

Appendix 1 - Revenue Monitoring Commentary Quarter 3 2020/21

Portfolio Number and Description		Cashlimit Number and Description	Current Budget £000	Actuals to date £000	Quarter 3 Published Forecast £000	Quarter 2 Published Outturn Variance £000	Change from Previous Quarter Forecast Over / (Under) £000	2020/21 Quarter 3 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)	(244)	(1,000)	0	0	0	Dividend from Aequus expected to be received in full.	Not applicable
P04	Leader	1126	Visit Bath	367	667	367	0	0	0	Any costs associated with the closure of Visit Bath will be funded by the Transformation Reserve. No impact on the in year budget position.	Not applicable
P04	Leader Total			(633)	423	(633)	0	0	0		
Detailed Analysis of Budgets for Resources and Deputy Leader											
P19	Resources and Deputy Leader	1032	Information Technology	4,963	4,414	5,200	146	91	237	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	728	602	(81)	8	(73)	Vacancies and a saving from the Business Support team make up the majority of the favourable forecast position	Not applicable
P19	Resources and Deputy Leader	1038	Corporate Estate Including R&M	3,492	3,502	3,755	561	(298)	263	A portion of the accommodation savings target is being forecast as unachievable and the costs of the BCA site are contributing to the unfavourable position (this will continue into 21/22). This is being offset by the financial recovery savings with more accurate forecasts in premises costs due to the clarification of the lockdown situation and the realisation of income from Lewis House.	Service review has commenced
P19	Resources and Deputy Leader	1039	Traded Services	24	2	5	0	(20)	(20)	Budget surplus after residual costs for Linear Way covered and existing costs for Larkhall forecast. Budget will cease in 21/22 as part of savings plan.	Not applicable
P19	Resources and Deputy Leader	1040	Finance	3,069	2,308	2,896	(64)	(109)	(173)	£100k Covid recovery staffing savings delivered in full and additional underspends through delays in recruitment	Not applicable
P19	Resources and Deputy Leader	1041	Revenues & Benefits	915	1,347	958	51	(8)	43	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	1,145	1,057	(26)	0	(26)	No current forecast pressures identified	Not applicable
P19	Resources and Deputy Leader	1045	Strategy & Performance	1,927	2,517	3,346	1,490	(71)	1,419	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 financial recovery and planning for the future 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	1,298	1,548	5	(22)	(17)	A £150k organisation wide travel savings target currently sits in HR and shows as unachieved. However, a significant reduction in travel costs are being realised within council services and the budgeted savings target will be re-allocated across the organisation in 2021/22 to reflect the reduced costs. In the meantime, the service's in year savings more than cover this, resulting in a small service underspend.	Not applicable
P19	Resources and Deputy Leader	1053	Council Solicitor & Democratic Services	2,571	2,121	2,627	79	(23)	56	Existing saving target around a shared legal service and members support are both unachievable and undesirable and are therefore being replaced with alternatives in the 2021/22 budget. These have been partially mitigated this financial year by savings in member allowances and vacancy management	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)	1,717	(195)	0	0	0	No current forecast pressures identified	Not applicable
P19	Resources and Deputy Leader	1055	Capital Financing / Interest	7,650	5,908	5,470	(2,180)	0	(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	Not applicable
P19	Resources and Deputy Leader	1056	Unfunded Pensions	1,588	1,143	1,543	(30)	(15)	(45)	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	(2,406)	(48,624)	(13,870)	(12,190)	726	(11,464)	This underspend includes the £11.9m 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 £220k Sales, Fees and Charges grant funding. The £909k SEN contingency budget is forecast as an underspend. There are other small variances in audit, banking and pension deficit costs.	Not applicable
P19	Resources and Deputy Leader	1058	Magistrates	12	8	12	0	0	0	No current forecast pressures identified	Not applicable
P19	Resources and Deputy Leader	1059	Coroners	335	389	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	244	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	4,994	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)	(11,285)	(8,614)	6,603	0	6,603	The financial position remains unchanged from the previous quarter based upon the assumptions that during 20/21 there will be adverse impacts on rental income, risks on achieving pre-covid income on lease renewals, and that all current voids remain and potentially rise. 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	774	223	14	(18)	(5)	Minor underspend.	Not applicable
P19	Resources and Deputy Leader	1125	Improving The Way we work	(210)	35	0	210	0	210	Corporate savings (Business Intelligence and Comms consolidation) have now been recognised as not achievable in current climate with refocus on recovery plans.	The ongoing pressure has been acknowledged in the 2021/22 budget proposals.
P19	Resources and Deputy Leader Total			17,307	(25,316)	11,955	(5,594)	242	(5,352)		

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Detailed Analysis of Budgets for Adult Care Health and Wellbeing											
P20	Adult Services	1036	Adults Substance Misuse (DAT)	514	206	428	(84)	(2)	(86)	The underspend reflects planned savings.	Not applicable
P20	Adult Services	1073	Adults & Older People-Mental Health Commissioning	10,654	7,300	10,093	(1,037)	476	(561)	The underbudget position remains constant due to attrition during the COVID period and Hospital Discharge packages funded by the NHS in year. Adjustments are reflected in the outturn forecast to account for the packages currently being funded in this way to transfer to Adult Social Care. There is an see an increase in placements coming to panel plus an increase in S117 packages reviewed as joint health and social care. A value for Risk is included in Older People's Nursing	The position remains relatively constant due to the reduced activity during Covid period. New placements are now being transferred from Covid Funding and service users with capital drops. Pressure continues in high cost placements but this continues to be reviewed by commissioners through panel processes and contract monitoring. There has been an increase in joint Health Fund finding for Section 117 service users which have been reviewed in the panel process.
P20	Adult Services	1086	Adult Care Commissioning	1,600	328	1,235	(105)	(260)	(365)	Underspend reflects vacancies being held.	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	6,920	12,458	109	(559)	(450)	Hospital discharges are being funded by Health covid-19 budget and this has given the Council a 'funding holiday' of many months. This short term health funding plus a covid effect has let to a reduction in care home placements. In Dec 2019 care home placements stood at 277 in Dec they were 209. The pandemic has also had a major impact on many support services such as day care and respite.	A number of actions have taken place to drive change and achieve savings in line with recovery plan. This includes targeted reviews and 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	9,794	18,069	31	(31)	0	There has been an increase in Supported Living package costs, an increase in residential/transition costs and a reduction in Direct Payment weekly costs. A hospital discharge grant has been received. A value for risk is included.	Pressure is still being seen in high cost placements. This continues to be reviewed by commissioners through the panel process and through contract monitoring particularly around Transitions. Work on recovery plans has commenced to bring the spend in balance by the end of the year. A value for Risk is included.
P20	Adult Services	1093	Physical Disability, Hearing & Vision	4,366	2,385	3,770	(409)	(187)	(596)	The net increase reflects an increase in month in Residential and Nursing. There has been a reduction in COVID-19 funded placements which become responsibility of ASC from 06/11/20. A value for Risk is included	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)	1,836	(250)	(0)	0	0	No current forecast pressures identified	Not applicable
P20	Adult Services	1110	Better Care Fund	11,792	15,388	12,253	1,483	(1,022)	461	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	770	0	0	0	0	No current forecast pressures identified	Not applicable
P20	Adult Services	1114	Community Equipment	203	232	203	0	0	0	No current forecast pressures identified	Not applicable
P20	Adult Services	1123	Safeguarding Adults	1,883	1,177	1,815	(43)	(25)	(68)	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	(60)	1,561	(28)	(20)	(48)	External D2A and 3R funding secured.	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 aiding control.
P20	Adult Services Total			63,347	46,277	61,635	(84)	(1,629)	(1,712)		
Detailed Analysis of Budgets for Children's Services											
P21	Children's Services	1076	Children, Young People & Families	15,899	20,967	18,208	254	2,055	2,310	The service is currently forecasting a £748k pressure arising from Covid-19 Children's Social Care costs, and a further £200k within the Disabled Children's Team being incurred mainly on individualised budgets. This pressure in year is partially mitigated by the Recovery Plan savings forecast to be achieved, totalling £372k. JAP (Joint Agency Panel) costs are £1.3m over budget and are £1.7m increased from last year. This is due primarily to an exceptionally complex placement that is not typical of historical costs. The service are continuously searching for an alternative suitable provision to reduce these costs going forward. Residential placement costs are £1m over budget and are £945k increased from last year. This is primarily due to an increase in the number of placements needed in this area, combined with costs associated with the complexity of provision needed for these most vulnerable of young people.	When the Government Covid-19 Expenditure Grant is allocated across Council Services at the end of the year, this cash limit will reduce to a £1,362k over budget position. The Children's Services Transformation Team are working at pace to establish various new provisions that will reduce costs in the key budget areas going forward, this will not affect the forecast Outturn for 20/21.
P21	Children's Services	1077	Learning & Inclusion	3,342	955	3,197	(1,009)	864	(145)	The underspends are mainly a result of holding vacancies across the cash limit. This is a one off saving for this year.	Not applicable
P21	Children's Services	1078	Health, Commissioning & Planning	6,796	4,973	6,708	271	(359)	(88)	Additional government grant of £210k forecast to be received to offset annualised losses in sales, fees & charges included for areas such as the music service. £110k financial recovery saving achieved (although risk of school improvement £60k reversing if circumstances change), reduced by non achievement of £20k Music Service base budget saving. Covid costs of £170k are included in this forecast to reflect payments to Early Years providers to ensure provision was available for key workers.	Not applicable
P21	Children's Services	1079	Schools Budgets	(3,173)	(8,379)	(3,173)	(75)	75	0	This cash limit is forecast on budget as any SEN overspend (currently forecast at £3.4 million) will be carried forward as part of the DSG accounting procedures.	Not applicable
P21	Children's Services	1116	Integrated Commissioning - CYP	2,626	2,920	2,578	(68)	20	(48)	Various forecast underspends, primarily within salaries.	Not applicable
P21	Children's Services	1117	Safeguarding - CYP	10	3	3	(7)	0	(7)	Small general underspend.	Not applicable
P21	Children's Services Total			25,499	21,439	27,521	(633)	2,655	2,022		

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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	50,265	16,409	79	144	223	Increased costs for additional staff required in the Collections and Recycling services for Lockdown 1 and 3. A loss of income in our trade waste service, and a fall in the worldwide market values for recyclate. There is a risk that the income for recyclate will drop but at the moment markets appear to be recovering. Dealing with significant increase in tonnages across all services, so we are seeing increases in operational costs and gate fees as a result.	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	160	188	(144)	(179)	(323)	Setting up new team delayed due to Covid, but is now in progress.	Not applicable
P22	Climate Emergency & Neighbourhood Services	1127	Air Pollution	210	159	189	(12)	(9)	(21)	Small staffing underspends.	Not applicable
P22	Climate Emergency & Neighbourhood Services Total			16,907	50,584	16,787	(77)	(43)	(120)		
Detailed Analysis of Budgets for Transport Services											
P25	Transport Services	1006	Highways & Traffic Management	7,613	4,712	7,165	(381)	(68)	(449)	Highways have seen a reduction in permit income, which is being reimbursed from the government's Sales, Fees and Charges scheme. All Recovery Plan savings have been actioned totalling £275k. Favourable movement in Q3 from vacancies and increased income.	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)	(4,406)	(6,422)	1,315	1	1,316	The forecast had improved during December following an increase in visitors to the City Centre of Bath. However income has reduced again in January following the start of lockdown, the trend is down to 80% of previous income levels. £4.4m of lost income is being reimbursed from the government's Sales, Fees and Charges scheme. Reduced expenditure and staff vacancy savings have contributed towards offsetting the income losses. 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)	(190)	(648)	214	(401)	(187)	Contract payment to us from First Bus now being paid in full for the Park and Ride Contract resulting in a £372k favourable movement. A reduction in advertising income. Further staff vacancy savings and furlough income within Passenger Transport.	Not applicable
P25	Transport Services	1119	Emergency Planning	433	1,303	1,046	668	(55)	613	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	(1,945)	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			(152)	(526)	1,140	1,815	(523)	1,292		
Detailed Analysis of Budgets for Housing, Planning & Economic Development											
P23	Housing, Planning & Economic Development	1029	Housing	1,674	975	1,002	(591)	(81)	(672)	Housing are experiencing a number of COVID related cost pressures. These arise from: MHCLG 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 was agreed as part of the COVID recovery plan to draw down £656k from Housing Reserves as an in year saving. Also other additional income relating to capital recharges for time.	Not applicable
P23	Housing, Planning & Economic Development	1052	Regeneration	301	463	159	(114)	(28)	(142)	Salary savings, including an extra post now being forecast vacant to the end of the year, along with an underspend on contract spend results in the favourable variance of £142k.	Not applicable
P23	Housing, Planning & Economic Development	1106	Development Management	1,543	1,226	1,377	506	(673)	(166)	A remodelling of Q2 figures and Q3 movements result in underachieved income of £113k which includes the MHCLG Fees and Charges grant income reimbursement. In year salary savings on held vacancies and other supplies and services financial recovery plan savings totalling £242k offset this unfavourable	Not applicable
P23	Housing, Planning & Economic Development	1128	Business & Skills	482	369	421	18	(79)	(61)	Salary saving as post has become vacant to the end of the year rather than part year.	Not applicable
P23	Housing, Planning & Economic Development Total			4,001	3,032	2,960	(181)	(860)	(1,041)		

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Detailed Analysis of Budgets for Community Services											
P24	Community Services	1005	Building Control & Land Charges	884	794	962	118	(40)	78	Income levels in Building Control, Land Charges and Licensing under threat due to dramatically reduced economic activity in early part of year. Casino operator has entered liquidation and so whole of Council annual income from Schedule 9 payment has not been received.	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)	(2,016)	(5,567)	4,117	(2)	4,115	Income at the Roman Baths was strong through the Summer period, although considerably lower during December as a result of increasing restrictions across the UK, limiting where people could visit from. The forecast revenue has been reduced as the Roman Baths has had to shut again. The expected claim under the sales fees and charges scheme has been increased to compensate for further income losses.	The Service have also implemented savings plans and the furlough scheme has also helped to mitigate the financial impact. The forecast shortfall of £19.7m in external income translates to a forecast shortfall of £4.1m against budget.
P24	Community Services	1019	Public Protection & Health Improvement - Leisure	702	1,187	1,579	558	320	878	Financial Support has been provided to leisure operator GLL for the period March-November 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	207	193	(0)	0	(0)	No material variance. Full funding allowance has been committed	Not applicable
P24	Community Services	1102	Neighbourhoods & Environment - Parks & Bereavement Services	1,284	930	1,158	(70)	(55)	(126)	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. Favourable movement in Q3 due to ES Director Vacancy	Recovery Plan Savings being implemented across Parks. £100k Recovery Plan Saving from Environmental Services
P24	Community Services	1109	World Heritage	154	59	115	(38)	0	(38)	Savings on supplies and services identified as part of Council recovery plan	Savings on supplies and services identified as part of Council recovery plan
P24	Community Services	1115	Registrars Service	(75)	(32)	(2)	73	0	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	73	213	43	6	49	Loss of income for Events and Weddings for 20/21, partially reduced following a reimbursement from the government's Sales, Fees and Charges Scheme. Also pressure for two staff members transferring from Visit Bath	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	1,507	2,145	(46)	(71)	(117)	Library closures during pandemic has resulted in some reduction of spend. General vacancy management has also contributed to the favourable position.	Not applicable
P24	Community Services Total			(4,114)	2,710	798	4,754	158	4,912		
	Council Total			122,162	98,624	122,162	(0)	0	0		