

# Appendix A- Budgetary Control Report Dashboard

Period Oct-20



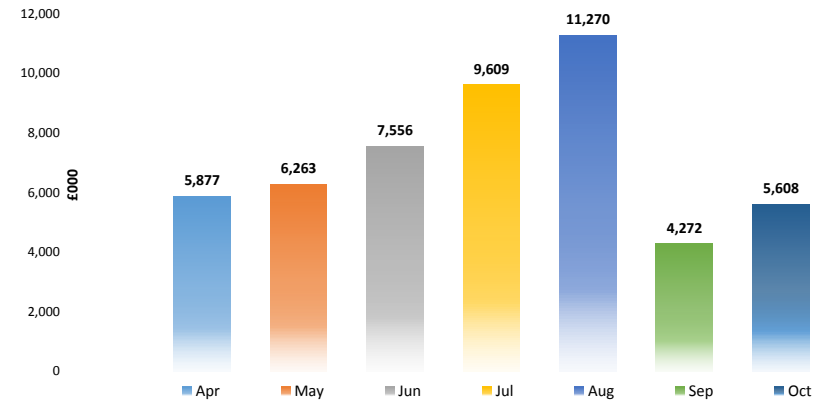
## £5.6m Forecast Overspend

## 17% Forecast Overspend as a proportion of Budget

Forecast overspend position has increased by 30% in October, compared with September

Directorate	Budget £k	Forecast Spend £k	Variance £k	Previous Month Variance £k	Movement £k	Overall Status
Chief Executives	1,291	1,284	(7)	(1) ▲	(6)	Underspend
Governance	4,324	4,097	(227)	(198) ▲	(29)	Underspend
Place & Economy	22,030	24,901	2,871	3,242 ▲	(371)	Overspend
People & Communities	87,245	109,874	22,629	21,089 ▼	1,540	Overspend
Public Health	(372)	(306)	66	58 ▼	8	Overspend
Resources	18,637	20,709	2,072	2,024 ▼	48	Overspend
Customer & Digital Services	7,777	7,802	25	63 ▲	(38)	Overspend
Business Improvement	619	717	98	68 ▼	30	Overspend
Capital Financing	26,219	27,393	1,174	1,019 ▼	155	Overspend
<b>Total Expenditure</b>	<b>167,770</b>	<b>196,471</b>	<b>28,701</b>	<b>27,364</b>	<b>1,337</b>	<b>Overspend</b>
COVID-19	0	(18,666)	(18,666)	(18,666) ▲	(1)	Underspend
COVID-19 - SFC Income compensation*	0	(3,937)	(3,937)	(3,937) ▼	0	Underspend
Financing	(167,770)	(168,260)	(490)	(490) ▼	0	Underspend
<b>Net</b>	<b>(0)</b>	<b>5,608</b>	<b>5,608</b>	<b>4,272</b> ▼	<b>1,336</b>	<b>Overspend</b>

\*based on an estimated value of SFC Income compensation to be received from MHCLG



### Key Budget Pressures

People & Communities	<b>2,950</b>	This relates to a combination of pressure from £1.7m inflation and from when £1.250m C-19 care support funding from Clinical Commissioning Group (CCG) ceases.
People & Communities	<b>2,528</b>	This is due to reduced/lost savings such as Adults Positive Challenge, Self Funders, etc. due to C-19. Furthermore, as a result of C-19, savings previously declared in relation to Adult Social Care demography and the National Living Wage can no longer be delivered.
People & Communities	<b>2,237</b>	This relates to additional spend due to C-19 impact on Child Care placements. There is additional cost to provide an uplift to Children's Social Care providers and further spend to cover Home Care Support and Integrated Community Equipment services.
People & Communities	<b>2,196</b>	Loss of income across Parking Services, Parking Enforcement and Environmental Enforcement as a result of C-19. Parking Enforcement is operational again however income is forecasted to be lower due to C-19 restrictions on social distancing.
People & Communities	<b>2,000</b>	This relates to the additional spend to support the transition of services formerly provided by Vivacity services to alternative management.
People & Communities	<b>1,200</b>	Loss of income due to the restrictions from C-19 for Clare Lodge as children are only being moved and accommodated on an emergency basis, which means that placement demand is low compared to usual activity.
Resources	<b>1,120</b>	This is due to the Business Support savings not being achieved during the current financial year due to additional C-19 related activity.
Place & Economy	<b>1,100</b>	As a result of the C-19 pandemic there is forecast additional spend on hotel, B&B, employee, security and repair costs for the current financial year.
Place & Economy	<b>866</b>	This relates to the Council having taken steps to ensure that rough sleepers and homeless families and individuals have temporary accommodation and a safe place to self isolate as a result of issued government policy.
Place & Economy	<b>818</b>	Impact of C-19 on Aragon Direct Services due to loss of income and additional costs.

### Key Favourable Variances

Resources	<b>373</b>	Bereavement Services income is expected to exceed budget this year due to C-19 related activity.
People & Communities	<b>312</b>	Savings on Community, Therapy and Reablement Teams are from staff vacancies.
Place & Economy	<b>251</b>	The Council has experienced reduced usage of Concessionary passes.
Resources	<b>212</b>	Additional rental income received due to delayed property sales.
Place & Economy	<b>199</b>	Savings experienced on temporary accommodation. This is due to the new lease arrangements for St Michael's Gate, and delays in some housing schemes coming online.
Place & Economy	<b>195</b>	Refund of Climate Change Levy liability from HMRC received following detailed discussions on the relevant application of the tax rules which removed the Council's liability.
People & Communities	<b>192</b>	Savings achieved in the Environmental Enforcement and Parking Enforcement Teams from staff vacancies.
Governance	<b>165</b>	This is in the Election services as there were no local elections in May 2020 due to the C-19 pandemic.
Chief Executives	<b>66</b>	Favourable variance resulting from posts held as vacant.

£22.6m

Forecast Overspend

26%

Forecast Overspend as a proportion of Budget

Directorate	Budget Group	Budget £k	Forecast Spend £k	Variance £k	Previous Month Variance £k	Movement £k	Overall Status
People & Communities	Director	1,282	1,695	413	455 ▲	(42)	Overspend
People & Communities	Education	6,695	7,435	740	683 ▼	56	Overspend
People & Communities	Adults - Commissioning	36,780	46,097	9,317	8,212 ▼	1,105	Overspend
People & Communities	Adults - Operations	9,663	10,299	636	709 ▲	(73)	Overspend
People & Communities	Children's - Operations	10,674	11,576	903	942 ▲	(39)	Overspend
People & Communities	Children's Commissioning	16,127	18,567	2,440	2,455 ▲	(15)	Overspend
People & Communities	Commissioning Team and Commercial Operations	483	1,444	961	963 ▲	(2)	Overspend
People & Communities	Communities - City Centre Management	200	405	205	192 ▼	13	Overspend
People & Communities	Communities - Cohesion and Integration	949	953	3	6 ▲	(2)	Overspend
People & Communities	Communities - Community Safety	29	2,631	2,602	2,425 ▼	177	Overspend
People & Communities	Communities - Think Communities	2,665	5,457	2,792	2,715 ▼	77	Overspend
People & Communities	Communities-Regulatory Services	1,697	2,012	315	314 ▼	1	Overspend
People & Communities	Children's & Safeguarding (DSG)	5,748	6,858	1,110	833 ▼	277	Overspend
People & Communities	Commissioning and Commercial Operations (DSG)	0	11	11	11 ▲	0	Overspend
People & Communities	Education (DSG)	(5,748)	(5,565)	183	175 ▼	8	Overspend
	<b>Total People &amp; Communities</b>	<b>87,245</b>	<b>109,874</b>	<b>22,629</b>	<b>21,089 ▼</b>	<b>1,540</b>	<b>Overspend</b>

Directorate Overview

The People and Communities Directorate is currently forecasting an overspend of £22.629m. Of this figure, £12.444m relates to additional spend in response to C-19. The C-19 impact on Income is a forecast under achievement of £5.193m. The C-19 impact on the achievement of Medium Term Financial Strategy (MTFS) savings is a pressure of £3.676m. A forecast overspend of £1.626m relates to non-C-19 activity and includes a pressure of £0.410m in relation to credit notes raised to the Clinical Commissioning Group (CCG). A forecast underspend of £0.309m is reported in relation to reduced spend arising from C-19.

Directorate Variance Analysis

Director	£0.447m pressure as a result of non-achievement of MTFS saving, in relation to reduced expenditure on Agency Staff. This saving was allocated across the directorates based on current agency budgets, however due to the directorates reliance on these budgets to ensure there are adequate levels of social care workers and care staff, these savings will be difficult to extract. This will be reviewed as part of the Council's budget setting process for 2021/22.
Education	£0.191m pressure- loss of income due to a reduction in Attendance Fixed Penalty Notice fine income and School Improvement & Governor traded services as a result of C-19. As a result of the C-19 pandemic, and in line with Government advice, no Penalty Notice and / or prosecution has been initiated for any new offences from 16 March 2020 until the end of the summer term. The Local Authority has started to fine parents whose children do not attend school in September but there will be discretion where the reason is C-19 related and it is anticipated that Income will only be 50% of 'normal' levels for the Autumn term. School Improvement traded services have re-commenced in September 20.
	£0.279m pressure C-19 - Impact on MTFS saving re Home to School Transport. A number of savings work streams were initiated in conjunction with Cambridgeshire County Council i.e. Route Optimisation, promoting the take up of Personal Transport Budgets, the development of a Dynamic Purchasing System and Independent Travel training. As a result of the Pandemic, no savings have been achieved to date.
	£0.105m other pressures including Private Finance Initiative (PFI) Insurance rebate £0.100m. The PFI Insurance rebate is received every two years. The PCC PFI Manager is currently negotiating for the Insurance rebate to be received annually. This pressure may therefore be removed.
Adults - Commissioning	£1.5m pressure from 10% uplift awarded to care providers to end of June to assist with impact of C-19. £0.817m additional care package spend forecast due to C-19 on social care packages.
	£2.95m pressure arising from £1.7m from inflationary increases and £1.250m for additional beds required as a result of C-19. In previous years we have held off some uplifts to providers but this year with the largest increase in the National Living Wage providers are requesting additional support. The pressure as a result of the additional beds required has increased in comparison to the previous month, this is because when the additional beds cease to be funded by the CCG the Council has an increased social care client base.
	£0.165m pressure - loss of client contributions as a result of hospital discharge cases going into block care beds funded by CCG. Discharge guidance states not to collect client contribution during C-19.

	<p>£2.528m pressure from reduced or lost savings due to C-19. Savings plans such as Adults Positive Challenge, Self Funders, Care Suites and Lifeline have all been affected due to resources focusing on responding to discharges and other pressures from C-19. As a result of C-19, savings previously declared in relation to Adult Social Care Demography and the National Living Wage can no longer be delivered.</p> <p>£0.918m pressure on care packages due to a rise in demand and costs of new packages and the need to credit back some invoices to the Clinical Commissioning Group as in raised in error.</p>
Adults - Operations	<p>£0.107m pressure on loss of the saving due against the Deprivation of Liberties (DoLs) service area. Legislation due in October is unlikely to be in place now. This legislation was due to change how the service was to be delivered.</p> <p>£0.114m pressure - loss of income from Care and Repair due to C-19. The service receives income from work carried out under the Disabled Facilities Grant (DFG). Care and Repair staff have been redeployed to Reablement and other teams to respond to C-19 so are unable to generate the contributions.</p> <p>£0.312m favourable on Community, Therapy and Reablement Teams due to staff vacancies</p>
Children's - Operations	<p>£0.257m pressure - C-19 loss of Income. The Tackling Troubled Families Grant is partly paid based on Payment By Results (PBR). Due to C-19 and the closure of Schools it is anticipated that there will be a shortfall of PBR income. Loss of Income to Cherry Lodge due to CCG funded bed occupancy not being utilised due to Children shielding.</p> <p>£0.741m pressure - additional C-19 spend. Additional Early Help costs to establish a short term team to provide direct early help support and to commission support services. Additional capacity for Children's Social Care Assessment teams to meet the expected increase in referrals of vulnerable children into Children's Social Care. Additional capacity at Derby House to meet the expected increase in demand for children with very complex disabilities.</p>
Children's Commissioning	<p>£2.237m pressure - C-19 additional spend. £1m additional spend approved for Children in Care placements costs to meet the anticipated spike in requests for placements that will follow once restrictions begin to be lifted and Schools return. £0.895m additional cost to provide an uplift to Children's Social Care providers to cover their additional costs during lockdown and the recovery phase. Provider uplifts are considered by a Business Continuity panel. Additional spend approved of £0.341m to cover Home Care support / Short Breaks, Integrated Community Equipment Services to meet the expected additional demand.</p> <p>£0.077m pressure - The re-commissioning of Children's Centres is delayed because of C-19.</p> <p>£0.223m pressure re Children Placements, all placements have been uplifted to new rates. One family of 7 siblings becoming Looked After Children in one month.</p> <p>£1.2m pressure - C-19 impact on Income at Clare Lodge. Children are only being moved and accommodated on emergency basis. Also the new procedures at Clare lodge require new admissions to self-isolate for 14 days which is also influencing decision making by placing authorities. The delay to the Capital project to refurbish lounges means that two lounges are currently not available for use. The refurbished Lounges will be operational imminently.</p> <p>£0.100m additional expenditure at Clare Lodge incurred on staffing when children have had to be isolated due to them being C-19 positive, additional cost of PPE and other infection control measures.</p>
Commissioning Team and Commercial Operations	
Communities - City Centre Management	<p>£0.267m pressure - C-19 loss of Income. Loss of Income is forecast for Street Traders, the City Market, the Great Eastern Run and City Centre Events.</p>
Communities - Community Safety	<p>£2.196m pressure - C-19 loss of Income. £1.587m loss of Income from Parking services. £0.464m loss of Income for Parking Enforcement as PCC car parks and on street parking was free of charge for a significant period and therefore Enforcement staff have been redeployed to the C-19 Emergency Hub &amp; more recently to Covid Marshalling duties. Parking Enforcement is operational again but income levels are forecast to be lower than previous levels given C-19 impact on staffing productivity, suspension of parking bays, pop up cycle lanes etc. £0.145m forecast loss of Income re Environmental Enforcement as a result of C-19.</p> <p>£0.200m pressure - C-19 impact on MTFs savings. Revised parking charges were due to be implemented from April 2020 but on and off street parking has been free of charge for a significant period. Income is forecast to be lower since parking charges have been reinstated.</p> <p>£0.192m Favourable - C-19 reduced spend. Vacancies not recruited to Environmental Enforcement and Parking Enforcement Teams.</p>
Communities - Think Communities	<p>£2.0m pressure - C-19 additional spend to support the transition of Vivacity.</p> <p>£0.179m pressure - C-19 impact on MTFs saving re Vivacity. Given Vivacity's decision hand to back the Culture and Leisure contract to PCC, it is highly unlikely that this MTFs saving will be achieved.</p> <p>£0.500m pressure - C-19 loss of income on the Premier Fitness profit share scheme</p>
Communities-Regulatory Services	<p>£0.274m pressure - Additional Coroners Service spend to manage the backlog and complexity of cases and for the PCC share of temporary mortuary costs.</p> <p>£0.135m pressure - Reduced Income re Licenses in relation to Food premises, Street Traders &amp; Taxi's as a result of businesses / taxi operators being closed and allowing for permanent closure of businesses.</p>
Education (DSG)	<p>£0.150m pressure- C-19 additional spend to ensure the sustainability of Nursery Education providers.</p> <p>£1.110m pressure - increase of complex placements during Summer 2020 the majority due to C-19</p>

# £0.1m Forecast Overspend



## 1%

Forecast as a proportion of the Expenditure Budget (exc the Public Health Grant)

Directorate	Budget Group	Budget £k	Forecast Spend £k	Variance £k	Previous Month Variance £k	Movement £k	
Public Health	Children 0-5 Health Visitors	3,886	3,886	0	0	0	On Budget
Public Health	Children 5-19 Health Programmes	887	887	0	0	0	On Budget
Public Health	Sexual Health	1,933	1,974	41	41	0	Overspend
Public Health	Substance Misuse	2,218	2,214	(4)	(4)	0	Underspend
Public Health	Smoking and Tobacco	295	295	0	0	0	On Budget
Public Health	Miscellaneous Public Health Services	1,532	1,561	29	21	9	Overspend
Public Health	Public Health Grant	(11,124)	(11,124)	0	0	0	On Budget
	<b>Total Public Health</b>	<b>(372)</b>	<b>(306)</b>	<b>66</b>	<b>58</b>	<b>9</b>	<b>Overspend</b>

### Directorate Overview

The Public Health Directorate is currently forecast to overspend by £0.066m. Included in this forecast is £0.126m of C-19 related expenditure across all services. This is offset by £0.059m of other savings.

### Directorate Variance Analysis

Sexual Health	£0.051m pressure - additional C-19 spend Sexual Health contract
Miscellaneous Public Health Services	£0.044m pressure - additional C-19 spend - delayed start to new Healthy Lifestyles contract
Substance Misuse	£0.015m pressure - additional C-19 spend - Drug and Alcohol Services
Miscellaneous Public Health Services	£0.015m pressure - additional C-19 spend - National Child Measurement Programme

### Test and Trace

The value received for Test and Trace grant is £1.018m, which will be used to fund the following workstreams:

1. Testing Capacity.
2. Workforce & Training.
3. Outbreak Management.
4. Communications & Infrastructure.
5. Community & Voluntary Sector.
6. Education to Support schools.

The Council is working jointly with Cambridgeshire County Council, with the shared costs split between the 2 authorities on an agreed percentage. Some costs being incurred are specific to each authority and a strict request and monitoring process has been set up which includes the District Councils.

£-0.2m Forecast Underspend



-5% Forecast Underspend as a proportion of Budget

Directorate	Budget Group	Budget £k	Forecast Spend £k	Variance £k	Previous Month Variance £k	Movement £k	Overall Status
Governance	Director of Governance	151	133	(19)	(18) ▲	(1)	Underspend
Governance	Legal Services	1,928	2,027	99	67 ▼	32	Overspend
Governance	Constitutional Services	2,029	1,753	(276)	(216) ▲	(60)	Underspend
Governance	Performance & Information	216	185	(32)	(31) ▲	(1)	Underspend
	<b>Total Governance</b>	<b>4,324</b>	<b>4,097</b>	<b>(227)</b>	<b>(198) ▲</b>	<b>(29)</b>	Underspend

**Directorate Overview**

Overall the Governance department is forecasting to underspend by £0.227m, largely due to the reduction in costs associated with holding local elections, as these have been postponed due to C-19. Savings also on salaries and members allowances.

**Directorate Variance Analysis**

Legal Services	£0.099m overall pressure. Relates to £0.103m pressure on Land Charges Income, offset by other favourable income in Legal Servs.
Constitutional Services	£0.165m favourable position on election services, this is broken down in to a £0.188m saving as there were no local elections in May 2020 due to the C-19 pandemic, however this is offset by a £0.023m possible pressure due to additional costs relating to the Electoral Register and previous year election costs
	£0.111m Favourable position as a result of a number of other variances, mostly £0.085m saving on Members Allowances.

**£0.0m** Forecast Underspend  **-1%** Forecast Underspend as a proportion of Budget

Directorate	Budget Group	Budget £k	Forecast Spend £k	Variance £k	Previous Month Variance £k	Movement £k	Overall Status
Chief Executives	Chief Executive	162	149	(13)	(11) ▲	(2)	Underspend
Chief Executives	HR	1,129	1,134	6	10 ▲	(4)	Overspend
	<b>Total Chief Executives</b>	<b>1,291</b>	<b>1,284</b>	<b>(7)</b>	<b>(1)</b>	<b>(6)</b>	Underspend

**Directorate Overview**

Currently the Chief Executives Directorate is reporting a total variance of £0.007m this is broken down in the below analysis.

**Directorate Variance Analysis**

142 HR	£0.062m pressure - The main variance in this area is due to additional salary costs as a number of Voluntary Redundancies have been delayed to ensure the Council has the staffing resource available to provide the response to the C-19 pandemic.
	£0.014m Pressure - Additional training costs and loss of Occupational Health income due to C-19.
	£0.070m Favourable - The service is showing a favourable variance from posts currently vacant
Chief Executive	£0.004m Pressure - Additional salary costs following delay of Voluntary Redundancy due to C-19.
	£0.017m Favourable - Other minor variances in the service.

# £2.1m Forecast Overspend



# 11% Forecast Overspend as a proportion of Budget

Directorate	Budget Group	Budget £k	Forecast Spend £k	Variance £k	Previous Month Variance £k	Movement £k	Overall Status
Resources	Director's Office	276	271	(5)	(6) ▼	1	Underspend
Resources	Financial Services	3,365	3,365	(0)	3 ▲	(3)	Underspend
Resources	Corporate Items	8,013	8,523	510	436 ▼	74	Overspend
Resources	Peterborough Serco Strategic Partnership	6,375	7,691	1,316	1,318 ▲	(2)	Overspend
Resources	Corporate Property	1,614	1,986	372	385 ▲	(13)	Overspend
Resources	Energy	478	535	57	46 ▼	11	Overspend
Resources	Cemeteries, Cremation & Registrars	(1,485)	(1,662)	(177)	(157) ▲	(20)	Underspend
	<b>Total Resources</b>	<b>18,637</b>	<b>20,709</b>	<b>2,072</b>	<b>2,024 ▼</b>	<b>47</b>	<b>Overspend</b>

### Directorate Overview

The Resources Directorate is currently forecasting an overall overspend of £2.072m against budget. The main variances at this stage relate to budgeted savings targets in Peterborough Serco Strategic Partnership Business Support, unachieved letting income target relating to renting out additional space at Sand Martin House (SMH), which is not yet possible, offset partly by additional rental income from POSH and Allia. Cemeteries, Cremation & Registrars are overall showing a favourable variance as a result of C-19.

### Directorate Variance Analysis

Director's Office	£0.005m Favourable - Other savings in the service.
Financial Services	Currently no variance being reported across the service
Corporate Items	£0.477m Pressure - Pressure against available pay award budget.
	£0.057m Favourable - Latest VAT shelter income forecast from Cross Keys Homes shows expected income above budget.
	£0.009m Pressure - Expected pressure against Parish Council precept budget
	£0.065m Pressure - External Audit Fees are forecast to exceed budget following an increase in fees due to a variety of factors.
Peterborough Serco Strategic Partnership	£0.016m Pressure - Workforce Modernisation saving not fully achieved.
	£1.120m Pressure - Business Support savings not expected to be delivered due to C-19. The current forecast is based on Business Support Notice of change/new model/Hub implementation not being implemented during 20/21. However this is now subject to a wider strategic review and a further adjustment to the forecast may be required to reflect the outcome of this review.
	£0.139m Pressure - Other variances within the service, including continuing Annual Delivery Plan/BTSI costs (expected until new Business Support model implementation), and growth income received but not budgeted in year.
Corporate Property	£0.018m Pressure - Housing Benefit Admin and Local Council Tax Admin grant final allocation is lower than budgeted.
	£0.039m Pressure - The Housing Benefit Subsidy budget is forecasting a £0.039m pressure against budget. This is being monitored as time progresses considering the impact of C-19 issues.
	£0.475m Pressure - Additional letting of SMH now not possible this year.
	£0.212m Favourable - Rental Income from POSH & Allia continues as not yet sold (£0.286m F) and a delay in the Town Hall North income (£0.074m).
Energy	£0.108m Pressure - Other pressures in the service.
	£0.006m Pressure - Door control costs at SMH
	£0.005m Favourable - C-19 response costs at SMH (cleaning, signage etc) offset by reduced electricity costs.
Cemeteries, Cremation & Registrars	£0.057m Pressure - MTFs saving unachievable, as well as additional maintenance costs, reduced income, partly offset by reduced capital financing costs and net loan interest receivable.
	£0.195m Pressure - Registration Services income is forecast to be £0.215m underachieved and can only be partially offset with a reduction in expenditure (£0.020m). This forecast on income is fully attributable to C-19 and the first 6 months of the year has assumed a 50% reduction in income. The income forecast has worsened from last month due to income for weddings not being as high as initially anticipated.
	£0.373m Favourable - Bereavement Services income is expected to exceed budget by £0.397m this year due to C-19. Other net pressures within the service of £0.024m are currently being reported. Although the income is high at the moment it must be noted that this may not be a true reflection of how the year may continue and it is difficult to predict the position at the end of the year.

Directorate	Budget Group	Budget £k	Forecast Spend £k	Variance £k	Previous Month Variance £k	Movement £k	Overall Status
Place & Economy	Development and Construction	(70)	164	234	307 ▲	(73)	Overspend
Place & Economy	Director, OP & JV	499	447	(52)	(48) ▲	(4)	Underspend
Place & Economy	Peterborough Highway Services	4,236	4,257	21	(151) ▼	172	Overspend
Place & Economy	Sustainable Growth Strategy	1,652	1,572	(80)	(75) ▲	(5)	Underspend
Place & Economy	Waste, Cleansing and Open Spaces	13,294	14,943	1,649	1,572 ▼	77	Overspend
Place & Economy	Westcombe Engineering	123	323	200	200 ▼	0	Overspend
Place & Economy	Director of Housing	2,094	2,959	866	1,420 ▲	(555)	Overspend
Place & Economy	Service Director Environment & Economy	204	236	32	15 ▼	17	Overspend
	<b>Total Place &amp; Economy</b>	<b>22,030</b>	<b>24,901</b>	<b>2,871</b>	<b>3,242 ▲</b>	<b>(371)</b>	<b>Overspend</b>

## Directorate Overview

Overall Place and Economy is forecasting an overspend of £2.871m. There are significant overspends as a result of the C-19 pandemic, however there are some favourable movements due to reduced service use and savings generated as a result of reduced spending on non-essential expenditure. As part of the government response to the C-19 pandemic, housing forecasts a revised pressure for the year to be £1.2m. The Ministry of Housing, Communities and Local Government (MHCLG) funded £0.028m as an interim measure while working on more comprehensive measures. A initiative called Next Steps Accommodation Programme (NSAP) was instigated with a fund for capital schemes of £105m. Attached to this bidding process was the opportunity to ask for the associated revenue costs up to March 2021, by which time rough sleepers are expected to be rehoused permanently. The revenue bid has been successful, giving Peterborough funding of £0.426m. The capital element of the bid is still being scrutinised by Homes England having passed through the first hurdle of the process with MHCLG. This is for £0.600m which will be combined with spend to save borrowing, making a scheme total cost of £2.4m. This has gone some way to offsetting the increased costs from housing rough sleepers.

## Directorate Variance Analysis

Development and Construction	£0.246m Pressure - Planning fee income reduced due to C-19
	£0.149m Favourable - Other Development Income - S106/CIL Administration fees (previously £0.065m included in Other)
Director, OP & JV	£0.137m Pressure - Other variances of reduced income due to C-19 - (Building Control income, pre application income and shared service staff recharges) and cost of temporary staff
	£0.052m Favourable - Various Directorate wide savings held here (car allowances, telephones, salaries, software, others to be reallocated)
Peterborough Highway Services	£0.251m Favourable - Concessionary fares as significant reduced usage of concessionary passes
	£0.104m Favourable - Bus Service Operators Grant used to funds 60's
	£0.114m Pressure - Staffing costs
Sustainable Growth Strategy	£0.236m Pressure - Highways extra costs associated with C-19 and reduced income street naming/numbering
	£0.027m Pressure - Other variances (Queensgate Bus Station reduced departure fee income due to C-19, Traffic Signals costs)
	£0.080m Favourable due to various savings
	£0.244m Pressure - reduced Brown Bins Income - no charge for 3 months due to C-19
Waste, Cleansing and Open Spaces	£0.477m Pressure in relation to the Energy from Waste (EFW) Plant Electricity Income loss due to a fall in wholesale demand leading to drop in export price
	£0.112m Pressure due to additional costs at HRC due to C-19
	£0.195m Favourable - Refund of Climate Change Levy liability payment to HM Revenue & Customs
	£0.120m Pressure - Waste Treatment costs higher due to increased Residential Waste
	£0.818m Pressure - Impact of Covid-19 on Aragon Direct Services due to loss of income and additional costs.
	£0.073m Pressure - Other variances including, additional grave digger, additional refuse vehicle, additional city centre cleansing, loss of bulky waste income, additional Depot premises costs, partially offset by ERF insurance rebate
Westcombe Engineering	£0.200m Pressure - Reduced income as reduced capacity due to C-19
Service Director Environment & Economy	£0.032m Pressure - no income from Peterborough Destination Centre partially offset by employee savings
	£0.866m Pressure - Mostly as a result of the C-19 pandemic there is forecast additional net expenditure of £0.866m, as the Council has taken steps to ensure that rough sleepers and homeless families and individuals have temporary accommodations, and a safe place to self isolate. This is a total of the lines below.
Director of Housing	£1.10m Pressure - C-19: additional hotel, B&B, employee, security and repair costs for FY 20/21. Pressure reduced from previous forecast as now anticipate use of PCC owned/leased properties from Jan 2021 rather than April 2021
	£0.199m net saving on temporary accommodation. This is the result of s pressure caused by the decision not to purchase St Michaels Gate, but to extend the lease instead, which is being offset by savings due to a 6 month delay in Bushfield Court coming on line and the decision not to approve the Walton Road proposa. The latter two had been budgeted for the full year.
	£0.252m Pressure - Cost of Interim Director of Housing Needs and Supply
	£0.454m Favourable- as a result of receiving two grants £0.028m to fund initial short term costs and £0.426m, to fund ongoing short term costs untill March 2021 (part of NSAP bid)
	£0.167m Pressure - Housing Project Management Costs



**£0.1m Forecast Overspend**



**16%** Forecast Overspend as a proportion of Budget

Directorate	Budget Group	Budget £k	Forecast Spend £k	Variance £k	Previous Month Variance £k	Movement £k	Overall Status
Business Improvement	Programme Management Office	619	717	99	68 ▼	31	Overspend
	<b>Total Business Improvement</b>	<b>619</b>	<b>717</b>	<b>99</b>	<b>68 ▼</b>	<b>31</b>	<b>Overspend</b>

**Directorate Overview**

The Business Improvement Directorate is currently reporting an overspend of £0.099m against budget, due almost entirely to C-19 pressures.

**Directorate Variance Analysis**

Programme Management Office	£0.103m pressure - additional staffing and consultancy costs incurred due to C-19 impact on the service.
	£0.004m favourable - other

# £0.0m Forecast Overspend



## 0% % Forecast Overspend as a proportion of Budget

Directorate	Budget Group	Budget £k	Forecast Spend £k	Variance £k	Previous Month Variance £k	Movement £k	Overall Status
Customer & Digital Services	ICT	7,084	7,031	(53)	44 ▲	(97)	Underspend
Customer & Digital Services	Marketing & Communications	355	393	39	42 ▲	(3)	Overspend
Customer & Digital Services	Resilience & Health & Safety	263	302	38	(23) ▼	61	Overspend
Customer & Digital Services	Director of Customer & Digital Services	75	75	0	0 ▬	0	On Budget
	<b>Total Customer &amp; Digital Services</b>	<b>7,777</b>	<b>7,802</b>	<b>24</b>	<b>63 ▲</b>	<b>(39)</b>	<b>Overspend</b>

### Directorate Overview

Currently the Customer & Digital Services Directorate is reporting a £0.024m overspend, due to C-19 response pressures offset by some savings within the Directorate.

### Directorate Variance Analysis

Marketing & Communications	£0.034m Favourable - Other savings within the service area.
	£0.073m Pressure - reduction in sponsorship income and reduced design & print recharges - C-19 related.
	£0.033m Favourable - Salary savings in service area
Resilience & Health & Safety	£0.007m Pressure - C-19 related spend on additional signs
	£0.065m Pressure - C-19 related spend on body storage and funeral director costs
ICT	£0.044m Pressure - Additional costs incurred on computer software due to the C-19 response.
	£0.097m Favourable - Underspends within the service including unbudgeted income and some savings within the software budget.

**£1.2m** Forecast Revenue Overspend



**4%** Forecast Overspend as a proportion of Budget

Directorate	Budget Group	Forecast			Previous Month		Movement	Status
		Budget £k	Spend £k	Variance £k	Variance £k	£k		
Resources	Capital Financing	26,219	27,393	1,174	1,019	▼	155	Overspend
	<b>Total Capital Financing</b>	<b>26,219</b>	<b>27,393</b>	<b>1,174</b>	<b>1,019</b>	▼	<b>155</b>	<b>Overspend</b>

**Capital Financing and Capital Receipts Overview**

A £1.2m forecast overspend is reported from a combination of the factors detailed below. The forecast reflects the risk in achieving asset sales in the current economic climate, which has been partially offset by the cost of borrowing for new debt being lower and later in the year than anticipated in the MTFS. Whilst the value of asset sales has increased some sales remain complex in negotiation and decision making requirements in the C-19 economic climate which in turn puts achievement of receipt by the 31 March 2021 at risk.

**Directorate Variance Analysis**

Less borrowing was undertaken for the capital programme in 2019/20 than budgeted for in the MTFS resulting in less budget being required to fund existing borrowing.

Forecast interest rates for new borrowing remain as forecast at the time the MTFS was set. It is currently anticipated that new borrowing of £88m will be required to fund the capital programme and refinancing of maturing loans, and reflects the new Empower loan arrangement. The council continues to review the borrowing strategy in light of interest rates available. Capital programme reviews for 2020/21 will be undertaken to ensure that a realistic profile of scheme delivery is being costed to enable forecast for borrowing and timings to be made, see Capital Programme for additional detail.

An estimate of the minimum revenue provision has been included in the forecast as the detailed calculation has been delayed due to resource constraints. This forecasts a small overspend position of £0.093m.

The level of interest receipts forecast to be generated from loans the council has issued is forecasting an income loss from compared to the estimate in the MTFS as a result of the delay in the drawdown of the loan granted to the hotel build in Fletton Quays, however, this is offset through the reduction in new borrowing required to fund the loan and better performance than expected from the ESPO estimated dividend where amounts will be finally confirmed in December 2020.

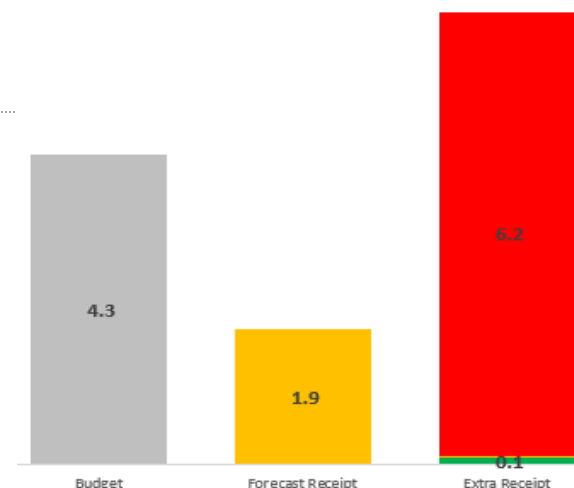
**Capital Receipts**

Capital Receipts are used as part of a contribution to repay debt. Close monitoring of the Capital Receipts is maintained as any change has a direct impact on the revenue position. Capital Receipts are monitored on a monthly basis and each sale given a status of Red, Amber or Green to identify the likely receipt before March 2021. As per the MTFS policy Capital Receipts will be used to repay debt and forms part of the calculation of the reducing the overall debt through MRP. If capital receipts are not received, the debt will need to be repaid via revenue resources.

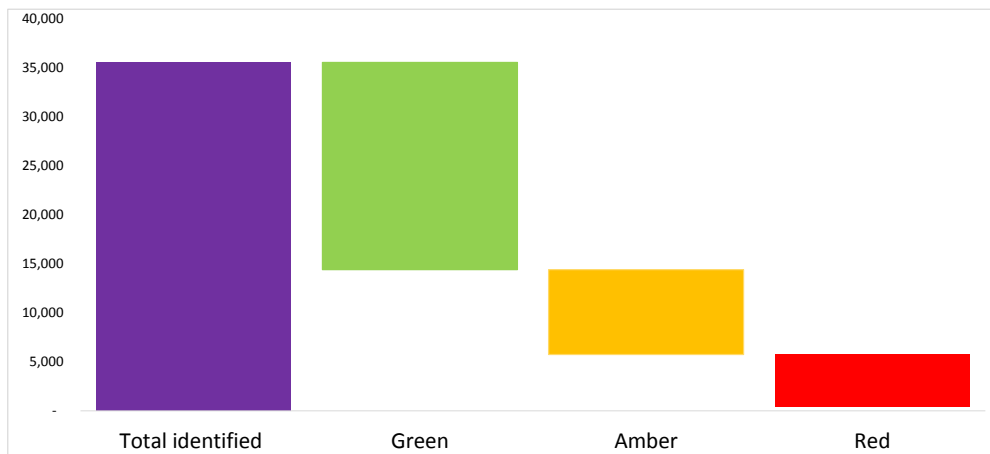
Capital Receipts forecast receipt based on RAG assessment of achievement by 31 March 2020

As the table and chart below demonstrate, the Council has identified over £8.2m of asset sales in order to achieve the MTFS budget of £4.3m. However, the impact from C-19 pandemic of asset sales is creating a challenging environment in which to finalise final exchange and therefore the timing of the final receipt. The budget has been revised to £3.9m to reflect the timing loss caused through the delay with the sale of the football stadium from 2019/20 with regards to the deferred payment arrangement that had previously been negotiated. Discussion are ongoing with regards to the sale of the stadium.

Capital Receipts To Repay Debt	Received to		Not yet		Variance
RAG Status	MTFS Budget £k	Revised Budget £k	Date £k	received £k	
Green	-	-	183	-	-
Amber	4,302	3,930	-	1,912	2,390
Red	-	-	-	6,165	(6,165)
<b>Total</b>	<b>4,302</b>	<b>3,930</b>	<b>183</b>	<b>8,077</b>	<b>(3,775)</b>



In 2020/21 The Council has identified £35.5m of Savings, of which £21.1m are on track to be fully delivered, £8.7m are in progress and £5.4m are currently at significant risk



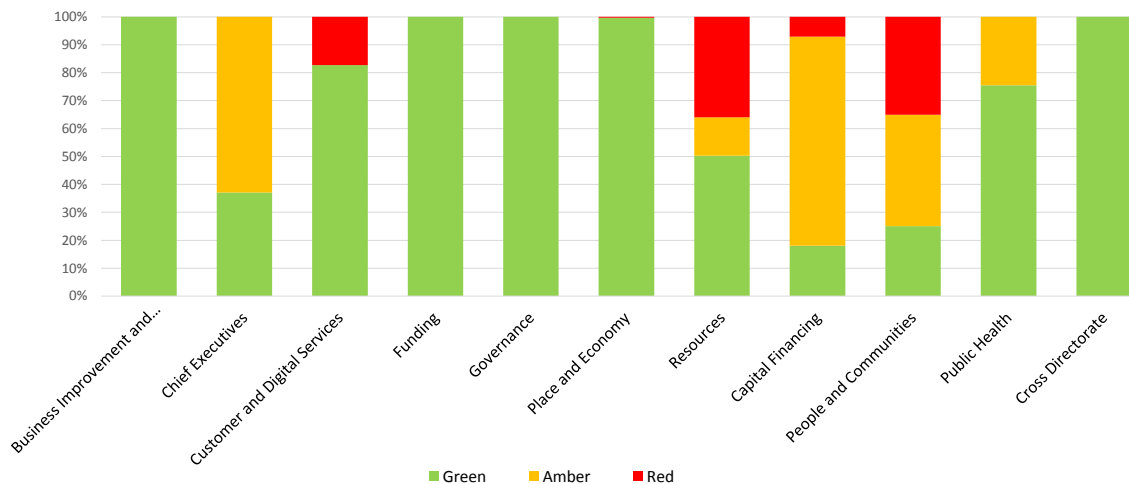
	Total identified	Green Full Saving Expected	Amber Some/minor shortfall in savings	Red High proportion not achievable
<b>2020/21</b>				
Business Improvement and Development	219	219	0	0
Chief Executives	483	179	304	0
Customer and Digital Services	325	269	0	56
Funding	10,897	10,897	0	0
Governance	246	212	0	0
Place and Economy	3,083	2,753	0	10
Resources	5,211	2,620	716	1,875
Capital Financing	5,253	951	3,930	372
People and Communities	8,713	2,186	3,477	3,050
Public Health	971	707	230	0
Cross Directorate	141	141	0	0
<b>Total</b>	<b>35,542</b>	<b>21,134</b>	<b>8,657</b>	<b>5,363</b>

Savings Identified as Red

The table outlines the individual savings which have been categorised as red. These require actions to be taken to ensure delivery of these or alternative savings to the same value identifying.

RAG	Red
<b>Row Labels</b>	<b>2020/21 £000</b>
Capital Financing	372
Capital receipts - POSH deferred Receipt element	372
Customer and Digital Services	56
Communications and reduced staffing	56
People and Communities	3,050
Children's Agency Staff Recruitment	173
DoLS Assessments	107
P&C community Prevention and Enforcement changes	380
SEN and Home to School Transport	279
Vivacity	179
Parent Assessment Manual (PAMS)	22
Community Safety - increased income and savings. Neighbourhoods	10
Care Suites	100
Self Funders	50
Adult Social care demography	600
Home to School Transport - Catchment area review	21
National Living Wage	300
Social Care Demand	328
HR Controls- Staff Parking	53
HR Controls- Agency Staff Saving	447
Place and Economy	10
Additional Archaeological Services charges within Planning	10
Resources	1,875
Business Support Services	1,400
Property - Maximising the use of Sand Martin House	475
<b>Grand Total</b>	<b>5,363</b>

2020/21 Savings by Rag rating as a proportion of directorate savings target



## Overview

\* The Council has forecast reserve balances of £12.7m at the end of 2020/21, this includes £6m of general fund, £2.3m of usable reserves and £4.4m of ring-fenced reserves.

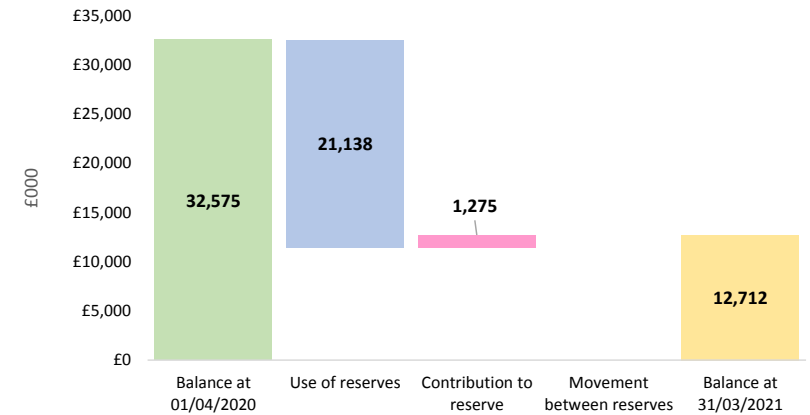
\* The Capacity Building Reserve includes the assumption that £5.6m will be used to fund the in year forecast overspend, as outlined within this report.

\* The Capacity Building Reserve includes commitments for the costs of transformation programmes such as the ICT strategy and Adults Positive Challenge.

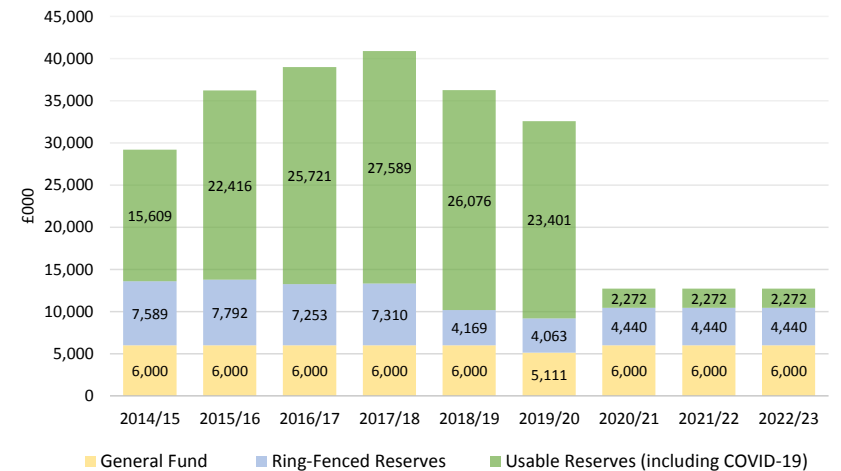
\* The COVID-19 Reserve was created in 2019/20, as a result of receiving the first tranche of the £3.2bn response funding in March. It is forecast that this will be used in full to fund the additional costs, and has been vired in to the revenue budget, as shown in the report.

	2020/21	2020/21	2020/21	2020/21	2020/21	2021/22	2022/23
	Balance C/Fwd	Forecast Cont	Forecast Cont	Movement	Balance at	Balance at	Balance at
	£000	from Reserve	to Reserve	between	31.03.21	31.03.22	31.03.23
Summary of Reserves	£000	£000	£000	Reserves	£000	£000	£000
<b>General Fund Balance</b>	<b>5,111</b>		<b>889</b>	-	<b>6,000</b>	<b>6,000</b>	<b>6,000</b>
					-	-	-
<b>Usable Reserves</b>							
Capacity Building Reserve	12,992	(11,867)	-	-	1,125	1,125	1,125
Grant Equalisation Reserve	-	-	-	-	-	-	-
Departmental Reserve	5,077	(3,930)	-	-	1,147	1,147	1,147
Covid-19 Reserve	5,332	(5,332)	-	-	-	-	-
	<b>23,401</b>	<b>(21,129)</b>	-	-	<b>2,272</b>	<b>2,272</b>	<b>2,272</b>
<b>Ring-Fenced Reserves</b>							
Insurance Reserve	3,073	-	386	-	3,459	3,459	3,459
Schools Capital Expenditure Reserve	752	-	-	-	752	752	752
Parish Council Burial Ground Reserve	56	-	-	-	56		56
Hackney Carriage Reserve	173	-	-	-	173	173	173
Public Health Reserve	9	(9)	-	-	-	-	-
	<b>4,063</b>	<b>(9)</b>	<b>386</b>	-	<b>4,440</b>	<b>4,440</b>	<b>4,440</b>
<b>Total Usable and Ring-Fenced Reserves and General Fund Balance</b>	<b>32,575</b>	<b>(21,138)</b>	<b>1,275</b>	-	<b>12,712</b>	<b>12,712</b>	<b>12,712</b>

Movement in Reserves 2020/21



RESERVES BALANCES 2014/23



### Overview

The revised Capital Programme budget as at October 2020 is £99.9m, which includes £25.5m for Invest to Save (I2S) Schemes.

The agreed investment as per the Medium Term Financial Plan (MTFS) was £146.4m. The movement between the MTFS position and the £158.6m as at April 2020 was a result of slippages mainly due to delays completing projects from 2019/20.

The actual investment expenditure as at October 2020 is £17.5m. The latest forecast provided by project managers predicts an overall spend of £99.9m, therefore the Council is expecting to spend a further £82.3m before March 2021.

The I2S budget is for schemes that must cover the cost of borrowing and minimum revenue provision (MRP) from either income generation or from generated savings.

The Asset Investment Plan can be funded via three core elements, external third party income (including grants), capital receipts generated from the sale of Council assets, and borrowing from the external market. For the 2016/17 MTFS onwards the approved strategy is to use Capital Receipts as part of a contribution to the Minimum Revenue Provision (MRP) therefore they are no longer used primarily for the funding of the Asset Investment.

The following table shows the breakdown of the Council's Asset Investment over the directorates and how this investment is to be financed.

Directorate	MTFS Budget £k	1st April Budget £k	Revised Budget	
			FY £k	Actual YTD £k
Customer & Digital Services	4,920	5,169	4,638	839
People & Communities	23,215	26,439	20,340	3,888
Place & Economy	39,275	40,386	29,553	8,366
Resources	38,341	40,995	19,895	3,139
<b>TOTAL</b>	<b>105,751</b>	<b>112,989</b>	<b>74,426</b>	<b>16,232</b>
Grants & Third Party Contributions	26,778	32,707	27,713	10,186
Capital Receipts repayment of loans	0	0	0	0
Borrowing	78,973	80,282	46,713	6,046
<b>TOTAL</b>	<b>105,751</b>	<b>112,989</b>	<b>74,426</b>	<b>16,232</b>
Invest to Save	40,602	45,602	25,466	1,316
Invest to Save Borrowing	40,602	45,602	25,466	1,316

