

Finance and Resources Committee

10.00am, Thursday, 21 January 2021

Chief Executive's Service - Revenue Budget Monitoring 2020/21 - Month Eight position

Executive/routine Wards Council Commitments	Executive All
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1. Recommendations

- 1.1 It is recommended that the Finance and Resources Committee notes that it is forecast that outturn expenditure will be in line with the approved revenue budget for the Chief Executive's Service for 2020/21.

Andrew Kerr

Chief Executive

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2. Executive Summary

- 2.1 The report sets out the projected eight-month revenue budget monitoring position for Chief Executive's services, based on actual expenditure and income to the end of October 2020 and expenditure and income projections for the remainder of the financial year.
- 2.2 Chief Executive's services is projecting expenditure to be within budget for 2020/21 after a budget pressure of £0.136m arising from a shortfall against a 2019/20 Council-wide senior management savings target of £0.5m has been fully mitigated. The attainment of this position is subject to ongoing actions to deliver all approved savings together with the active management of risks and pressures.

3. Background

- 3.1 The Council's Financial Regulations require submission of quarterly monitoring reports on service financial performance to the Finance and Resources Committee.
- 3.2 This report advises on the current outturn projection for Chief Executive's services for 2020/21, based on the position after eight months of the financial year.

4. Main report

- 4.1 The Chief Executive's services revenue budget for 2020/21 is £9.438m. The budget includes the cost of the Chief Executive's Office and the Strategy and Communications Division.
- 4.2 The period eight projection is for expenditure to be in line with the approved revenue budget for 2020/21 after a budget pressure of £0.136m, arising from a shortfall in the achievement of a 2019/20 senior management savings target, has been fully mitigated. An analysis of the projection by Division is provided in Appendix 1.

- 4.3 The approved 2020/21 revenue budget required the Chief Executive's Service to achieve savings of £0.100m in 2020/21. All planned savings for the Chief Executive's Service are forecast to be achieved in 2020/21. An assessment of the achievement of savings targets is detailed in Appendix 2.
- 4.4 Council-wide Senior Management savings of £0.364m (72%) approved in 2019/20 have been achieved to date and are classified as 'Green' with the remaining balance of £0.136m (28%) being progressed and therefore classified as 'Amber'. It is anticipated this savings target will be fully mitigated on a one-off basis through reduced loans charges.

5. Next Steps

- 5.1 Continuing work to manage financial risks and take timely remedial action, where any adverse variance become apparent.

6. Financial impact

- 6.1 The report forecasts expenditure to be in line with the approved revenue budget for Chief Executive's services for 2020/21. Attainment of this position is the subject of continuing work to identify mitigating measures, active management of financial risks and taking timely remedial action, where any adverse variances become apparent.

7. Stakeholder/Community Impact

- 7.1 The Chief Executive's Service is providing leadership for a number of key priority programmes which have involved stakeholder involvement and will have community impact of differing levels of magnitude, including the overall Adaptation and Renewal Programme co-ordination, the Council's Sustainability Programme and work to adapt to climate change and the response to the Edinburgh Poverty Commission. The Council's revenue budget includes expenditure impacting upon carbon, adaptation to climate change and contributing to sustainable development. In addition, all budget proposals are now subject to an upfront assessment across these areas.

8. Background reading/external references

- 8.1 [Chief Executive's Services - Revenue Budget Monitoring 2020/21 - Month Five position](#) Finance and Resources Committee 29 October 2020

9. Appendices

- 9.1 Appendix 1 - Revenue Budget Monitoring 2020/21 - Month Eight position
- 9.2 Appendix 2 - Revenue Budget Savings and Pressures 2020/21.

Appendices

Chief Executive's Service - Revenue Budget Monitoring 2020/21

Month Eight position

Appendix 1 - Forecast Revenue Outturn by Division

	Revised Budget	Projected Outturn	Projected Variance	Adverse / Favourable
	£'000	£'000	£'000	
Chief Executive's Office	256	231	(25)	FAV
Strategy and Communications Division	9,318	9,207	(111)	FAV
Senior Management Councilwide savings target	(136)	0	136	ADV
Total Net Expenditure	9,438	9,438	0	

Appendix 2 - Revenue Budget Savings 2020/21

Division	Saving Description	2020/21 £'000	Red/Amber/Green/Black assessment
Strategy and Communications Division	Strategy and Communications Workforce Savings	100	
	TOTAL	100	