

1. Revenue Budget issues

1.1. The revenue budgets are summarised in Table 1 below. The significant variances are detailed in the relevant Portfolio tables that follow.

Table 1 – Summary of Council revenue budget forecast

Portfolio Area	Actual Year to date £000	Budget for year £000	Forecast Outturn £000	Forecast variance £000	Forecast variance %
Leader	3,345	5,711	5,693	(18)	(0.3%)
Community Engagement	5,518	11,664	11,669	5	0.0%
Health and Wellbeing	63,125	121,328	123,023	1,695	1.4%
Children's Services	27,800	54,665	56,169	1,504	2.8%
Education and Skills	(17,081)	36,129	37,328	1,199	3.3%
Resources	14,378	22,236	23,243	1,007	4.5%
Planning and Environment	6,813	18,559	18,619	60	0.3%
Transportation	11,292	27,046	27,348	302	1.1%
Subtotal - Portfolios	115,190	297,338	303,092	5,754	1.9%
Corporate Costs & External Funding (Non Portfolio)	(169,044)	(297,338)	(301,314)	(3,976)	1.3%
Overall BCC	(53,854)	0	1,778	1,778	

1.2 Revenue action plans

The reasons for the 5 material portfolio forecast overspends are as follows;

Health & Wellbeing

- Cost pressures in the nursing, Dom care, day services, fairer charging income, Supporting people and direct payment budgets

Children's Services

- Staffing costs in response to OFSTED recommendations and additional high cost placements above the current budget provision.

Education & Skills

- Client Transport is experiencing pressures from temporary high-cost contracts, and uncertainty over volumes and chargeable income.

Resources

- Property Services costs relating to the maintenance contract (where new assets have been identified above the budgeted provision), loss of income and additional pressures relating to specific sites.

Transportation

- Service delivery pressures, costs of invest to save projects, undeliverable savings targets and the carry forward overspend of £106k from 2014/15.

Details of the action plans by portfolio are as follows;

Health & Wellbeing

Action	Value	Risk / impact / progress
Release of corporate contingency	£1,300k	The budget for contingency is held below the line, and whilst its release would address overspend in the portfolio, it would not improve the bottom line for the authority.

A significant number of actions have been included within the forecast outturn above. If the contingency of £1,300 is released there would remain overspends of £395k for which no mitigating actions have been identified. Within the actions forecast in the summary above are £4.2m relating to agreements from CCG's for additional funding. There is a significant risk that all of this will not be realised.

Children's Services

Action	Value	Risk / impact / progress
Release of High Cost Placements contingency budget	£500k	The budget for contingency is held below the line, and whilst its release would address overspend in the portfolio, it would not improve the bottom line for the authority.

The overspend reported in the summary table above reflects all planned actions to mitigate the current level of overspend. Release of the contingency above would reduce the forecast overspend to £1,004k however there remain risks in the delivery of the previously planned actions.

Education & Skills

Action	Value	Risk / impact / progress
Release of Client Transport contingency budget	£250k	The budget for contingency is held below the line, and whilst its release would address overspend in the portfolio, it would not improve the bottom line for the authority.

Existing actions to address the overspend have reduced the forecast outturn to an overspend of £1,199k, however there is risk in the delivery of these actions. If the contingency identified were released the portfolio overspend would be £949k.

Resources

Action	Value	Risk / impact / progress
Review of Property budgets	£1,007k	The review of Property budgets is due to be completed by the end of October. If opportunities are not identified service delivery may need to be scaled back to remain within budget. Savings have been identified which offset the pressure in Strategic Assets budgets.

To date savings have been identified within the Strategic Assets budgets, which largely offset the pressures in that area. The risk remains that we may have to rephrase works to focus only on statutory responsibilities. The forecast as reported in the summary table has been updated for changes to the outturn in Strategic Assets.

Transportation

Action	Value	Risk / impact / progress
Review of all service budgets	£302k	All budgets are being reviewed to identify essential and committed expenditure, and options assessed for risk and impact. To date £563k of savings have been identified and are being delivered.

Actions taken to date have reduced overspends at Quarter 1 from £988k to £302k. The most significant pressure which is currently not addressed is the delivery of the Transport Strategic Options Appraisal savings of £188k. The project is ongoing but timelines have slipped and savings will be delivered later than planned. All options are being assessed and will be reported to the Board shortly.

2. Capital Budget Summary

The capital budgets are summarised in Table 2 below. The significant variances are detailed in the relevant Portfolio tables that follow.

2.1

Portfolio		Budget £000	Forecast Outturn £000	Forecast Variance £000
Children's	Expenditure - Released	258	262	4
Total Children's		258	262	4
Community Engagement	Expenditure - Released	390	390	0
	Expenditure - Unreleased	0	0	0
	Funding	(121)	(121)	0
Total Community Engagement		269	269	0
Education & Skills	Expenditure - Released	31,556	31,198	(358)
	Expenditure - Unreleased	69	631	562
	Funding	(11,454)	(11,093)	362
Total Education & Skills		20,171	20,737	566
Health & Wellbeing	Expenditure - Released	1,808	1,821	13
	Expenditure - Unreleased	4,357	200	(4,157)
	Funding	(975)	(989)	(14)
Total Health & Wellbeing		5,190	1,032	(4,158)
Leader	Expenditure - Released	4,339	4,902	563
	Expenditure - Unreleased	15,839	5,257	(10,583)
	Funding	(17,219)	(8,401)	8,819
Total Leader		2,959	1,758	(1,200)
Planning & Environment	Expenditure - Released	5,913	5,274	(639)
	Expenditure - Unreleased	399	0	(399)
	Funding	(1,207)	(1,207)	0
Total Planning & Environment		5,105	4,066	(1,039)
Resources - ICT	Expenditure - Released	2,549	2,918	369
	Expenditure - Unreleased	582	615	33
	Funding	(517)	(915)	(398)
Total Resources - ICT		2,614	2,618	4
Resources - Property	Expenditure - Released	6,606	4,833	(1,773)
	Expenditure - Unreleased	708	0	(708)
Total Resources - Property		7,314	4,833	(2,480)
Transportation	Expenditure - Released	38,328	37,375	(952)
	Expenditure - Unreleased	540	0	(540)
	Funding	(3,433)	(2,089)	1,344
Total Transportation		35,435	35,286	(148)
Grand Total		79,314	70,862	(8,451)
Summary:	Expenditure - Released	91,746	88,973	(2,773)
	Expenditure - Unreleased	22,494	6,703	(15,791)
	Funding	(34,927)	(24,814)	10,113
		79,314	70,862	(8,451)