

APPENDIX 1 – ANNEX 1

**OVERALL GENERAL REVENUE FUND FORECAST OUTTUN POSITION FOR
2019/20**

| Portfolio | Budget £M | Forecast Qtr 3 £M | Forecast Variance Qtr 3 £M | Forecast Variance Qtr 2 £M | Variance Movement from Qtr 2 £M |
|--|----------------------|----------------------------------|---|---|--|
| Adult Care | 67.35 | 67.89 | 0.54 A | 0.11 F | 0.65 A |
| Aspiration, Children & Lifelong Learning | 49.08 | 52.91 | 3.82 A | 0.42 A | 3.40 A |
| Green City & Environment | 0.82 | 1.01 | 0.19 A | 0.01 F | 0.20 A |
| Healthier & Safer City | (5.33) | (5.33) | 0.00 | 0.05 A | 0.05 F |
| Homes & Culture | 7.65 | 7.70 | 0.05 A | 0.01 F | 0.06 A |
| Leader | 3.16 | 3.02 | 0.13 F | 0.01 F | 0.13 F |
| Place & Transport | 22.43 | 22.35 | 0.08 F | 0.05 A | 0.13 F |
| Resources | 35.21 | 34.92 | 0.29 F | 0.30 F | 0.01 A |
| Total Portfolios | 180.37 | 184.48 | 4.10 A | 0.09 A | 4.01 A |
| Levies & Contributions | 0.63 | 0.63 | 0.00 | 0.00 | 0.00 |
| Capital Asset Management | 5.15 | 5.05 | 0.09 F | 0.10 F | 0.01 A |
| Other Expenditure & Income | 3.41 | (0.59) | 4.01 F | 0.00 | 4.01 F |
| Net Revenue Expenditure | 189.57 | 189.57 | 0.00 | 0.01 F | 0.01 A |
| Draw from Balances | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Council Tax | (101.75) | (101.75) | 0.00 | 0.00 | 0.00 |
| Business Rates | (83.29) | (83.29) | 0.00 | 0.00 | 0.00 |
| Non-Specific Government Grants | (4.53) | (13.27) | 0.00 | 0.00 | 0.00 |
| Total Financing | (189.57) | (189.57) | 0.00 | 0.00 | 0.00 |
| (SURPLUS)/DEFICIT | 0.00 | 0.00 | 0.00 | 0.01 F | 0.01 A |

NB Numbers are rounded

EXPLANATIONS BY PORTFOLIO

ADULT SOCIAL CARE PORTFOLIO

KEY REVENUE ISSUES – QUARTER 3 2019/20

The Portfolio is currently forecast to **over** spend by **£0.54M** at year-end, which represents a percentage over spend against budget of **0.80%**. The Portfolio forecast variance has moved adversely by **£0.65M** from the position reported at quarter two.

| | Forecast Variance Qtr 3 £M | Forecast Variance Qtr 2 £M | Movement from Qtr 2 £M |
|--------------------------|---|---|---|
| Portfolio Outturn | 0.54 A | 0.11 F | 0.65 A |

A summary of the Portfolio forecast variance and movement since the last quarter is shown in the table below:

| Division / Service Activity | Forecast Variance Qtr 3 £M | Forecast Variance Qtr 2 £M | Movement from Qtr 2 £M |
|--|---|---|---|
| Long Term | 0.64 A | 0.00 | 0.64 A |
| Integrated Commissioning Unit Provider Relationships | 0.18 F | 0.11 F | 0.07 F |
| Other smaller amounts | 0.08 A | 0.00 | 0.08 A |
| Total | 0.54 A | 0.11 F | 0.65 A |

The SIGNIFICANT movements between Qtr 2 and Qtr 3 for the Portfolio are:

| Service Area | Movement in Forecast Variance Between Qtr 2 and Qtr 3 2019/20 £M | Explanation |
|---------------------|---|--|
| Long Term | 0.64 A | Since the budget rebasing exercise at quarter two there has been an increase of 0.51M due to a rise in high cost clients in residential and nursing care There has also been further debt cancellation during the quarter, with £0.13M cancelled since quarter two (£0.90M overall for the year to date). |

ASPIRATION, CHILDREN AND LIFELONG LEARNING PORTFOLIO

KEY REVENUE ISSUES – QUARTER 3 2019/20

The Portfolio is currently forecast to **over** spend by **£3.82M** at year-end, which represents a percentage over spend against budget of **7.35%**. The Portfolio forecast variance has moved adversely by **£3.40M** from the position reported at quarter two.

| | Forecast Variance Qtr 3 £M | Forecast Variance Qtr 2 £M | Movement from Qtr 2 £M |
|--------------------------|---|---|---|
| Portfolio Outturn | 3.82 A | 0.42 A | 3.40 A |

A summary of the Portfolio forecast variance and movement since the last quarter is shown in the table below:

| Division / Service Activity | Forecast Variance Qtr 3 £M | Forecast Variance Qtr 2 £M | Movement from Qtr 2 £M |
|---|---|---|---|
| Divisional Management and Legal | 1.05 A | 0.00 | 1.05 A |
| Quality Assurance Business Unit | 0.09 A | 0.00 | 0.09 A |
| Multi Agency Safeguarding Hub & Children in Need | 0.45 A | 0.00 | 0.45 A |
| Looked After Children & Provision | 2.20 A | 0.35 A | 1.85 A |
| Integrated Commissioning Unit – Children’s Services | 0.07 F | 0.00 | 0.07 F |
| Education- Early Years & Asset Management | 0.10 A | 0.00 | 0.10 A |
| Early Help & Step Down | 0.09 F | 0.00 | 0.09 F |
| Targeted & Restorative Services | 0.11 A | 0.07 A | 0.04 A |
| Other | 0.02 F | 0.00 | 0.02 F |
| Total | 3.82 A | 0.42 A | 3.40 A |

The **SIGNIFICANT** movements between Qtr 2 and Qtr 3 for the Portfolio are:

| Service Area | Movement in Forecast Variance Between Qtr 2 and Qtr 3 2019/20 £M | Explanation |
|--|---|---|
| Divisional Management and Legal | 1.05 A | Staffing related. |
| Multi Agency Safeguarding Hub & Children in Need | 0.45 A | Staffing related. |
| Looked After Children & Provision | 1.85 A | An increase in care package costs for children in residential placements as well as a correction of an overestimated level of income from Health towards these care packages. |
| Education- Early Years & Asset Management | 0.10 A | Additional transportation costs of £0.08M for the movement of mobile modular classroom to and from Bitterne Park School which had not been provided for in the original estimate. The other £0.02M is a number of small adverse variations. |

GREEN CITY & ENVIRONMENT PORTFOLIO

KEY REVENUE ISSUES – QUARTER 3 2019/20

The Portfolio is currently forecast to **over** spend by **£0.19M** at year-end, which represents a percentage over spend against budget of **20.1%**. The Portfolio forecast variance has moved adversely by **£0.20M** from the position reported at quarter two.

| | Forecast Variance Qtr 3 £M | Forecast Variance Qtr 2 £M | Movement from Qtr 2 £M |
|--------------------------|---|---|---|
| Portfolio Outturn | 0.19 A | 0.01 F | 0.20 A |

A summary of the Portfolio forecast variance and movement since the last quarter is shown in the table below:

| Division / Service Activity | Forecast Variance Qtr 3 £M | Forecast Variance Qtr 2 £M | Movement from Qtr 2 £M |
|------------------------------------|---|---|---|
| Bereavement & Registration | 0.17 A | 0.00 | 0.17 A |
| Landscape Trading Area | 0.04 A | 0.00 | 0.04 A |
| Others | 0.02 F | 0.01 F | 0.01 F |
| Total | 0.19 A | 0.01 F | 0.20 A |

The **SIGNIFICANT** movements between Qtr 2 and Qtr 3 for the Portfolio are:

| Service Area | Movement in Forecast Variance Between Qtr 2 and Qtr 3 2019/20 £M | Explanation |
|-------------------------------------|---|---|
| Bereavement & Registration Services | 0.17 A | Reduced income forecast from the crematorium (£0.12M) and cemeteries (£0.05M). Based on activity levels experienced in the period from August to October, the full year anticipated income forecast has been reduced. |

HOMES & CULTURE PORTFOLIO

KEY REVENUE ISSUES – QUARTER 3 2019/20

The Portfolio is currently forecast to **over** spend by **£0.05M** at year-end, which represents a percentage over spend against budget of **0.6%**. The Portfolio forecast variance has moved adversely by **£0.06M** from the position reported at quarter two.

| | Forecast Variance Q3 | Forecast Variance Q2 | Movement from Q2 |
|--------------------------|-------------------------------------|-------------------------------------|---------------------------------|
| | £M | £M | £M |
| Portfolio Outturn | 0.05 A | 0.01 F | 0.06 A |

A summary of the Portfolio forecast variance and movement since the last quarter is shown in the table below:

| Division / Service Activity | Forecast Variance Qtr 3 | Forecast Variance Qtr 2 | Movement from Qtr 2 |
|------------------------------------|--|--|------------------------------------|
| | £M | £M | £M |
| Private Sector Housing | 0.08 A | 0.02 F | 0.10 A |
| Others | 0.03 F | 0.01 A | 0.04 F |
| Total | 0.05 A | 0.01 F | 0.06 A |

The SIGNIFICANT movements between Qtr 2 and Qtr 3 for the Portfolio are:

| Service Area | Movement in Forecast Variance Between Qtr 2 and Qtr 3 2019/20 £M | Explanation |
|------------------------|---|--|
| Private Sector Housing | 0.10 A | The expected percentage of licence applicants using their own surveyors in lieu of the Council's, and therefore incurring a reduced fee, has been higher than assumed over the last four months, and the income forecast has been reduced to reflect this. |

HEALTHIER & SAFER CITY PORTFOLIO

KEY REVENUE ISSUES – QUARTER 3 2019/20

There is currently no forecast variance for this portfolio. The Portfolio forecast variance has moved favourably by **£0.05M** from the position reported at quarter two.

| | Forecast Variance Qtr 3 £M | Forecast Variance Qtr 2 £M | Movement from Qtr 2 £M |
|--------------------------|---|---|---|
| Portfolio Outturn | 0.00 | 0.05 A | 0.05 F |

A summary of the Portfolio forecast variance and movement since the last quarter is shown in the table below:

| Division / Service Activity | Forecast Variance Qtr 3 £M | Forecast Variance Qtr 2 £M | Movement from Qtr 2 £M |
|---|---|---|---|
| Community Safety, Alcohol Related Crime, CCTV | 0.05 F | 0.00 | 0.05 F |
| Prevention & Inclusion Service | 0.05 A | 0.05 A | 0.00 |
| Total | 0.00 | 0.05 A | 0.05 F |

There are no SIGNIFICANT movements between Qtr 2 and Qtr 3 for the Portfolio.

LEADERS PORTFOLIO

KEY REVENUE ISSUES – QUARTER 3 2019/20

The Portfolio is currently forecast to **under** spend by **£0.13M** at year-end, which represents a percentage under spend against budget of **4.1%**. The Portfolio forecast variance has moved favourably by **£0.12M** from the position reported at quarter two.

| | Forecast Variance Qtr 3 £M | Forecast Variance Qtr 2 £M | Movement from Qtr 2 £M |
|--------------------------|---|---|---|
| Portfolio Outturn | 0.13 F | 0.01 F | 0.12 F |

A summary of the Portfolio forecast variance and movement since the last quarter is shown in the table below:

| Division / Service Activity | Forecast Variance Qtr 3 £M | Forecast Variance Qtr 2 £M | Movement from Qtr 2 £M |
|------------------------------------|---|---|---|
| Property | 0.07 F | 0.01 F | 0.06 F |
| Chief Executive | 0.06 F | 0.00 | 0.06 F |
| Total | 0.13 F | 0.01 F | 0.12 F |

There are no SIGNIFICANT movements between Qtr 2 and Qtr 3 for the Portfolio.

RESOURCES PORTFOLIO

KEY REVENUE ISSUES – QUARTER 3 2019/20

The Portfolio is currently forecast to **under** spend by **£0.29M** at year-end, which represents a percentage under spend against budget of **1.0%**. The Portfolio forecast variance has moved adversely by **£0.01M** from the position reported at quarter two.

| | Forecast Variance Qtr 3 | Forecast Variance Qtr 2 | Movement from Qtr 2 |
|--------------------------|--|--|------------------------------------|
| | £M | £M | £M |
| Portfolio Outturn | 0.29 F | 0.30 F | 0.01 A |

A summary of the Portfolio forecast variance and movement since the last quarter is shown in the table below:

| Division / Service Activity | Forecast Variance Qtr 3 | Forecast Variance Qtr 2 | Movement from Qtr 2 |
|---|--|--|------------------------------------|
| | £M | £M | £M |
| Finance & Commercialisation | 0.35 F | 0.30 F | 0.05 F |
| OD Strategy, Workforce Planning & Employee Relations | 0.06 A | 0.00 | 0.06 A |
| Total | 0.29 F | 0.30 F | 0.01 A |

There are no **SIGNIFICANT** movements between Qtr 2 and Qtr 3 for the **Portfolio**.

PLACE & TRANSPORT PORTFOLIO

KEY REVENUE ISSUES – QUARTER 3 2019/20

The Portfolio is currently forecast to **under** spend by **£0.08M** at year-end, which represents a percentage under spend against budget of **0.002%**. The Portfolio forecast variance has moved favourably by **£0.13M** from the position reported at quarter two.

| | Forecast Variance Qtr 3 | Forecast Variance Qtr 2 | Movement from Qtr 2 |
|--|--|--|------------------------------------|
| | £M | £M | £M |
| Place & Transport Portfolio | 0.08 F | 0.05 A | 0.13 F |

A summary of the Portfolio forecast variance and movement since the last quarter is shown in the table below:

| Division / Service Activity | Forecast Variance Qtr 3 | Forecast Variance Qtr 2 | Movement from Qtr 2 |
|--|--|--|--------------------------------|
| | £M | £M | £M |
| City Services – Waste Management | 0.11 F | 0.00 | 0.11 F |
| City Services – Districts & Commercial | 0.21 A | 0.05 A | 0.16 A |
| Regulatory Services | 0.14 F | 0.00 | 0.14 F |
| Other | 0.04 F | 0.00 | 0.04 F |
| Total | 0.08 F | 0.05 A | 0.13 F |

The SIGNIFICANT movements between Qtr 2 and Qtr 3 for the Portfolio are:

| Service Area | Movement in Forecast Variance Between Qtr 2 and Qtr 3 2019/20 | Explanation |
|----------------------------------|--|--|
| | £M | |
| City Services – Waste Management | 0.11 F | The favourable variance in Waste Management is primarily due to domestic waste disposal cost reductions, partially offset by reduced income for Dry Mixed Recyclables. |

| | | |
|--|--------|--|
| City Services – Districts & Commercial | 0.16 A | The increased adverse variance relates to use of temporary staff to cover vacancies during the year, vehicle damage, running & repair costs due to the ageing fleet, and increasing utility costs. |
| Regulatory Services | 0.14 F | The level of trade coming through the port has been higher than in previous years, which is reflected in the forecast level of Port Health income receivable. |

NON-PORTFOLIO EXPENDITURE & INCOME

KEY REVENUE ISSUES – QUARTER 3 2019/20

Non-Portfolio Expenditure & Income is currently forecast to **under** spend by **£4.10M** at year-end, which represents a percentage under spend against budget of **44.6%**. The Non-Portfolio forecast variance has moved favourably by **£4.00M** from the position reported at quarter two.

| | Forecast Variance Qtr 3 £M | Forecast Variance Qtr 2 £M | Movement from Qtr 2 £M |
|----------------------------------|---|---|---|
| Non-Portfolio Expenditure | 4.10 F | 0.10 F | 4.00 F |

A summary of the Portfolio forecast variance and movement since the last quarter is shown in the table below:

| Division / Service Activity | Forecast Variance Qtr 3 £M | Forecast Variance Qtr 2 £M | Movement from Qtr 2 £M |
|------------------------------------|---|---|---|
| Levies & Contributions | 0.00 | 0.00 | 0.00 |
| Capital Asset Management | 0.09 F | 0.10 F | 0.01 A |
| Other Expenditure & Income | 4.01 F | 0.00 | 4.01 F |
| Total | 4.10 F | 0.10 F | 4.00 F |

The **SIGNIFICANT** movements between Qtr 2 and Qtr 3 for the Non-Portfolio are:

| Service Area | Movement in Forecast Variance Between Qtr 2 and Qtr 3 2019/20 £M | Explanation |
|----------------------------|---|--|
| Other Expenditure & Income | 4.01 F | Release of centrally held funds to help meet pressures on portfolios (£3.76M) and formerly unallocated income credited centrally (£0.25M). |