

Appendix A - Revenue Forecast 2018/19

Adults and Communities

	Revised Budget	Actuals to 31/07/2018	Month 4 Forecast	Variation to revised budget	Reserve Movements	Month 4 Forecast after reserve movements	Variation to revised budget	Commentary	% Variation to revised budget
	£000	£000	£000	£000	£000	£000	£000		
Integrated Care - LD	32,019	7,081	32,196	177	(171)	32,026	7	Movement from month 3 due to increase in costs of existing clients turning 25 (£143k) and activity growth in day care.	0.0%
Integrated care - MH	6,544	1,366	7,003	459	(120)	6,884	339	Mental health overspend in supported living due to activity growth 5% greater than anticipated.	5.2%
Integrated Care - OA	29,584	6,762	30,252	668	(270)	29,982	399	Despite mitigating actions, the net overspend relates to significant pressures due to growth in homecare hours (10%), with the hourly cost of homecare10.3% higher than in 2017/18. The favourable movement since month 3 is largely due to client packages ending in residential care (£242k), nursing care (£173k) and direct payments (£73k).	1.3%
Integrated Care - PD	7,369	2,508	8,102	733	(40)	8,063	693	Pressure relating to the full year effect of 2017/18 clients being greater than initially forecast.	9.4%
Workforce	14,396	5,632	14,350	(46)	0	14,350	(46)	Movement from month 3 due to inclusion of inflation previously assumed to be funded corporately (£263k), £28k Safeguarding Board costs and £60k overtime costs. The month 4 position assumes 30 posts held vacant and a number of agency staff have also been transitioned to permanent roles.	(0.3%)
A&C Other	5,498	356	4,898	(600)	0	4,898	(600)	Underspend due to equipment capitalisation (£426k) and prevention contracts (£307k) partly offset by overspends in DOLs assessment costs £131k.	(10.9%)
Total	95,410	23,704	96,802	1,392	(600)	96,202	792		0.8%

Assurance

	Revised Budget	Actuals to 31/07/2018	Month 4 Forecast	Variation to revised budget	Reserve Movements	Month 4 Forecast after reserve movements	Variation to revised budget	Commentary	% Variation to revised budget
	£000	£000	£000	£000	£000	£000	£000		
Elections	553	729	1,154	601	(616)	538	(15)	Local election funded from reserves.	(2.8%)
Assurance Management	679	212	679	0	0	679	0		0.0%
Governance	2,187	716	2,332	145	(145)	2,187	0	£145k expected drawdown from reserves for the purchase of Members' IT equipment	0.0%
Internal Audit & CAFT	671	427	756	85	(85)	671	0	Internal Audit and CAFT on target to come in on budget. £75k of staff costs to be funded from SPA reserve, £10k of staff costs anticipated at this stage to be covered from the POCA reserve.	0.0%
HB Law	2,036	(433)	2,470	434	0	2,470	434	Forecast based on last year. Monitoring of the HB Law budget is currently under review. Overspend relates to an unachievable income target from court fees which is demand led.	21.3%
Total	6,127	1,651	7,391	1,264	(846)	6,545	418		6.8%

Central Expenses

	Revised Budget	Actuals to 31/07/2018	Month 4 Forecast	Variation to revised budget	Reserve Movements	Month 4 Forecast after reserve movements	Variation to revised budget	Commentary	% Variation to revised budget
	£000	£000	£000	£000	£000	£000	£000		
Capital Financing	16,280	197	13,304	(2,976)	0	13,304	(2,976)	Net variance on capital financing based on anticipated capital programme slippage. This is expected to be a £1m pressure in 2019/20 as schemes progress and bororowing increases.	(18.3%)
Central Contingency	12,156	0	12,154	(2)	0	12,154	(2)		(0.0%)
Corporate Fees and Charges	234	2	198	(36)	0	198	(36)		(15.3%)
Corporate Subscriptions	194	162	162	(32)	0	162	(32)	Underspend on London Councils membership	(16.6%)
Early Retirement	3,577	(2,331)	4,208	630	0	4,208	630	Projection of current year pension strain cost based on an average of the invoices received for the year to date. It is expected that these costs will reduce over time as the number of people we have a pension liability for reduces. It has been identified in month 4, however, that there are a number of prior year invoices that have not been paid or provided for and these are included within the month 4 forecast.	17.6%
Local Area Agreement	105	35	105	0	0	105	0	Relates to the WLA Programme. Projection based on 2017/18 outturn plus 10k for core growth funding.	0.0%
Levies	17,788	4,725	17,557	(231)	0	17,557	(231)	Expected underspends on all levy payments	(1.3%)
Miscellaneous Finance	740	4,103	536	(204)	150	686	(54)	Net underspend expected on insurance payments. Projections also include a £150k transfer to reserves to build up funding for the local election.	(7.3%)
Total	51,075	6,893	48,224	(2,851)	150	48,374	(2,701)		(5.3%)

Commissioning Group

	Revised Budget	Actuals to 31/07/2018	Month 4 Forecast	Variation to revised budget	Reserve Movements	Month 4 Forecast after reserve movements	Variation to revised budget	Commentary	% Variation to revised budget
	£000	£000	£000	£000	£000	£000	£000		
Strategic Commissioning Board	576	214	542	(34)	0	542	(34)		(5.9%)
Resources	467	2,542	1,119	652	(930)	189	(278)	Underspend on running costs in insurance team (£22k) and additional income from Housing Benefits overpayments (£300k) which is to be offset against gainshare in CSG.	(59.5%)
Information Management	1,066	404	1,081	14	0	1,081	14	Overspend due to IT consultancy costs to support existing capital projects offset by part year vacancies.	1.3%
Commercial	1,805	583	2,405	599	(600)	1,805	(1)		(0.1%)
Communications	698	309	976	278	(204)	772	74	Overspend on staff costs from use of agency staff and staff costs that are above budgeted mid-points	10.6%
Commissioning Strategy	514	257	656	142	(170)	486	(28)	Web team part of the Customer transformation project to be funded from reserves	(5.4%)
Human Resources	33	(32)	647	614	0	647	614	Includes HR lead, OD staff, a new recruitment system, licence costs and Trade Union costs. Pension related costs are forecast to be charged to the Pension Fund.	1844.1%
Adults and Health	1,298	358	1,399	100	(73)	1,326	28		2.1%
Children and Young people	41	117	41	0	0	41	0		0.8%
Growth and Development	232	250	760	528	0	760	528	The costs of developing the local plan. Expected to be subject to a reserves bid during the year due to the one off nature of the work	227.9%

Registrar Service (Births, Deaths and Marriages)	(160)	14	112	272		112	272	Registrars has continuing pressures in achieving their income target as a direct impact of changes in legislation. The service transferred back to Barnet from 1 July so there are also one-off project costs built in this financial year.	(170.2%)
Mortuaries	99	(8)	0	(99)	0		(99)	Variance due to unbudgeted agency spend.	(100.0%)
Public Health	17,156	1,324	17,156	0	0	17,156	0		0.0%
Environment, Parking and Infrastructure									
- Environment	14,786	5,029	14,786	0	0	14,786	0		0.0%
- Highway Inspection/Maintenance	269	250	269	0	0	269	0		0.0%
- Parking	(538)	(70)	(538)	0	0	(538)	0		0.0%
- Special Parking Account	(10,839)	3,192	(11,936)	(1,097)	0	(11,936)	(1,097)	Underspend due to the over achievement of income targets - PCN and moving traffic camera contraventions.	(10.1%)
- Street Lighting	6,341	1,928	6,341	0	0	6,341	0		0.0%
Total	33,845	16,663	35,815	1,970	(1,977)	33,838	(7)		(0.0%)

Customer Support Group and Council Managed Budgets

	Revised Budget	Actuals to 31/07/2018	Month 4 Forecast	Variation to revised budget	Reserve Movements	Month 4 Forecast after reserve movements	Variation to revised budget	Commentary	% Variation to revised budget
	£000	£000	£000	£000	£000	£000	£000		
CSG Managed Budget	834	2,133	4,466	3,632	0	4,466	3,632	Overspend on Estates Buildings - Oakleigh Depot (£295k), Harrow (£222k), and Edgware Hospital (£29k). NLBP pressure of £2.3m (which includes £500k savings not achieved), Barnet House (£966k) from rent and rate increase, Security costs £392k and vacant and void buildings (£332k). Repairs and maintenance is forecasting an overspend of £952k for priority 1 works and a pressure has also been built in for maintenance work on Fremantle (£368k). The overspend is offset against £2.3m of additional income from commercial rents, £1.7m of which is from backdated income from Re.	435.7%
CSG Management Fee	29,028	6,043	31,146	2,118	0	31,146	2,118	Overspend on management fee (£1.3m) which includes prepayment, indexation, change requests and volume increases. Net overspend of £467k forecast on gainshare and a further £170k overspend on debt collection and employee benefits.	7.3%
Retained Income	(8,355)	549	(7,483)	872		(7,483)	872	Income shortfall in schools traded service (£740k), document solutions (£164k) and corporate programmes (£467k).	10.4%
Total	21,507	8,725	28,129	6,622	0	28,129	6,622		30.8%

Education and Skills

	Revised Budget	Actuals to 31/07/2018	Month 4 Forecast	Variation to revised budget	Reserve Movements	Month 4 Forecast after reserve movements	Variation to revised budget	Commentary	% Variation to revised budget
	£000	£000	£000	£000	£000	£000	£000		
Education and Skills Management	6,576	3,348	6,576	0	0	6,576	0		0.0%
Education Partnership and Commercial	0	(1,552)	0	0	0	0	0		0.0%
SEND & Inclusion	0	78	0	0	0	0	0		0.0%
Total (excluding SDM)	6,576	1,875	6,576	0	0	6,576	0		0.0%

Family Services

Guaranteed Income	(16,549)	(3,326)	(15,359)	1,190	0	(15,359)	1,190	Variance due to PDA income allocated and accounted for within the HRA but which contributes towards the guaranteed income target.	7.2%
Re Managed Budgets	(63)	(79)	(63)	1	-	(63)	1		1.1%
RE Projects	-	1,753	-	-	-	-	-		0.0%
Management Fee	16,808	10,434	16,961	153	0	16,961	153	Overspend due retained client cost relating to legal expenses and a projected increase in the bad debt provision on pre Re contract debt.	0.9%
Total	196	8,783	1,539	1,344	0	1,539	1,344		686.9%

Street Scene

	Revised Budget	Actuals to 31/07/2018	Month 4 Forecast	Variation to revised budget	Reserve Movements	Month 4 Forecast after reserve movements	Variation to revised budget	Commentary	% Variation to revised budget
	£000	£000	£000	£000	£000	£000	£000		
Street Data and System / Service Support / Service Change	638	137	549	(89)	0	549	(89)	Underspend due to savings from staff vacancies, and any non-essential discretionary spend. To alleviate in year pressures in recycling and waste service.	(14.0%)
Green Spaces / Grounds Maintenance	3,699	996	3,658	(41)	0	3,658	(41)	Projecting small underspend currently. Significant changes have been made to the services, including savings in staffing costs and vehicle running costs. Situation will be motioned closely through peak season.	(1.1%)
Waste	6,065	1,915	6,348	283	0	6,348	283	The forecast overspend is mainly staffing costs due to the delay in withdrawing the separate food waste collection, but also due to an in-year pressure on current agency use. Saturday staffing costs will be reduced once recycling and waste rounds are reorganised in late 2018.	4.7%
Street Cleansing	2,521	899	2,494	(26)	0	2,494	(26)	Cleansing Service forecast to be on budget following savings made in 2017/18.	(1.0%)
Street Scene Leadership / Service Delivery	1,025	497	1,077	52	0	1,077	52	Reporting a slight underspend, due to savings in staffing costs within the Street Scene Service Delivery.	5.1%
Collection Services and Innovation	(1,787)	(2,471)	(1,788)	(0)	0	(1,788)	(0)	The service is projecting to achieve its income target. In 2018/19 the service will operate as a trading account, where all income and expenditure will be accounted for separately.	0.0%
Transport	385	2,061	382	(4)	0	382	(4)	Projecting to budget as all costs for provision to Cambridge Education will be recharged under the SLA. The services are bidding for inflation for fuel and tyres and are currently projecting no pressure.	(0.9%)
Total	12,546	4,034	12,720	174	0	12,720	174		1.4%

Dedicated Schools' Grant

	Revised Budget	Actuals to 31/07/2018	Month 4 Forecast	Variation to revised budget	Reserve Movements	Month 4 Forecast after reserve movements	Variation to revised budget	Commentary	% Variation to revised budget
	£000	£000	£000	£000	£000	£000	£000		
Schools									#DIV/0!
- Individual Schools Budget	141,056		141,056	0	0	141,056	0		0.0%
- Growth Fund	984		984	0	0	984	0		0.0%
- Central schools expenditure	1,268		1,268	0	0	1,268	0		
- ESG retained funding	852		852	0	0	852	0		
Sub-total	144,160		144,160	0	0	144,160	0		

Early Years Block	28,392		28,392	0	0	28,392	0		
High Needs Block	44,309		44,759	450	0	44,759	450		
Sub-total	216,861		217,311	450	0	217,311	450		
DSG Income	(216,360)		(216,360)	0	0	(216,360)	0		
DSG c/f	(501)		(501)	0	0	(501)	0		
Total	0		450	450	0	450	450		(100.0%)

Housing Revenue Account

	Revised Budget	Actuals to 31/07/2018	Month 4 Forecast	Variation to revised budget	Reserve Movements	Month 4 Forecast after reserve movements	Variation to revised budget	commentary	% Variation to revised budget
	£000	£000	£000	£000	£000	£000	£000		
HRA Other Income and Expenditure	11	(9,365)	(53)	(65)	0	(53)	(65)	The net position relates to additional rental income due to lower than expected stock loss to date, reduced housing management costs and reduced income from garage rentals and service charges.	(565.1%)
HRA Regeneration	837	371	589	(248)	0	589	(248)	Relates to income expected to be recovered from developer partners.	(29.6%)
HRA Surplus/Deficit for the year	(754)	0	(417)	337	0	(417)	337	Contribution from balances	44.7%
Interest on Balances	(95)	(2)	(119)	(24)	0	(119)	(24)	Income from interest on HRA balances	(25.6%)
Total	0	(8,996)	0	0	0	0	0		0.0%

TOTAL BEFORE DSG AND HRA	293,341	96,714	303,572	10,231	(3,273)	300,299	6,958	
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