

**Table 3: Revenue Monitoring Position**

Directorate	Gross Expenditure	Gross Income	2020/21 Latest Approved Budget	Forecast Outturn – Prior to use of Covid Grants	Forecast Year End Variation - Prior to use of Covid Grants	Movement from previous month.
	£m	£m	£m	£m	£m	£m
<b>Executive Office</b>	6.500	(0.506)	5.994	6.071	0.077	(0.047)
<b>Finance</b>	29.962	(5.295)	24.667	24.463	(0.204)	(0.204)
<b>Customer and Corporate</b>	81.748	(64.638)	17.110	19.709	2.599	(0.028)
<b>Children's Directorate</b>	149.354	(95.669)	53.685	57.975	4.290	0.000
<b>People Directorate</b>	125.425	(35.710)	89.715	94.868	5.153	0.000
<b>Office of the Director of Public Health</b>	19.306	(19.697)	(0.391)	(0.055)	0.336	0.179
<b>Place Directorate</b>	85.002	(60.011)	24.991	35.060	10.069	1.295
<b>Corporate Items</b>	5.362	(27.455)	(22.093)	(17.854)	4.239	(0.587)
<b>TOTAL – Prior to use of Covid Grants</b>	<b>502.659</b>	<b>(308.981)</b>	<b>193.678</b>	<b>220.237</b>	<b>26.559</b>	
<b>Less balance of COVID 19 grants – Tranche 1-3,</b>					<b>(17.707)</b>	
<b>Less (Estimated) Income Compensation Scheme</b>					<b>(3.087)</b>	
<b>Less Tranche 4 Covid Grant</b>					<b>(4.843)</b>	
<b>SUB TOTAL</b>					<b>0.922</b>	

## Integrated Fund

The financial position for the Plymouth Integrated Fund is not being reported for the start of 2020/21 due in part to the financial uncertainties for both the Council and Devon Clinical Commissioning Group (CCG) arising from the Covid-19 crisis. It is also a reflection of the CCG operating without a formal budget for the period April to July 2020, with all costs being compensated on a claims basis by NHS England. For these reasons, it has been agreed by both parties that the Risk Share Agreement is reset to 0% for both parties for the full financial year.

## Table 4: Key Issues and Corrective Actions

Included in the budget, is an assumed vacancy target of £3.800m. For the purposes of budget monitoring, it is assumed that this target will be met in full. In addition to this there are numerous Legacy items that are being covered off with in-year savings, but these pressures will still need to be addressed in future years.

Issue	Total £m	Management Corrective Action
<b>EXECUTIVE OFFICE</b>  There are legacy pressures of £0.045m along with additional costs which have been incurred due to newspaper publications covering narrative on Covid19.	(0.034)	The department will continue to seek efficiencies by reducing costs and increasing potential income opportunities. Risks will be closely monitored and mitigated wherever possible.
<b>EXECUTIVE OFFICE – Legal</b>  There is currently a pressure, £0.189m. £0.100m was to be achieved from a Service review as indicated in the MTFP and £0.089m is apportioned Transformation legacy savings.	0.111	A small vacancy savings is offsetting this slightly and a budget review is underway.

<p><b>FINANCE</b></p> <p>Transformation programme savings totalling £0.500m remain a pressure.</p> <p>Facilities Management and Project Services have now moved to Human Resources and Organisational Development, resulting in an underspend now being reported.</p>	(0.204)	<p>An in depth review of the Treasury Management budget has been undertaken. Interest rates have fallen significantly reflecting the Bank of England base rate of 0.1%. Interest on investments is forecast to be below the budget target. The interest charged on fixed debt remains unchanged but the council is benefiting from the reduction in the cost of short term borrowing. This is reflected in the forecast which is showing an in year saving.</p>
<p><b>CUSTOMER and CORPORATE – Customer Services</b></p> <p>Housing Benefit additional costs incurred due to the impact of Covid19 and pressures related to recovery of overpayments</p> <p>Covid19 has also impacted on income on Court Fees and Registration.</p>	1.445	<p>Pressures are being offset in part by salary savings. The department will continue to seek further savings where possible.</p>
<p><b>CUSTOMER and CORPORATE – Service Centre</b></p> <p>Legacy item totalling £0.600m. Other transactional services to transfer into the Service Centre.</p>	0.619	<p>Savings previously reflected have moved in line with the Business Service Review.</p>
<p><b>CUSTOMER and CORPORATE – Human Resources &amp; OD</b></p>	0.242	<p>The R&amp;M budget will be targeted primarily to undertake essential maintenance.</p>

<p>Facilities Management (FM) and Project Services have now transferred in resulting in a significant change to month 5 figures.</p> <p>The overall position has got worse by over £0.200m mainly due to lost income as a result of Covid19. There is risk in Repairs and Maintenance (R&amp;M) budget which is being monitored.</p>		No other risks identified.
<p><b>CUSTOMER and CORPORATE – Departmental</b></p> <p>The budget includes savings of £0.570m from Transformation, and £0.004m gap to budget delivery affected by response to Covid19.</p>	0.574	Plans are in the process of being developed e.g. a review of management overheads across the directorate and challenging decisions will need to be made to address these pressures.
<p><b>CUSTOMER and CORPORATE – Transformation</b></p> <p>Costs incurred for funding laptops for officers and Members and remote working, offset by salary savings.</p>	(0.281)	The forecast underspend is helping to offset other pressures across the directorate.
<p><b>CHILDREN'S DIRECTORATE</b> <b>Savings Plans:</b></p> <p>£0.578m attributable to Covid19 due to: 1) restructure delays, 2) planned placement reviews stalled as a result of increased demand.</p>	4.290	Directorate to identify further plans to mitigate shortfall. EP+S restructure now in-train and will achieve full savings for full year 2021/22; Home to School Transport plan now in place to deliver full £0.179m target. Current position is 86% of the savings plans are realised / on track for delivery by the end of the financial year.

<p><b>Placements - Independent Sector Providers</b></p> <p>Placements £0.346m. There has been an increase in the cost of young people's placements due to the high levels of demand from our neighbouring local authorities and nationally, reducing the availability of the right sort of placement in order to meet a young person's needs.</p> <p>The impact of Covid19 has had an effect on looked-after children placements. From April to September there has been an increase of 34 new Looked After Children placements equating to full year effect £2.016m. Using trend analysis, an increase of +16 placements bimonthly is forecast. Increased costs by year end by £1.066m if realised.</p> <p><b>Education Participation and Skills (EP+S)</b></p> <p>£0.104m lost income; from training courses fees.</p> <p>£0.052m costs: home to school transport from lack of sufficient vehicles to allow for social distancing and SEND costs due to the implementation of emergency short break packages for some children with complex needs with 1 to 1 support replacing group based sessions.</p>		<p>All placements continue to be reviewed with a view to reduce costs.</p>

<p><b>PEOPLE – Community Connections</b></p> <p>Bed and Breakfast numbers continue to increase due to Covid19; payments to our partner The Alliance has increased due to demand for services.</p> <p>Additional costs for more housing and associated staffing; expected Youth Centre loss of income; BAU saving is because of grant maximization.</p>	0.897	<p>All pressures being reported are Covid19 related.</p> <p>The department has been tasked with achieving delivery plans of £0.113m, as well as £0.268m of savings brought forward from 2019/20 that were realised from one off savings and needed to be achieved in this financial year. It is thought that they will achieved in full, however, some of these may be achieved through one off savings again, which could cause further pressure in 2021/22.</p>
<p><b>PEOPLE - Strategic Cooperative Commissioning</b></p> <p>Includes additional Covid-19 payments made to providers and also reflects additional payments relating to Discharge claims from Health</p> <p>After a period of Adult Social Care (ASC) client numbers dropping, now seeing rises in the numbers of both residential and community clients.</p> <p>Covid19 has also had a large impact on the department, with increased costs to providers, both one off and ongoing, as well as a very large cost of Personal Protective Equipment (PPE) that is being used for the local authority and also for providers.</p>	4.256	<p>The market will continue to be monitored over the coming months and risks and issues will be escalated to CMT and Cabinet.</p> <p>At the moment, most of the pressures being reported are Covid19 related.</p> <p>At this time, the service are hoping to cover off all delivery plans, however most of these may be achieved through one off grants again, which will cause further pressure in 2021/22.</p> <p>The development of the next phase of transformation is underway to support the delivery of sustainable savings during 2020/21 and thus reduce the reliance on one off savings in future years.</p> <p>£1.992m Additional projected costs for the remainder of the financial year.</p>

<p><b>Office of the Director of Public Health</b></p> <p>At the moment the Bereavement Service is forecasting to budget for numbers of cremations, but any pressure will be around the decision not to increase prices this year. For both Bereavement and PPS, all pressures are Covid related.</p> <p>Following the move to local COVID Alert levels, Plymouth will be eligible for additional payments to support the undertaking of proactive containment and intervention measures. The service are awaiting confirmation of the allocation which is expected to be approx. £0.260m.</p>	0.336	<p>At the moment, all pressures being reported are Covid19 related.</p> <p>Bereavement will be monitored closely over the coming months to understand the trends emerging in this financial year. However this budget is ring-fenced and cannot be counted towards any favourable variations for the Directorate.</p>
<p><b>PLACE - Strategic Planning and Infrastructure (SP&amp;I)</b></p> <p>The September monitoring report shows a favourable variation of about £0.073m since the previous month, with an end-year underspend forecast of about £0.173m.</p> <p>EVRS related savings relating to 20/21 have now been included in the monitoring return and additional savings have arisen through an improved position on planning application fees, albeit this is still significantly short of budget target due to the impact of Covid-19 on development activity.</p>	(0.173)	<p>SP&amp;I Management will continue to closely monitor opportunities for additional income and spend savings given wider budget pressures. The Service Director identified in July 2020 a series of emergency budget decisions. These include:</p> <ul style="list-style-type: none"> <li>• Freezing recruitment for a number of posts for the rest of 2020/2021 £0.176m;</li> <li>• Shutting down or intentionally limiting project spend for the rest of 2020/2021 £0.266m plus;</li> <li>• One-off capitalisation for 2020/2021;</li> <li>• Additional In-Year Fees for Services Provided and External Partnership Income;</li> </ul>

These additional savings have more than compensated for some increased costs elsewhere in the department, particularly in relation to revenue costs associated with the delivery of the department's major capital programme of transport projects.		<ul style="list-style-type: none"> <li>• Negotiating one-off savings where contributions can be offset by reserves held by partnerships;</li> <li>• Postponing the Local Green Space Development Planning Document and stopping non-revenue generating work;</li> <li>• EVRS has been included this month, which realised approx. £0.063 savings.</li> </ul>
<p><b>PLACE - Management Support</b></p> <p>£0.338m Accumulated Place legacy efficiencies target following apportionment of historic Transformation costs.</p>	0.338	Overall Place monitoring will continue to seek one off efficiencies by reducing costs and potential income opportunities to reduce this pressure. With the in-year Covid19 impact however this is unlikely to be realised in full.
<p><b>PLACE - Economic Development</b></p> <p>There are pressures due to income no longer achievable from the Computer Complex as a result of asbestos discovery at Stoke Business Park, and lack of resource to deliver on agreed budget priorities.</p> <p>These are being offset in part from planned savings that have been achieved; including capitalisation and NNDR commitments have reduced rates delisting.</p> <p>In addition there are pressures as a result of Covid19 impacting on commercial activities: these include but not limited to; Asset Investment Fund, Mount Edgcumbe, The Box and City Market.</p>	2.733	<p>Risk based intelligence monitoring will ensure that these pressures are kept under ongoing review and reported appropriately.</p> <p>It is anticipated that National Government business grant payments to tenants will enable these PCC delayed invoice payments to be made. There remains however a significant risk of write off from tenants who do not recover and go out of business. This level of write off risk has been assessed by the Land and Property team for each area within ED.</p>



<p><b>PLACE - Street Services</b></p> <p><b>Street Scene &amp; Waste (SSW) services:</b></p> <p>Street Scene and Waste are reporting an adverse variation of £2.168m.</p> <p>COVID-19 has also had a significant impact on SSW, causing a forecasted pressure of £1.093m due to lost income through Trade Waste, Bulky Waste and Sales of Recyclables, as well as additional costs as a consequence of increased tonnages and having to cease and then reopen services.</p> <p>Moreover, many of the agency and overtime costs are directly related to operating in a COVID-19 environment.</p> <p>SSW have BAU pressures of £0.519m, attributable to such things as vehicle running and maintenance costs. Grounds has an ongoing pressure of £0.155m in relation to backdated grant monies owed to the National Trust as well as reporting COVID-19 related pressure of £0.124m (of which £0.068 is lost income).</p> <p>Control and increased accountability are in place to drive down operational costs, increase income and manage historical pressure.</p>	<p>2.168</p>	<ul style="list-style-type: none"> <li>• Street Scene and Waste has undergone a series of end-to-end reviews to understand the genesis of the cost pressures that exist across the service.</li> <li>• The service is looking at a series of measures that will introduce more accountability and tighter controls.</li> <li>• As part of the review, the service is also undergoing a series of changes as part of its modernisation agenda and this should see improved income, which will in part address the shortfall as well as some (but not all) of savings targets.</li> <li>• The impact of Covid-19 is significant and the service continues to monitor and assess the implications, particularly for trade and commercial income, as well as the additional costs of running Covid-safe services and adjusting working practices in a dynamic pandemic environment.</li> </ul>
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<p><b>Fleet and Garage:</b></p> <p>Fleet and Garage are reporting a pressure of £0.127m. Fleet of £0.077m and Garage of £0.050m.</p> <p><b>Highways and Car Parking:</b></p> <p>Highways and Car Parking are currently reporting a pressure of £4.876m which is made up of £4.525m potential loss from Car parking income from On Street &amp; Off Street, Permit Parking, Penalty Charge Notices &amp; Corporate Permits based on the worst case scenario.</p> <p>£0.208m Efficiency Target not being achieved. £0.200m Tamar Bridge &amp; Torpoint Ferry loss of income (shared with Cornwall). £0.103m mooring income &amp; loss of rental from cruise operators. £0.025 Highways Legal Fees.</p> <p>There have been some staffing savings as a result of vacant posts and EVRS which total (£0.070m) and additional Capitalised Salaries targets of (£0.111m) and an expected reduction in spend on Safety Camera Partnership of (£0.026).</p>	<p>0.127</p> <p>4.876</p>	<p>The Tamar Bridge and Torpoint Ferry Joint Committee is predicting a shortfall of £4.2m income in 2020/21. The Act establishing the bridge requires that accumulated reserves are used first to offset any in year loss. Plymouth will be claiming its share (£2.1m) of the loss from the Government although at present guidance suggests we will only receive 71p in the £. After use of the reserves if there is still a deficit this is shared equally between Plymouth and Cornwall. At present the position is estimated to be £0.2m.</p>
<p><b>CORPORATE ITEMS</b></p> <p>There is £2.953m of pressure for The Way We Work (TWWW) programme as shown in the MTFP. Business</p>	<p>4.239</p>	<p>Boards have been convened to look at component of TWWW programme, including for example, the Accommodation strategy to review impact of Covid 19 on future service delivery.</p>

Support Review resulted in £0.247m savings being captured.  Costs totalling £1.286m are being forecast for the Temporary Mortuary which includes costs for PPE, equipment and signage.		EVRS council wide programme will drive out £0.500m this financial year. These savings are now reflected within each service area; <table><tr><td>Service Area</td><td>£m</td></tr><tr><td>Children's Services</td><td>-0.005</td></tr><tr><td>Customer and Corporate Services</td><td>-0.136</td></tr><tr><td>Executive Office</td><td>-0.035</td></tr><tr><td>Finance</td><td>-0.014</td></tr><tr><td>People</td><td>-0.087</td></tr><tr><td>Place</td><td>-0.147</td></tr><tr><td>Business Support</td><td>-0.084</td></tr></table>	Service Area	£m	Children's Services	-0.005	Customer and Corporate Services	-0.136	Executive Office	-0.035	Finance	-0.014	People	-0.087	Place	-0.147	Business Support	-0.084
Service Area	£m																	
Children's Services	-0.005																	
Customer and Corporate Services	-0.136																	
Executive Office	-0.035																	
Finance	-0.014																	
People	-0.087																	
Place	-0.147																	
Business Support	-0.084																	
<b>TOTAL</b>	<b>26.559</b>																	
<b>Less balance of COVID 19 grants (Tranche 1-3)</b>	<b>(17.707)</b>																	
<b>Less estimated ICS</b>	<b>(3.087)</b>																	
<b>Less Tranche 4 COVID 19 grant</b>	<b>(4.843)</b>																	
<b>NET TOTAL</b>	<b>0.922</b>																	

## Appendix I

### Capital Finance Report Quarter 2 2020/21

The five year capital budget 2020-2025 is currently forecasted at £621.182m as at 30 September 2020. The capital budget has been adjusted to take into account new approvals and changes to the capital programme and adjustments to the income assumptions shown in table I.

### Current Capital Resources

Table I The Capital budget consists of the following elements:

Description	£m
Capital Programme approved by CCIB	390.058
Income Assumptions *	231.124
<b>Total Revised Capital Budget for Approval (2020-2025)</b>	<b>621.182</b>

\* Estimate of income to be received to finance future capital projects (funding see Table 2c)

Within the approved budget (representing forecast resources), the Capital Programme represents projects that have been approved by the City Council Investment Board (CCIB). Project officers prepare detailed business cases and present them to the board and if approved the CCIB recommends them to the Leader for approval. Once the executive decision has been signed by the leader the projects are added to the Capital Programme for delivery.

Tables 2 and 3 below shows the revised capital programme for the period 2020-2025, as at the end of September 2020.

### Revised Capital Programme

Table 2a Capital Programme by Directorate

Directorate	2020/21	2021/22	2022/23	2023/24	2024/25	Total
	£m	£m	£m	£m	£m	£m
People	7.610	0.632	0.172	-	-	8.414
Place	155.300	92.960	68.743	10.706	2.676	330.385
Customer & Corporate	8.633	29.613	-	-	-	38.246
Public Health	5.209	7.804	-	-	-	13.013
<b>Total</b>	<b>176.752</b>	<b>131.009</b>	<b>68.915</b>	<b>10.706</b>	<b>2.676</b>	<b>390.058</b>
<b>Financed by:</b>						
Capital Receipts	4.465	4.057	2.152	0.608	0.659	11.941
Corporate funded borrowing	39.626	39.852	11.862	4.827	2.017	98.185
Service dept. supported borrowing	62.438	48.196	28.518	4.020	0	143.172
Grant funding	61.697	28.468	25.523	0	0	115.688
SI06 & CIL	6.621	10.319	0.860	1.250	0	19.050
Other contributions	1.905	0.117	0	0	0	2.022
<b>Total Financing</b>	<b>176.752</b>	<b>131.009</b>	<b>68.915</b>	<b>10.706</b>	<b>2.676</b>	<b>390.058</b>

Table 2b Funding of the 2020-25 Capital Programme

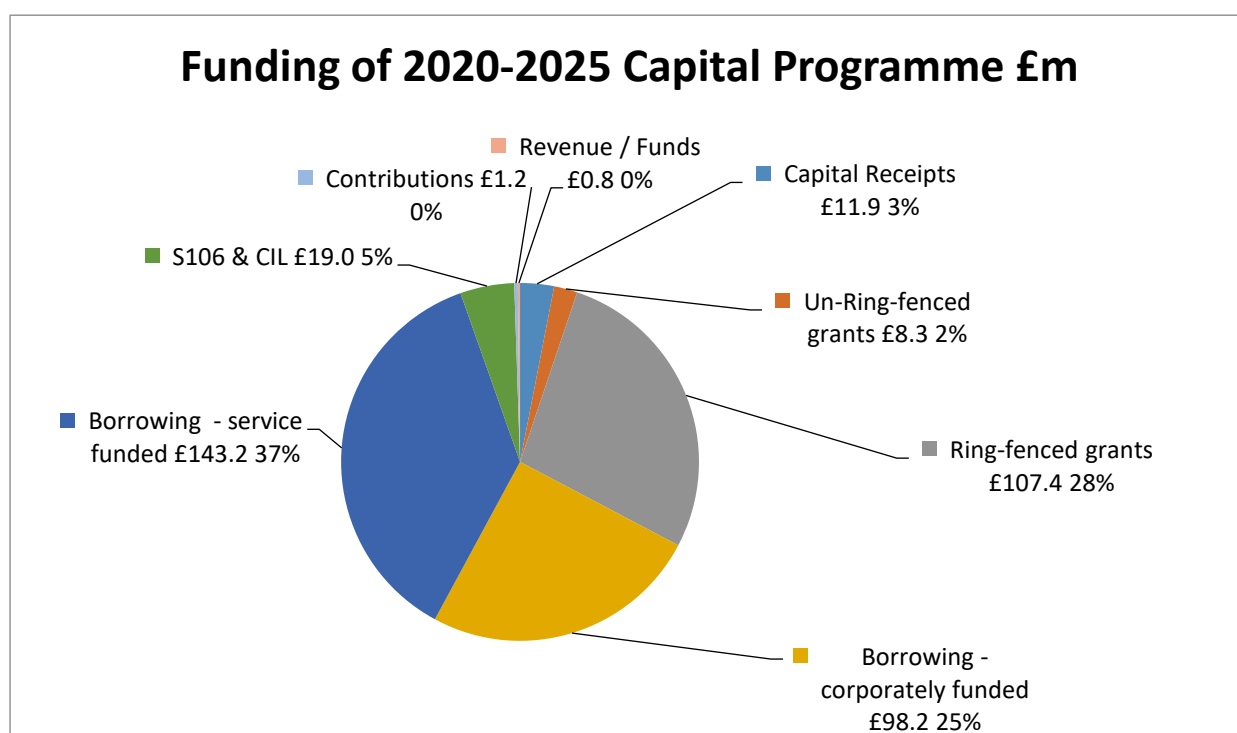


Table 2c Income Assumptions Funding Estimates

Funding Estimates	2020/21	2021/22	2022/23	2023/24	2024/25	Total
	£m	£m	£m	£m	£m	£m
Capital receipts	1.275	0	0.462	0.939	0.914	3.590
Corporate & service borrowing	0	0	0	0	0	0
Grants	12.647	26.130	7.067	146.696	2.126	194.666
S106 and CIL	4.575	4.575	4.575	4.575	4.575	22.875
Other sources	0.227	1.298	7.268	0.600	0.600	9.993
<b>Total</b>	<b>18.724</b>	<b>32.003</b>	<b>19.372</b>	<b>152.810</b>	<b>8.215</b>	<b>231.124</b>

### Covid 19

The effect from Covid 19 has slowed some elements of the capital programme delivery. As we come out of lock down the capital projects are all getting back to work but with the extra safety requirements of social distancing. There will be slippage in the delivery of the capital programme but the Resurgam group has been set up to accelerate the delivery of the capital programme.

Table 3: Capital Programme by Delivery Outcome

Primary Outcome of Projects	£m
Securing Growth in the City Centre/Waterfront	18.024
Securing Growth in Derriford and the Northern Corridor	57.398
Securing Growth in the Eastern Corridor	8.602
Delivering More/Better Housing	18.995
Ensuring Essential City Infrastructure	92.673
Improving Neighbourhoods and Community Infrastructure	3.910
Ensuring Good Quality School Places	1.802
Growing the Economy	55.964
Delivering Oceansgate	12.903
Connecting the City	26.996
Celebrating Mayflower	4.857
Delivering The Box	3.140
Transforming Services	84.792
<b>Total</b>	<b>390.058</b>