

Appendix A- Budgetary Control Report Dashboard

Period **Dec-20**



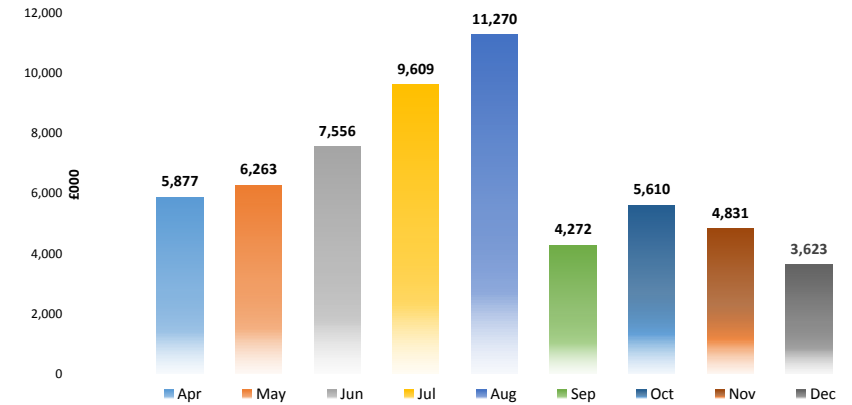
£3.6m Forecast Overspend

17% Forecast Overspend as a proportion of Budget

Decembers forecast position has improved by 25% in comparison with November

Directorate	Budget £k	Forecast Spend £k	Variance £k	Previous Month Variance £k	Movement £k	Overall Status
Chief Executives	1,304	1,284	(20)	(19) ▲	(1)	Underspend
Governance	4,324	4,020	(304)	(287) ▲	(17)	Underspend
Place & Economy	22,140	24,887	2,747	2,805 ▲	(58)	Overspend
People & Communities	87,563	109,733	22,170	21,888 ▼	282	Overspend
Public Health	(372)	(140)	232	233 ▲	(1)	Overspend
Resources	18,952	21,687	2,735	2,126 ▼	609	Overspend
Customer & Digital Services	7,777	7,629	(148)	(94) ▲	(54)	Underspend
Business Improvement	619	685	66	98 ▲	(32)	Overspend
Capital Financing	26,219	27,393	1,174	1,174 ▼	0	Overspend
Total Expenditure	168,525	197,176	28,651	27,923	728	Overspend
COVID-19	0	(18,665)	(18,665)	(18,665) ▼	0	Underspend
COVID-19 - SFC and Local Tax Income Loss compensation*	0	(6,273)	(6,273)	(3,937) ▲	(2,336)	Underspend
Financing	(168,525)	(168,615)	(90)	(490) ▼	400	Underspend
Net	0	3,623	3,623	4,831 ▲	(1,208)	Overspend

*based on an estimated value compensation to be received from MHCLG



Key Budget Pressures

People & Communities	2,950	This relates to £1.7m of inflation applied to care contracts, in light of the additional expenditure being incurred by providers and £1.250m in relation to additional residential and nursing provision due to C-19 pandemic.
People & Communities	2,549	Reduced 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	2,284	Loss of income across Parking Services, Parking Enforcement and Environmental Enforcement as a result of C-19. Parking Enforcement is now operational again, however income is forecast to be lower due to C-19 restrictions on social distancing.
People & Communities	2,237	Additional expenditure 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	2,000	Additional spend to support the transition of services formerly provided by Vivacity services to alternative management.
People & Communities	1,500	This relates to a 10% uplift awarded to care providers until the end of June to assist with the additional costs and the impact of C-19.
Resources	1,126	Business Support savings now not being achieved during the current financial year due to additional C-19 related activity.
Place & Economy	1,200	Forecast additional spend on temporary accommodation, which includes measures taken to support rough sleepers, homeless individuals and families, have a safe place to isolate throughout the C-19 pandemic. This has been off-set in part due to the receipt of government grant, including the Next Steps Accommodation Programme (NSAP)
Place & Economy	802	Impact of C-19 on Aragon Direct Services due to loss of income and additional costs.

Key Favourable Variances

Resources	478	Bereavement Services income is expected to exceed budget this year due to C-19 related activity.
People & Communities	393	Savings from Community, Therapy and Reablement Teams staff vacancies.
People & Communities	230	Underspend as a result of vacancies in the Environmental Enforcement and Parking Enforcement and Targeted Youth Service Teams, as a result of delayed recruitment.
Place & Economy	254	The Council has experienced reduced usage of Concessionary passes.
Resources	212	Additional rental income received due to delayed property sales.
Place & Economy	195	Refund of Climate Change Levy liability from HMRC received.
Place & Economy	170	This is mainly made up of the additional New Roads Street Works Act income alongside reduced expenditure.
Governance	165	This is in the Election services as there were no local elections in May 2020 due to the C-19 pandemic.
Place & Economy	147	This relates to development Income which is currently forecasted higher than budget. This includes S106 and Community Infrastructure Levy (CIL) Administration fees

People & Communities Dec-20

£22.2m

Forecast Overspend

 25%

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	1,701	419	418 ▼	1	Overspend
People & Communities	Education	6,814	7,645	831	914 ▲	(83)	Overspend
People & Communities	Adults - Commissioning	36,661	45,989	9,328	9,317 ▼	12	Overspend
People & Communities	Adults - Operations	9,663	10,166	502	562 ▲	(60)	Overspend
People & Communities	Children's - Operations	11,195	12,169	973	903 ▼	71	Overspend
People & Communities	Children's Commissioning	16,227	18,778	2,551	2,426 ▼	124	Overspend
People & Communities	Commissioning Team and Commercial Operations	482	1,458	976	937 ▼	39	Overspend
People & Communities	Communities - City Centre Management	230	414	185	204 ▲	(19)	Overspend
People & Communities	Communities - Cohesion and Integration	628	696	67	56 ▼	11	Overspend
People & Communities	Communities - Community Safety	(1)	2,692	2,693	2,603 ▼	90	Overspend
People & Communities	Communities - Think Communities	2,685	5,375	2,690	2,690 ▲	(0)	Overspend
People & Communities	Communities-Regulatory Services	1,697	2,017	321	315 ▼	5	Overspend
People & Communities	Children's & Safeguarding (DSG)	5,748	6,250	502	424 ▼	78	Overspend
People & Communities	Commissioning and Commercial Operations (DSG)	0	11	11	11 ▬	0	Overspend
People & Communities	Education (DSG)	(5,748)	(5,627)	121	107 ▼	13	Overspend
	Total People & Communities	87,563	109,733	22,170	21,888 ▼	282	Overspend

Directorate Overview

The People and Communities Directorate is currently forecasting an overspend of £22.170m. The figure is made up of the following pressures; £12.668m additional spend in response to C-19. There is a forecast under achievement of £5.523m due to C-19 impact on income. The C-19 impact on the achievement of Medium Term Financial Strategy (MTFS) savings is a pressure of £3.752m. There is also a forecast overspend of £1.327m relating 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 £1.100m is reported in relation to reduced spend arising from C-19.

Directorate Variance Analysis

Director	£0.447m pressure due to the non-achievement of planned MTFS savings, in relation to reduced agency staff expenditure. 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	£0.207m pressure due to the reduced income generation in respect of attendance fixed penalty notice fines and School Improvement & Governor traded services, as a result of C-19. In line with Government advice, no penalty notice and / or prosecution has been initiated for any new offences between 16 March to end of July 2020. The Council has started to fine parents whose children do not attend school from September, however there is discretion where the reason is C-19 related. Given the latest lockdown and School Closures, Attendance Fine Income for the Spring term will be minimal and will be dependent on Schools re-opening after February half term. School Improvement traded services has re-commenced from September 2020 with an on line offer. £0.537m pressure of which £0.279m is the impairment of the home to school transport MTFS saving. 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, however due to the additional C-19 guidance and restricting factors, these savings have not been realised. £0.105m other pressures including Private Finance Initiative (PFI) Insurance rebate £0.100m. The PFI Insurance rebate is received every two years. The PFI Manager has attempted to negotiate an annual rebate but there is no provision in the PFI contract for the current bi-annual agreement to be changed.
Adults - Commissioning	£1.5m pressure relating to a 10% uplift awarded to care providers until the end of June to assist with the additional costs and the impact of C-19. There is also a £0.817m pressure in relation to additional care package expenditure due to C-19. £2.95m pressure arising from £1.7m due to inflationary increases applied to care provider contracts to support the ongoing increased costs being experienced. In previous years, the Council has held off awarding uplifts to provide contracts in order to manage the rising cost of adult social care, however, with the largest increase in the National Living Wage, providers have requested additional support. £1.250m is due to additional residential and nursing beds required, to free up hospital capacity to support with the C-19 case load. The pressure has increased in comparison to an earlier reported position, this is due to the ceased funding by the Clinical Commissioning Group (CCG) and the Council has an increased social care client base. £0.165m pressure due to a loss of client contributions, as a result of hospital discharge cases going into block care beds funded by CCG. The discharge guidance issued at the beginning of the pandemic, states not to collect client contribution during pandemic.

	<p>£2.549m 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 as well as the need to credit back some invoices to the Clinical Commissioning Group as these were raised in error.</p>
Adults - Operations	<p>£0.107m pressure - MTFs saving no longer achievable due to the delay in the implementation of the Liberty Protection Safeguards (LPS). The scheme was designed to replace Deprivation of Liberty Standards (DoLS) in October 2020 but has been confirmed to be put back to April 2022 due to the pandemic and the need for further consultation before implementation.</p> <p>£0.094m 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. Also, there is a reluctance of those shielding to have workmen in during pandemic.</p> <p>£0.393m favourable on Community, Therapy and Reablement Teams as a result of staff vacancies</p>
Children's - Operations	<p>£0.257m pressure - 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. There is a loss of Income for Cherry Lodge due to CCG funded bed occupancy not being utilised due to children shielding.</p> <p>£0.741m pressure due to additional early help costs to establish a short term team to provide direct early help support and commission support services and additional capacity needed for Children's Social Care Assessment teams to meet the expected increase in referrals of vulnerable children into Children's Social Care. Alongside additional capacity needed 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 resulting from a small increase in young people with very complex needs requiring specialist placements as community support arrangements were adversely affected by Covid-19. £0.895m additional cost to provide an uplift to Children's Social Care providers to cover their additional costs during the 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 any additional demand.</p> <p>£0.077m pressure - The re-commissioning of Children's Centres has been delayed due to the C-19 pandemic.</p> <p>£0.261m pressure due to Children Placements costs resulting from complexity of need and shortage of appropriate placements</p>
21 Commissioning Team and Commercial Operations	<p>£1.2m pressure due to reduced income generated from Clare Lodge, as a result of the C-19 pandemic. Children are only being moved and accommodated on emergency basis and new procedures 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 unavailable for use- these are now expected to be operational imminently.</p> <p>£0.100m pressure as a result of additional expenditure at Clare Lodge on staffing due to children having to self isolate, due to positive C-19 tests, additional cost of PPE and other infection control measures.</p>
Communities - City Centre Management	<p>£0.279m pressure - loss of Income is forecast in respect of Street Traders, the City Market , the Great Eastern Run and City Centre Events. This can be directly linked to the C-19 pandemic.</p>
Communities - Community Safety	<p>£2.284m pressure due to loss of income across multiple services including £1.631m from Parking charges, £0.508m from Parking Enforcement and £0.145m from Environmental Enforcement . Parking income has been significantly less than budget due to the reduction in footfall within the town centre due to the C-19 . Enforcement staff have been redeployed to support the C-19 Emergency Hub & more recently to Marshalling duties, however enforcement is now 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.</p> <p>£0.233m pressure as a result of impaired MTFs savings in relation to increased parking charges. These were meant to be implemented from April 2020 but as parking charges were temporarily free of charge for the initial lockdown period. Income is now forecast to be lower since parking charges have been reinstated.</p> <p>£0.108m of savings arising from reduction in Cash Collections, reduced Contractor spend, reduced charges for online permits and an underspend on administration of the blue badge scheme.</p> <p>£0.230m Favourable due to vacancies held in Environmental and Parking Enforcement Teams and the Targeted Youth Service. This favourable position is the result of delayed recruitment and changes in working practices as a result of C-19. It is anticipated these roles will be recruited to in the future.</p>
Communities - Think Communities	<p>£2.0m pressure due to additional expenditure to support the transition of Vivacity services to Aragon and Peterborough City College. Early on in that C-19 Pandemic Vicacity gave notice on its contracts to the Council due to the financial difficulty placed on the operations as a result of C-19.</p> <p>£0.179m pressure in respect of non-delivered MTFs saving in respect of Vivacity services. Given Vivacity's decision to give notice on the Culture and Leisure contract, it is highly unlikely that this saving will be achieved.</p> <p>£0.400m pressure due to forecast loss of income on the Premier Fitness profit share scheme (Vivacity)- this is a result of the C-19 pandemic.</p>
Communities-Regulatory Services	<p>£0.324m pressure due to additional spend on the Coroners Service to manage the backlog and complexity of cases and for the Councils share of temporary mortuary costs.</p> <p>£0.134m pressure due to reduced Income from Licensing in relation to Food premises, Street Traders & 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 due to additional forecast spend to ensure the sustainability of Nursery Education providers, as a result of the potential closures which could be caused as a result of C-19 pandemic.</p> <p>£0.502m pressure due to an increase of complex placements during Summer 2020, the majority of these cases can be identified as resulting from the C-19 pandemic.</p>

£0.2m Forecast Overspend



2%

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	3,907	4,074	167	188 ▲	(21)	Overspend
Public Health	Children 5-19 Health Programmes	942	942	0	54 ▲	(54)	On Budget
Public Health	Sexual Health	1,999	2,040	41	107 ▲	(67)	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	1,390	1,419	29	(113) ▼	141	Overspend
Public Health	Public Health Grant	(11,124)	(11,124)	0	0 ▬	0	On Budget
	Total Public Health	(372)	(140)	232	233 ▲	(1)	Overspend

Directorate Overview

The Public Health Directorate is currently forecast to overspend by £0.233m. Included in this forecast is a pressure £0.305m in relation to the Agenda for Change contract cost increases and £0.126m of C-19 related expenditure across all services. This is offset by £0.199m of other savings.

Governance Dec-20
£-0.3m Forecast Underspend

-7% 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	128	(23)	(18) ▲	(5)	Underspend
Governance	Legal Services	1,928	1,964	36	41 ▲	(5)	Overspend
Governance	Constitutional Services	2,029	1,745	(284)	(277) ▲	(8)	Underspend
Governance	Performance & Information	216	183	(33)	(33) ▲	(0)	Underspend
	Total Governance	4,324	4,020	(304)	(287) ▲	(17)	Underspend

Directorate Overview

Overall the Governance department is forecasting to underspend by £0.305m, 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	£0.036m overall pressure, which relates to £0.093m pressure on Land Charges Income, offset by other favourable income in Legal Services and staff costs.
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 forecast pressure in respect of additional costs relating to the Electoral Register and previous year election.
	£0.120m Favourable position as a result of £0.089m saving on Members Allowances and other smaller variances.

£2.7m Forecast Overspend



14% 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	280	4	(5) ▼	9	Overspend
Resources	Financial Services	3,365	4,072	707	17 ▼	690	Overspend
Resources	Corporate Items	8,013	8,528	515	510 ▼	5	Overspend
Resources	Peterborough Serco Strategic Partnership	6,365	7,724	1,359	1,356 ▼	3	Overspend
Resources	Corporate Property	1,939	2,296	357	372 ▲	(15)	Overspend
Resources	Energy	478	566	87	67 ▼	20	Overspend
Resources	Cemeteries, Cremation & Registrars	(1,485)	(1,779)	(295)	(191) ▲	(104)	Underspend
	Total Resources	18,952	21,687	2,735	2,126 ▼	609	Overspend

Directorate Overview



The Resources Directorate is currently forecasting an overall overspend of £2.043m 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	£0.004m Favourable - Other savings in the service.
Financial Services	£0.018m Pressure - A pressure relating to temporary staffing costs due to C-19 is being reported within Internal Audit.
	£0.692m pressure in relation to a required increase in the amount required in the sundry bad debt provision. This is a result of the economic impacts of C-19, which has meant the level of debt outstanding to the Council is now higher. An increase in the bad debt provision mitigates the risk of the Council being unable to recover this debt in full in the future.
Corporate Items	£0.003m Favourable- Other minor variances within the service area.
	£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.
	£0.014m Pressure - Expected pressure against Parish Council precept budget (£0.09m) and Drainage Board Levy budget (£0.05m).
Peterborough Serco Strategic Partnership	£0.065m Pressure - External Audit Fees are forecast to exceed budget following an increase in fees due to a variety of factors.
	£0.016m Pressure - Workforce Modernisation saving not fully achieved.
	£1.126m 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.
	£0.009m Pressure - Computer software costs relating to C-19
Corporate Property	£0.191m Pressure - Other variances within the service, including Annual Delivery Plan/BTSI costs, and growth income received but not budgeted in year.
	£0.018m Pressure - Housing Benefit Admin and Local Council Tax Admin grant final allocation is lower than budgeted.
	£0.015m Pressure - The Housing Benefit Subsidy budget is forecasting a £0.015m pressure against budget.
	£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	£0.125m Pressure - Other pressures in the service.
	£0.006m Pressure - Door control costs at SMH
	£0.037m Favourable - C-19 response costs at SMH (cleaning, signage etc.) offset by reduced electricity costs.
Cemeteries, Cremation & Registrars	£0.087m Pressure - MTFs saving unachievable, as well as additional maintenance costs, reduced income, partly offset by reduced capital financing costs and net loan interest receivable.
Cemeteries, Cremation & Registrars	£0.183m Pressure - Registration Services income is forecast to be £0.213m underachieved and can only be partially offset with a reduction in expenditure (£0.030m). This forecast on income is fully attributable to C-19.
	£0.478m Favourable - Bereavement Services income is expected to exceed budget by £0.520m this year due to C-19. Other net pressures within the service of £0.042m are currently being reported.

Chief Executives Dec-20
£0.0m Forecast Underspend

-2% 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	157	145	(12)	(12) 	0	Underspend
Chief Executives	HR	1,147	1,139	(8)	(7) 	(1)	Underspend
	Total Chief Executives	1,304	1,284	(20)	(19)	(1)	Underspend

Directorate Overview

Currently the Chief Executives Directorate is reporting a total variance of £0.020m this is broken down in the below analysis.

Directorate Variance Analysis

25 HR	£0.064m 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 had the appropriate level of staffing resource available to provide the C-19 pandemic response.
	£0.014m Pressure - Additional training costs and loss of Occupational Health income due to C-19.
	£0.076m Favourable - due to currently held vacant posts.
	£0.010m Favourable - Other underspends within the service
Chief Executive	£0.004m Pressure - Additional salary costs following delay of Voluntary Redundancy, due to C-19.
	£0.016m Favourable - Other minor variances in the service.

Directorate	Budget Group	Budget	Forecast Spend	Variance	Previous Month Variance	Movement	Overall Status
		£k	£k	£k	£k	£k	
Place & Economy	Development and Construction	(70)	171	241	214 ▼	26	Overspend
Place & Economy	Director, OP & JV	100	109	9	(58) ▼	67	Overspend
Place & Economy	Peterborough Highway Services	4,236	4,045	(190)	(120) ▲	(70)	Underspend
Place & Economy	Sustainable Growth Strategy	1,652	1,566	(85)	(84) ▲	(1)	Underspend
Place & Economy	Waste, Cleansing and Open Spaces	13,303	15,109	1,806	1,657 ▼	149	Overspend
Place & Economy	Westcombe Engineering	123	376	253	253 ▼	0	Overspend
Place & Economy	Director of Housing	2,112	2,857	745	911 ▲	(166)	Overspend
Place & Economy	Growth & Regeneration	685	654	(31)	33 ▲	(64)	Underspend
	Total Place & Economy	22,140	24,887	2,747	2,805 ▲	(58)	Overspend

Directorate Overview

Overall Place and Economy is forecasting an overspend of £2.748m. 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 £0.745m. The Ministry of Housing, Communities and Local Government (MHCLG) funded £0.028m as an interim measure while working on more comprehensive measures. An 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. We have now been successful securing the capital bid with £0.625m being granted. Along with the combined spend to save borrowing this will fund the overall scheme, 88 Lincoln Road, which hasn't yet been finalized but anticipated cost is £2.0m, not £2.4m as previously expected.

Directorate Variance Analysis

Development and Construction	£0.317m Pressure- Planning fee income is reduced due to C-19, especially in Quarter 1; applications have picked up but income remains lower than budgeted. £0.147m Favourable - Other Development Income is currently forecast higher than budget, this includes S106 and Community Infrastructure Levy (CIL) Administration fees in respect of developments at Wittering, Hampton and Thorney. £0.071m 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
Director, OP & JV	£0.009m Pressure - Staffing costs. Please note that other Bud Control items have moved to Budget Group Growth & Regeneration. Various Directorate wide savings held here (car allowances, telephones, salaries, software, others to be reallocated) £0.254m Favourable - Concessionary fares as significant reduced usage of concessionary passes £0.119m Favourable - Bus Service Operators Grant used to funds 60's £0.170m Favourable - Network Management Permitting Income. Mostly additional New Roads Street Works Act income and reduced expenditure
Peterborough Highway Services	£0.088m Pressure - Staffing costs £0.261m Pressure - Highways extra costs associated with C-19 and reduced income in street naming/numbering. Also unrecoverable cost of Road Traffic Collisions involving PCC assets. £0.04m Pressure - Other variances (Queensgate Bus Station reduced departure fee income due to C-19, Traffic Signals costs) £0.085m Favourable due to various savings
Sustainable Growth Strategy	£0.244m Pressure - reduced Brown Bins income - no charge for 3 months due to C-19 £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 £0.129m Pressure due to additional costs at Household Recycling Centre due to C-19, such as signage, cleansing, staffing and Traffic Management costs £0.195m Favourable - Refund of Climate Change Levy liability payment from HM Revenue & Customs, following detailed discussions on the relevant application of the tax rules which removed the Council's liability.
Waste, Cleansing and Open Spaces	£0.120m Pressure - Waste Treatment costs higher due to increased Residential Waste- This is an implication of C-19 as residents have been at home more due to lockdown measures, school closures and working from home guidance. £0.802m Pressure - Impact of Covid-19 on Aragon Direct Services due to loss of income and additional costs. £0.137m Pressure - Additional vehicle hire and staffing costs on waste collection rounds £0.200m Pressure - Waste Treatment costs higher due to increased Residential Waste £0.012m Pressure - Other variances including, additional grave digger, additional city centre cleansing, loss of bulky waste income, additional Depot premises costs, partially offset by Energy Recovery Facility insurance rebate
Westcombe Engineering	£0.253m Pressure - Reduced income as reduced capacity due to C-19 £0.243m and backfill post seconded to Covid Hub £0.010m £0.031m Favourable - No income generated from Peterborough Destination Centre partially offset by employee savings. Also various Directorate wide savings now held here (car allowances, telephones, salaries, software, others to be reallocated)
Growth & Regeneration	£0.745m net pressure - Mostly as a result of the C-19 pandemic there is forecast additional net expenditure of £0.745m, 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: * £1.200m Pressure - C-19: additional hotel, B&B, employee, security and repair costs for FY 20/21. Pressure previously reduced as use of PCC owned/leased properties from Jan 2021 rather than April 2021 * £0.313m net saving on temporary accommodation. This is the result of 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 proposal. The latter two had been budgeted for the full year. * £0.202m 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 until March 2021 (part of NSAP bid) * £0.086m Pressure - Housing Project Management Costs * £0.024m Pressure - Other variances

£0.1m 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
Business Improvement	Programme Management Office	619	685	66	98 ▲	(32)	Overspend
	Total Business Improvement	619	685	66	98 ▲	(32)	Overspend

Directorate Overview

The Business Improvement Directorate is currently reporting an overspend of £0.066m against budget, due almost entirely to C-19 pressures.

Directorate Variance Analysis

Programme Management Office	£0.72m pressure - due to additional staffing and consultancy costs incurred due to C-19 pandemic.
	£0.006m favourable - other

Customer & Digital Services

Dec-20

£-0.1m Forecast Underspend

-2% % 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
Customer & Digital Services	ICT	7,084	6,825	(259)	(197) ▲	(62)	Underspend
Customer & Digital Services	Marketing & Communications	355	412	57	66 ▲	(9)	Overspend
Customer & Digital Services	Resilience & Health & Safety	263	306	43	37 ▼	6	Overspend
Customer & Digital Services	Director of Customer & Digital Services	75	86	10	0 ▼	10	Overspend
	Total Customer & Digital Services	7,777	7,629	(148)	(94) ▲	(54)	Underspend

Directorate Overview

Currently the Customer & Digital Services Directorate is reporting a £0.148m underspend, due to some savings in year offset by C-19 response pressures in the Directorate.

Directorate Variance Analysis

Marketing & Communications	£0.037m Favourable - Other savings within the service area.
	£0.094m Pressure - reduction in sponsorship income and reduced design & print recharges as a result of C-19.
Resilience & Health & Safety	£0.035m Favourable - Salary savings in service area
	£0.007m Pressure - C-19 related spend on additional signs
	£0.006m Pressure - C-19 related spend on Fletton Site costs
ICT	£0.065m Pressure - C-19 related spend on body storage and funeral director costs
	£0.044m Pressure - Additional costs incurred on computer software due to the C-19 response.
	£0.074m Favourable - Unbudgeted income in year relating to schools broadband
	£0.117m Favourable - Underspend anticipated in year on software budget.
	£0.112m Favourable - Other underspends within the service.

Capital Financing Dec-20

£1.2m Forecast Revenue
Overspend



4% Forecast Overspend as a
proportion of Budget

Directorate	Budget Group	Budget	Forecast Spend	Variance	Previous Month	Movement	Status
		£k	£k	£k	Variance	£k	
Resources	Capital Financing	26,219	27,393	1,174	1,174	0	Overspend
	Total Capital Financing	26,219	27,393	1,174	1,174	0	Overspend

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. The realisation of asset sales remain incredibly challenging and complex in negotiation, due to the decline in the economic climate. This in turn puts achievement of receipts by the 31 March 2021 at huge risk, and would put further strain on the in year budget position.

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.

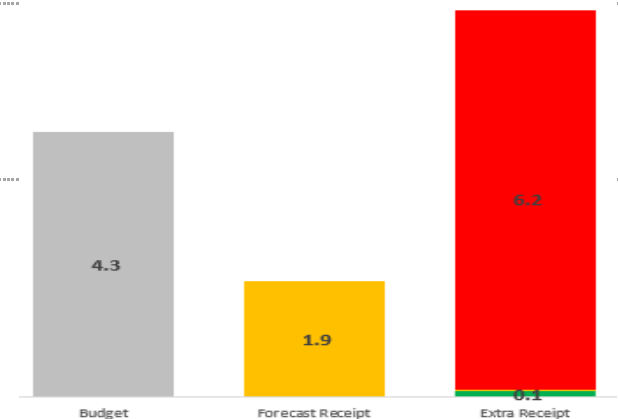
The level of interest receipts forecast to be generated from loans the council has issued is forecasting an income loss from compared to the estimate in the MTFS as a result of the delay in the drawdown of the loan granted to the hotel build in Fletton Quays, however, this is offset through the reduction 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.

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, however this sale seems unlikely to materialise before the end of 2019/20.

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



Capital Receipts To Repay Debt

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

Reserves

Dec-20

Overview

* The Council has forecast reserve balances of £39.1m at the end of 2020/21, this includes £6m of general fund, £7.4m of usable reserves and £4.4m of ring-fenced reserves.

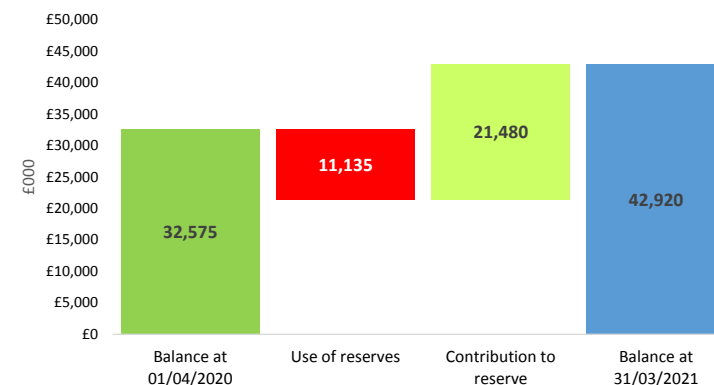
* The Capacity Building Reserve includes commitments for the costs of transformation programmes such as the ICT strategy and Adults Positive Challenge. Usually this reserve would be used to fund the forecast overspend, however, the £3.6m overspend is assumed to be covered by the Capitalisation Direction, approved by MHCLG on 10 Feb 2021.

* The Creation of a Covid-19 NNDR Section 31 Grant reserve is required in 2020/21 as a result of the Council receiving section 31 grants to compensate the Council for providing NNDR retail relief to businesses and nursery's, as part of the C-19 Business Support package. This support has been accounted for through the collection fund, which means that the NNDR (Business Rates) income the Council was expecting to receive, and therefore budgeted for in 2020/21 has been much lower, creating a deficit. This deficit balance carries forward in to 2021/22 effecting the Councils NNDR income budget in the general fund. To smooth the budgetary impact of this the Council will incorporate the planned use of this grant within the revenue budget. This approach will be one adopted by all billing authorities, and is one which follows Local Authority accounting practices.

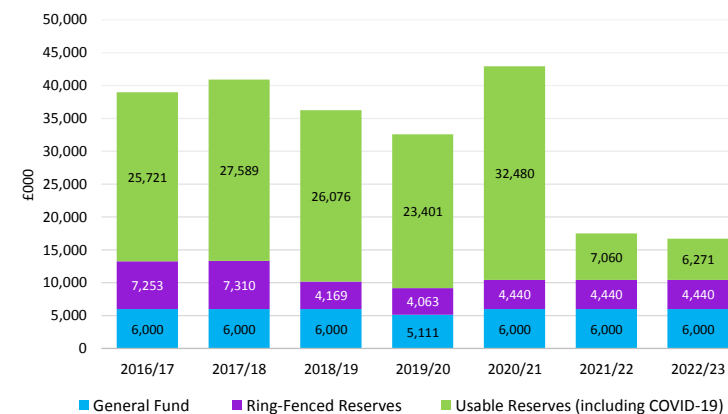
* The COVID-19 Reserve was created in 2019/20, as a result of receiving the first tranche of the £3.2bn response funding in March. It is forecast that this will be used in full to fund the additional costs, and has been vired in to the revenue budget, as shown in the report.

	2020/21	2020/21	2020/21	2020/21	2020/21	2021/22	2022/23
	Balance C/Fwd	Forecast Cont	Forecast Cont to	Movement	Balance at	Balance at	Balance at
	£000	from Reserve	Reserve	between Reserves	31.03.21	31.03.22	31.03.23
	£000	£000	£000	£000	£000	£000	£000
Summary of Reserves							
General Fund Balance	5,111		889	-	6,000	6,000	6,000
Usable Reserves							
Capacity Building Reserve	12,992	(3,974)	-	-	9,018	5,124	5,124
Grant Equalisation Reserve	-	-	-	-	-	-	-
Departmental Reserve	5,077	(1,820)	-	-	3,257	1,936	1,147
Covid-19 NNDR Section 31 Grant			20,205		20,205	-	-
Covid-19 Reserve	5,332	(5,332)	-	-	-	-	-
	23,401	(11,126)	20,205	-	32,480	7,060	6,271
Ring-Fenced Reserves							
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)	-	-	-	-	-
	4,063	(9)	386	-	4,440	4,440	4,440
Total Usable and Ring-Fenced Reserves and General Fund Balance	32,575	(11,135)	21,480	-	42,920	17,500	16,711

Movement in Reserves 2020/21



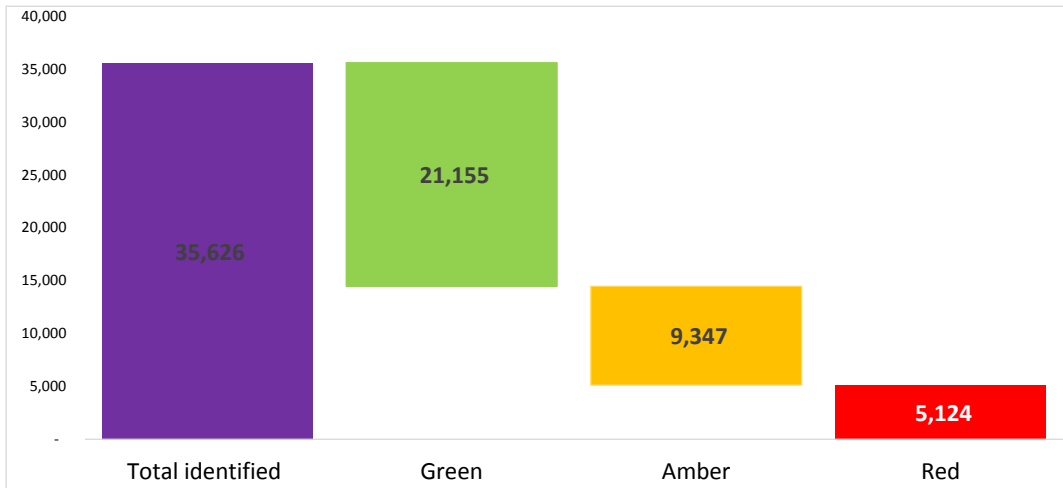
RESERVES BALANCES 2016/17- 2022/23



BCR- Revenue Savings Plan Delivery

Dec-20

In 2020/21 The Council has identified £35.6m of Savings, of which £21.2m are on track to be fully delivered, £9.3m are in progress and £5.1m are currently at significant risk



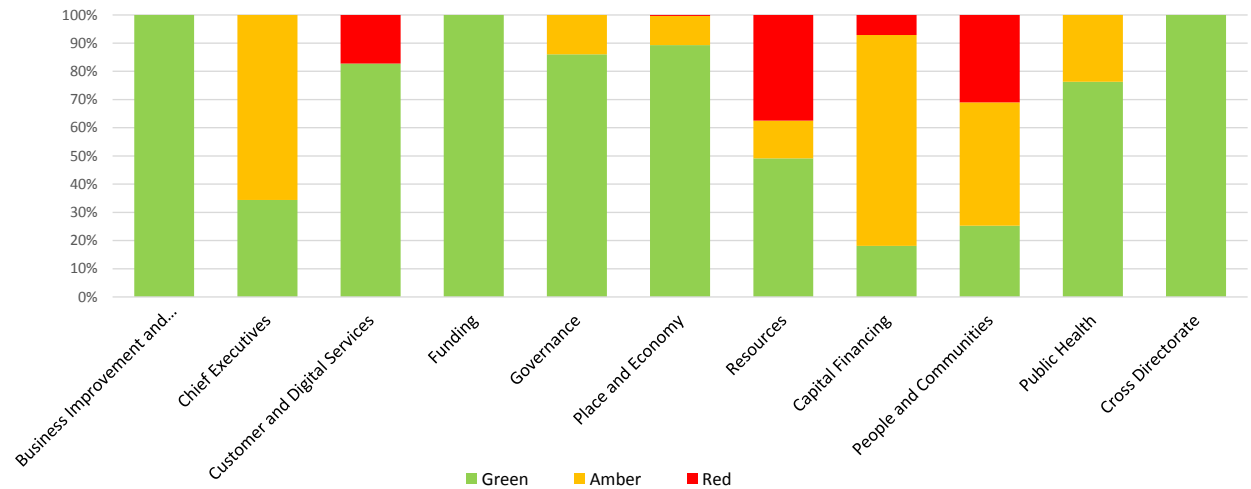
	Total identified	Green Full Saving Expected	Amber Some/minor shortfall in savings	Red High proportion not achievable
2020/21				
Business Improvement and Development	219	219	0	0
Chief Executives	483	166	317	0
Customer and Digital Services	325	269	0	56
Funding	10,897	10,897	0	0
Governance	246	212	34	0
Place and Economy	3,083	2,753	320	10
Resources	5,332	2,620	716	1,996
Capital Financing	5,253	951	3,930	372
People and Communities	8,683	2,192	3,800	2,690
Public Health	971	741	230	0
Cross Directorate	135	135	0	0
Total	35,626	21,155	9,347	5,124

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.

Row Labels	2020/21 £000
Capital Financing	372
Capital receipts - POSH deferred Receipt element	372
Customer and Digital Services	56
Communications and reduced staffing	56
People and Communities	2,690
Children's Agency Staff Recruitment	173
DoLS Assessments	107
Lifeline	21
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

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



Overview

The revised Capital Programme budget as at December 2020 is £104.8m, 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 December 2020 is £31.3m. The latest forecast provided by project managers predicts an overall spend of £104.8m, therefore the Council is expecting to spend a further £73.5m 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	4,481	959
People & Communities	23,215	26,439	19,451	6,062
Place & Economy	39,275	40,386	31,521	13,788
Resources	38,341	40,995	23,876	8,574
TOTAL	105,751	112,989	79,329	29,382
Grants & Third Party Contributions	26,778	32,707	29,907	13,264
Capital Receipts repayment of loans	0	0	0	0
Borrowing	78,973	80,282	49,422	16,118
TOTAL	105,751	112,989	79,329	29,382
Invest to Save	40,602	45,602	25,466	1,962
Invest to Save Borrowing	40,602	45,602	25,466	1,962

Virements to be Approved

Item	£k	Description
Transfer of Vivacity Assets		Additional budget for the net book value of the 525 assets that have transferred from Vivacity

Revised Budget Compared to Actual Expenditure to Date

