

Finance and Resources Committee

10.00am, Thursday, 23 January 2020

Revenue Monitoring 2019/20 – month eight position

Executive/routine Wards Council Commitments	Executive All
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1. Recommendations

- 1.1 Members of the Finance and Resources Committee are recommended to:
 - 1.1.1 note that a balanced overall position continues to be projected for the year;
 - 1.1.2 note, nonetheless, that Executive Directors and the Chief Officer of the Edinburgh Integration Joint Board (EIJB) will continue to monitor robustly and control proactively expenditure pressures for the remainder of the year;
 - 1.1.3 note the balanced projected position on the Housing Revenue Account (HRA) after making planned contributions towards housing investment; and
 - 1.1.4 refer this report to the Governance, Risk and Best Value Committee as part of its work programme.

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Revenue Monitoring 2019/20 – month eight position

2. Executive Summary

- 2.1 The report sets out the projected Council-wide revenue budget position for the year based on analysis of period eight data, building on the earlier in-year forecasts reported to the Finance and Resources Committee. A balanced overall position continues to be projected, albeit this is heavily reliant upon significant one-off, non-Directorate specific savings and additional savings and/or income already assumed for future years. As a result, the wider need for Directorate expenditure to be contained within approved levels remains critical to the sustainability and integrity of the budget framework.

3. Background

- 3.1 On 6 December 2019, members of the Finance and Resources Committee considered the half-year revenue monitoring forecast. This report noted the extent of progress within Directorates in delivering both service-specific and Council-wide efficiency savings and management of underlying service pressures within service areas. The report also updated members on progress in addressing the residual budget gap for the Edinburgh Integration Joint Board (EIJB).
- 3.2 Taking account of the net impact of projected savings delivery, management of residual pressures and a number of corporate, primarily one-off mitigations, a projected balanced overall position was indicated. It was emphasised, however, that this position was subject to on-going management of service pressures and risks for the remainder of the year. In addition, the implications of a significant service overspend in 2019/20 (at that stage £14.2m) for future years would need to be considered as part of the 2020/23 budget process.

4. Main report

4.1 Executive Directors and the Chief Officer of the EIJB, along with their senior management teams, are continuing to work towards delivery of the four main objectives initially set out in the report to the Finance and Resources Committee on 7 March 2019, namely:

- (i) Development of robust implementation plans for the specific savings actions totalling £29.2m which were approved for delivery in 2019/20;
- (ii) Development of detailed and specific proposals to address the £9.5m efficiency savings target which was also approved as part of the 2019/20 budget;
- (iii) Identification of mitigating actions to address residual pressures across the Communities and Families, Place and Resources Directorates; and
- (iv) Agreement, through the EIJB, of specific plans to address its estimated budget gap in 2019/20.

4.2 Addressing each of the above areas in full is required to allow the Council to plan, with reasonable confidence, to maintain expenditure within approved levels in 2019/20. In acknowledging that there is a degree of delivery risk for each aspect, however, elected members, the Chief Executive and Executive Directors, including the Chief Officer of the EIJB, will continue to have to make difficult choices in both this and subsequent years to secure financial sustainability.

Development of savings implementation plans – specific savings

4.3 Progress in developing implementation plans for all specific savings approved for delivery in 2019/20 is regularly reviewed by the Corporate Leadership Team (CLT) Change Board. To facilitate delivery of the more challenging approved savings measures, members will be aware of Council's previous ratification of a non-recurring £1m contribution to supplement existing project management capacity. A progress update with regard to recruitment, associated costs and key milestones and deliverables for each of the workstreams supported by these additional resources is provided in Appendix 1.

4.4 Review of the corresponding implementation plans and resulting financial impacts for these savings continues to show positive progress, with 92% of savings by value currently assessed, on the basis of confirmed or planned actions, as green or amber as set out in Appendix 2. This position is largely unchanged from that set out in the half-year report. Given the comparatively late stage of the financial year, however, maximising delivery against those savings currently assessed as amber and mitigating, as fully as is practicable, those assessed as red is likely to be vital in achieving a balanced position by the year-end.

Efficiencies-related savings

4.5 The update to the Committee's meeting on 15 August 2019 set out the measures by which it was planned to meet the approved in-year efficiencies target of £9.5m. The current status of these savings (showing a slight improvement from the half-year

report) is summarised in Appendix 3. Based on this assessment and the equivalent assessment for the Workforce Management and Change Management saving included in Appendix 2, a total of £3.493m of Council-wide savings (most materially those in respect of lean business process review, intelligent automation and income generation) are assessed to be at significant risk of non-delivery and thus reflected accordingly in the overall outturn projection, with other potential shortfalls incorporated, as appropriate, in service projected outturns. In addition to the immediate issue of identifying relevant mitigating measures in the current year, establishing an achievable level of savings in these areas in future years will be crucial to the longer-term integrity of the budget framework.

Residual pressures

- 4.6 Based on detailed analysis of the 2018/19 directorate outturns, the report to the Committee's meeting on 15 August 2019 set out gross pressures across Communities and Families, Place and Resources totalling £19.6m. Some £19.0m of corresponding mitigating actions were identified at that time, progress against which continues to be actively tracked. The Directorate-specific projections outlined later in this report reflect an assumption that 90% of these measures are on track for delivery, with the attendant detail shown in Appendix 4. As with the directorate-specific measures above, the prompt taking of appropriate remedial action in respect of those assessed as amber or red will be crucial both in achieving a balanced overall outturn for 2019/20 and establishing solid foundations for the delivery of subsequent years' savings.

Directorate-specific forecasts

Communities and Families – projected overspend of £4.7m

- 4.7 The Executive Director of Communities and Families is projecting net budget pressures of £4.7m for 2019/20, a slight deterioration from the position reported at the half-year, as a result of increasing costs in several demand-led areas of service. To date, projected unfunded gross budget pressures of £13.3m have been assessed¹. The main areas affected are temporary accommodation, home-to-school transport, rising school rolls, secure services, community access to schools and the delivery of approved operational efficiencies. Corresponding management actions of £8.6m, offsetting a significant element of the pressure, has now been identified, leaving a net residual budget pressure of £4.7m.
- 4.8 While 96% of the Directorate's approved savings are assessed to be on track for delivery, the Executive Director of Communities and Families is fully committed to making all efforts to identify mitigations to reduce the residual pressures and to identify and implement management actions required to address these. This will include vacancy control measures, a review of reserves, identification of income generation opportunities, an examination of the scope to stop or reduce planned levels of expenditure, and the identification of any spend-to-save opportunities.

¹ The Directorate commentaries reflect both pressures, mitigating actions in respect of which were identified in the earlier August report, and those that may have emerged since that time.

Place – projected overspend of £4.990m

- 4.9 As of period six, the Executive Director of Place is projecting the potential for a year-end overspend of up to £4.990m. This forecast, representing an improvement of £0.625m since the half-year report, reflects a combination of:
- (i) brought-forward (and as-yet unmitigated) underlying pressures within, in particular, the Transport, Parks and Waste and Cleansing functions;
 - (ii) anticipated delays, or shortfalls, in delivery against a number of the service-specific measures approved as part of the budget motion (as shown in Appendix 2);
 - (iii) extended temporary cessation of elements of environmental testing; and
 - (iv) a need to identify specific plans to address elements of the Directorate's in-year efficiency target of £2.8m (Appendix 3).
- 4.10 The Place Senior Management and Divisional Management Teams are continuing work to address the financial challenge faced by the Directorate. Of £19.9m of savings requiring to be delivered in the year, some 91% are now assessed as either green or amber. A budget management strategy, underpinned by a robust mid-year review, is also being implemented, with a series of additional measures instructed by the Executive Director to reduce the level of overspend further.

Resources – projected overspend of £0.631m

- 4.11 As outlined in a separate, more detailed report elsewhere on today's agenda, the Resources Directorate is currently projecting a year-end budget pressure of £0.631m for 2019/20, an improvement of £0.039m from the position reported to the Committee on 6 December 2019. The Directorate will continue to progress identification of savings measures to offset this budget pressure, including a recruitment freeze in non-frontline teams and a ban on the use of agency workers, with a view to containing outturn expenditure within approved levels. Attainment of this position remains subject to ongoing action to deliver all approved savings, together with active management of risks and pressures.

Chief Executive's Service – projected balanced position

- 4.12 As of period eight, the Chief Executive's Service continues to report a projected balanced position for the year.

Edinburgh Integration Joint Board (EIJB) – projected balanced position

- 4.13 Following a series of earlier financial reports during the year, a further progress update was considered by the EIJB on 10 December 2019. This report set out the potential for a balanced overall position for the year to be achieved based on a combination of:

- an updated assessment of the NHS Lothian financial position;
- additional savings delivered through the savings and recovery programme;
- use of existing EIJB reserves; and

- one-off savings resulting from longer-than-anticipated roll-out of a number of initiatives, including community support investment and Carers' Act implementation.

- 4.14 As with the Council's own directly-provided services, attainment of this position is subject to a number of assumptions, including savings delivery and management of demand-led pressures. These assumptions will therefore continue to be closely monitored over the remainder of the year.
- 4.15 It is acknowledged that such use of one-off measures does not form the basis of longer-term financial sustainability and the Chief Officer of the EIJB, supported by the management team and other key stakeholders, has therefore initiated work on future years' financial planning.
- 4.16 The EIJB Chief Financial Officer has previously reported a significant funding gap on payments to accompany the direction which has been issued to the Council in 2019/20. Funding to address this estimated gap of £8.1m has now been identified and members of the EIJB have approved the direction of funding to address in full the residual funding gap, based on the anticipated final outturn.

Non-Directorate budgets

- 4.17 As noted in the half-year report, a number of primarily non-recurring savings totalling £13.814m to offset pressures in Directorates have previously been identified as follows:
- (i) **loan charges** (£2.555m) – comprising a combination of £1m of savings against core budget provision and £1.555m of savings, the majority of which are one-off in nature, linked to the Inverse LOBO restructuring undertaken earlier in the year;
 - (ii) **inflationary and pay-related provisions** (£1.5m) following confirmation of applicable contractual uplifts and employee pay awards and associated Scottish Government funding;
 - (iii) **Carbon Reduction Commitment (CRC) energy efficiency scheme** (£0.5m) - reduction in overall liabilities following ending of the scheme in April 2019;
 - (iv) **Business Rates Incentivisation Scheme (BRIS)** (£0.387m) – payment received in respect of the 2017/18 financial year following the completion of the Scotland-wide audit process;
 - (v) **Council Tax** (£1m) – additional income linked to increase in overall tax base and sustained increases in collection levels; and
 - (vi) **Contributions from reserves** (£7.872m), comprising a combination of:
 - (a) **Council Priorities Fund (CPF)** - £6.372m, including £0.786m of transitional support for efficiencies workstream. The assumed call on the CPF has reduced slightly in view of the improvement in the Directorate-specific position; and

- (b) **Welfare Reform** - £1.5m from sums set aside in respect of previous year's in-year Council Tax Reduction Scheme underspend.

European Social Fund grant claims

- 4.18 In May 2019, following the identification of a number of shortcomings in the supporting audit-related arrangements put in place by the Scottish Government as managing authority, the European Commission suspended grant claim payments to current and some previously-approved, local authority-led European Social Fund (ESF) projects. The effect of this suspension was to prevent payment of both claims already submitted and expenditure incurred as part of on-going projects.
- 4.19 The two specific programmes in receipt of current ESF support within Edinburgh are a locality-based employability service delivered by the Community Renewal Trust and *All in Edinburgh*, provided by Enable, for those with a disability or long-term health condition. It is estimated that some £4.35m of funding support paid out by the Council in either the current or previous years is affected, with £1m of further commitments made across the remaining terms of the projects concerned. Previous years' accounts have assumed full subsequent reimbursement by the Scottish Government of sums incurred by the Council.
- 4.20 Discussions between the Scottish Government and European Commission are continuing with a view to addressing in full the issues identified to allow retrospective and continuing payments to resume. To this end, the Scottish Government has confirmed that payment will now be made without delay in respect of all verified claims. There remains a risk, however, that agreement to full reimbursement will not be secured, with a consequent impact on the 2019/20 outturn position. On behalf of all affected councils, COSLA has therefore requested that the Scottish Government underwrite any shortfall should such agreement not be reached. Members of the Committee will be kept apprised of subsequent progress.

Overall projected position for 2019/20

- 4.21 Taking into account the various minor changes set out in the preceding sections of this report, a balanced overall position continues to be forecast as set out in Appendix 5. Attainment of this position is subject to on-going management of service pressures and risks for the remainder of the year. The implications of a £13.8m service overspend in 2019/20 for future years will, however, need to be considered as part of the 2020/23 budget process.

Housing Revenue Account (HRA)

- 4.22 As of month eight, the HRA is on track to generate the overall budgeted contribution to planned investment in existing and new homes. This assumes a series of ambitious savings and performance improvements required under the umbrella of the Housing Services Improvement Plan will be achieved in the second half of the year. To facilitate appropriate officer and member scrutiny, a Housing Services Improvement Plan Board has been set up in addition to the regular reporting to Housing Homelessness and Fair Work Committee.

5. Next Steps

- 5.1 Executive Directors and the Chief Officer of the EIJB are required to continue to manage pressures and secure planned savings delivery over the remainder of the year.

6. Financial impact

- 6.1 The report acutely emphasises the importance of proactive management of pressures and delivery of approved savings.

7. Stakeholder/Community Impact

- 7.1 There is no direct relevance to the report's contents. In considering measures to secure the Council's wider financial sustainability, however, members may wish to consider both activities' respective contributions to the key outcomes of the Change Strategy and public engagement feedback on the Council's relative priorities.

8. Background reading/external references

- 8.1 [Finance Update](#), Edinburgh Integration Joint Board, 10 December 2019
- 8.2 [Revenue Monitoring 2019/20 – half-year report](#), Finance and Resources Committee, 6 December 2019
- 8.3 [Council Change Strategy: Planning for Change and Delivering Services 2019-23](#), Finance and Resources Committee, 10 October 2019
- 8.4 [Capital Budget Strategy 2020-2030](#), Finance and Resources Committee, 10 October 2019
- 8.5 [Revenue Monitoring 2019/20 – period three report](#), Finance and Resources Committee, 15 August 2019
- 8.6 [Revenue Budget Framework 2019/24 – progress update](#), Finance and Resources Committee, 23 May 2019
- 8.7 [Coalition Budget Motion](#), City of Edinburgh Council, 21 February 2019
- 8.8 [Feedback on the Change Strategy and Budget Proposals, 2018 and 2019](#), The City of Edinburgh Council, 21 February 2019
- 8.9 [Council Change Strategy: Planning for Change and Delivering Services 2019-2023](#), Finance and Resources Committee, 1 February 2019
- 8.10 [Council Change Strategy – Risks and Reserves 2019-2023](#), Finance and Resources Committee, 1 February 2019

9. Appendices

Appendix 1 – Additional programme management support progress update

Appendix 2 - 2019/20 approved savings – current Finance RAG assessment

Appendix 3 – Efficiencies workstream, 2019/20 – current Finance RAG assessment

Appendix 4 – Pressure-mitigating measures, 2019/20 – current Finance RAG assessment

Appendix 5 – 2019/20 Revenue Budget – Projected Expenditure Analysis

Project Management Fund

Project and SRO	FTE Allocated	Business Case Opportunity	Financial Benefits	Non-Financial Benefits
<p>Your Total Reward</p> <p>Katy Miller</p>	3 FTE	<p>Your Total Reward will review current Local Government Employee pay, terms and conditions and benefits. The project will meet our commitment to consolidate the Scottish Local Government Living Wage into base pay and seek to progress positively base pay and financial well-being for our lowest-paid employees. The project will also restore the pay differential for Grades 1, 2 and 3.</p> <p>The change proposals will remove complexity around pay and terms and conditions and drive a better organisational culture by introducing a simplified reward framework that promotes the right behaviours and supports effective service design/delivery.</p>	The project and business case is not predicated on delivering financial benefits	<ul style="list-style-type: none"> Harmonisation and simplification of terms and conditions for different employee groups. Consolidation of Scottish Local Government Living Wage, which is a COSLA commitment made as part of nationally-agreed pay. Streamlined service delivery and increased flexibility and reduced gender pay gap, mitigating risks in relation to ad-hoc local custom and practice. Moving our reward framework forward to support becoming a modern and efficient organisation.
<p>Operational Efficiencies Programme</p> <p>Stephen Moir on behalf of CLT</p>	1 FTE	Planned to meet the approved in-year efficiencies of target of £9.5m. Work is continuing to identify further potential opportunities, including consideration of Lean and Automation as noted below.	Projections of £6.5m	The operational efficiencies programme is primarily focussed on financial savings delivery. However, the broader improvement impact of the Lean and Automation activity, for example, will lead to streamlined processes and the faster delivery of outcomes for citizens and colleagues.
<p>Lean and Automation</p> <p>Nicola Harvey</p>	9 FTE (6 recruited)	<p>Part of the Efficiencies Programme.</p> <p>The Business Case approved in March 2019 outlined an opportunity for significant savings across the Council.</p> <p>Further opportunities have been identified and are in the process of validation across the Lean and Automation Pipeline.</p>	Projected savings of £0.078m in 19/20 with a pipeline of £0.458m in 20/21 now validated and c. £0.4m still to be validated.	<ul style="list-style-type: none"> Lean and efficient processes Processes and business rules documented Enables culture of continuous improvement Data quality increase Improved processing quality and accuracy Provides additional capacity to teams Creates new jobs and skills in the council Enhanced MI and tracking of performance data

Project Management Fund

Project & SRO	FTE Allocated	Business Case Opportunity	Financial Benefit	Non-Financial Benefits
Asset Management : Service Design Peter Watton	3 FTE	The Business Case approved in March 2019 outlined an opportunity for £0.250m in 2019/20	Savings delivered in 2019/20 through the release of Bonnington Resource Centre and Westfield House	<ul style="list-style-type: none"> • Services designed around the needs of communities and citizens, not assets • Improved access to services and co-location efficiencies. • Services more responsive to local needs/better service outcomes • Improved Council reputation and relationship with community • Efficiencies in FM and reduced carbon footprint • More sustainable and economically viable service design model
Fleet Review Gareth Barwell	1 FTE	Full Business Case reviewed by Change Board in September outlined the delivery approach for £0.500m for 19/20.	£0.500m of savings targeted in 2019/20	<ul style="list-style-type: none"> • Reduced emissions • Improved driving standards and behaviours • Greater fleet utilisation
Depots and Yards Gareth Barwell	2 FTE	The Business Case approved in March 2019 outlined an opportunity for £0.500m savings in 2020/21. Activity to reduce from 19 to 6 sites, 3 of which will provide fit-for-purpose Depot Hubs (Seafield, Bankhead and new South East Depot).	Depots Review currently targeting £0.500m savings in 2020/21	<ul style="list-style-type: none"> • Improved and enhanced depots estate • Increased housing supply facilitated by exiting depot sites • Increased supply of small industrial units at depot sites unsuitable for housing • Investment in the Council depots estate, bringing improved reliability of frontline services supported by efficient depots • Reduced size of the estate and accelerating economic development opportunities in tandem • Improved working conditions for staff.

2019/20 Service-Specific Savings - RAG assessment as of period eight

Service	Saving title	Total £000	Green £000	Amber £000	Red £000	Change to RAG since Period 6 position
Communities and Families	Police funding	522	522	0	0	
Communities and Families	Efficiencies in the delivery of accommodated children's services	510	405	0	105	
Communities and Families	Edinburgh Leisure (Year 1 - Pay uplift)	350	350	0	0	
Communities and Families	Enabling Educational Efficiencies – Third Party Grants (2018/19 additional spend)	250	250	0	0	
Communities and Families	Library service - reduce book fund	200	200	0	0	
Communities and Families	Support for Learning Management	200	200	0	0	
Communities and Families	Invest in Revenue Collection Officers	175	175	0	0	
Communities and Families	NHS commissioned services	100	100	0	0	
Communities and Families	ASN adaptations to mainstream schools	100	100	0	0	
Communities and Families	Carers' Act Funding	75	75	0	0	
Communities and Families	Heritage language	42	42	0	0	
Communities and Families	Invest to reduce temporary accommodation voids rates	90	0	90	0	
Communities and Families	Adoption of Scottish Government Framework for electricity and gas	30	0	30	0	
Chief Executive's Services	Reduce capacity in Strategy and Communications	200	200	0	0	
Chief Executive's Services	Funding the Edinburgh Partnership and Third Sector Interface	40	40	0	0	
Council-wide	Loans charges	5,000	5,000	0	0	
Council-wide	Council Tax	3,000	3,000	0	0	
Council-wide	EDI	1,047	1,047	0	0	
Council-wide	Discretionary income	176	176	0	0	
Council-wide	Contract Optimisation	100	100	0	0	
Council-wide	Workforce Modernisation and Change Management	500	0	0	500	
Place	Economic Development	1,200	1,200	0	0	
Place	Discretionary income	824	618	206	0	
Place	Parking - increase charges by average of 4.5% per annum over four years	800	600	200	0	
Place	Commercialism and Income Maximisation - Statutory Consents	825	730	95	0	
Place	Capitalisation of Road Maintenance Budget	500	500	0	0	
Place	Tourism and Marketing Reform	300	300	0	0	
Place	Improved Approach to Street and Environmental Enforcement	750	250	350	150	
Place	Roads (2018/19 additional spend)	250	250	0	0	
Place	Fleet Review	500	300	200	0	
Place	Commercialism and Income Maximisation - Culture	150	150	0	0	
Place	Localities Phase Two	300	100	100	100	
Place	Commercialism and Income Maximisation - Pre-planning Applications	100	100	0	0	
Place	Cultural grants	52	52	0	0	
Place	Re-provision of public conveniences	250	40	210	0	
Place	Commercialism and Income Maximisation - Parks and Greenspaces	150	20	65	65	
Place	Area-Based Regeneration	250	125	125	0	
Place	Parking Action Plan Phase 2	369	100	100	169	
Place	Commercialism and Income Maximisation - Full Cost Recovery	200	100	100	0	
Place	Joint Procurement of Waste Contracts	325	0	162	163	
Place	Transport Reform	500	0	500	0	
Place	New Ways of Working - Public Safety and Business Continuity	130	85	45	0	
Place	Clean and Green (2018/19 additional spend)	250	40	210	0	£0.040m Amber to Green

Service	Saving title	Total £000	Green £000	Amber £000	Red £000	Change to RAG since Period 6 position
Resources	ICT Partnership – Contract Optimisation	1,200	1,200	0	0	
Resources	Business support services review	1,000	1,000	0	0	
Resources	Property Maintenance Programme (2018/19 additional spend)	850	850	0	0	
Resources	Property and FM: Management and Investment Estate Savings	515	515	0	0	
Resources	Increasing Income from Castle Terrace Car Park	500	500	0	0	
Resources	ICT Solutions Organisational Review	450	450	0	0	
Resources	Corporate Learning and Development – Budget Reduction	250	250	0	0	
Resources	Emergency Service Provision for Edinburgh Shared Repairs Service	218	218	0	0	
Resources	Reduction in Executive Director of Resources budget	126	126	0	0	
Resources	Monitoring Officer (MO) – Budget Reduction	107	76	31	0	
Resources	Asset Management Strategy and Service Reprovisioning	250	89	0	161	
Resources	Additional advertising income	470	70	0	400	
Resources	ICT/CGI Partnership Arrangements	50	50	0	0	
Resources	Print and Mail Strategy	90	15	75	0	
Resources	Investment portfolio rationalisation	415	0	0	415	
Resources	Non Domestic Rates Appeals	800	800	0	0	
Resources	Upfront Payments	200	0	200	0	
	All approved service-specific savings	29,173	23,851	3,094	2,228	
			81.8%	10.6%	7.6%	

2019/20 Efficiency savings -RAG assessment as of period eight

Service	Title	Total £000	Green £000	Amber £000	Red £000	Change to RAG since Period 6 position
Communities and Families	Workforce Control	350	350	0	0	
Communities and Families	Management Savings	640	240	0	400	
Communities and Families	Workforce Control	700	0	200	500	
Chief Executive's Service	Workforce Control	46	46	0	0	
Council-wide	Council Priorities Fund	786	786	0	0	
Council-wide	Operational Efficiencies - Reduction in Senior Management	500	257	243	0	
Council-wide	Operational Efficiencies - Procurement	100	100	0	0	
Council-wide	Operational Efficiencies - Lean Business Processes	1,250	0	350	900	
Council-wide	Operational Efficiencies - Intelligent Automation	500	0	300	200	
Council-wide	Operational Efficiencies - Income Generation	1,000	0	0	1,000	
Place	Place Development - Efficiencies	730	250	480	0	
Place	Reduction in Discretionary Expenditure	650	650	0	0	£0.470m Amber/Red to Green
Place	Workforce Control - Reduction in Agency and Overtime	900	0	450	450	
Place	Place Management - Efficiencies	530	112	282	136	
Resources	Customer and Digital Services - Efficiencies	656	656	0	0	£0.362m Amber to Green
Resources	Workforce Control	162	162	0	0	
	All efficiencies	9,500	3,609	2,305	3,586	
			38.0%	24.3%	37.7%	

2019/20 Pressure-mitigating savings - RAG assessment as of period eight

Service	Saving title	Total £000	Green £000	Amber £000	Red £000	Change to RAG since Period 6 position
Communities and Families	Early Years	750	750	0	0	
Communities and Families	Home to School Transport	700	700	0	0	
Communities and Families	Homelessness - Additional Housing Benefit	600	600	0	0	
Communities and Families	Community Access to Schools	600	250	0	350	
Communities and Families	Additional Income (C&F)	120	120	0	0	
Communities and Families	Homelessness - Reduction in use of Bed and Breakfast	1,000	0	0	1,000	
Council-wide	Corporate budgets	3,000	3,000	0	0	
Council-wide	Demography	2,000	2,000	0	0	
Council-wide	Scottish Government teachers' pension funding	500	500	0	0	
Place	Millerhill Operations (Place)	1,800	1,800	0	0	
Place	Reduction in Budget Pressures (Place)	1,000	1,000	0	0	
Place	Transport Review	1,200	870	250	80	
Place	Realise Full Year Impact of Previously Approved Savings (Place)	1,200	700	350	150	
Place	Service Containment of Increment Costs (Place)	1,200	900	300	0	£0.200m Amber/Red to Green
Place	Planning Appeals	300	300	0	0	
Place	Localities and Communities Investment Funding	130	130	0	0	
Place	Contract Efficiencies (Place)	600	400	100	100	
Place	Operational Efficiencies - Senior Management Review (Place)	100	50	50	0	£0.050m Amber to Green
Place	Implement Service Reforms (Place)	200	0	100	100	
Place	Value for Money Audits (Place)	300	0	150	150	
Place	Pentland Hills Operations (Place)	100	50	50	0	
Resources	Re-Profile of Expenditure	500	500	0	0	
Resources	Rates Appeals	1,134	1,134	0	0	
	All pressure-mitigating savings	19,034	15,754	1,350	1,930	
			82.8%	7.1%	10.1%	

	Revised Budget	Period Budget	Period Actual	Period Variance	Projected Outturn	Outturn Variance	Percentage Variance
	£000	£000	£000	£000	£000	£000	
Directorate / Division							
Chief Executive's Service	8,963	4,482	4,411	(71)	8,963	0	0.0
Communities and Families	418,972	209,500	212,200	2,700	423,672	4,700	1.1
Health and Social Care	217,835	117,994	120,621	2,627	217,835	0	0.0
Place	44,938	22,469	27,252	4,783	49,928	4,990	11.1
Resources	163,330	96,232	85,763	(10,469)	163,961	631	0.4
Lothian Valuation Joint Board	3,678	1,839	1,839	0	3,678	0	0.0
Council-wide savings (Lean, Intelligent Automation, Income Generation and Senior Management)	(3,850)	(1,604)	(262)	1,342	(357)	3,493	(90.7)
Directorate / Division total	853,867	450,911	451,824	913	867,681	13,814	1.6
Non-service specific areas							
Loan Charges	110,785				108,230	(2,555)	(2.3)
Other non-service specific costs less sums to be disaggregated:	22,929				21,429	(1,500)	(6.5)
- Apprenticeship Levy	1,857	929	951	22	1,857	0	0.0
- Carbon Tax/Climate Change Levy	967				467	(500)	(51.7)
- Discretionary Rates	500				500	0	0.0
Council Tax Reduction Scheme	26,319	n/a	n/a	n/a	26,319	0	0.0
Staff early release costs	2,500	n/a	n/a	n/a	2,500	0	0.0
Net Cost of Benefits	(127)	n/a	n/a	n/a	(127)	0	0.0
Interest and investment income	(11,145)	0	0	0	(11,145)	0	0.0
Business Rates Incentivisation Scheme, 2017/18 - payment received	0	0	0	0	(387)	(387)	n/a
Non-service specific areas total	154,585	929	951	22	149,643	(4,942)	(3.2)
Movements in reserves							
Capital Fund	1,178	1,178	0	(1,178)	1,178	0	0.0
Net contribution to / (from) earmarked funds	6,296	6,296	0	(6,296)	(1,576)	(7,872)	(125.0)
Movements in reserves total	7,474	7,474	0	(7,474)	(398)	(7,872)	(105.3)
Sources of funding							
General Revenue Funding	(356,927)	(178,464)	(178,464)	0	(356,927)	0	0.0
Non-Domestic Rates	(365,250)	(182,625)	(182,625)	0	(365,250)	0	0.0
Council Tax	(293,748)	(146,874)	(146,874)	0	(294,748)	(1,000)	(0.3)
Sources of funding total	(1,015,925)	(507,963)	(507,963)	0	(1,016,925)	(1,000)	(0.1)
In-year (surplus) / deficit	0	(48,649)	(55,188)	(6,539)	0	0	0.0