

# Finance and Resources Committee

10.00am, Thursday, 27 August 2020

## Chief Executive's Services - Revenue Budget Monitoring 2020/21 - Month Three position

Executive/routine Wards Council Commitments	Routine City-wide
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### 1. Recommendations

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

**Andrew Kerr**

Chief Executive

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# Report

## Chief Executive - Revenue Budget Monitoring 2020/21 - Month Three position

### 2. Executive Summary

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- 2.1 The report sets out the projected three-month revenue budget monitoring position for the Chief Executive's Services, based on actual expenditure and income to the end of June 2020 and expenditure and income projections for the remainder of the financial year.
- 2.2 The Chief Executive's services is projecting a budget pressure of £0.115m for 2020/21. The budget pressure will be fully mitigated through reduced loans charges in 2020/21. 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

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- 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 the Chief Executive's services for 2020/21, based on the position after three months of the financial year.

### 4. Main report

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- 4.1 The Chief Executive's services revenue budget for 2020/21 is £9.439m. The budget includes the cost of the Chief Executive's office and the Strategy and Communications Division.
- 4.2 The period three projection is a forecast budget pressure of £0.115m, arising from a forecast shortfall in the achievement of savings from senior management savings. The budget pressure will be fully mitigated through reduced loans charges in 2020/21. An analysis of the projection by service is provided in Appendix 1.

- 4.3 The approved 2020/21 revenue budget required the Chief Executive's services to achieve savings of £0.100m in 2020/21. All planned savings for the Chief Executive's services 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 £0.398m (77%) have been achieved to date and are classified as 'Green' with the remaining balance of £0.115m (23%) being progressed and therefore classified as 'Amber'. This savings target will be fully mitigated through reduced loans charges.

#### **Chief Executive's services Revenue Budget Outturn 2019/20**

- 4.5 Chief Executive's services revenue budget outturn for 2019/20 was an underspend of £0.137m, representing 1.5% of net service budget. Expenditure was maintained within budgeted levels, with a favourable income recovery from rechargeable services contributing to the overall favourable variance.

### **5. Next Steps**

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

### **6. Financial impact**

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- 6.1 The report forecasts a balanced position for Chief Executive's services for 2020/21. Attainment of a balanced 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**

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- 7.1 There is no direct relevance to the report's contents. The Council undertook a budget engagement exercise when developing the 2020/21 revenue budget.
- 7.2 There is no direct relevance of the report's contents to impacts on carbon, adaptation to climate change and sustainable development. 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**

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None

## 9. Appendices

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1. Revenue Budget Monitoring 2020/21 - Month Three position
2. Revenue Budget Savings and Pressures 2020/21.

# Appendices

## Chief Executive's services

### Revenue Budget Monitoring 2020/21

#### Month Three position

#### 1. Forecast Revenue Outturn by Service – Appendix 1

	Revised Budget	Projected Outturn	Projected Variance	Adverse / Favourable
	£'000	£'000	£'000	
Chief Executive	258	233	(25)	FAV
Strategy and Communications	9,309	9,321	12	ADV
Senior Management Council-wide savings target	(128)	(115)	13	ADV
<b>Total Net Expenditure</b>	<b>9,439</b>	<b>9,439</b>	<b>0</b>	

#### 2. Revenue Budget Savings and Pressures 2020/21 – Appendix 2

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

Council-Wide Savings Target		
Senior Management (total of £0.513m)	398	
	115	
<b>Council-Wide Savings Targets</b>	<b>513</b>	