

Appendix 1 - Revenue Monitoring Commentary Outturn 2021/22

Portfolio Number and Description		Cashlimit Number and Description	Current Budget £000	Actuals to date £000	2021/22 Outturn Variance Over / (Under) £000	Outturn Variance Analysis	
Detailed Analysis of Budgets for Economic Development and Resources							
P26	Economic Development and Resources	1018	Heritage Services	(5,447)	(4,001)	1,446	The majority of the variance came in Quarters 1 and 2. During the first half of Quarter 1 all Heritage sites were closed. On reopening there were significant restrictions on the capacity of the sites which limited revenue generation through the normally busy summer period. Government support through the Sales, Fees and Charges Compensation Scheme stopped at the end of Quarter 1 so there was no external support through Quarter 2. Performance through the second half of the year was much closer to budget and year-end outturn exceed Quarter 3 forecast.
P26	Economic Development and Resources	1032	Information Technology	5,307	5,317	10	Ongoing impacts from Covid and IT suppliers have resulted in financial and operational pressures, which has been mitigated in year through one off underspends on the IT contracts budget.
P26	Economic Development and Resources	1037	Property Services	566	578	11	A minor year end overspend.
P26	Economic Development and Resources	1038	Corporate Estate Including R&M	3,582	4,826	1,244	The service has held a historical corporate accommodation savings target which has not been delivered in full due to changes in accommodation strategy, while a review of the structure has resulted in less staff being rechargeable to projects. Both elements of the budget have been rebased in the 2022/23 budget and as such the pressure will not continue beyond this financial year. The running costs relating to the Bath Community Academy site at Culverhay were unbudgeted for 2021/22 and as such also form part of the unfavourable outturn position.
P26	Economic Development and Resources	1039	Traded Services	0	4	4	A minor year end overspend.
P26	Economic Development and Resources	1040	Finance	2,293	2,299	6	A minor year end overspend.
P26	Economic Development and Resources	1041	Revenues & Benefits	1,941	1,464	(477)	Staff vacancy savings due to recruitment constraints. Additional court fees income as a result of Post Covid recovery activity and under budget position in Welfare Support from core activity being supported by government grant.
P26	Economic Development and Resources	1042	Risk & Assurance Services	1,243	1,209	(34)	Income targets achieved and small underspend on the Council funded element of the One West service.
P26	Economic Development and Resources	1047	Human Resources & Organisational Development	2,162	2,157	(5)	A minor year end underspend.
P26	Economic Development and Resources	1052	Regeneration	729	492	(237)	Underspends on staff resource, partly due to vacancies, contribute to the overall favourable financial outturn position but have contributed to prolongation and late completions on a number of priorities running into 22-23. £23k of underspend is listed in the carry forward requests for the Somer Valley Rediscovered area.
P26	Economic Development and Resources	1053	Council Solicitor & Democratic Services	2,584	2,477	(107)	Careful budget management including Canvassing savings, staffing savings and Member development.

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P26	Economic Development and Resources	1054	Hsg / Council Tax Benefits Subsidy	(195)	70	265	Impact of increased Temporary Accommodation cost (B&B) where no subsidy can be reclaimed (£230k), and reduction in debt recoveries as a result of improved controls
P26	Economic Development and Resources	1055	Capital Financing / Interest	3,961	2,883	(1,079)	The underspend is due to the temporary high levels of cash balances held, resulting in a delayed need to borrow and increased investment interest. This is due to rephasing of Capital expenditure along with the Council receiving grants in advance.
P26	Economic Development and Resources	1056	Unfunded Pensions	1,588	1,436	(152)	There were lower than budgeted costs in respect of historic pension liabilities.
P26	Economic Development and Resources	1057	Corporate Budgets including Capital, Audit and Bank Charges	(11,684)	(11,984)	(299)	The £299k under budget position includes a favourable position on Pension Deficit Contributions and unbudgeted grant income received during the year, partially offset against shortfall of income from Bath Spa Profit Share due to the Covid-19 restrictions impacting turnover.
P26	Economic Development and Resources	1058	Magistrates	12	8	(4)	A minor year end underspend.
P26	Economic Development and Resources	1059	Coroners	335	394	60	There is an unavoidable on-going pressure of £35k due to JNC Pay Awards in the Coroners Service, increased fees charged by pathologists and regrading of Mortuary Staff posts. These pressures have been addressed in the 2022/23 budget setting. In addition, there were additional cost pressures relating to the backlog of inquests that were delayed due to Covid-19.
P26	Economic Development and Resources	1060	Environment Agency	251	248	(2)	A minor year end underspend.
P26	Economic Development and Resources	1061	West of England Combined Authority Levy	5,194	5,194	1	A minor year end overspend.
P26	Economic Development and Resources	1081	Commercial Estate	(12,380)	(12,380)	(0)	The Commercial Estate income budget was reduced by £5m in the 2021/22 budget as it was recognised that the pandemic would continue to suppress market rates and increase voids, at least in the short term. The impact of the pandemic in 2021/22 has been less than anticipated; recovery has been quicker than expected due to new lettings picking up earlier than expected; fewer business failures and longer term repayment plans has reduced bad debt provision (£517k); and less tenant support was required than expected this time last year (we provided £308k of support this financial year). This has resulted in a £2.2m favourable position for the service at year end. To reflect the more positive outlook, £1m of additional income is built into the 2022/23 budget and a further £1m into the 23/24 budget. However, it is recognised that local and national recovery from the pandemic and wider economic factors put a large degree of risk and uncertainty on market rates, demand and consequently rental income generation. As such the £2.2m favourable outturn position has been transferred to a new Commercial Estate Reinvestment Reserve.
P26	Economic Development and Resources	1109	World Heritage	158	129	(29)	A number of the international meetings were postponed during the year which resulted in less spend and hence the favourable position.

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P26	Economic Development and Resources	1112	Housing Delivery Vehicle	(1,000)	199	1,199	Lower than budgeted interest income based on current forecast of loans to the Councils Housing Company. The prior years Dividend is to be paid in 2022/23 following the company structure changes approved in March, and the overspend will be carried forward to match when the dividend will be received.
P26	Economic Development and Resources	1118	Procurement & Commissioning	289	288	(1)	A minor year end underspend.
P26	Economic Development and Resources	1126	Visit Bath	131	131	(0)	All residual costs of winding up Visit Bath have been funded from reserves as agreed by Cabinet.
P26	Economic Development and Resources	1128	Business & Skills	574	534	(40)	Team underspends on staff of £58k were offset with unbudgeted costs from the Wansdyke Business Centre £16k, along with other minor variances across the service.
P26	Economic Development and Resources	1130	Corporate Governance	1,536	1,599	63	The unfavourable variance is from unachieved legacy strategy and performance savings, both of which are addressed and rebased in 2022/23 Budget proposals.
P26	Economic Development and Resources	1131	Corporate Strategy and Communications	1,034	978	(56)	Staff vacancy savings
P26	Economic Development and Resources	1132	Business Change	847	839	(8)	A minor year end underspend.
P26	Economic Development and Resources Total			5,612	7,392	1,780	

Detailed Analysis of Budgets for Climate and Sustainable Travel

P27	Climate and Sustainable Travel	1120	Sustainability	503	272	(231)	Recruitment to expand the climate team is well underway, after the unavoidable delay to the start of the process due to Covid. However, not all posts were filled in 2021/22, resulting in the underspend. All posts will be recruited early in financial year 2022/23. A carry forward of £46k has been requested to commission pieces of work which has not yet been carried out due to under staffing. A contribution for the renewal, vision and partnership work has now been received and a carry forward of £30k has been requested for this.
P27	Climate and Sustainable Travel	1127	Environmental Monitoring (Air Pollution)	181	162	(18)	Unbudgeted internal contribution received for £12k along with other small savings on staffing and non-staffing budgets form the overall underspend.
P27	Climate and Sustainable Travel	1129	Clean Air Zone	0	0	0	Clear Air Zone (CAZ) expenditure is covered in full by the income generated, whilst entry charge income slightly down, this is currently more than offset by increased Penalty Charge Notice income. Compliance percentage rates are improving faster than predictions in earlier models, but a little too early to be confident about rates of continuing trendlines. Any shortfall would be covered by the New Burdens Principal.
P27	Climate and Sustainable Travel	1135	Transport Planning, Policy and Sustainable Transport	420	340	(80)	Staffing pressures within the service, offset by a reduction in the use of consultants and increased capital and project income has led to a favourable variance.
P27	Climate and Sustainable Travel Total			1,103	775	(328)	

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Detailed Analysis of Budgets for Adults and Council House Building							
P28	Adults and Council House Building	1029	Housing	1,435	1,285	(150)	Grant funding received for domestic abuse covered existing expenditure in the service leaving an amount of revenue budget unspent £97k. An underspend in supported lodging costs of £44k further contributes to the favourable outturn position.
P28	Adults and Council House Building	1073	Adults & Older People-Mental Health Commissioning	9,616	7,784	(1,831)	The impact of packages joint funded with health has reduced Social Care spend and continues to be monitored. The funding impacts of the Transforming Care Agenda on Social Care budgets are increasing for expensive and complex packages requested via the panel process. Health funding continues for hospital discharge cases and this has generated one off savings.
P28	Adults and Council House Building	1086	Adult Care Commissioning	1,466	1,352	(114)	Contract restructuring has created savings in 2021/22.
P28	Adults and Council House Building	1088	Older People Commissioning	12,893	11,169	(1,724)	Health funding has been provided for first 6 weeks of support of hospital discharge throughout 2021/22 and this has generated one off savings. Demand, that is number of placements and home care packages of care, are lower than 2019/20 and 2020/21 levels. This is partly due to covid, partly due to commissioning actions and partly due to supply side constraints.
P28	Adults and Council House Building	1091	Learning Disabilities Commissioning	18,113	18,193	80	There are high cost adults transitioning from Children's services with higher provider costs than anticipated. These complex and high cost cases are being closely monitored and have been put forward for NHS Continuing Health Care funding/assessments by commissioning managers. Provider costs, in particular those out of areas have increase since COVID due to inflations and staff recruitment issues.
P28	Adults and Council House Building	1093	Physical Disability & Sensory Impairment Commissioning	4,499	3,452	(1,047)	PDSI produced a favourable outturn of £1.05m. Budgets have been rebased for 2022-2023. Primary reason for 2021-2022 savings in Residential Care £1.1m.
P28	Adults and Council House Building	1110	Better Care Fund	1,452	1,460	8	A minor year end overspend.
P28	Adults and Council House Building	1113	CCG B&NES CHC and FNC Payments	0	0	0	No variance reported.
P28	Adults and Council House Building	1114	Community Equipment	203	203	0	Demand pressures over and above budgeted provision has been met from external grants. That is Infection, Prevention and Control (IPC) and Contain Outbreak Management Fund (COMF).
P28	Adults and Council House Building	1123	Safeguarding Adults	2,009	1,552	(458)	Staff turnover and slippage in bringing in new management structure has created one off savings in 2021/22.
P28	Adults and Council House Building	1124	Community Resource Centres & Extra Care Income	5,217	6,386	1,169	A number of factors have combined to create a significant budget pressure. The Job re-evaluation and regrading exercise completed mid way through 2021/22 increased cost base of service. Higher staffing ratios has also been required to manage covid and high complexity of need. Sickness levels have risen due to covid.
P28	Adults and Council House Building Total			56,903	52,836	(4,067)	

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Detailed Analysis of Budgets for Children & Young People, Communities & Culture							
P29	Children & Young People, Communities & Culture	1036	Adults Substance Misuse (DAT)	80	80	(0)	The DAAT works on a pooled budget basis with savings being moved into a ring fenced reserve and will be invested into DAAT services in 2022-23.
P29	Children & Young People, Communities & Culture	1076	Children, Young People & Families	18,197	20,539	2,341	The outturn includes £0.75m of client expenditure that has been incurred due to the impact of covid in having to extend or pay higher placements costs. £1.9m of the adverse outturn position is due to spend in the demand led budgets – Joint Agency panel (JAP), Residential, Disabled Children’s Team (DCT), Children in Care (CIC), Staying Put placements and client expenditure across Children’s Services. JAP is over budget by £472k due to unbudgeted additional placements, the number of placements has increased by 17% in year, from 35 to 41. Residential is over budget by £926k due to increased package costs as a direct result of accommodating additional needs due to the pandemic, placements have increased by 9% year on year, from 22 to 24. In DCT client spend costs are over budget by £286k. Client expenditure costs across the rest of Children’s Services are £216k over budget, this is due to increased demand and packages of care and support needed as a result of the pandemic. The transformation projects have created a pressure of £227k in their first year, these will however enable future savings in 22/23 and beyond of circa £1m. Across all salary areas there is a pressure of £361k as a result of the cost of covering absence in teams whilst also responding to increasing demand and complexity of need. Savings of £130k have been achieved from reduced spend in the inter-agency adoption fee area, this is however a demand dependent saving.
P29	Children & Young People, Communities & Culture	1077	Inclusion & Prevention	3,218	2,764	(454)	Educational Psychology is over budget by £159k. This is a due to staffing pressures that were in existence during 2020/21, but were met with one-off funding. On-going staffing pressures are due to increased staffing costs needed to provide the Local Authorities statutory duties in this area, caused by significantly increased requests for assessment, a national shortage of qualified EP’s and use of agency staff and un-budgeted maternity cover. The favourable Outturn position is as a result of the one-off release of a £594k provision, in light of Government confirmation of continuing funding for the Troubled Families programme.
P29	Children & Young People, Communities & Culture	1078	Education Transformation	6,535	7,491	956	In addition to the £739k Home To School Transport (HTST) over budget position, there are two historic pressures, both reoccurring in 2021/22 but not able to be offset by one-off Financial Recovery Savings as was achieved in 2020/21. There is a £24k pressure from the unwinding of the Childcare Voucher scheme, as this service is now in decline due to the new Government Childcare Scheme offering. There is also a £61k pressure relating to ongoing costs of previous capital investment. The HTST pressure is a result of the reduction of contractors participating in the market, driver shortages and fuel cost increases.

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P29	Children & Young People, Communities & Culture	1079	Schools Budgets	6,344	6,344	(0)	Although shown on budget, any overspend in the Dedicated Schools Grant (DSG) is held on the balance sheet. The carried forward balance into 2021/22 is a £5.42m deficit. During 2021/22 the deficit has increased by £8.013m to £13.438m. These pressures are in relation to SEND costs.
P29	Children & Young People, Communities & Culture	1089	Community Safety	193	181	(12)	A minor year end underspend.
P29	Children & Young People, Communities & Culture	1094	Public Health	1,044	1,044	0	Public Health is fully funded by grant from the Department of Health and Social Care (DHSC). Any savings are moved into a ring fenced reserve and will be invested in delivering Public Health in 2022/23.
P29	Children & Young People, Communities & Culture	1116	Integrated Commissioning - CYP	2,631	2,599	(32)	The underspend is a planned saving within the commissioned contracts.
P29	Children & Young People, Communities & Culture	1117	Safeguarding - CYP	79	76	(4)	Small expenditure underspend.
P29	Children & Young People, Communities & Culture	1121	Events & Active Lifestyles	413	426	13	Considerable loss of income (£48k) for Events 2021/22, due to a reduction in events during the peak months of the year, partly offset by a reduction in expenditure and an increase in income from outdoor weddings. There were staffing pressures across the service for Events and for Recovery Plan work.
P29	Children & Young People, Communities & Culture	1122	Customer Services (Including Libraries)	2,211	2,196	(16)	Proposed savings from the service were not achieved and have been resolved in the 2022/23 budget. This is mitigated by delaying recruitment to vacancies, resulting in a minor favourable outturn position.
P29	Children & Young People, Communities & Culture Total			40,948	43,741	2,793	

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Detailed Analysis of Budgets for Neighbourhood Services							
P05	Neighbourhood Services	1019	Leisure	747	1,223	476	A management fee will not be received from GLL in 2021-22. The Covid-19 pandemic has had a significant adverse impact on all leisure operations and GLL are not able to make a management fee payment in 2021/22. The Council is in discussions with GLL on reshaping Leisure model over the remainder of the contract.
P05	Neighbourhood Services	1101	Neighbourhoods & Environment - Waste & Fleet Services	16,799	16,816	17	Pressures across Operations and Recycling due to increased staff costs, and additional pressures on vehicle hire and electricity due to the collection and processing of increased recycling tonnages (£1.26m). These costs have largely been mitigated by increased income from the service, including sale of recyclates and materials, savings on treatment and disposal costs from various contracts, staff vacancy savings within the fleet service and other minor savings.
P05	Neighbourhood Services	1102	Neighbourhoods & Environment - Parks & Bereavement Services	1,238	1,375	137	Parks produce a £91k favourable outturn position across fleet charges and income. Bereavement Services had a £183k adverse position, largely due to a reduction in income following and extended closedown of the chapel and staffing pressures across the service.
P05	Neighbourhood Services	1115	Registrars Service	(63)	(150)	(87)	Additional income due to backlog of weddings
P05	Neighbourhood Services	1134	Highway Maintenance	6,080	6,177	97	Unavoidable pressure from increased energy costs for the street lighting contract £214k. This is partially reduced due to staff vacancy savings.
P05	Neighbourhood Services Total			24,802	25,442	640	
Detailed Analysis of Budgets for Transport Services							
P25	Transport Services	1103	Transport & Parking Services - Parking	(4,436)	(7,975)	(3,539)	A strong year for income up £2.8m on budget, the summer period performed stronger than originally forecast, although we saw a reduction in car park income at Quarter 3 due to a scaled back Christmas Market, but recovered well with strong income in February and March. In 2021/22 we have seen a reduction in expenditure as a result of ongoing vacancies across the Enforcement Team, with ongoing recruitment presenting a number of challenges due to current job market conditions.
P25	Transport Services	1104	Public & Passenger Transport	(176)	(545)	(369)	Passenger Transport had an underspend of £103k on staffing, partly due to lack of drivers across the service, £48k saving on fleet costs, and £42k saving on rent. Public Transport - the Park and Ride contract was £310k favourable as a result of an extension to the existing contract. This was partially reduced by a reduction in concessionary fares income (£250k), but an underspend on Supported buses of £121k generated an overall £181k favourable position for Public Transport.
P25	Transport Services	1119	Emergency Planning	527	567	39	Increase in staff costs due to pressures within the CCTV team, partially reduced by a vacancy saving in Emergency Planning.
P25	Transport Services	1133	Network & Traffic Management	1,180	568	(612)	Increased income, largely from Streetworks and Traffic Management totalling £268k, along with staff vacancy savings across the service (£378k). Partially reduced by increased expenditure.
P25	Transport Services Total			(2,904)	(7,384)	(4,480)	

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Detailed Analysis of Budgets for Planning							
P30	Planning	1005	Building Control & Public Protection	885	1,205	319	The casino income target of £121k was not achieved as there hasn't been an operator in place this year. There was an overspend on Urban Gulls of £39k, while there was also an income shortfall of £150k across Licensing, Pest Control, Building Regs & Land Charges. All three items are ongoing and have been resolved in the 2022/23 budget.
P30	Planning	1106	Development Management	1,233	1,284	51	Underachieved planning income of £261k is the main driver for this adverse end of year position. This has been mitigated by staff vacancies throughout the department and some additional policy team income. £59k carry forward has been requested from the Local Development Framework budget and £34k from the Planning Enforcement budget.
P30	Planning Total			2,118	2,489	371	
	Council Total			128,583	125,291	(3,293)	