen in high cost placements. This continues to be reviewed by commissioners through the panel process and through contract monitoring. Work on recovery plans has commenced to bring the spend in balance by the end of the year.
P20	Adult Services	1093	Physical Disability, Hearing & Vision	4,366	1,349	3,956	(441)	32	(409)	The underbudget position remains constant due to attrition during the Covid period and Hospital Discharge packages being funded by the NHS funding route. Adjustments are reflected in the outturn forecast to account for the packages currently being funded in this way to transfer to Adult Social Care.	This budget continues to be reviewed by commissioners through the panel process and through contract monitoring. Budget underspend will offset overspends in other areas of Adult Social Care.
P20	Adult Services	1094	Public Health	(250)	3,371	(250)	(0)	0	(0)	No current forecast pressures identified	Not applicable
P20	Adult Services	1110	Better Care Fund	11,792	40,569	13,275	1,095	388	1,483	This reflects the value of and forecast value of support to providers during the Covid period, by additional payment and payment for visits cancelled due to Covid. This amount may reduce if the 10% advance made is clawed back from providers but too early to predict if and to what extent this will apply. Supplier relief for missed visits has now been concluded in line with the end of requirements to shield.	Underspends elsewhere in Adults Social Care will be used to offset any additional spend plus a release funding from the fund for the protection of social care if required.
P20	Adult Services	1113	CCG B&NES CHC and FNC Payments	0	704	0	0	0	0	No current forecast pressures identified	Not applicable
P20	Adult Services	1114	Community Equipment	203	379	203	0	0	0	No current forecast pressures identified	Not applicable
P20	Adult Services	1123	Safeguarding Adults	1,793	775	1,750	(65)	22	(43)	All vacancies are being held and planned recruitment of new posts has been delayed .	Underspend will be used to offset pressures in other areas within Adult Social Care
P20	Adult Services	1124	Community Resource Centres & Extra Care Income	1,608	(990)	1,580	39	(67)	(28)	The occupancy levels of CRC and extra care apartments have improved with the easing of Covid-19 restrictions. As a result income forecasts have risen.	Occupancy levels are being monitored and work is ongoing to ensure this is improved. The transfer of the Community Resource Centres & Extra Care Units occurred on 1st October. This will aid the control of budgets.
P20	Adult Services Total			63,283	60,634	63,200	(86)	3	(84)		
Detailed Analysis of Budgets for Children's Services											
P21	Children's Services	1076	Children, Young People & Families	15,899	18,336	16,153	98	156	254	The service is currently forecasting a £523k pressure arising from Covid-19 Children's Social Care costs, with anticipated additional expenditure being incurred mainly on care packages. This pressure is substantially mitigated by the Recovery Plan savings forecast to be achieved, totalling £352k. The net position is £254k over budget, which includes increased costs of legal fees as a result of demand.	When the Government Covid-19 Expenditure Grant is allocated across Council Services at the end of the year, this cashlimit will end at an under budget position.
P21	Children's Services	1077	Learning & Inclusion	4,268	(149)	3,259	(1,032)	23	(1,009)	£909k of the under budget position is as a result of corporate contingency budget being held in this cash limit. This will be vired in due course. The additional £100k is mainly a result of various underspends across the cashlimit.	0
P21	Children's Services	1078	Health, Commissioning & Planning	6,870	1,985	7,067	917	(720)	197	£200k Covid-19 pressure relating to Home To School Transport service; primarily due to the forecast cost of current social distancing protocols when schools returned more fully in September. Also additional £170k Covid-19 costs arising from payments to Early Years providers, to ensure provision was available for key workers. Additional Government grant of £230k forecast to be received to offset annualised losses in sales, fees & charges.	When the Government Covid-19 Expenditure Grant is allocated across Council Services at the end of the year, this cashlimit will return to a balanced budget position.
P21	Children's Services	1079	Schools Budgets	(3,272)	(6,617)	(3,272)	0	0	0	This cashlimit is forecast on budget as any SEN overspend will be carried forward as part of the DSG accounting procedures.	0
P21	Children's Services	1116	Integrated Commissioning - CYP	2,651	1,895	2,583	0	(68)	(68)	Various forecast underspends, primarily within salaries.	Not applicable
P21	Children's Services	1117	Safeguarding - CYP	100	5	93	0	(7)	(7)	Small general underspend.	Not applicable
P21	Children's Services Total			26,515	15,454	25,882	(17)	(616)	(633)		

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Detailed Analysis of Budgets for Climate Emergency & Neighbourhood Services											
P22	Climate Emergency & Neighbourhood Services	1101	Neighbourhoods & Environment - Waste & Fleet Services	16,186	7,139	16,265	197	(118)	79	Increased costs for additional staff required in the collections service, a loss of income in our trade waste service, and a fall in the worldwide market values for recycle. There is a risk that the income for recycle will drop further in future forecasts but at the moment we anticipate markets recovering by Christmas as industries recover and stockpiles of material reduce.	Significant savings in fuel, vehicle maintenance and waste treatment costs are offsetting additional staffing costs along with Recovery Plan savings for 20/21 now being implemented.
P22	Climate Emergency & Neighbourhood Services	1120	Sustainability	511	103	367	(300)	156	(144)	Setting up new team delayed due to Covid, but is now in progress.	Not applicable
P22	Climate Emergency & Neighbourhood Services	1127	Air Pollution	210	110	198	(8)	(4)	(12)	Small staffing underspends.	Not applicable
P22	Climate Emergency & Neighbourhood Services Total			16,907	7,352	16,830	(111)	34	(77)		
Detailed Analysis of Budgets for Transport Services											
P25	Transport Services	1006	Highways & Traffic Management	7,615	2,821	7,232	(251)	(132)	(383)	Highways have seen a reduction in permit income, £100k of which is being reimbursed from the government's Sales, Fees and Charges scheme. All Recovery Plan savings have been actioned.	Savings currently being implemented to achieve budgeted savings targets and Recovery Plan Savings, this includes a reduction in expenditure and vacancy management.
P25	Transport Services	1103	Transport & Parking Services - Parking	(7,738)	(1,334)	(6,423)	7,085	(5,770)	1,315	The forecast had improved during July and August following an increase in visitors to the City Centre of Bath. However income has reduced again in September, the trend is down to 75% of previous income levels. £3.3m of lost income is being reimbursed from the government's Sales, Fees and Charges scheme. CEO Staff Savings have been implemented during the first and second quarters. All Recovery Plan Savings have been actioned.	Implementing savings as part of the Recovery Plan. We are looking to implement some additional savings in 20/21
P25	Transport Services	1104	Transport & Parking Services - Public & Passenger Transport	(461)	254	(247)	202	12	214	Reduction in contract payment to us from First Bus for the Park and Ride Contract - currently being negotiated. Also a reduction in advertising income. Partially offset by staff savings within Passenger Transport.	New government Sales, Fees and Charges scheme will be considered for reimbursement of lost income.
P25	Transport Services	1119	Emergency Planning	433	1,265	1,101	990	(322)	668	Overspend on council response to Covid, includes PPE costs and work on Temporary Resting Place at Haycombe Crematorium incurred as part of the council wide response to Covid-19.	These costs will be covered by the Covid-19 grant when distributed across the organisation.
P25	Transport Services	1129	Clean Air Zone	0	0	0	0	0	0	Clean Air Zone infrastructure is progressing towards completion, implementation date scheduled for 15th March 2021.	Not applicable
P25	Transport Services Total			(150)	3,006	1,663	8,025	(6,212)	1,813		
Detailed Analysis of Budgets for Housing, Planning & Economic Development											
P23	Housing, Planning & Economic Development	1029	Housing	1,648	1,079	1,057	(601)	10	(591)	Housing are experiencing a number of Covid-19 related cost pressures. These arise from: MCHCLG instructing all councils to source accommodation for all known Rough Sleepers, a drop in income from the allocation of social housing through Homesearch; and the call on temporary accommodation void guarantees. It has therefore been agreed as part of the Financial Recovery Plan to draw down £664k from Housing Reserve as an in year one-off saving.	Not applicable
P23	Housing, Planning & Economic Development	1052	Regeneration	301	387	187	(106)	(8)	(114)	Salary underspends along with a proposed reduction in agency spend are causing the forecast underspend. The Financial Recovery Plan element of recharging staff costs to capital and reduction in hours / buy back of leave has also now been forecast. This will not affect the department's ability to meet the income targets on project recharges.	Not applicable
P23	Housing, Planning & Economic Development	1106	Development Management	1,543	776	2,050	251	255	506	Unprecedented impact of Covid-19 restrictions has adversely affected all planning fee income streams therefore forecasting a reduction in these. This should change if the economic situation improves and will closely monitored. Being partially offset by salary savings and the Sales, Fees and Charges reimbursement claim from the MHCLG.	New government Sales, Fees and Charges scheme will be considered for reimbursement of lost income.
P23	Housing, Planning & Economic Development	1128	Business & Skills	482	308	500	(12)	30	18	Manager on six month secondment to WECA creating a temporary staff saving offset with loss of rental income from Wansdyke Business Centre.	Not applicable
P23	Housing, Planning & Economic Development Total			3,975	2,550	3,794	(467)	287	(181)		

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Detailed Analysis of Budgets for Community Services											
P24	Community Services	1005	Building Control & Land Charges	884	679	1,002	272	(154)	118	Income levels in Building Control, Land Charges and Licensing are under threat due to dramatically reduced economic activity. Sales, Fees and Charges grant income will only cover 75% of forecast loss of income. Casino operator has entered liquidation therefore annual income from Schedule 9 payment at risk. Financial Recovery Plan savings have been achieved which have mitigated some of the income losses further.	Savings programme drawn up to mitigate some of these adverse forecasts which includes staff savings through vacancy management and some service redesign. Also reduction in budgeted expenditure where possible. Income levels for the remaining year are very dependent on economic conditions.
P24	Community Services	1018	Heritage	(9,682)	2,877	(5,565)	14,366	(10,249)	4,117	The forecast has improved following the decision to reopen the Roman Baths, staff savings associated with furlough and the redeployment of staff to the Roman Baths from the Fashion Museum and Victoria Art Gallery. Sales, Fees and Charges grant income of £9.9m has now been forecast for the year to offset some of the income loss.	Cost mitigations totalling £2.7m have been identified. Work is ongoing to ensure that a Covid secure visit can be delivered at the Roman Baths and revenue generation can start as soon as it is safe.
P24	Community Services	1019	Public Protection & Health Improvement - Leisure	702	888	1,259	512	46	558	Financial Support has been provided to leisure operator GLL for the period March-August 2020 due to impacts of Covid-19 on the sector.	Implementing savings for golf provision this financial year.
P24	Community Services	1089	Community Safety	193	20	193	0	(0)	(0)	No material variance. Full funding allowance has been committed	Not applicable
P24	Community Services	1102	Neighbourhoods & Environment - Parks & Bereavement Services	1,282	698	1,214	(109)	41	(69)	Loss of income at Parade Gardens and Royal Victoria Park from entrance fees and bookings. Also a loss of income from memorial sales at Haycombe from Covid restrictions. Recovery Plan Savings have been actioned.	Recovery Plan Savings being implemented across Parks. £100k Recovery Plan Saving from Environmental Services
P24	Community Services	1109	World Heritage	154	41	115	(38)	(0)	(38)	Savings identified as part of Council recovery plan	Savings identified as part of Council recovery plan
P24	Community Services	1115	Registrars Service	(75)	(0)	(2)	153	(80)	73	Lost ceremony income and certificates due to Covid-19.	New government Sales, Fees and Charges scheme will be considered for reimbursement of lost income.
P24	Community Services	1121	Events & Active Lifestyles	164	39	207	145	(102)	43	Loss of income for Events and Weddings for 20/21, partially reduced following a reimbursement of £88k from the government's Sales, Fees and Charges Scheme	Recovery Plan Savings have been implemented. Currently offering Covid secure events / weddings. The majority of bookings are deferring to next financial year.
P24	Community Services	1122	Customer Services (Including Libraries)	2,262	929	2,217	36	(81)	(46)	Library closures during pandemic has resulted in some reduction of spend. Receipt of Furlough payments and general vacancy management has also contributed to the favourable position.	New government Sales, Fees and Charges scheme will be considered for reimbursement of lost income.
P24	Community Services Total			(4,116)	6,172	640	15,336	(10,580)	4,756		
Council Total				122,162	81,482	122,163	10,776	(10,776)	0		