

Appendix A- Budgetary Control Report Dashboard
Period Oct-21

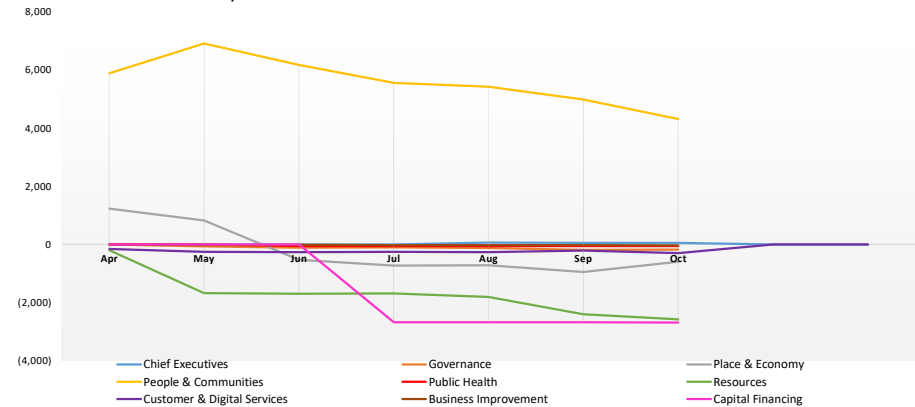
£0.0m Forecast Breakeven

0.0% Forecast Breakeven

Directorate	Budget £k	Forecast Spend £k	Previous Month		Movement £k	Overall Status
			Variance £k	Variance £k		
Chief Executives	1,219	1,275	55	52 ▼	3	Overspend
Governance	4,169	3,991	(178)	(182) ▼	4	Underspend
Place & Economy	23,993	23,395	(598)	(579) ▲	(19)	Underspend
People & Communities	101,216	105,527	4,311	4,630 ▲	(318)	Overspend
Public Health	(188)	(239)	(51)	(51) ▲	(0)	Underspend
Resources	22,766	20,196	(2,571)	(2,400) ▲	(170)	Underspend
Customer & Digital Services	7,356	7,062	(294)	(212) ▲	(82)	Underspend
Business Improvement	722	695	(27)	(23) ▲	(4)	Underspend
Capital Financing	27,994	25,307	(2,687)	(2,666) ▲	(21)	Underspend
Total Expenditure	189,247	187,208	(2,039)	(1,432)	(608)	Underspend
Financing	(186,013)	(187,208)	(1,195)	(1,802) ▼	608	Underspend
Exceptional Financial Support (Capitalisation Direction)	(3,234)	0	3,234	3,234 ▲	0	Reduction in Borrowing
Net	(0)	0	0	0 ▼	0	Breakeven

October's forecast position of no change in comparison to September

Directorate Forecast Outturn Trend Analysis £000



37 Key Budget Pressures

Support (Capitalisation Direction)	3,234	Reduction in the requirement to borrow to fund the net revenue expenditure budget.
Financing (Contribution from Reserves)	2,085	In August the Council proposed to use £10.5m from reserves to fund revenue expenditure, in place of the previously budgeted for Capitalisation Direction. This use of reserves is forecast to reduce by £2.1m, as the favourable position means this is not required to fund revenue expenditure.
People & Communities	1,531	Parking: Loss of income in relation to Parking charges and Parking and Environment Enforcement Services.
People & Communities	1,115	Think Communities: Loss of income between April - June 2021 in relation to access to Leisure Facilities and Cultural Events.
People & Communities	858	Childrens: Forecast additional spend as a result of rising demand for Family Safeguarding and Early Help Services.
People & Communities	689	Commissioning: Pressure as a result of reduced occupancy at Clare Lodge.
People & Communities	685	Childrens: Additional forecast spend on Children's placements, Children's with disabilities and Short Break Commissioning.
Place & Economy	506	Housing: Selective licensing scheme has ended for October 2021 and there has been a delay in setting up the new scheme. (Pressure moved Directorate from P&C)
Place & Economy	496	Housing: Forecast additional spend as a result of housing rough sleepers into hotels and B&Bs.

Key Favourable Variances

Capital Financing	2,687	Reduced borrowing in 20/21 meaning reduction in interest payments than originally forecasted, as well as additional savings forecasted on the new borrowings.
Finance	2,180	The Council is expected to receive £2.180m share of the benefit gained via the Cambridgeshire and Peterborough Business Pool Rates for 2021/22. This forecast has reduced from the £2.490m previously reported as it reflects latest Quarter 2 Pool position reported by all member local authorities. This was not included within the budget due to timing of the available forecast and the uncertainty surrounding the estimates resulting from the economic impact of Covid-19.
People & Communities	1,506	Adults: Adults Operations and Commissioning is showing an overall underspend of £1.5m, this is largely due to difficulties in recruitment underspending £0.6m and the annual uplift of the Better Care fund £0.4m and the Discharge to Assets £0.3m to offset this pressures in this area.
Resources	1,337	Corporate: The pension actuary completed the cessation assessment for Peterborough Culture and Leisure Trust (Vivacity) which resulted in receiving in single year reduction to their secondary contributions for the year 2021/22.
Finance	1,098	The Government Sales Fees and Charges (SFC) compensation scheme was extended to cover April - June. The Council is still experiencing income losses, particularly on parking, Culture and Leisure Services, with forecast grant for the SFC scheme was expected to be £1.1m.
Place & Economy	1,095	Waste Cleansing and Open Spaces: Significant increase in wholesale export price of electricity produced by the Energy Recovery Facility due to the market showing significantly faster signs of recovery.
Place & Economy	500	Waste Cleansing and Open Spaces: Aragon Direct Services are projecting an improvement in their financial position resulting in anticipated costs to the Council now being lower.
Resources	270	PSSP: Business Support Contracts credit due to the freezing of core vacancies until transformation work can take place
Resources	222	PSSP: Following a review of the PSSP contracts an underspend has been identified which has been identified partly as an ongoing saving and to be factored into 2022/23

People & Communities

Oct-21



£4.3m

Forecast Overspend

4%

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	1,611	1,599	(12)	(5) ▲	(7)	Underspend
People & Communities	Education	6,665	6,885	220	(38) ▼	258	Overspend
People & Communities	Adults - Commissioning	46,965	46,163	(802)	(126) ▲	(676)	Underspend
People & Communities	Adults - Operations	9,888	9,184	(704)	(605) ▲	(99)	Underspend
People & Communities	Children's - Operations	12,540	13,324	784	788 ▲	(4)	Overspend
People & Communities	Children's Commissioning	18,079	18,707	628	707 ▲	(79)	Overspend
People & Communities	Commissioning Team and Commercial Operations	479	1,176	697	713 ▲	(16)	Overspend
People & Communities	Communities - City Centre Management	348	579	230	181 ▼	49	Overspend
People & Communities	Communities - Cohesion and Integration	1,106	1,058	(49)	(49) ▬	0	Underspend
People & Communities	Communities - Community Safety	(1,343)	58	1,401	1,345 ▼	57	Overspend
People & Communities	Communities - Think Communities	3,134	4,438	1,304	1,151 ▼	153	Overspend
People & Communities	Communities-Regulatory Services	1,744	2,049	305	245 ▼	60	Overspend
People & Communities	Children's & Safeguarding (DSG)	6,042	6,257	215	215 ▬	0	Overspend
People & Communities	Commissioning and Commercial Operations (DSG)	11	11	0	0 ▬	0	On Budget
People & Communities	Education (DSG)	(6,053)	(5,958)	94	108 ▲	(14)	Overspend
Total People & Communities		101,216	105,527	4,311	4,630 ▲	(318)	Overspend

Directorate Overview

The People and Communities Directorate is currently forecasting an overspend of £4.311m. The overspend is split between Covid-19 impact overspend of £4.924m and a forecast underspend of £0.612m relating to non-Covid 19 activity .

The Covid-19 Impact is broken down as follows: -

CS £1.995m additional spend in response to Covid-19.

CO £2.883m forecast under achievement of income.

*£0.465m pressure re Non-achievement of Medium Term Financial Strategy (MTFS) savings.

*£0.369m saving in relation to reduced spend.









Directorate Variance Analysis

Education	<p>£0.150m forecast pressure as a result of lost income within the School Improvement service. This includes:</p> <ul style="list-style-type: none"> * £0.050m - School Improvement traded services as Schools are prioritising Covid-19 recovery. * £0.100m - Attendance Fine Fixed Penalty Notices relates to where parents take children out of school during term time for holidays or other unauthorised absence. Due to historic experience of the level of notices being issued a budget was built into the Medium Term Financial Strategy (MTFS). However there is a forecast pressure recognised as income is unlikely to return to pre-pandemic levels until restrictions on foreign travel are lifted and penalty notices are issued as a deterrent for parents for taking children out of school. <p>£0.266m forecast pressure Home to School Transport . This pressure represents growth, additional contract costs arising from the re-tendering of contracts, the pressure of Primary School directed places and reduced parental contributions following the introduction of Public Services Vehicle Accessibility Regulations regulations which means the Authority cannot charge for post 16 transport.</p>
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	<p>£0.420m - the annual uplift from the Better Care Fund has been released to support pressures in Adult Social Care from demographic and market conditions</p>
Adults - Commissioning	<p>£0.251m - the extension of the Discharge to Assess (hospital discharges) from September 2021 to March 2022 has released the first four weeks of care package spend which is paid for by reclaiming through the CCG.</p> <p>£0.058m - NESTA have been commissioned to review the health and social care system around Discharge to Assess (hospital discharges) redesign including elements such as timely discharges from hospital, seven day working reducing delayed discharges and reviewing support to patients through the process</p> <p>£0.150m favourable re Mental Health Section 75 agreement based on Cambridgeshire and Peterborough Foundation Trust (CPFT) forecast underspend predominantly due to staffing vacancies and difficulty in recruitment for social workers and Approved Mental Health Practitioners (AMHPs)</p>
Adults - Operations	<p>£0.129m forecast pressure due to additional spend required as a result of Covid-19, this includes:</p> <ul style="list-style-type: none"> * £0.045m for additional Occupational Therapy capacity to deal with increased demand for services from hospital discharges and disabled facilities grant cases awaiting reviews * £0.065m for extension of temporary resource in Transfer of Care (Hospital Discharge) Team to continue to support the health and social care system in discharging patients in a timely manner. <p>£0.618m forecast favourable on staffing costs, is mainly due to the difficulties in recruiting to vacancies due to availability of appropriately qualified staff, new appointments being at a lower spinal column point or reduced hours in comparison to budget.</p> <p>£0.153m forecast favourable on Mental Capacity Act/Deprivation of Liberty Standards services for Best Interest Assessors and section 12 Doctors. Forecasting includes reduced requests and backlog of Court of Protection cases still impacting</p>
Children's - Operations	<p>£0.858m forecast pressure as a result of additional expenditure required as a result of Covid-19. This includes:</p> <ul style="list-style-type: none"> * £0.578m - Assessment and Family Safeguarding demand, additional recourses will be required due to the already increasing numbers of assessments and referrals. * £0.263m - Additional Early Help costs - additional resources are required to respond to a rise in Children's Social Care referrals which will require Early Intervention services. * £0.017m - Additional Youth Family worker to cover a staff member having to shield
Children's Commissioning	<p>£0.685m forecast pressure as a result of additional expenditure resulting from Covid-19. This includes:</p> <ul style="list-style-type: none"> * £0.525m - Childrens Social Care (CSC) Placements - due to increased child protection and family support referrals, which will in turn result in a rise in Local Authority Care (LAC) numbers. * £0.111m - Children with Disabilities - Additional Short Breaks and Homecare for periods out of School * £0.049m - Short breaks Commissioning with Circles Network
Commissioning Team and Commercial Operations	<p>£0.689m forecast pressure in relation to Clare Lodge, this is based on average occupancy of 10 young people until March 22. The £0.699m forecast overspend represents:</p> <ul style="list-style-type: none"> * A projected shortfall of income of £0.591m based on reduced average occupancy of 10 young people until March 22. * A projected overspend on staffing expenditure of £0.136m. Vacancy savings of £0.418m is offset by a pressure of £0.554m Agency staffing.
Communities - City Centre Management	<p>£0.230m forecast pressure includes: £0.112m forecast loss of income at the Market due to non-essential traders having not yet reopened stalls following the Lockdown 3.0 restrictions, £0.080m pressure loss of Street Trader income and the the Government extension to the lower charge rate in relation to outdoor seating and £0.015m as a result of the 2021 Great Eastern Run being cancelled.</p>
Communities - Community Safety	<p>£1.531m forecast pressure due to loss of income across multiple services including £0.673m from Parking charges, £0.422m from Parking Enforcement and £0.437m from Environmental Enforcement. Actual parking income continues to be significantly less than budget due to the reduction in footfall within the town centre due to Covid-19. Environmental Enforcement staff are still been redeployed to support the Covid-19 response. Parking Enforcement is fully operational but income will be dependent on footfall in the town centre.</p>
Communities-Regulatory Services	<p>£0.291m forecast pressure within the Coroners service as a result of unusually complicated and high profile cases (£0.082m), Covid-19 (£0.078m) and Business as Usual (£0.131m). This is due to the requirement to adhere to strict Covid-19 guideline regarding PPE and a backlog of cases, therefore there is a need to appoint additional area coroners and assistant coroners. There is also a need for additional ICT, due to a shortage of Covid-19 secure premises for remote inquests.</p>
Communities - Think Communities	<p>£1.515m forecast pressure within the Recreation and Culture services. This includes:</p> <ul style="list-style-type: none"> * £0.815m pressure resulting from lost income covering the period April to June 2021. This is due to Covid-19 restrictions in relation to access to Leisure Facilities such as swimming and gyms and also Cultural events such as the Key Theatre, Flag Fen and Exhibitions. Recovery plans are in place for Recreation and Culture but will not mitigate losses already incurred. * £0.300m - Further loss of Leisure income. * £0.400m - Additional running costs of City Culture. <p>£0.247m saving as Think Communities MTFs investment for 2021-22 is not required this financial year as all costs can be charged to the Integrated Area Programme grant</p>

£-0.1m Forecast Underspend 

0% 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	Overall Status
Public Health	Children 0-5 Health Visitors	3,974	3,975	1	1 	0	Overspend
Public Health	Children 5-19 Health Programmes	942	889	(53)	(53) 	0	Underspend
Public Health	Sexual Health	1,999	1,999	0	0 	0	On Budget
Public Health	Substance Misuse	2,308	2,308	0	0 	0	On Budget
Public Health	Smoking and Tobacco	286	286	0	0 	0	On Budget
Public Health	Miscellaneous Public Health Services	1,428	1,429	0	1 	(0)	Overspend
Public Health	Public Health Grant	(11,124)	(11,124)	0	0 	0	On Budget
	Total Public Health	(188)	(239)	(51)	(51) 	(0)	Underspend

Directorate Overview

The Public Health Directorate is forecast to underspend by £0.051m. A review of Public Health budgets will be undertaken with the recently appointed Director of Public Health.

Directorate Variance Analysis

Children 5-19 Health Programmes	£0.070m saving - Contribution to Family Safeguarding not required until financial year 2022/23
Children 5-19 Health Programmes	£0.017m pressure - A one year only contribution is required to the cost of the CHUMS (Mental Health and Emotional Wellbeing Service) contract which offers support to young people with mental health difficulties.

Governance Oct-21



£-0.2m Forecast Underspend



-4% 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	130	112	(17)	(17) ▲	(1)	Underspend
Governance	Legal Services	1,826	1,759	(67)	(85) ▼	18	Underspend
Governance	Constitutional Services	2,032	1,913	(120)	(104) ▲	(16)	Underspend
Governance	Performance & Information	181	208	27	24 ▼	3	Overspend
	Total Governance	4,169	3,991	(178)	(182) ▼	4	Underspend

Directorate Overview

The Governance Directorate is currently reporting a favourable variance within the service of £0.178m

Directorate Variance Analysis

4 Constitutional Services	£0.120m Favourable - £0.073m saving in Members Services of which £0.060m is a saving in members allowances due to some members carrying out more than one role and only able to claim one Special Responsibility Allowance. Remaining savings due to reduced travel costs, reduced supplies and services including postage, printing, photocopying and IT costs. £0.075m saving in salaries due to two vacancies. £0.029m other misc pressures
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£-2.6m Forecast Underspend

▶ -11% 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
Resources	Director's Office	269	278	9	9 ▬	0	Overspend
Resources	Financial Services	3,962	3,818	(144)	(111) ▲	(33)	Underspend
Resources	Corporate Items	9,436	7,840	(1,596)	(1,546) ▲	(50)	Underspend
Resources	Peterborough Serco Strategic Partnership	8,084	7,493	(591)	(541) ▲	(51)	Underspend
Resources	Corporate Property	2,062	1,979	(83)	(83) ▼	0	Underspend
Resources	Energy	478	300	(179)	(179) ▼	0	Underspend
Resources	Cemeteries, Cremation & Registrars	(1,525)	(1,512)	13	49 ▲	(36)	Overspend
Total Resources		22,766	20,196	(2,571)	(2,400) ▲	(170)	Underspend

Directorate Overview

Resources Directorate is currently reporting a favourable variance against budget of £2.571m. The main variances at this stage are pension cost savings following the Vivacity cessation assessment and savings within the Peterborough Serco Strategic Partnership Business Support contract due to the freezing of core vacancies until transformation work takes place.

Directorate Variance Analysis

Financial Services	£0.062m Favourable - Savings are expected within the salary budgets within Financial Services. £0.051m of this underspend is related to a secondment of an Internal Audit member of staff to the Community Hub for the remainder of the financial year. The salary costs will be Covid-19 grant funded.
	£0.081m Favourable - Other savings identified across the service area, including £0.020m expected saving in salary related costs generated from the operation of the corporate car lease salary sacrifice scheme.
Corporate Items	£1.337m Favourable - The pension actuary completed the cessation assessment for Peterborough Culture and Leisure Trust (Vivacity) following their admission ceasing on 30/09/2020. This has resulted in the Council receiving a single year reduction to their secondary contributions for the year 2021/22 to the value of 50% of the Vivacity surplus detailed in the assessment report. This variance is the result of the Funding and Management Agreement with Vivacity and the risk agreement for pension contributions.
	£0.100m Favourable - Following a review of the Compensatory Added Years and Unfunded Pension contributions, there is an expected saving against the corporate premature retirement budget. This saving is potentially partially repeatable in future years dependant on the Council's in-year pension strain funding requirements, and will be reviewed as part of the 2022/23 budget setting process.
	£0.139m Favourable - This variance is a result of the Value Added Tax (VAT) shelter income received from Cross Keys Homes (CKH). This favourable position has been driven by maintenance work CKH has carried out on its properties to end of September 2021, and the expenditure profile has varied from original budgeted.

	£0.100m Favourable - Final year of growth income received as part of the Peterborough Serco Strategic Partnership contract which has not been budgeted. Not repeatable in future years.
	£0.270m Favourable - Business Support contract credits (freezing core vacancies where possible until transformation work takes place), offset by centralised project costs unable to be recharged directly to projects.
Peterborough Serco Strategic Partnership	£0.222m Favourable - Following a review of the PSSP contract budget including inflationary elements, an underspend in the current year of £222k has been identified. This will be partly ongoing and a saving has been factored into the proposed 2022/23 MTFS.
	£0.100m Favourable - The Housing Benefit Subsidy budget is forecasting a £0.100m favourable position against budget at this mid year stage, mainly due to overpayments income forecast to be higher than budget.
	£0.100m Pressure - Court cost income collected is expected to be lower than budgeted. Due to lack of recovery activity which was restricted over the pandemic, the income was adversely affected in 2020/21. A £0.100m pressure is forecast in this year, and although this has improved on last financial year, it is in line with outturn in 2019/20 suggesting an ongoing pressure. There is no corresponding saving in administration costs.
Energy	£0.179m Favourable - Baywa have now been appointed as asset management for the PV estate now transferred back to the council control. As Baywa are undertaking a fact find, no forecast has been made yet until we receive confirmation of expected costs and possible income. The hope is though that they will generate a favourable return. As the Empower loan is in the stages of being finalised, it has been possible to forecast the income receivable and interest payable to the end of October and this has resulted in a favourable position. The legal costs for insolvency advice plus an estimate of MRP charge, due to the drawdown of the loan, have partially offset some of the favourable variance.

Chief Executives

Oct-21



£0.1m

**Forecast
Overspend**



5%

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
Chief Executives	Chief Executive	162	218	56	56	0	Overspend
Chief Executives	HR	1,057	1,057	(0)	(3)	3	Underspend
	Total Chief Executives	1,219	1,275	55	52	3	Overspend

Directorate Overview

The Chief Executive Directorate is currently reporting an adverse variance against budget of £0.055m.

£-0.6m 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
Place & Economy	Development and Construction	(65)	(151)	(86)	(68) ▲	(17)	Underspend
Place & Economy	Director Place & Economy	151	151	1	3 ▲	(3)	Overspend
Place & Economy	Peterborough Highway Services	4,308	4,001	(306)	(263) ▲	(44)	Underspend
Place & Economy	Sustainable Growth Strategy	1,559	1,448	(111)	(71) ▲	(40)	Underspend
Place & Economy	Waste, Cleansing and Open Spaces	15,805	14,614	(1,192)	(1,179) ▲	(13)	Underspend
Place & Economy	Westcombe Engineering	26	211	185	117 ▼	68	Overspend
Place & Economy	Director of Housing	1,711	2,634	923	886 ▼	38	Overspend
Place & Economy	Growth & Regeneration	499	487	(12)	(4) ▲	(8)	Underspend
	Total Place & Economy	23,993	23,395	(598)	(579) ▲	(19)	Underspend

Directorate Overview

The Place & Economy Directorate is currently forecasting an underspend of £0.598m. The main variances at this stage are Covid-19 related Housing Services pressures of £0.534m and the Housing Enforcement pressure of £0.353k, offset by significant savings in Waste, Cleansing & Open Spaces. Please note that the Housing Enforcement function recently moved from People & Communities Directorate to Place & Economy Directorate and is therefore now reporting on the Place & Economy Budgetary Control reports.

Directorate Variance Analysis

45

Peterborough Highway Services	£0.179m Favourable - Employee cost savings through Highway Services. Further savings due to a delay in recruitment following a restructure.
	£0.140m Favourable - Various cost savings and additional income Network Management (Traffic signal maintenance, bridge maintenance, New Roads Streets Work Act, etc)
	£0.104m Pressure - Highways Schemes - Cost of additional vehicles August 21 to Jan 22 due to Covid-19. Also reduced Street Naming income and reduced Road Map savings
	£0.091m Favourable - Other misc savings and additional income
Waste, Cleansing and Open Spaces	£1.095m Favourable - Energy Recovery Facility (ERF) Electricity Income - Significant increase in wholesale export price of electricity produced by the ERF (the Council's Energy from Waste Plant operated by Viridor). A pressure of £0.5m was reflected in the Council's budget for 2021/22 due to reduction in energy prices; however the energy market overall is showing faster signs of recovery than anticipated and the Council is able to achieve an improvement in the sale price. The position will be kept under review to inform the budget setting for 2022/23
	£0.042m Pressure - Additional cost at Household Recycling Centre due to Covid-19, such as staffing, traffic management, cleansing and signage.
	£0.067m Pressure - Vehicle hire and additional staffing costs on waste collection rounds due to Covid-19
	£0.500m Favourable - Aragon Direct Services. As the financial pressures from Covid-19 start to reduce, and the replacement vehicle programme gets underway, Aragon Direct Services are projecting an improvement in their financial position for 2021/22, and the increase in costs to the Council that were set out in the budget are now forecast to be lower than anticipated.
	£0.040m Pressure - Waste treatment/recycling project - Project to improve recycling performance with the aim of delivering longer term savings on the waste treatment budget. The proposal is to significantly increase the Project Team (from Feb-22, previously Sept-21) working on education and raising awareness regarding recycling for residents in Peterborough, with a coordinated communications campaign as well as the employment of recycling advisors through Aragon. This does not return a saving in 2021/22 due to the need to employ additional recycling education officers however is likely to become cost neutral/return a saving in 2022/23 when the increases in recycling and food waste collection reduce the amount of these waste streams that are sent to the Viridor Energy Recovery facility. This investment is affordable due to the additional Energy Recovery Facility income currently being achieved.
	£0.200m Favourable - Materials Recycling Facility - Significant increase in Cardboard and Paper recycling prices, forecast to be reviewed as currently only predicting short term increase
	£0.365m Pressure - Brown Bin Service - Due to national driver shortages the annual garden waste bin collection service which commenced in August 2021 has been suspended until January 2022. Customers to the service will receive a refund from the council for the 11 months of service which has not been provided. The new annual service is currently forecast to resume from February 2022. This means a loss of income of £630k in the current financial year, but there is a saving of £265k due to the non-delivery of the service.
	£0.089m Pressure - Other misc pressures, including Bulky Waste service, additional city centre cleansing and flytipping clearance costs

Westcombe Engineering	<p>£0.160m Pressure - Loss of income - Significant arrears in raw casting supply due to Covid and Brexit. This lack of castings is not allowing Westcombe Engineering to satisfy Caterpillar schedules and is therefore affecting the ability to maximise income generation through global sales into Caterpillar and Caterpillar Aftermarket, where profit margins are significantly higher. Caterpillar have now made significant capital spend on new tooling to enable dual sourcing and eventually switching to a new supplier.</p>
	<p>£0.025m Pressure - Cost of backfilling a post seconded to the Covid Hub</p>
	<p>£0.496m Pressure - Housing Services - additional costs arising from housing rough sleepers in hotels and B&B's. The pressure is made up of £0.761m expenditure, which is being partially offset by £0.200m of Rough Sleeper initiative grant income and £0.065m Rapid Rehousing Programme Reserve. The council's R.S.A.P (Rough Sleeper Accommodation Programme) bid has been approved by DLUHC (The Department for Levelling Up, Housing and Communities, formerly MHCLG). Although this is capital funding this will directly reduce the Council's expenditure on hotel and B&B accommodation as more places will become available to house rough sleepers. With the plan to purchase properties in December at the earliest, depending on availability. The forecast will be further refined once the R.S.A.P schemes are established.</p>
	<p>£0.150m Pressure - Unachievable savings plan relating to income associated with Temporary Accommodation. The baseline budget requirement is being re-assessed in light of the modelling referred to above, and whilst this has not yet been finalised, it is judged that this element of saving is unlikely to be realised.</p>
	<p>£0.065m Favourable - Net savings on temporary accommodation schemes - Bushfield Court lease not now proceeding and Walton Road delayed until January 2022 at the earliest. Savings as the rent PCC pays for these properties is higher than the income received. Partly offset by additional rent costs at Redpoll Place and additional costs from Cross Keys Homes relating to Hostel underoccupation charges from 2020/21</p>
Director of Housing	<p>£0.011m Favourable - Employee costs Housing Needs. Vacancy savings offset by temporary staff costs</p>
	<p>Please note that the Housing Enforcement function, which includes Selective Licensing, recently moved from the People & Communities Directorate to the Place & Economy Directorate and is therefore now reporting on the Place & Economy Budgetary Control reports.</p>
	<p>£0.036m Favourable - Employee costs Housing Enforcement Team</p>
	<p>£0.136m Favourable - Employee costs Selective Licensing Team. 2 full time vacant posts and another saving due to a full time team member being seconded to another area for most of 21/22, with all costs going to the other area.</p>
	<p>£0.506m Pressure - Selective Licensing Scheme Income. The Selective Licensing Scheme ended October 2021 and there has been a delay in setting up the new scheme. A CMDN is currently being written and the proposed replacement scheme will very soon be out for consultation. It will then be reviewed by central Govt and requires their approval and it is unclear how long this process will take. Work is ongoing regarding how this will impact future years budgets</p>
	<p>£0.019m Pressure - Other Selective Licensing Scheme costs</p>

Business Improvement Oct-21

£0.0m

Forecast Underspend



-4% 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
Business Improvement	Programme Management	722	695	(27)	(23) ▲	(4)	Underspend
	Total Business Improvement	722	695	(27)	(23) ▲	(4)	Underspend

Directorate Overview

The BID Directorate is currently reporting a small favourable variance within the service of £0.027m

£-0.3m Forecast Underspend



-4% % 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	IT & Digital Services	6,596	6,275	(321)	(239) ▲	(82)	Underspend
Customer & Digital Services	Marketing & Communications	409	433	24	24 ▬	0	Overspend
Customer & Digital Services	Resilience & Health & Safety	266	268	2	2 ▬	0	Overspend
Customer & Digital Services	Director of Customer & Digital Services	85	85	0	0 ▬	0	On Budget
Total Customer & Digital Services		7,356	7,062	(294)	(212) ▲	(82)	Underspend

Directorate Overview

The Customer & Digital Directorate is currently reporting an overall favourable variance of £0.294m against budget. The main variances are within IT & Digital service area, primarily through identification of additional external income above budget.

Directorate Variance Analysis

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IT & Digital Services

£0.197m Favourable - Additional income expected to be generated through external sources including Service Level Agreements with partner organisations and East of England Broadband Network (E2BN). This is likely to be an ongoing income stream and will be reviewed as part of the 2022/23 budget setting process.

£0.110m Favourable - Staffing budgets are predicting an underspend due to additional salary capitalisation and vacant posts in year. The restructure of the service is in progress and expected to be finalised towards the end of the financial year.

£0.012m Favourable - In-year, non-repeatable savings within Software and Hardware, Telephony and Microsoft contracts.

£0.002m Favourable - Other minor variances within the service area.

Capital Financing Oct-21

£-2.7m Forecast Revenue Underspend



-10% Forecast Underspend as a proportion of Budget

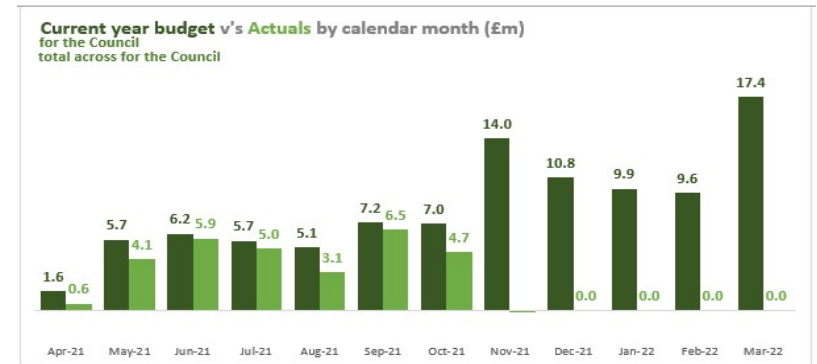
Directorate	Budget Group	Budget £k	Forecast Spend £k	Variance £k	Previous Month Variance	Movement £k	Status
Resources	Capital Financing	27,994	25,307	(2,687)	(2,666) ▲	(21)	Underspend
	Total Capital Financing	27,994	25,307	(2,687)	(2,666) ▲	(21)	Underspend

Capital Financing and Capital Receipts Overview

Less borrowing of £24.3m was undertaken for the capital programme in 2020/21 compared to that estimated to be required in the MTFS at £50.5m. This result, along with a reduction in the overall borrowed amount means that payments of interest are forecast to be less than the budget by £1.98m.

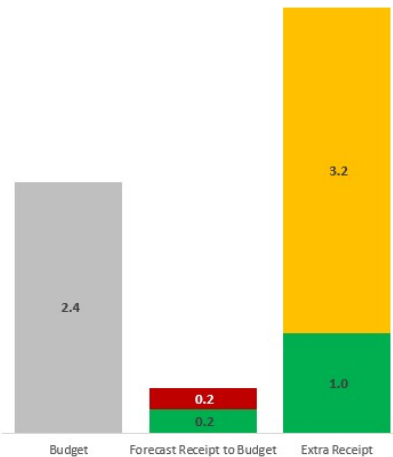
As part of the drive to find additional savings for the current and future year, the capital programme is being reviewed by Directors for 2021/22 and future years to ensure that a realistic profile of scheme delivery is being costed to enable forecast for borrowing and timings to be more realistically estimated and mitigate some of the budget pressures resulting from the interest rate rise. Following the initial review of the capital programme savings are now forecast against the new borrowing budget of £0.5m.

The minimum revenue provision detailed calculation is anticipated to be completed over the autumn months and given that the performance of the capital programme was £55m for 2020/21 compared to the budget of £83m a forecast underspend is estimated to be £0.7m.



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Capital Receipts forecast receipt based on RAG assessment of achievement by 31 March 2022



These forecast underspends are offset by a shortfall in interest receipts which reflects the late treatment of the Empower loan which was due to transition into a long term financing facility at the end of 2020/21. Aragon Direct Services, the Council's Teckal company, were also able to repay an element of their loan earlier than expected due to a better operating position at the end of 2020/21. The forecast reduction in interest receipts is £0.5m, and latest forecast from ESPO with regards to a dividend receipt would help offset this shortfall.

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 likelihood of receipt before March 2022. As per the MTFS policy Capital Receipts will be used to repay debt and forms part of the calculation of reducing the overall debt through MRP. If capital receipts are not received, the debt will need to be repaid via revenue resources.

The Council has identified over £4.5m of asset sales in order to achieve the MTFS budget of £2.4m and is undergoing further examination for potential additional asset sales following the results of the both DLUHC reviews which recommend that are sales are used to stabilise the Council's financial position.

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