

**Open Report on behalf of Andrew Crookham,
 Executive Director - Resources**

Report to:	Executive
Date:	01 December 2020
Subject:	Revenue Budget Monitoring Report 2020/21 - Quarter 2 to 30 September 2020
Decision Reference:	I020060
Key decision?	No

Summary:

- This report provides an update on revenue spending compared with budgets for the financial year which started on 1 April 2020.
- The tables in this report show the actual income and expenditure for the first six months of this financial year to 30 September 2020, along with the forecasts for spending and a comparison of the forecasts against the approved budgets.
- The report gives an overview of the financial position, with more detailed information on each budget area provided in Appendices A to O. The financial impacts of Covid-19 and other variances arising from our "business as usual" activity are considered separately in this report, with the combined position summarised in the Overall Financial Position section.
- The overall revenue position is that we are forecasting an underspend this year of **£1.973m** (excluding schools and Covid-19). There is also a forecast underspend on capital financing charges of £7.868m, this is excluded from this forecast position at this stage. It is planned that the capital financing underspend will be used to manage future fluctuations in the annual capital financing budget by transferring it to the capital financing earmarked reserve.
- We are assuming that our forecasted Covid-19 position will be contained within the government emergency grant forecasting a surplus of **£7.673m**. Included in this forecast is an estimated additional grant of around £4.200m which can be claimed to cover losses of income.
- We forecast that our general reserves at the end of the year will remain within the target range of 2.5% to 3.5%.
- The impact of this revenue budget forecast on the Council's resilience has been assessed and the conclusion is that our financial resilience remains strong due to the current forecast of an underspend. We have healthy reserve balances and we will continue to strengthen our financial resilience as set out in paragraph 1.23.

Recommendation(s):

That the Executive notes the current position on the revenue budget and decides on any corrective action necessary.

Alternatives Considered:

1. This report shows the actual revenue expenditure to 30 September 2020, and projected outturns for 2020/21, therefore no alternatives have been considered.

Reasons for Recommendation:

To maintain the Council's financial resilience.

1. Background**Overall Financial Position**

1.1 Table of Summary Position as at 30 September 2020.

	Current Budget	Forecast Outturn	Forecast (Under) / Overspend	Previous Forecast (Under) / Overspend	Direction of Travel
	£m	£m	£m	£m	
Children's Services	115.392	117.119	1.728	3.262	↑
Adult Care and Community Wellbeing Place	148.721	148.308	-0.413	-0.240	↓
Fire and Rescue & Public Protection	72.776	74.366	1.590	2.172	↓
Resources	26.033	25.033	-1.000	-0.989	↓
Commercial	23.030	22.802	-0.228	-0.393	↓
Corporate Services	37.389	36.711	-0.678	-0.047	↓
School Budgets	2.886	2.571	-0.315	-0.035	↓
Other Budgets	11.593	15.179	3.587	-1.475	↓
Total movement of Reserves	71.371	68.716	-2.655	-0.175	↓
Income	-16.213	-16.213	0.000	0.000	→
Total Excluding schools	-492.978	-492.978	0.000	-0.001	→
Total	481.386	479.413	-1.973	3.556	↓
	0.000	1.614	1.614	2.079	↓

1.2 Appendix A shows an expanded version of this summary table.

1.3 This financial position assumes that the financial impacts of Covid-19 will be contained within the emergency grant funding we receive this year. Further detail on this is provided in the "Key Issues Highlighted – Financial Impact of the Coronavirus Pandemic" section of this report.

Key Issues Highlighted – "Business As Usual"

1.4 The overall revenue position is that we are forecasting an underspend of £1.973m (excluding schools and Covid-19). Within this figure the most significant variances are:

- 1.5 Children's Services (Children's Social Care): a forecast overspend of £0.431m. This comprises of a number of under and over spends culminating in a net overspend position. A forecast overspend relating to the increased demand for Looked After Children requiring specialist placements (£1.933m), an overspend on the increased legal costs for social care (£0.787m), offset by underspends arising from the Covid-19 pandemic (£0.472m) and additional grant received and staff vacancies for 0-19 public health (£0.896m) and Children's grant utilisation (£0.436m). There are also a number of other minor underspends totalling £0.485m (see Appendix B for further detail).
- 1.6 Children's Services (Children's Education): a forecast overspend of £1.297m due mainly to the higher cost per day transport delivery costs using the current academic year costs (pre-Covid-19) and applied to the September 2020 to March 2021 period. This higher cost per day transport costs are as a result of higher unit costs for contracted mainstream pupils transport, and an increase in the number of pupils eligible with special educational needs and disability (see Appendix B for further detail).
- 1.7 Place (Communities): a forecast overspend of £1.890m on waste services, due to a 5% increase in the volume of household waste being collected and increased cost of the Mixed Dry Recycling (MDR) contract. The price paid for the processing of MDR waste fluctuates depending on market conditions with the present expectation being that the rate payable during 2020/21 will be 27% higher than in previous years. Also reduced contract payments to bus operators on suspended or reduced bus services during the earlier part of the coronavirus pandemic and staff savings within Transport Services provide a forecast underspend of £1.005m (see Appendix D for further detail).
- 1.8 Fire and Rescue & Public Protection (Fire and Rescue and Emergency Planning): a forecast underspend of £1.000m. The fire pension schemes' employer contribution rates increased significantly from April 2019. In 2019/20 a grant was received to cover 90% of this increased cost, with no guarantee that further grant would be received in future years. The resultant cost pressure was therefore built into the 2020/21 base budget however a grant to help cover the 2020/21 cost of the pension increase has been now been received, creating an underspend of £1.437m. This is offset by an overspend of £0.437m in Public Protection in the main relating to mortuary and post-mortem services (see Appendix E for further detail).
- 1.9 Other Budgets is forecast to underspend by £2.655m. There is currently a relatively low level of restructuring taking place across the Council, therefore, an underspend is anticipated of approximately £1.500m; also there are some additional underspends relating to the National Living Wage and Pay Scale re-structuring. Excluded from this forecast is an underspend of £7.868m relating to Capital Financing Charges. This underspend is planned to be transferred to the Capital Financing Reserve at the end of the year to help manage future fluctuations in the annual capital financing

charges budget. The explanation of the underspend is that the current budget for Minimum Revenue Provision (MRP) was calculated in 2019 before the 2019/20 capital outturn position had been reported. The 2019/20 borrowing outturn was significantly lower than estimated due to re-phasing, underspend carry forward and the level of internal borrowing taken (see Appendix J for further detail).

- 1.10 Schools budget has a forecast overspend of £3.587m. This in the main relates to increased demand in the High Needs Block. Any overspend at the year-end will be funded from the Dedicated Schools Grant Reserve (see Appendix I for further detail).

Key Issues Highlighted – Financial Impact of the Coronavirus Pandemic

- 1.11 Appendix K is a table showing the latest forecast expenditure and losses of income arising from the impacts of the coronavirus (Covid-19) pandemic.
- 1.12 Actual expenditure and losses to 31 October are £22.987m, and forecast expenditure and losses to the end of the financial year are £40.657m. This latter figure includes £9.171m of expenditure and losses which may be incurred that are dependent on the behaviour of the virus during the remainder of the year, and also on the national and local response to this. The Council also incurred Covid-19 related expenditure in the last financial year amounting to £0.378m.
- 1.13 We expect to receive a total of £44.509m of emergency Covid-19 grant from the Government to fund both last year's and this year's costs. This is inclusive of £4.210m of tranche 4 grant recently announced in October. We will also receive additional grant to cover the loss of sales, fees and charges of c£4.200m. Appendix K shows a forecast surplus of £7.673m between the expected expenditure and losses and grant receivable. However due to the rapidly changing situation the surplus will be used to cover the costs arising from the "second spike" and further lockdown recently announced by Government.
- 1.14 We have also received some ring-fenced grants relating to Covid-19 which are to be spent on supporting specific services or activities. Examples of these are: Infection Control grant for adult social care (£19.372m); Test and Trace grant (£3.069m); and Emergency Supplies grant (£0.824m). These grants and their usage are not included in this report. We are also able to reclaim monies from Clinical Commissioning Groups to cover the additional cost of new or extended out of hospital health and social care support packages for people being discharged from hospital. These additional costs and the related funding are also not included in this report.
- 1.15 The most significant area of Covid-19 related expenditure is in Adult Care and Community Wellbeing, representing 38% of our total forecast. The Children's Services forecast for Covid-19 also represents 24% of our total forecast. Appendix L provides a full breakdown of all Covid-19 related expenditure and losses.

- 1.16 Due to the constraint of some of the Council's day to day operations during this pandemic, we have seen savings generated of c£4.848m. The table below summarises the kind of savings we have been able to make. Further details are contained within Appendix L within the relevant service area.

Summary of Covid19 Savings	
	Amount £'m
Staff Recruitment and Vacancies	0.949
Staff Travel and Training	0.540
Delay in Building Maintenance	0.082
Members Travel	0.072
Contract Savings	2.426
Utility Savings	0.240
Cancelled Events/ Reduction in Activities	0.419
Other	0.120
Total Savings	4.848

- 1.17 The financial impacts of Covid-19 are evolving as the year progresses and are being monitored and reported to the Corporate Leadership Team (CLT) as well as to the Government on a monthly basis. As the situation evolves we will update our reporting and start to consider any longer term impacts on our medium term financial plan for 2021/22 onwards.

Progress on Achievement of Budget Savings

- 1.18 Appendix M shows the savings built into the 2020/21 budget as part of the last budget process and indicates, for each saving, whether or not it is expected to be achieved this year. There are a number of savings which will not now be achieved, but these are almost all due to the impacts of Covid-19. We are therefore treating these overspends as Covid-19 related costs and using the Covid-19 emergency grant to cover these losses. Appendix M provides more detail on the non-achievement of savings.

Progress on Development Fund Initiatives

- 1.19 Appendix N shows a list of initiatives where the revenue costs are to be funded by the Development Fund earmarked reserve. Progress on each of these initiatives is reported in the appendix.

Assessment of Impact on Financial Resilience

- 1.20 The impact of this revenue budget forecast on the Council's resilience has been assessed and it has been concluded that our financial resilience remains strong. However, it is important to note that the continuous uncertainty surrounding how the future of the Covid-19 pandemic will evolve will require us to closely and regularly monitor our position. The direct impact of the Covid-19 pandemic has been felt across the whole of the local

government sector with all authorities experiencing additional costs, income losses and losing the ability to achieve planned savings. There has also been some indirect consequences such as the reduction in the base rate at the start of the pandemic which has reduced the ability to achieve investment income on treasury management deposits.

- 1.21 Looking forward, there is some uncertainty about what impact Covid-19 will have on next year's council tax and business rates income. The Government has indicated that this issue will be addressed in the Government's Spending Review expected to be announced in December 2020.
- 1.22 We forecast that our general reserves at the end of the year will remain within the target range of 2.5% to 3.5%. If we maintain the current forecast of underspend then there will be no requirement to draw down our Financial Volatility Reserve to support the 2020/21 budgetary position; however if the position changes to an overspend then some reserve will be needed to be used. The balance of the Financial Volatility Reserve currently stands at £52.683m.
- 1.23 We will aim to strengthen our financial resilience by: continued monitoring of the financial position, undertaking work to address issues as they arise; continued reporting of the Covid-19 impacts to the Government alongside working with the Society of County Treasurers to ensure that the Government understands the particular issues faced by County Councils; refreshing and updating the Medium Term Financial Plan and Strategy; and focusing on transformation work to reduce cost pressures and create budget savings. Budget Holders have already been asked to preserve any budgetary savings incurred this year to help support the Council's overall financial position.

Reporting of Budget Virements

- 1.24 The Council's Financial Regulations now require us to report on any budget virements made during the year. A budget virement is where budget is moved from one service area to another and where the original purpose the budget was approved for has changed. A list of all such virements can be found Appendix O.

2. Legal Issues:

Equality Act 2010

Under section 149 of the Equality Act 2010, the Council must, in the exercise of its functions, have due regard to the need to:

- Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act.
- Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it.

- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The relevant protected characteristics are age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; and sexual orientation.

Having due regard to the need to advance equality of opportunity involves having due regard, in particular, to the need to:

- Remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic.
- Take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it.
- Encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.

Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to tackle prejudice, and promote understanding.

Compliance with the duties in section 149 may involve treating some persons more favourably than others.

The duty cannot be delegated and must be discharged by the decision-maker. To discharge the statutory duty the decision-maker must analyse all the relevant material with the specific statutory obligations in mind. If a risk of adverse impact is identified consideration must be given to measures to avoid that impact as part of the decision making process.

As this report simply reports on performance against the budget, there are no implications that need to be taken into account by the Executive.

Joint Strategic Needs Analysis (JSNA) and the Joint Health and Wellbeing Strategy (JHWS)

The Council must have regard to the Joint Strategic Needs Assessment (JSNA) and the Joint Health and Wellbeing Strategy (JHWS) in coming to a decision.

As this report simply reports on performance against the budget, there are no implications that need to be taken into account by the Executive.

Crime and Disorder

Under section 17 of the Crime and Disorder Act 1998, the Council must exercise its various functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent crime and disorder in its area (including anti-social and other behaviour adversely affecting the local environment), the misuse of drugs, alcohol and other substances in its area and re-offending in its area.

As this report simply reports on performance against the budget, there are no implications that need to be taken into account by the Executive.

3. Conclusion

- 3.1 The Council's overall forecast revenue position is an underspend of £1.973m (excluding Schools and forecast Covid-19 surplus).
- 3.2 Also excluded from the overall forecast is a £7.868m underspend in capital financing charges that is planned to be transferred to the capital financing earmarked reserve to manage future fluctuations in the annual capital financing budget. We are assuming that Covid-19 costs and losses of income can be contained within the Government's emergency grant but note that it is difficult to predict how the coronavirus will continue to impact.

4. Legal Comments:

This report sets out an update on spending, including spending relating to Covid-19, as at 30 September 2020 compared with the revenue budget for the financial year starting on 1 April 2020 to assist the Executive in monitoring the financial performance of the Council.

5. Resource Comments:

This report indicates that the current year revenue budget is projected to be underspent and currently there is no requirement to use our Financial Volatility earmarked reserve to support the budgetary position. However continued effort in monitoring is essential to ensure that any additional cost pressure is identified and addressed as soon it occurs.

6. Consultation

a) Has Local Member Been Consulted?

Not Applicable

b) Has Executive Councillor Been Consulted?

Yes

c) Scrutiny Comments

This report is due to be considered by the Overview and Scrutiny Management Board on 26 November 2020. Any comments of the Board will be reported to the Executive.

d) Risks and Impact Analysis

The impact of this reported financial position on the Council's overall financial resilience has been assessed and is reported on within this report.

7. Appendices

These are listed below and attached at the back of the report	
Appendix A	Revenue Budget Monitoring Report 2020/21 as at 30 September 2020
Appendix B	Children's Services
Appendix C	Adult Care and Community Wellbeing
Appendix D	Place
Appendix E	Fire and Rescue & Public Protection
Appendix F	Resources
Appendix G	Commercial
Appendix H	Corporate Services
Appendix I	Schools
Appendix J	Other Budgets
Appendix K	Summary of Financial Impact of Covid-19 2020/21 as at 31 October 2020
Appendix L	Narrative of Summary of Financial Impact of Covid-19 2020/21 as at 31 October 2020
Appendix M	Monitoring of Planned Savings 2020/21
Appendix N	Monitoring of Development Fund Initiatives 2020/21
Appendix O	Approved Budget Virements 2020/21 as at 30 September 2020

8. Background Papers

The following background papers as defined in the Local Government Act 1972 were relied upon in the writing of this report.

Document title	Where the document can be viewed
Council Budget 2020/21	https://lincolnshire.moderngov.co.uk/ieListDocuments.aspx?CId=120&MId=5627
Budget Book 2020/21	https://www.lincolnshire.gov.uk/directory-record/61670/budget-and-financial-strategy

This report was written by Michelle Grady, who can be contacted on 01522 553235 or Michelle.Grady@lincolnshire.gov.uk.

APPENDIX A

Revenue Budget Monitoring Report 2020/21 as at 30 September 2020

	Revised Net Revenue Budget £m	Net Expenditure £m	Year End Forecast £m	Forecast Variance £m	Forecast Variance %
SERVICE DELIVERY					
Children's Social Care	74.635	39.572	75.066	0.431	0.6
Children's Education	40.756	14.582	42.053	1.297	3.2
Children's Services	115.392	54.154	117.119	1.728	1.5
Adult Frailty & Long Term Conditions	119.011	30.241	118.585	-0.425	-0.4
Adult Specialities	80.569	45.826	80.809	0.240	0.3
Public Health and Community Wellbeing	29.710	10.324	29.482	-0.228	-0.8
Public Health Grant Income	-33.546	-16.773	-33.546	0.000	0.0
Better Care Funding	-47.023	-16.624	-47.023	0.000	0.0
Adult Care and Community Wellbeing	148.721	52.993	148.308	-0.413	-0.3
Communities	46.241	19.869	47.274	1.033	2.2
Lincolnshire Local Enterprise Partnership	0.343	-16.166	0.343	0.000	-0.1
Growth	3.632	3.700	3.632	0.000	0.0
Highways	22.561	9.506	23.118	0.557	2.5
Place	72.776	16.909	74.366	1.590	2.2
Fire and Rescue and Emergency Planning	22.462	9.357	21.025	-1.437	-6.4
Public Protection	3.571	2.049	4.008	0.437	12.2
Fire and Rescue & Public Protection	26.033	11.406	25.033	-1.000	-3.8
Human Resources and Organisational Support	14.235	8.296	14.025	-0.211	-1.5
Finance	6.741	2.981	6.851	0.110	1.6
Legal and Governance Services	2.054	1.594	1.926	-0.127	-6.2
Resources	23.030	12.872	22.802	-0.228	-1.0
Property	9.907	5.983	9.607	-0.300	-3.0
Information Management Technology	14.223	9.666	14.787	0.564	4.0
Transformation	4.650	2.469	4.480	-0.170	-3.7
Commercial	8.609	4.424	7.837	-0.772	-9.0
Commercial	37.389	22.543	36.711	-0.678	-1.8
Corporate Services	2.886	1.141	2.571	-0.315	-10.9
Corporate Services	2.886	1.141	2.571	-0.315	-10.9
TOTAL SERVICE DELIVERY	426.227	172.018	426.910	0.683	0.2
SCHOOL BUDGETS					
Schools Block	142.756	58.733	142.756	0.000	0.0
High Needs Block	76.171	37.269	80.214	4.043	5.3
Central School Services Block	3.728	0.530	3.138	-0.590	-15.8
Early Years Block	42.169	19.993	42.303	0.134	0.3
Dedicated Schools Grant	-258.060	-133.972	-258.060	0.000	0.0
Schools Budget (Other Funding)	4.828	-3.835	4.828	0.000	0.0
TOTAL SCHOOLS BUDGETS	11.593	-21.282	15.179	3.587	30.9
OTHER BUDGETS					
Contingency	1.806	0.000	1.806	0.000	0.0
Capital Financing Charges	50.077	-0.434	50.077	0.000	0.0
Other	19.489	9.371	16.833	-2.655	-13.6
TOTAL OTHER BUDGETS	71.371	8.937	68.716	-2.655	-3.7
TOTAL NET EXPENDITURE	509.191	159.672	510.805	1.614	0.3
Transfer to/from Earmarked Reserves	-0.685	-0.344	-0.685	0.000	0.0
Contribution to/from School Reserves	-14.268	-14.610	-14.268	0.000	0.0
Contribution to Development Fund	-1.409	-3.981	-1.409	0.000	0.0
Transfer to/from General Reserves	0.150	0.000	0.150	0.000	0.0
TOTAL MOVEMENT OF RESERVES	-16.213	-18.935	-16.213	0.000	0.0
MET FROM:					
Business Rates local Retention	-123.271	-63.469	-123.271	0.000	0.0
Revenue Support Grant	-20.467	-10.643	-20.467	0.000	0.0
Other Non Specific Grants	-34.378	-35.097	-34.378	0.000	0.0
County Precept	-314.862	-157.431	-314.862	0.000	0.0
TOTAL MET FROM	-492.978	-266.640	-492.978	0.000	0
TOTAL	0.000	-125.903	1.614	1.614	

Children's Services

Financial Position 1st April – 30th
September 2020

Revenue Budget Monitoring Report - Children's Services

This report details the key changes in position and/or risk faced within Children's Services. The key to the report is shown below.

Movement Key:	
	Moving towards budget
	Stable
	Moving away from budget

Forecast Key:	
	Underspends within 1% of budget
	Underspends >1%<2% of budget Overspends up to 2%
	Under / Over spends >2% of budget

Directorate Summary	Current Budget £'000	Forecast Outturn £'000	Forecast Over/(Underspend) £'000	Previous Over/(Underspend) £'000	
Children's Service's	115,392	117,119	1,728	3,262	

Service Area	Current Budget £'000	Forecast Outturn £'000	Forecast Over/(Underspend) £'000	Previous Over/(Underspend) £'000	
Children's Social Care	74,635	75,066	431	2,178	

The financial position is driven by :-

- A continuing requirement for more looked after children requiring specialist placements has continued to identify a material forecast overspend (£1.933m or 35.5%). Last year's reported overspend was £1.612m. Contributing factors include: an increase in looked after children numbers (663 at the end of September 2020); a shift of placement composition from internal foster carer arrangements to more specialist external placements that have a significantly greater unit cost, and market forces within the external looked after children sector, which result in increasing placement costs. The forecast spend of £7.365m is based on currently known commitments and do not include any anticipated increase in looked after children numbers. This budget is determined as high risk (due to its demand-led factors), and placements and expenditure will continue to be reviewed monthly including undertaking financial forecasts to the end of the financial year.
- Social care legal costs continues to forecast an overspend (£0.787m or 30.0%). Spend for the first five months is £1.342m (or 50% of the budget), and disbursement fees represent 56% of the cost. Children's Services continue to apply the statutory threshold to initiating care proceeding and pre-proceedings. Contributing factors include: more proceedings being issued; there is an increase in the length of proceedings as a result of court availability and the circumstances of the cases; complexity of proceedings and an increase in the requirement for expert assessments, such as counsel, which represent the high disbursement costs to date. It remains that once the case has issued care proceedings, the costs can be dictated by the court. The management team continue to review the position.
- 0-19 Health Services are forecasting a £0.896m underspend. £0.465m of funding was made available from the Public Health grant allocation due to the Department's increase in the employer contribution rate to 20.6% for the NHS Pension Scheme. This represented a 6.3% increase. It has now been confirmed that transitional arrangements will continue for 2020/21 and 3.8% of the additional cost will be met by the Department. The forecast reflects this change. In addition Health Visitor vacancies continue at c.15% of the staffing establishment. The service has a rolling recruitment programme in place and whilst Health Visitors are difficult to recruit to, there has been some success with a recent recruitment drive and it is hoped that this will continue to improve.

- The announcement of a children's grant increase and a review of the grants utilisation has identified costs that are attributable to the grant elsewhere in Children's Services (£0.436m). This will assist in reducing Children's Services overall overspend in the current year. Other underspends have also taken place across the area of children's social care (£0.485m). Those underspends attributable to the impact of the pandemic, and focusing on core service delivery include social care training (£0.092m); children centre building maintenance (£0.082m), and social care (£0.110m) and early help (£0.188m) vacancies.

The movement in position relates to :-

- An increase in Out County Placement (£0.092m) costs (net of Covid-19 grant charges).
- The change in the Department's position in meeting 3.8% of the additional cost of the NHS pensions (£0.232m).
- Utilisation of grant funding attributable from service budgets (£0.436m).

Key Financial Risks to Delivery and Mitigating Actions

<p><i>Key Risk 1 – Looked After Children</i></p>	<ul style="list-style-type: none"> • Looked after children services are demand-led in nature and can be volatile. The impact can be significant financially, due to the cost of requiring externally commissioned specialist placements. There has been a rise in looked after children numbers, however Lincolnshire's benchmarked looked after children numbers per 10,000 of the population is at 43 per 10,000, compared to nationally in the prior year of 65 (over 50% more). Steps continue to be in place to mitigate and manage escalation of needs, and a looked after children service review has also commenced. <p>Increased costs come from the changing composition of looked after placements from internal foster carer arrangements to more specialist external placements. This is caused by the complex nature of family life, added with market forces in the sector. Lincolnshire compares well nationally for looked after children placement costs. Only CPI cost increases had been built into the 2020/21 budget.</p> <p>The Council recognises the financial risk of this due to the demand-led nature and complexity of support required for these young people in care. The Local Authority has agreed to support an increase in its internal residential estate to meet these growing needs, to deliver improved outcomes and achieve better use of resources.</p> <p>Social care legal costs have continued to rise annually, and in 2019/20 a material overspend of £1.014m was incurred due to the complexity and length of cases, the need for expert opinions and the use of counsel. The trajectory of spending remains the case in 2020/21. It is expected that legal costs will continue to rise based on current trends, added with delays in cases being concluded due to the Covid-19 restrictions and also because of the impact of deprivation on some of the children and families. Further work is being undertaken to consider measures to bring spending down.</p>
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Service Area	Current Budget £'000	Forecast Outturn £'000	Forecast Over/(Underspend) £'000	Previous Over/(Underspend) £'000
Children's Education	40,756	42,053	1,297	1,084

The financial position is driven by :-

- Home to School and College transport is forecasting an overspend (£2.243m or 8.2%). The forecast is based on the planned 191 transport days (one additional day than budgeted). Although the net overspend is £2.243m, the periods April 2020 to August 2020 and September 2020 to March 2021 have been impacted differently in its service delivery by the pandemic causing different financial impacts.

The period April 2020 to August 2020 has identified an underspend of £1.370m against the profiled budget since the majority of pupils were not in school during the summer term. The Council agreed to provide financial support to school transport providers for suspended services (below 100% contracted amount) in accordance with Procurement Policy Note (PPN) issued by the Cabinet Office to ensure service continuity. This resulted in a revised cost per day of c.£0.123m. The cost avoidance was £0.033m per day based on the academic year cost or the physical cost reduction compared to the budget of c.£0.021m per day.

The period September 2020 to March 2021 is forecast to overspend by £2.900m and is mainly attributable to the higher cost per day transport delivery costs (c. £0.167m versus the budgeted cost per day of c.£0.144m). This is due to higher unit costs for contracted mainstream pupils transport; an increase in the number of pupils eligible with special educational needs and disability; an increase in special schools transport costs, and the cost of delivering one additional transport day than budgeted. This is despite certain costs being eligible to claim from the Covid-19 grants. All known financial commitments have been built into the forecast.

The forecast for Home to School and College Transport is always difficult to predict until the start of the new academic year but this year it has been particularly difficult with the impact of the pandemic on transport costs. This budget is determined as high risk, and expenditure will continue to be reviewed monthly including undertaking financial forecasts to the end of the financial year.

- Special Educational Needs and Disabilities is forecasting an underspend of £0.508m. Areas of underspend include Domiciliary Care (£0.128m) and Direct Payments (£0.094m) – this is in part relating to activity levels, and families not requiring assistance during lockdown. The Educational Psychology budget continues to underspend largely as a result of the reduction in the number of Education, Health and Care (EHC) Needs Assessments during the Covid-19 lockdown period and the delay in progressing a new Psychology contract with an external provider.
- Other smaller underspends have also taken place across the area of children's education (£0.600m). Those underspends attributable to the impact of the pandemic include a delay in appointing to central staffing vacancies (£0.076m), a reduction in education legal costs (£0.060m) and savings on staff travel (£0.055m).

The movement in position relates to :-

- A clearer position on the expected increase in costs forecast for Home to School and College transport delivery as the financial year progresses for this demand-led budget (£0.499m increase).
- A reduction in costs within Special Educational Needs and Disabilities due to the impact of Covid-19 (£0.251m).

Key Financial Risks to Delivery and Mitigating Actions

*Key Risk 1 :
Home to
School and
College
Transport*

- The Home to School and College Transport is always difficult to predict and it is recognised that this particular budget is volatile with many external factors that will influence the final year-end spend. Officers will continue to meet monthly to review both the expenditure and forecasts due to its high risk category, and operational discussions continue to take place amongst Transport Services Group that procure transport on behalf of Children's Services.

For 2021/22, a request through the Council's budget process will seek to re-base the Home to School and College Transport budget to current spending levels per day. This area was identified as a deep dive. The output of this review categorised Lincolnshire's current policy between statutory and discretionary.

Following a request to CLT for a detailed review, the Corporate Transport Review will commence in November 2020 where it is hoped improvements or changes can be identified. A Termly Transport Board will also commence to further scrutinise key trends and issues.

- The One School One Operator financial model for special schools transport is being reviewed as a result of Covid-19. Whilst forecasts include an estimate of likely costs, this remains a financial risk at this stage. It has been agreed to have SEND representation at the monthly operational discussions to ensure the most cost effective transport solutions are in place.
- Home to school and college transport spending can be impacted by school reorganisations. When such instances occur, the financial impact is considered.

Adult Care and Community Wellbeing

Financial Position 1st April – 30th
September 2020

Revenue Budget Monitoring Report - Adult Care & Community Wellbeing

This report details the key changes in position and/or risk faced within Adult Care and Community wellbeing. The key to the report is shown below.

Movement Key:	
	Moving towards budget
	Stable
	Moving away from budget

Forecast Key:	
	Underspends within 1% of budget
	Underspends >1%<2% of budget Overspends up to 2%
	Under / Over spends >2% of budget

Directorate Summary	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m	
Adult Care & Community Wellbeing	148.721	148.308	(0.413)	(0.240)	

Service Area	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m	
Adult Frailty & Long Term Conditions	119.011	118.586	(0.425)	(0.250)	

The financial position is driven by :-

- AF & LTC forecast an equivalent to 24wte (6%) vacancies and built a vacancy factor into the 2020-21 budget. This vacancy factor will be delivered. With the slowdown in recruitment resulting from Covid-19, AF & LTC are forecasting an equivalent to 41wte (10%), 17wte higher than forecast. The £0.410m resulting from the higher level of vacancies will be utilised to reduce the waiting list developed during Covid-19 due to constrained capacity.
- Direct payment (DP) refunds continue to recoup income higher than the planned 2020-21 levels. The DP audit team are reviewing all DP service users to ensure they have an audit within the last 12 months. The team have 371 audits still to do which is forecast to recoup £0.300m above the income budget set.
- £0.375m resulting from receipt of an external grant in full originally thought to reduce in 2020-21 but received in full 28 July.

The movement in position relates to :-

- The receipt of grant income, assumption through the budget setting was for ACCW to see a reduction in income received.

Key Financial Risks to Delivery and Mitigating Actions

<p>Key Risk 1 – Potential non delivery of £1.0m additional income recurrently.</p>	<ul style="list-style-type: none"> • A debt review programme is underway which will continue to resolve ACCW debt older than 1 year and implement alternative ways of working learning from the programme so far. Due to the age of the debt, the bulk of 2020-21 additional income forecast will be delivered from DP audit refunds. The risk is that this is non-recurrent and therefore additional focus is in place via the debt review programme to deliver a more efficient debt recovery process from 1st April 2021.
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Service Area	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m	
Adult Specialities	80.569	80.809	0.240	0.278	↑

The financial position is driven by :-

- Based upon current service users, forecast forward for the full year, the forecast spend is £9.840m against an allocation of £9.585m. The strengthened mental health governance structure is in place providing increased confirm and challenge and more frequent monitoring by LCC and LPFT for each package of care. Quarter 3 will see the conclusion of key elements of this work; early indications are highlighting a potential improvement in the financial position.

The movement in position relates to :-

- There is no material movement in position.

Key Financial Risks to Delivery and Mitigating Actions

*Key Risk 1 :
Higher demand than planned*

- There continues to be a risk of additional costs resulting from increased demand, this is being monitoring through the strengthened governance arrangements in place.

Service Area	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m	
Public Health & Community Wellbeing	29.710	29.482	(0.228)	(0.267)	↑

The financial position is driven by :-

- there were plans to pilot improvement initiatives during 2020-21 however due to all staff needing to support the response to the pandemic, these have been delayed until 2021-22.
- a carer contract delivering a lower than planned level of activity. This is not material enough to impact on service delivery for users.

The movement in position relates to :-

- There is no material movement in position.

Key Financial Risks to Delivery and Mitigating Actions

*Key Risk 1
-*

- None to highlight at this time.

Service Area	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m
Public Health Grant	-33.546	-33.546	0.000	0.000
<p>The 2020-21 Public Health Grant allocation for Lincolnshire is confirmed as £33.546m. This announcement is £1.205m higher than included in the 2020-21 budget. The grant has been allocated in accordance with the plan contained in the quarter 1 report.</p>				

Service Area	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m
Better Care (BCF) Grant	-47.023	-47.023	0.000	0.000
<p>The BCF/iBCF structure has rolled over into 2020-21. We are expecting to submit the plan for 2020-21 during quarter 3, date and format to be confirmed nationally.</p>				

Place

Financial Position 1st April – 30th
September 2020

Revenue Budget Monitoring Report - Place

This report details the key changes in position and/or risk faced within Place. The key to the report is shown below.

Movement Key:	
	Moving towards budget
	Stable
	Moving away from budget

Forecast Key:	
	Underspends within 1% of budget
	Underspends >1%<2% of budget Overspends up to 2%
	Under / Over spends >2% of budget

Directorate Summary	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m	
Place	72.776	74.366	1.590	2.171	

Service Area	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m	
Communities	46.241	47.274	1.033	1.815	

The financial position is driven by :-

- The most significant variance is a forecast overspend of £1.890m related to Waste due to the increased cost of the Mixed Dry Recycling (MDR) contract. Following the Administration of the previous contractor, a short-term contract was awarded to a new provider to allow for completion of a full re-procurement exercise. The extension of that contract for the first quarter of this year was at a 48% price increase and although the subsequent re-procurement reduced this, the current price is still some 27% higher than in previous years. This situation is further complicated by the mix of recyclable material being collected, the level of contamination and the price paid for the processing of MDR waste fluctuating depending on market values for recyclables.
- Reduced contract and concessionary fares payments to bus operators for suspended or reduced bus services during the earlier part of the coronavirus pandemic and staff savings within Transport Services provide a forecast underspend of £1.005m.
- Planning fee income, although improved from the previous quarter, is still forecast to be £0.133m below the ambitious target set for the year.
- A forecast overspend of £0.302m on the Countryside Service arises from increases in materials and contractor costs for the maintenance of public rights of way.
- In Heritage and Culture, the offset of Covid grants and reductions in expenditure during national lockdown and during phased recovery provides an underspend against budget of £0.142m.
- Staffing savings contribute a further underspend of £0.143m.

The movement in position relates to :-

- An increase in the cost of the MDR contract driven by falling market prices for the recyclables.
- Further assessment of the financial impact of reduced payments to bus operators due to reduced or suspended bus services during the earlier part of the coronavirus pandemic.
- An improvement in the level of planning fee income being secured.
- A re-assessment of the costs of maintaining public rights of way.
- Further assessment of Covid impact and the savings achieved during national lockdown and during phased recovery.
- Re-assessment of staffing costs following settlement of the pay award.

Key Financial Risks to Delivery and Mitigating Actions	
<i>Higher contract costs than planned</i>	Waste is a demand driven service and as such is exposed to the risk of increased cost due to activity levels being higher than planned. This risk is exacerbated by the fluctuating market prices for recyclable materials causing variation in the cost of processing.

Service Area	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m
Lincolnshire Local Enterprise Partnership	0.343	0.343	0	0

The financial position is driven by :-

- This budget, which mainly relates to staffing costs is forecast to be in line with budget for the year.

The movement in position relates to :-

- The position is unchanged from the previous report.

Key Financial Risks to Delivery and Mitigating Actions	
	None to highlight at this time.

Service Area	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m
Growth	3.632	3.632	0	(0.114)

The financial position is driven by :-

- This service area is now forecast to be in line with budget for the year.

The movement in position relates to :-

- Re-assessment of staffing costs following settlement of the pay award.

Key Financial Risks to Delivery and Mitigating Actions	
	None to highlight at this time.

Service Area	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m	
Highways	22.561	23.118	0.557	0.470	↓
<p>The financial position is driven by :-</p> <ul style="list-style-type: none"> • A forecast overspend of £1.125m relates to the pain / gain element on the term maintenance contract. This arises where the actual cost of completing work differs from the agreed target cost and is accounted for on a shared basis with the contractor, subject to a cap on the Council's contribution in any year. In the main this overspend is expected to be chargeable to capital when it arises, however, current estimate is that £0.325m will be related to revenue spend. This position will continue to be monitored on a monthly basis. • Increased labour costs, the continued use of white salt longer than expected, increased vehicle maintenance costs and route coverage beyond that budgeted for results in a forecast overspend for winter maintenance of £0.460m. • Forecast energy costs higher than budget create an overspend on street lighting of £0.114m. • Underspends in staffing costs due to unfilled vacancies contribute £0.254m to offsetting the above overspends. • Savings in Traffic Management, mainly due to reduced advertising costs for temporary Traffic Regulation Orders (TROs) provides a further underspend of £0.088m. • The trading position of Lincs Lab and the availability of funding for contract mobilisation costs may further mitigate the overspend. 					
<p>The movement in position relates to :-</p> <ul style="list-style-type: none"> • Income levels for Section 38 income, previously forecast to fall short of budget has now fully recovered. This is income received in advance where a developer proposes to construct a new estate road for residential, industrial or general purpose traffic that may be offered to the Highway Authority for adoption as a public highway. A reserve is maintained in order to provide resources to fund the future liabilities that arise and this will be reviewed at year-end to ensure it is still sufficient for that purpose. • An increase in the pain / gain chargeable to revenue. • Further assessment of the forecast cost of winter maintenance. • Emerging savings from TROs. • Increased savings forecast for unfilled vacancies. 					
Key Financial Risks to Delivery and Mitigating Actions					
None to highlight at this time.					

Fire and Rescue & Public Protection

Financial Position 1st April – 30th
September 2020

Revenue Budget Monitoring Report - Fire and Rescue & Public Protection

This report details the key changes in position and/or risk faced within Fire and Rescue & Public Protection. The key to the report is shown below.

Movement Key:	
	Moving towards budget
	Stable
	Moving away from budget

Forecast Key:	
	Underspends within 1% of budget
	Underspends >1%<2% of budget Overspends up to 2%
	Under / Over spends >2% of budget

Directorate Summary	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m	
Fire and Rescue & Public Protection	26.033	25.033	(1.000)	(0.990)	

Service Area	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m	
Fire and Rescue and Emergency Planning	22.462	21.025	(1.437)	(1.437)	

The financial position is driven by :-

- The fire pension schemes' employer contribution rates increased significantly from April 2019. In 2019/20 a grant was received to cover 90% of this increased cost, with no guarantee that further grant would be received in future years.

The resultant cost pressure was therefore built into the 2020/21 base budget. However, a grant to help cover the 2020/21 cost of the pension increase has been now been received creating a positive variance (underspend) of £1.437m.

There is still no indication that the grant will continue in future so it appears the longer-term cost pressure remains.

The movement in position relates to :-

There is no material change since Q1.

Key Financial Risks to Delivery and Mitigating Actions

None to highlight at this time.

Service Area	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m
Public Protection	3.571	4.008	0.437	0.447
<p>Explanations for the main variances are set out below:-</p> <p>The overspend is made up of a number of elements.</p> <ul style="list-style-type: none"> • A budget shortfall of £0.215m consists of £0.100m of prior year savings that are not yet achievable, with the service supported in 2019/20 by an allocation of legal surplus and underspends from within Fire & Public Protection. • There is also an additional £0.115m budget shortfall relating to the cost of mortuary and post-mortem services for Lincolnshire as identified during the budget setting process and which is being addressed through a "deep dive" review. • A further pressure of £0.232m has arisen from price increases following the direct award of a one year contract for mortuary and post-mortem services as the market is not yet in a position to tender for longer term contracts which are now planned for September 2021. • Trading Standards is forecasting to be £0.040m under due to lower legal fees and the secondment of a Principal Trading Standards officer to a regional post. 				
<p>The movement in position relates to :-</p> <ul style="list-style-type: none"> • There is no material change since Q1 as revised income is to be funded via Covid grant. 				
Key Financial Risks to Delivery and Mitigating Actions				
<i>Key Risk 1 : Higher demand than planned</i>	<ul style="list-style-type: none"> • Any further impacts on contracted costs for coroners, and income levels for registration services in line with Covid. <p>These will continue to be monitored via regular budgetary management.</p>			

Resources

Financial Position 1st April – 30th
September 2020

Revenue Budget Monitoring Report - Resources

This report details the key changes in position and/or risk faced within Resources. The key to the report is shown below.

Movement Key:	
	Moving towards budget
	Stable
	Moving away from budget

Forecast Key:	
	Underspends within 1% of budget
	Underspends >1%<2% of budget Overspends up to 2%
	Under / Over spends >2% of budget

Directorate Summary	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m
Resources	23.030	22.802	(0.228)	(0.393) 

Service Area	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m
Legal and Governance Services	2.054	1.926	(0.127)	(0.050) 

The financial position is driven by :-

- Savings due to a councillor vacancy, by-election contingency (as no elections can be held before May 2021) and Members' training and travel expenses give a forecast underspend of £0.093m.
- Delays in the records management project (£0.040m) compared to planned target activity.
- This assumes that the full shortfall of Legal Lincolnshire (£0.430m) will be funded either via Covid grant or use of reserves.

The movement in position relates to :-

- More certainty regarding the timing of project costs since Q1 reporting and a reduction is forecasted in members' expenses.

Key Financial Risks to Delivery and Mitigating Actions

<i>Trading position of Legal Lincolnshire</i>	Ongoing monitoring of traded position and reporting to Legal Board.
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Service Area	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m
Human Resources and Organisational Support	14.235	14.025	(0.211)	(0.533) 

The financial position is driven by :-

- The prioritisation of recruitment within business support during the early part of the year – although the service has now predominantly returned to business as usual.

This has resulted in a forecasted underspend of £0.166m.

- The development of income generating services to schools within Human Resources which has enabled the service to mitigate costs associated with one-off corporate initiatives.

This has resulted in a forecasted underspend of £0.044m.

The movement in position relates to :-

- A movement towards business as usual activity earlier than anticipated in the Q1 forecasts alongside the funding of corporate initiatives (rather than the need to request use of contingency/ reserve funding).

Key Financial Risks to Delivery and Mitigating Actions

<i>Changes in contractual volumes</i>	Regular liaison with our key contractual partners to identify variations on assumed volumes and impact on finance and performance.
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Service Area	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m	
Finance	6.741	6.851	0.110	0.146	↑

The financial position is driven by :-

- Higher than budgeted contract indexation on out-sourced Exchequer services (£0.032m) and increased activity volumes (£0.148m) give a combined overspend of £0.180m.
- The level of income from schools has increased resulting in a budgetary surplus of £0.031m due to a combination of more schools purchasing the finance service along with the selection of higher service options being taken up.
- Staffing vacancies have led to an underspend of £0.046m.
- Long term absences across the Corporate Audit & Risk Management (CARM) – alongside Covid delays – impacting on reduced income from schools / academies.

The movement in position relates to :-

- This is primarily due to reduced staffing costs with a number of current vacancies expected to be filled alongside a revision of CARM income.

Key Financial Risks to Delivery and Mitigating Actions

<i>Income levels from for external contracts</i>	Continual review of planned activity and liaison with our external partners.
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Commercial

Financial Position 1st April – 30th
September 2020

Revenue Budget Monitoring Report - Commercial

This report details the key changes in position and/or risk faced within Commercial. The key to the report is shown below.

Movement Key:	
	Moving towards budget
	Stable
	Moving away from budget

Forecast Key:	
	Underspends within 1% of budget
	Underspends >1%<2% of budget Overspends up to 2%
	Under / Over spends >2% of budget

Directorate Summary	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m	
Commercial	37.389	36.711	(0.678)	(0.047)	

Service Area	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m	
Property	9.907	9.607	(0.300)	0.075	

The financial position is driven by :-

- Increased facilities management and centrally managed accommodation costs, most notably increased business rates for the Council's contribution towards South Park Blue Light Centre (£0.145m).
- There is also an overspend in traveller related costs due to increased security and the provision of a modern day slavery liaison service (£0.100m).
- Utility costs across the wider estate are forecasted to be underspent following a detailed review in Q2 primarily due to Covid closure (£240k).
- This is offset by increased rental income and the reduction of rents payable to the Crown Estate following the surrender of County Farm holdings in December 2019 (£260k).

The movement in position relates to :-

- There is more certainty (for this financial year) regarding the overall costs utility costs following the Q2 review.

Key Financial Risks to Delivery and Mitigating Actions

	There are no specific risks identified.
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Service Area	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m	
Commercial	8.609	7.837	(0.772)	(0.122)	↓
<p>The financial position is driven by :-</p> <ul style="list-style-type: none"> The Customer Service Centre forecasting an underspend of £0.673m. Covid-19 has significantly impacted on the Customer Service Centre with significant variations in demand for 'business as usual service calls' together with a large number of new Covid specific / related calls. In response to the increased call volume staff numbers have been increased and therefore the cost of service has increased. <p>However due to the large number of additional Covid related calls, we have been able to successfully use Covid grant funding where appropriate to subsidise the costs of these specific calls which have resulted in an underspend in this budget.</p> <ul style="list-style-type: none"> A number of vacancies within the Commissioning team of which recruitment has only just commenced. Consequently there is no requirement to utilise earmarked reserve this financial year. 					
<p>The movement in position relates to :-</p> <ul style="list-style-type: none"> An updated review of the demand led CSC budget. A delay in the recruitment of Commissioning vacancies and subsequent non-reliance upon use of earmarked reserves. 					
Key Financial Risks to Delivery and Mitigating Actions					
Customer Service Centre Demand	<p>The CSC is a demand driven service and as such is exposed to the risk of increased cost due to activity levels being higher than planned, which can be exacerbated by shifts in delivery models elsewhere in the Council stimulating higher call volumes.</p> <p>This is mitigated by the ongoing management of the provider contract.</p>				

Service Area	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m	
Information Management Technology	14.223	14.787	0.564	0	↓
<p>The financial position is driven by :-</p> <ul style="list-style-type: none"> • The need to continue to preserve access to data held in the SAP system has resulted in higher than budgeted licence costs with further costs being incurred in order to migrate this data to provide a longer-term solution (£0.350m). • The revised contract pricing model for the Serco contract and third party arrangements have resulted in increased costs of £0.490m. • Higher than budgeted contract indexation on out-sourced IT support services (£0.082m). • Savings in staffing costs, reduced training activity and a re-evaluation of Mosaic costs have enabled the service to manage these cost pressures at present (£0.358m) but the increasing need to engage specialist resource to progress Corporate IMT projects makes this unsustainable in the medium-term. <p>Work is ongoing on quantifying the additional systems, skills and resources required to support a more agile organisation.</p> <p>It will be critical to understand and capture the financial benefits of working in new ways that will accrue across a range of Council services as a result of enabling a smarter way of working.</p>					
<p>The movement in position relates to :-</p> <ul style="list-style-type: none"> • Key risks were highlighted in the previous (Q1) report. As at Q2, we have more certainty to confirm that we think these costs will come to fruition resulting in the reported overspend. 					
<p>Key Financial Risks to Delivery and Mitigating Actions</p>					
<p><i>Increased pace of IMT transformation projects</i></p>	<p>There is a risk that the increased pace of transformation of IMT services results in increased cost for more specialist resource or diverts existing resources causing delay and cost over-runs in existing activity.</p> <p>Further work in project design and identification of the accompanying budget requirement helps to mitigate this, together with identification and delivery of financial benefits across the Council from working in smarter ways.</p>				

Service Area	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m	
Transformation	4.650	4.480	-0.170	0	↓
<p>The financial position is driven by :-</p> <ul style="list-style-type: none"> Underspends across Performance, Transformation and Systems team on staffing costs whether direct or via business support with the Transformation Fund covering core staffing budget shortfalls within the systems team. The Performance team generating greater levels of income from schools than expected. <p>Going forward it will be essential to keep the core staffing as close to its full complement as possible in order to achieve the set objectives.</p>					
<p>The movement in position relates to :-</p> <ul style="list-style-type: none"> This is a new service following restructure and there is no direct comparison with Q1. 					
Key Financial Risks to Delivery and Mitigating Actions					
	No specific risks to identify.				

Corporate Services

Financial Position 1st April – 30th
September 2020

Revenue Budget Monitoring Report - Corporate Services

This report details the key changes in position and/or risk faced within Corporate Services. The key to the report is shown below.

Movement Key:	
	Moving towards budget
	Stable
	Moving away from budget

Forecast Key:	
	Underspends within 1% of budget
	Underspends >1%<2% of budget Overspends up to 2%
	Under / Over spends >2% of budget

Directorate Summary	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m	
Corporate Services	2.886	2.571	(0.315)	(0.035)	

Service Area	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m	
Corporate Services	2.886	2.571	(0.315)	(0.035)	

The financial position is driven by :-

- The majority of this underspend relates to reduced direct and indirect staffing expenditure as a result of vacancies not being recruited to, compounded by delays in being able to progress recruitment and restructure consultation exercises, resulting from the impact of Covid-19. (£0.260m).
- A further £0.055m underspend arises in Corporate Communications activities due to the cancellation of events as a result of the pandemic.

The movement in position relates to :-

- Delays to progress recruitment and consultation exercises, resulting from the impact of Covid-19.
- Ongoing assessment of the impacts of Covid related expenditure and the corresponding funding.

Key Financial Risks to Delivery and Mitigating Actions

	No specific risks to identify.
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Schools

Financial Position 1st April – 30th
September 2020

Revenue Budget Monitoring Report - Schools

This report details the key changes in position and/or risk faced within Schools. The key to the report is shown below.

Movement Key:	
	Moving towards budget
	Stable
	Moving away from budget

Forecast Key:	
	Underspends within 1% of budget
	Underspends >1%<2% of budget Overspends up to 2%
	Under / Over spends >2% of budget

Directorate Summary	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m	
Schools	11.592	15.179	3.587	(1.475)	

Service Area	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m	
Schools Block	142.756	142.756	0	0	

The financial position is driven by :-

- Budget on target.

The movement in position relates to :-

- No variance to report.

Key Financial Risks to Delivery and Mitigating Actions

- No key risks identified at this time.

Service Area	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m	
High Needs Block	76.171	80.214	4.043	(0.700)	

The financial position is driven by :-

- An increase in the top up funding (£1.536m) and targeted funding (£1.341m) to mainstream schools due to an increase in the number of pupils with Education Health and Care (EHC) plans. These are demand-led budgets and are difficult to forecast but current commitments and the potential for growth suggest that the national trend is now being seen in Lincolnshire. The transformational work is intended to influence future growth, and targeted funding criteria is being considered in conjunction with the national funding formula changes for 2021/22, which is likely to reduce funding commitments going forward.

- External SEND specialist placements are currently forecast to overspend (£0.923m) due to an increasing demand for those pupils with complex needs and the demand and shortage of places in special schools. This will be addressed through the major programme of capital investment to increase the capacity of special school places within the county.
- Additional provision of 80 places from September for those pupils with Social, Emotional and Mental Health (SEMH) needs (£1.290m).
- The pressures above have been offset by the Alternative Provision (AP) free school place funding (£2.053m) funded by the DfE for 2020/21 only – this is therefore a temporary underspend.
- Some other overspends on High Needs budgets make up the remaining overspend.

The movement in position relates to :-

- An increasing number of EHC plans and the associated top up and targeted funding, which has been offset by one-off temporary savings due to government funded AP free school place funding.

Key Financial Risks to Delivery and Mitigating Actions

Key Risks:

Increasing number of EHC Plans

- Lincolnshire's inclusive ambition for children and young people with high needs and their families has been co-produced and agreed by LCC, schools, health, parent representatives & other system partners. This aims to increase understanding across the partnership of the *Graduated Approach* and the support available in Lincolnshire to meet children's SEND needs at the right time and so avoid them escalating to a point where there is reliance on statutory plans and costly provision.
- Transformation work is also focused on ensuring that mainstream settings have strong knowledge and understanding of supporting children with additional needs and are able to teach social and emotional skills. There will also be a greater focus on settings working with families to ensure that the home environment reflects other support taking place.
- The launch of 'Ask SALL', a support and inclusion advice line, in September 2020 providing advice and guidance to settings to assist them in accessing early support and prevent escalation of need.
- The roll-out of the Valuing SEND tool to ensure there is robust evidence of early intervention, clear and measurable outcomes and a move away from EHC Plans as a default option. All key partners and parents will be trained in the use of Valuing SEND. Lincolnshire SENDCo completed the training in September 2020.
- On-going work to reframe the Local Offer ambition to increase understanding of the availability of support, provide clarity on early intervention and the *graduated approach* and enable families to self-help without reliance on statutory interventions.
- A Workforce Development Strategy to ensure that education providers have access to the right training to support them in meeting the needs of pupils in their settings. This will also give parents/carers increased confidence in the mainstream settings' ability to meet their children's needs without the requirement of a statutory plan.

Demand for Special School places, reliance on Home Tuition and perceived complexity of need

- A strengths-based approach to assessment will provide greater focus on *need*, and the appropriate provision required, rather than specialist provision as a default assumption, particularly for children and young people with Social, Emotional and Mental Health (SEMH) needs.
- The actions outlined above support better evidence gathering, more positive and ambitious relationships; focus on outcomes and support and building increased resilience in mainstream settings. This will reduce the reliance on specialist provision and give a clearer understanding of 'complexity'.
- The development of provision on mainstream school sites of specialist hubs/bases to support pupils who have difficulty accessing mainstream education; these are likely to be pupils with SEMH or Autism. Intervention

<i>Affordability of the High Needs Block</i>	<p>will include; behaviour management and regulation, nurture principles, and trauma informed principles. The ability to provide something in-between mainstream and Special School will be significant for pupils and the reduction in the demand for specialist provision.</p> <ul style="list-style-type: none"> • The actions above will be the driver to ensure that only the children who truly require independent specialist provision take up those places. • The <i>Building Communities of Specialist Provision</i> strategy is a major programme of capital investment to increase the capacity of Special School places within the county. This will reduce the reliance on costly INMS placements. • The <i>Building Communities of Specialist Provision</i> strategy means that all maintained and academy Special Schools in county remove their former designations and become 'all needs' specialist providers catering for a wider range of SEN and Disability and reducing reliance on independent specialist provision. • A Workforce Development Strategy to ensure that education providers in county have access to the right training to support them in meeting the needs of pupils in their settings. This will reduce the reliance on the specialisms offered in the INMS sector and will increase parental confidence in their child attending Lincolnshire's Special Schools. • The future sustainability of the High Needs Block specifically remains a high concern due to the continued pressures on SEND budgets. The government announcement of increased funding for High Needs in 2021/22 is welcomed (c.£8m net of grants mainstreamed) to support Lincolnshire achieve a sustainable budget. • Developing a more sophisticated means of monitoring and analysing the growing number of requests from schools for additional funding (these children already have EHC Plans). This will allow the service to understand trends, identify localities or individual settings where there are higher levels of requests for additional funding and begin to target work in an attempt to reverse the current anticipated trajectory.
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Service Area	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m	
Central School Services Block	3.728	3.138	(0.590)	(0.604)	↑
<p>The financial position is driven by :-</p> <ul style="list-style-type: none"> • The underspend mainly relates to historical budgets of PFI contractual costs and the centralised schools broadband contract. These funding streams are outside the government's current national funding formula arrangements. The government is reducing these budget streams of Local Authorities annually by 20% to remove the perceived unfairness in funding. The budgets had been set prudently to respond to this future funding implication. 					
<p>The movement in position relates to :-</p> <ul style="list-style-type: none"> • Prudently set historical budgets to enable the Local Authority to meet its future financial obligations whilst responding to 20% reductions in government funding. 					
Key Financial Risks to Delivery and Mitigating Actions					
<i>Key Risk 1:</i>	<ul style="list-style-type: none"> • No risks highlighted at this time. 				

Service Area	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m
Early Years Block	42.169	42.303	0.134	(0.172)



The financial position is driven by :-

- An overspend on the Early Years participation budgets (£0.335m). Government guidance advised Local Authorities to fund early years providers at their Autumn 2019 participation levels if they were experiencing lower numbers in Autumn 2020 due to the Covid-19 pandemic. A government funding adjustment has been made, however Lincolnshire is experiencing an overspend of £0.562m due to this position. The cause being a significant number of providers have lower numbers of children, however a large cohort of providers are reporting increased numbers of children. This is likely to be due to parents taking up more provision at one provider rather than previously taking their hours over more than one provider. This may be due to the desire to minimise the risk of infection and maintaining as few "social bubbles" as possible. This overspend has been partly offset by an underspend in the 2 year old provision (£0.080m) and reduced allocations on the Disability Access Fund (£0.092m) and Early Years Pupil Premium (£0.090m). These budgets will need to be closely monitored over the next few months to see if this pattern continues.

The movement in position relates to :-

- A change in Government policy on participation funding arrangements for early year providers for Autumn 2020.

Key Financial Risks to Delivery and Mitigating Actions

Key Risk 1 : Early Years

- Covid-19 will impact on the services ability to delivery face to face training to the sector which may result in funding not being able to be fully utilised as planned in the current year.
- The work to improve the quality and outcomes in setting has been hindered by the pandemic, and providers identified a lack of capacity for this. Work is being considered to understand this impact and how the service will adapt to this challenge.
- Due to the change in Government policy, forecasts have been based on take up levels for the Autumn Term continuing for the remainder of the financial year. It is difficult at this stage to anticipate the impact of the pandemic on this sector although take up will be monitored on a monthly basis. The financial sustainability of early years providers during and after the pandemic is a key priority for the service to ensure the sufficiency of early years places are maintained across the county.

Service Area	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m
Dedicated Schools Grant	(258.060)	(258.060)	0	0
<p>The financial position is driven by :-</p> <ul style="list-style-type: none"> Budget on target. 				
<p>The movement in position relates to :-</p> <ul style="list-style-type: none"> No variance to report. 				
Key Financial Risks to Delivery and Mitigating Actions				
<i>Key Risk 1 :</i>	<ul style="list-style-type: none"> No risks highlighted at this time. 			

Service Area	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m
Schools Budget (Other Funding)	4.828	4.828	0	0
<p>The financial position is driven by :-</p> <ul style="list-style-type: none"> Budget on target. No variance to report. 				
<p>The movement in position relates to :-</p> <ul style="list-style-type: none"> No variance to report. 				
Key Financial Risks to Delivery and Mitigating Actions				
<i>Key Risk :</i>	<ul style="list-style-type: none"> No risks highlighted at this time. 			

Other Budgets

Financial Position 1st April – 30th
September 2020

Revenue Budget Monitoring Report - Other Budgets

This report details the key changes in position and/or risk faced within Other Budgets to the report is shown below.

Movement Key:	
	Moving towards budget
	Stable
	Moving away from budget

Forecast Key:	
	Underspends within 1% of budget
	Underspends >1%<2% of budget Overspends up to 2%
	Under / Over spends >2% of budget

Directorate Summary	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m	
Other Budgets	71.371	60.848	(10.523)	(7.123)	

Service Area	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m	
Contingency	1.806	1.806	0	0	

The financial position is driven by :-

- The assumption currently is that all of the contingency will be fully spent by the end of the year. This is a prudent assumption at this point in the year.

The movement in position relates to :-

- The Contingency budget was £3.000m and so far £1.194m has been allocated to other service areas. This relates to Fire and Rescue Wholetime Recruits Course, £0.165m, and Pay Award inflation, £1.029m, following negotiation.

Key Financial Risks to Delivery and Mitigating Actions

<i>Key Risk 1 : Lower demand than planned</i>	<ul style="list-style-type: none"> If fewer emerging pressures are identified than forecasted, this will result in an underspend. This area is reviewed monthly and an update will be provided at next quarter's reporting.
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Service Area	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m	
Capital Financing Charges	50.077	42.209	(7.868)	(6.948)	

- The Capital Financing Charges (CFC) budget comprises minimum revenue provision (MRP), interest cost of long term borrowing, revenue financing of capital and other costs of financing capital such as cost of asset disposals, leasing and PFI costs less interest receipts earned for cashflow balances.
- MRP is calculated based on the asset lives funded by borrowing in the previous calendar year and interest is derived from the estimated external borrowing requirement taken to finance the capital programme for the year. The amount of internal borrowing actually taken also therefore plays a significant role in the interest estimates derived.

The movement in position relates to :-

- The Current Budget for MRP was calculated in 2019 before the 2019/20 Capital Outturn. The 2019/20 Borrowing Outturn of £77.897m was significantly lower than estimated due to re-phasing, underspend carry forward and level of internal borrowing taken. Also a large proportion of the borrowing outturn (£39.755m) used to calculate MRP was also allocated to Infrastructure Under Construction Assets that are not due to start for a couple of years and hence the MRP calculated for this area was allocated forward to future years MRP. All this resulted in MRP showing a £4.600m underspend in the current budget period.
- The estimated interest cost of borrowing has fallen by £0.620m since last quarter due to the estimated Borrowing Requirement falling to just £26m in 2020/21 due to the allowance of internal borrowing in the year increasing to 25% from 15% due to current market conditions. Overall this is an underspend of £3.368m.
- The estimated interest received from cash balances has increased by £0.300m since the last quarter due to increased Covid funding received from Government not yet expended. Overall there is a shortfall on interest received of £0.600m.

Key Financial Risks to Delivery and Mitigating Actions

*Key Risk 1 :
Higher demand than planned*

- Further re-phasing of the capital programme and uncertain cash flow patterns due to Covid will affect the level of interest paid and received in 2020/21. We will continue to monitor the position regularly to mitigate the risk.

Service Area	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m
Other	19.489	16.834	(2.655)	(0.175)



The financial position is mainly driven by :

- The redundancy budget for the year is £3.000m. There is currently a relatively low level of restructuring taking place within the Council, so the underspend is anticipated to be £1.500m lower than budgeted for.
- The budget set aside for any pay scale restructuring is not expected to be required this year, resulting in a £0.600m underspend.
- The level of increase in the National Living Wage is much lower than anticipated thereby resulting in a £0.359m underspend.
- There is a reduction of £0.214m in the monthly payment of teachers' pension and S24 payments due to a higher level of attrition than budgeted. The reduction in monthly payment is recycled to cover the yearly inflation increase of this pension. This was reviewed and longer term savings of £0.100m were offered as part of the budget setting process.

The movement in position relates to :-

- The low level of planned activities within the Council which are funded centrally will generate an underspend in this area.
- Budgets to further support the services are kept within this area due to uncertainties when the budget was set. As the position regarding this area becomes clearer, underspending is declared.

Key Financial Risks to Delivery and Mitigating Actions

*Key Risk 1 :
Lower demand than planned*

- Budget within Other Budget is set to cover the uncertainties surrounding the area that the Council operates in. As our position becomes clearer, the forecast is adjusted to consider the current situation. These areas are reviewed as part of the yearly budget setting and this year has provided £0.100m savings relating to the reduction in pension contribution.

APPENDIX K

SUMMARY OF FINANCIAL IMPACT OF COVID-19 2020/21 AS AT 31 OCT 2020

Covid-19 Costs and Losses - Actual To Date and Forecast				
	Actual March 2020 (19/20) £m	Actual to 31 October (19/20 + 20/21) £m	Estimated for Year 2020/21 £m	Estimate for Year 2020/21 incl. Contingency £m
<u>Adult Care and Community Wellbeing</u>				
Adult Frailty & Long Term Conditions	0.100	3.460	7.813	10.313
Adult Specialties	0.000	3.290	1.490	2.640
Public Health	0.000	0.877	2.390	2.390
Total ACCW	0.100	7.626	11.693	15.343
<u>Children's Services</u>				
Children's Social Care	0.178	2.920	5.072	7.685
Children's Education	0.031	1.443	2.082	2.240
Total Children's	0.208	4.363	7.155	9.926
<u>Place</u>				
Communities	0.060	1.008	1.763	2.763
Lincolnshire LEP	0.000	0.000	0.000	0.000
Growth	0.000	0.098	0.338	0.588
Highways	0.000	5.030	3.504	4.004
Total Place	0.060	6.136	5.605	7.355
<u>Fire and Rescue & Public Protection</u>				
Fire and Rescue & Emergency Planning	0.000	0.275	0.330	0.330
Public Protection	0.010	2.334	2.337	2.337
Total F and R & PP	0.010	2.609	2.667	2.667
<u>Resources</u>				
Resources	0.000	0.262	0.768	0.768
<u>Commercial</u>				
Commercial	0.000	0.771	1.310	1.310
<u>Corporate Services</u>				
Corporate Services	0.000	0.159	0.240	0.240
<u>Other Budgets</u>				
Other Budgets	0.000	0.000	0.000	0.000
Capital Expenditure	0.000	1.060	2.048	3.048
Other Budgets	0.000	1.060	2.048	3.048
Total Costs and Losses	0.378	22.987	31.486	40.657
Covid-19 Emergency Grant	-0.378	-22.987	-44.130	-44.130
Lost SFC income grant (estimated)			-4.200	-4.200
Total estimated income	-0.378	-22.987	-48.330	-48.330
Surplus / (Deficit)	0.000	0.000	16.844	7.673



Narrative of Financial Impact of Covid-19 as at 31 October 2020

Revenue Budget Monitoring Report - Children's Services Covid-19

Directorate Summary	Current Spend £m	Forecast Outturn £m	Additional Risks £m	Revised 2020-21 Forecast £m
Children's Services	3.363	7.102	2.771	9.873

Service Area	Current Spend £m	Forecast Outturn £m	Additional Risks £m	Revised 2020-21 Forecast £m
Children's Social Care	2.293	5.072	2.613	7.685

The financial position is driven by :-

- An additional payment of £400 per carer household per month for period of 3 months (May to July 2020) was made to support foster carers and children in their care during this challenging period to continue securing placements and support of carers (£0.328m).
- Additional costs for specialist placements including out of county, fostering and supported accommodation (£3.319m). The impact of the Covid-19 restrictions has resulted in a number of foster carers unable to accept new children into their homes due to self-isolating and therefore children have had to be placed in alternative placements out of county. The criteria has been reviewed and refined.
- There has been a delay in implementing the new Youth Housing contract that was intending to accommodate more complex individuals by offering smaller units of accommodation for those young people of 16 and 17 years at risk of homelessness and looked after children and care leavers up to the age of 21 years. Children's Services had put forward a saving of £0.438m in 2020/21 following the transformation work and the new contract award; however circumstances have led to this not being achieved resulting in an additional cost of £0.658m.
- Additional financial risks of £2.613m have been identified for the recovery period that involve increased looked after children placement costs due to an escalation of need from lockdown; additional residential care capacity required to support the internal residential estate; a change to the employment position of carers and adopters that could lead to an increase to allowances, and continued support to foster carers.

The movement in position relates to :-

- The criteria for specialist placements being reviewed and refined, leading to an increase in costs that could be allocated against the Covid-19 grant (£0.731m) and additional costs arising from the delay in implementing the new Youth Housing contract (£0.387m).

Key Financial Risks to Delivery and Mitigating Actions

<i>Key Risk 1 – Looked After Children</i>	<ul style="list-style-type: none"> • A number of factors can influence spending in looked after children services. Assumptions have been made for the next phase, but as lockdown eases, family circumstances will become clearer.
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Service Area	Current Spend £m	Forecast Outturn £m	Additional Risks £m	Revised 2020-21 Forecast £m
Children's Education	1.070	2.030	0.210	2.240
The financial position is driven by :-				
<ul style="list-style-type: none"> Loss of income from parents for post 16 transport for the Summer term and anticipated impact on the next academic year (£0.700m). Holiday transport costs relating to Easter and May half-term (£0.112m), delayed procurement activities (£0.165m) and grants to operators to meet some of the additional costs associated with Covid-19 e.g. PPE, cleaning materials, signage etc. (£0.345m) are earmarked against the Covid-19 grant. Loss of income from parents for the Music Service in the Summer term, and an anticipated 20% income reduction for the new academic year (£0.462m). Reduction in income from fines for children not attending school (e.g. absent from school due to going away on holiday). It has been assumed that no fines will be issued until Jan 2021 (£0.113m). The Local Authority may be required to respond to a higher number of Education, Health and Care plan requests during the autumn term, therefore a financial risk has been identified (£0.158m). 				
The movement in position relates to :-				
<ul style="list-style-type: none"> More accurate information available regarding costs and loss of income associated with the impact of Covid-19. 				
Key Financial Risks to Delivery and Mitigating Actions				
<i>Key Risk 1 – Home to School College Transport</i>	<ul style="list-style-type: none"> The Local Authority will continue working in accordance with the government guidelines on transporting pupils to schools, including the utilisation of government additional transport grant. 			

Covid Savings		
Directorate Summary	Savings Resulting from Covid	Savings £m
Children's Services		
Children's Social Care	Reduction in Social Care Training delivery	0.092
	Pause in Children Centre building maintenance due to reduced centre activity	0.082
	Delay in recruitment to vacancies within social care and early help.	0.298
	Savings on car allowances	0.151
Children's Education	Home to School/College Transport – suspension of services for the summer term (other than for key worker and vulnerable groups transport only).	1.370
	Children with Disabilities – a drop in activity levels (due to parents being at home) during the summer term	0.094
	Education Psychology - reduction in the number of Education, Health and Care (EHC) Needs Assessments during the first lockdown period and the delay in progressing a new Psychology contract with an external provider.	0.270
	Delay in recruitment to central staffing vacancies.	0.073
	Reduction in legal fees due to the suspension of fines for children not attending school.	0.060
	Savings on car allowances	0.055

2020-21 Emerging Costs

Emerging Costs Due to Covid		
Directorate Summary	Details of Cost	Amount £m
Children's Services		
Children's Social Care	There are no emerging costs identified at present.	
Children's Education	There are no emerging costs identified at present.	

Revenue Budget Monitoring Report - Adult Care & Community Wellbeing Covid-19

Directorate Summary	Current Spend £m	Forecast Outturn £m	Additional Risks £m	Revised 2020-21 Forecast £m
Adult Care & Community Wellbeing	20.966	39.801	3.650	43.451

Service Area	Current Spend £m	Forecast Outturn £m	Additional Risks £m	Revised 2020-21 Forecast £m
Adult Frailty & Long Term Conditions	3.742	7.813	2.500	10.313

The financial position is driven by:-

- The Sustainability Fund provides financial support to all commissioned providers across adult social care (ASC). Through an open book approach, this fund has supported 170 ASC providers.
- Key costs relate to Personal Protective Equipment (PPE) usage, the social care workforce and the adult social care (ASC) environment. The majority of care home and home care providers will be able to procure their PPE through the recently introduced national process going forward. The funds access criteria is kept under regular review with changes agreed with LiNCA prior to implementation.

The movement in position relates to :-

- A continuation of the above financial support as a result of Covid-19 environment.

Service Area	Current Spend £m	Forecast Outturn £m	Additional Risks £m	Revised 2020-21 Forecast £m
Adult Specialties	0.921	1.490	1.150	2.640

The financial position is driven by :-

- £0.85m incurred as a result of service users being unable to access services due to closure/shielding etc. Following individual needs assessments, 61 service users have received changes to their packages of care. Each individual is regularly reviewed to understand on going need.
- A few small/ local providers have escalated financial hardship to the Council as a result of non-payment of direct payment service user contributions. Whilst all providers were signposted to government schemes and, working together, redeploy staff where appropriate, approx. £0.068m has been paid to providers as one-off financial support.
- £0.30m costs identified to date resulting from the provision of a payment break to service users who were not in receipt of their usual quantity of service during the pandemic due to Covid-19 restrictions.

The movement in position relates to :-

- A continuation of the above financial support as a result of Covid-19 environment.

Service Area	Current Spend £m	Forecast Outturn £m	Additional Risks £m	Revised 2020-21 Forecast £m
Public Health & Wellbeing	2.012	2.390		2.390

The financial position is driven by :-

- £0.63m costs incurred in the distribution of PPE and community equipment for service users
- £0.43m PPE costs incurred to date for use across council services / staff.
- £0.32m loss of income from the suspension of telecare charges to encourage increased use.
- £0.30m costs incurred in operating a 7 day a week Covid response community hub during the emergency phase of the pandemic.
- £0.30m increased costs resulting from a delay in the procurement of housing related services.

The movement in position relates to :-

- The continued public health and wellbeing response to the pandemic.

Covid Savings		
Directorate Summary	Savings	Savings £m
Adult Care & Community Wellbeing		
Adult Frailty & LTC (inc. infrastructure)	Delay in recruitment	0.410
	Energy, Training, Stationery costs	0.052
Public Health & Wellbeing	Improvement initiative delay	0.060

The following areas are funded through specific ring fenced grants or monies not held by LCC

Infection Control Grant	Current Spend £m	Forecast Outturn £m
Wave 1 Released 50% May / 50% July	10.423	10.423
Wave 2 Released 50% October / 50% December		8.949
	10.423	19.372

This grant is to provide support to adult social care providers to reduce the rate of COVID-19 transmission within and between care settings. Wave 1 paid 76% (£7.9m) to residential providers and 24% (£2.5m) to community providers. Wave 2 grant received stipulates a further 60% (£5.4m) to residential providers, 20% (£1.7m) to community providers and 20% (£1.8m) to other care settings and IPC measures.

NHS Recharge, Accelerated Discharge	Current Spend £m	Forecast Outturn £m
Scheme 1 19Mar-31Aug : Scheme now closed	3.603	3.603
Scheme 2 1Sep-31Mar	0.263	2.063
	3.866	5.666
Scheme 1 saw the local authority take responsibility for commissioning both residential and home care placements following discharge from hospital, regardless of the individuals need being social or health. Scheme 2 sees the restart of the continuing healthcare team.		

Test & Trace Grant	Current Spend £m	Forecast Outturn £m
To support expenditure incurred in relation to the mitigation against and management of local outbreaks of COVID-19.	0.467	3.069
This grant is to support costs incurred by Lincolnshire County Council and the 7 District Councils. To date costs incurred have been in relation to additional staff and the procurement of a digital outbreak and contact management platform.		

Revenue Budget Monitoring Report - Place Covid-19

Directorate Summary	Current Spend £m	Forecast Outturn £m	Additional Risks £m	Revised 2020-21 Forecast £m
Place	1.227	5.605	1.750	7.355

Service Area	Current Spend £m	Forecast Outturn £m	Additional Risks £m	Revised 2020-21 Forecast £m
Communities	1.008	1.763	1.000	2.763

The financial position is driven by :-

- Loss of income from cultural and heritage sites due to closure and social distancing measures £1.400m.
- Household Waste Recycling Centres – additional staffing costs and loss of income from recyclable sales £0.087m.
- Waste – increased volume of household waste material being processed from District Councils kerbside collections due to people spending more time at home and increased packaging from on-line shopping. Risk of reduced income from energy sales at the Energy from Waste plant. £1.276m.

The movement in position relates to :-

- Further assessment of Covid impact and the savings achieved during national lockdown and during phased recovery.
- Increases in the volume and cost of processing household waste collections.
- Inclusion of the new risk related to energy sales at the Energy from Waste (EfW) Plant.

Key Financial Risks to Delivery and Mitigating Actions

<i>Key Risk 1 –</i>	<ul style="list-style-type: none"> • The loss of income from the sale of electricity generated by the Energy from Waste Plant due to low demand from the grid causing prices to fall below the base case.
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Service Area	Current Spend £m	Forecast Outturn £m	Additional Risks £m	Revised 2020-21 Forecast £m
Lincolnshire Local Enterprise Partnership	0	0	0	0

The financial position is driven by :-

- Nothing to report to date.

The movement in position relates to :-

- Position unchanged from previous report

Key Financial Risks to Delivery and Mitigating Actions	
Key Risk 1 –	

Service Area	Current Spend £m	Forecast Outturn £m	Additional Risks £m	Revised 2020-21 Forecast £m
Growth	0.098	0.338	0.250	0.588

The financial position is driven by :-

- Cost of economic recovery plan, additional staffing costs and potential loss of rental income within Growth £0.588m.

The movement in position relates to :-

- Reduction in the assessment of the likely cost of Agri-Food consultancy support.

Key Financial Risks to Delivery and Mitigating Actions	
Key Risk 1 –	

Service Area	Current Spend £m	Forecast Outturn £m	Additional Risks £m	Revised 2020-21 Forecast £m
Highways	5.030	3.504	0.500	4.004

The financial position is driven by :-

- Implementation of Covid-safe ways of working on capital schemes £1.388m.
- Loss of income from suspension of parking enforcement and reduction in permitting activity £0.665m.
- Lincs Laboratory loss of income £0.300m.
- Loss of income from course fees for National Driver Offender Retraining Scheme £0.700m.
- Covid compensation events relating to highways contracts £0.950m.

The movement in position relates to :-

- On-going assessment of resultant costs and income losses.
- Inclusion of a contingency sum for second wave.

Key Financial Risks to Delivery and Mitigating Actions	
Key Risk 1 –	<ul style="list-style-type: none"> • Increased infection rates resulting in loss of key workers and disruption to Capital projects.

Covid Savings		
Directorate Summary	Savings Resulting from Covid	Savings £m
Place		
Communities	Reduced contract payments to bus operators on suspended or reduced bus services. Savings in running costs from closure of cultural and heritage sites.	1.018
Lincolnshire Local Enterprise Partnership	No significant savings identified.	0
Growth	Reduced staff travel and training.	0.010
Highways	Reduced staff travel and training.	0.015

Revenue Budget Monitoring Report - Fire and Rescue & Public Protection Covid-19

Directorate Summary	Current Spend £m	Forecast Outturn £m	Additional Risks £m	Revised 2020-21 Forecast £m
Fire and Rescue & Public Protection	2.599	2.667		2.667

Service Area	Current Spend £m	Forecast Outturn £m	Additional Risks £m	Revised 2020-21 Forecast £m
Fire and Rescue and Emergency Planning	0.275	0.330		0.330

The financial position is driven by :-

- Additional staffing costs to respond to the pandemic (£0.108m).
- The cost of personal protective equipment to allow staff to interact with our communities (£0.144m).
- The loss of income from commercial training (£0.079m).

The movement in position relates to :-

- Additional costs relating to Retained Duty System staff supporting the East Midlands Ambulance Service (£0.005m).
- Additional costs for staff to attend Local Resilience Forum / Silver Command (£0.003m).
- The cost of personal protective equipment (-£0.032m).
- Cleansing/decontamination costs (£0.019m).

Key Financial Risks to Delivery and Mitigating Actions

Key Risk 1 –

- Activity volume for retained firefighters is variable by nature for a demand led service but regular monitoring against predefined budget assumptions helps to identify the financial impact of such changes.

Service Area	Current Spend £m	Forecast Outturn £m	Additional Risks £m	Revised 2020-21 Forecast £m
Public Protection	2.324	2.337		2.337

The financial position is driven by :-

- The potential need to deal with excess deaths arising from the coronavirus (£2.045m) – capital spend.
- Loss of income from celebratory ceremonies and Trading Standards work (£0.292m).

The movement in position relates to :-

- The construction of a temporary mortuary facility (-£0.282m).
- Loss of income from celebratory ceremonies which have had to be cancelled (£0.009m).

Key Financial Risks to Delivery and Mitigating Actions	
Key Risk 1 –	<ul style="list-style-type: none"> Further waves of the virus may result in an increase in the running costs of the temporary mortuary and in further restrictions being placed on ceremonies.

Covid Savings		
Directorate Summary	Savings Resulting from Covid	Savings £m
Fire and Rescue & Public Protection		
Fire and Rescue and Emergency Planning	Reduction in staff travel.	0.025
Public Protection		

Revenue Budget Monitoring Report - Resources Covid-19

Directorate Summary	Current Spend £m	Forecast Outturn £m	Additional Risks £m	Revised 2020-21 Forecast £m
Resources	0.262	0.768		0.768

Service Area	Current Spend £m	Forecast Outturn £m	Additional Risks £m	Revised 2020-21 Forecast £m
Resources	0.262	0.768		0.768

The financial position is driven by :-

- The additional costs of Business Support and HR staff covering additional Covid-19 related work (£0.058m).
- The potential increase in insurance claims resulting from Covid-19 (£0.250m).
- Loss of income from schools, academies, District Councils and internal charges by HR, Legal & Audit (£0.460m).

The movement in position relates to :-

- The reduction in work for schools, academies, District Councils and internal charges has become clearer as the pandemic draws on (£0.460m).

Key Financial Risks to Delivery and Mitigating Actions

<i>Trading Position of Legal Lincolnshire</i>	<ul style="list-style-type: none"> • Ongoing monitoring of traded position and reporting to Legal Board.
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Covid Savings		
Directorate Summary	Savings Resulting from Covid	Savings £m
Resources		
Legal and Governance Services	Members travel expenses – less travel.	0.072
Human Resources and Organisational Support	Occupational Health Contract – reduction in referrals	0.038
	Reduction in travel costs.	0.040
Finance	Vacancies within service held back due to Covid.	0.166
		0

Revenue Budget Monitoring Report - Commercial Covid-19

Directorate Summary	Current Spend £m	Forecast Outturn £m	Additional Risks £m	Revised 2020-21 Forecast £m
Commercial	0.771	1.310		1.310

Service Area	Current Spend £m	Forecast Outturn £m	Additional Risks £m	Revised 2020-21 Forecast £m
Commercial	0.771	1.310		1.310

The financial position is driven by :-

- Re-direction of the Customer Service Centre to deal with Covid-19 issues (£0.600m).
- Maintaining hygiene measures and purchasing hygiene consumables (£0.037m).
- Enabling homeworking capability for workforce, and extending current software licences (£0.540m).
- Loss of income from traded services to Schools (£0.015m).
- New post to oversee the Council's recovery from Covid-19 (£0.118m).

The movement in position relates to :-

- The additional costs related to the Customer Service Centre (-£0.194m).
- Cost of rolling out technologies to give staff the capability of working from home (£0.222m).
- Reduction in the forecast of additional buildings related costs (-£0.060m)
- Reduced forecast loss of income from traded services to Schools (-£0.081m).

Key Financial Risks to Delivery and Mitigating Actions

<i>Customer Service Centre Demand</i>	Through effective contract management and relationships.
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Covid Savings		
Directorate Summary	Savings Resulting from Covid	Savings £m
Commercial		
Property	Utility costs across the wider estate are forecasted to be underspent following a detailed review in Q2 primarily due to Covid closure (£240k).	0.240
Commercial		
Information Management Technology	Reduced training costs	0.100
Transformation		

Revenue Budget Monitoring Report - Corporate Services Covid-19

Directorate Summary	Current Spend £m	Forecast Outturn £m	Additional Risks £m	Revised 2020-21 Forecast £m
Corporate Services	0.159	0.240	0.000	0.240

There are no significant new costs incurred this quarter, the details are shown below.

Service Area	Current Spend £m	Forecast Outturn £m	Additional Risks £m	Revised 2020-21 Forecast £m
Corporate Services	0.159	0.240	0.000	0.240
<p>The financial position is driven by :-</p> <ul style="list-style-type: none"> This position is mainly driven by the local Member coronavirus grant scheme (£0.210m) The need to communicate with the public on Covid-19 matters (£0.020m) 				
<p>The movement in position relates to</p> <ul style="list-style-type: none"> A small increase in printing and advertising used to communicate messages and information about council services during the pandemic (£0.008m). 				
Key Financial Risks to Delivery and Mitigating Actions				
Key Risk 1 –				

Covid Savings		
Directorate Summary	Savings Resulting from Covid	Savings £m
Corporate Services		
Corporate Services	Reduction in Corporate Communications expenditure due to cancellation of events	0.055

2020-21 Emerging Costs

Emerging Costs Due to Covid		
Directorate Summary	Details of Cost	Amount £m
Corporate Services		
Corporate Services	There are no emerging costs.	

APPENDIX M

Monitoring of Planned Savings 2020/21

Directorate	Service Area	Saving Information *	Reported Position			Explanation of any Shortfall and/or Covid19 Grant Support
			Planned Saving £000's	Delivery Y / N	If N, Shortfall £000's	
BUDGET SAVINGS						
Children's Services	Home to School/College transport	Budget Reductions to meet service requirements	8	Y		
Children's Services	Special Educational Needs & Disability	Additional income generation and budget reductions for training materials and legal costs	6	Y		
Children's Services	Education Support Services	Additional income generation, a reduction in the cost of software and budget reductions to meet service requirements	17	Y		
Children's Services	School Improvement	Budget reductions to meet service requirements	7	Y		
Children's Services	Statutory Regulatory Duties	Removal of peripatetic social worker vacant posts, a reduction in the cost of software licences, a reduction in funding required to support market management as part of service reviews and budget reductions to meet service requirements	286	Y		
Children's Services	0-19 Health Services	A more effective clinic utilisation leading to a reduction in home visiting	180	Y		
Children's Services	Early Help Services	Budget reductions to meet service requirements	85	Y		
Children's Services	Family Assessment and Support Team	Utilisation of grant income and budget reductions to meet service requirements	103	Y		
Children's Services	Adoption and Fostering Services	Budget reductions to meet service requirements	3	Y		
Children's Services	Leaving Care Services	Savings from the new supported accommodation pathway in meeting 16-17 year olds and care leavers	438	N		There is a cost pressure of £0.271m in this area. This is due to the delay in implementing the new Youth Housing contract due to the pandemic. The new contract was intending to accommodate more complex individuals. These circumstances will result in savings not being achieved in 2020/21. This cost has been put to the Covid-19 grant.
Children's Services	Targeted Support for Young People	Efficiencies as a result of the joint delivery of provision	43	Y		
Children's Services	Youth Offending	Rationalisation of work activities with the Performance Team and budget reductions to meet current service requirements	56	Y		
Adult Care and Community Wellbeing	Budget 2020 Savings Programme	Reduction in Director's consolidated running costs	210	Y		
Adult Care and Community Wellbeing	Home based Service	Reablement Service efficiencies	320	N		LCC reablement provider changed service delivery to support increased volumes of hospital discharges as a result of covid19 accelerated discharge model introduced nationally. This and the continued demand has meant the planned savings have not been possible to implement. This loss of savings is captured against the Covid19 grant received therefore reporting financial position on target. Recurrent saving still planned.

Directorate	Service Area	Saving Information *	Reported Position			Explanation of any Shortfall and/or Covid19 Grant Support
			Planned Saving £000's	Delivery Y / N	If N, Shortfall £000's	
BUDGET SAVINGS						
Adult Care and Community Wellbeing	Peak Demand efficiencies	Improvement in Peak Demand efficiencies	800	Y		
Adult Care and Community Wellbeing	Assessment and Care Management	Savings from gaps in posts being filled from staff turnover	579	Y		
Adult Care and Community Wellbeing	Transport	Reduction in service demand	100	Y		
Adult Care and Community Wellbeing	Residential/Nursing placements	Reduction in service demand as more requirement for Community based services	500	Y		
Adult Care and Community Wellbeing	Other Expenditure budget	Reduction in service demand	90	Y		
Adult Care and Community Wellbeing	Adult Care Charging	Impact of legislative changes	-500	Y		
Adult Care and Community Wellbeing	Public Health and Community Wellbeing	Agreed reduction in budget based on current service requirements and savings based on contract re-procurement	1,390	N		Against the £1m Housing Related Support saving, there is a shortfall in delivery of £424,655 in 2020-21 only. This is due to a delay in contract start resulting from Covid19. This is funded through the Covid19 grant received therefore reporting financial position on target. Recurrent saving still planned
Place	Transport Services	Contract payments reviewed to provide more emphasis on the reducing actual passenger number as eligibility age for a concessionary pass rises	425	Y		
Place	Heritage and Archive Services	Budget revision to library vehicles, staffing and associated expenses	201	Y		
Place	Environmental Services	Budget revisions to meet current service requirements	66	Y		
Place	Waste Services	Reduction in repairs, maintenance and transport costs together with contract savings and reduced tonnages of compost and other materials at Household Waste Recycling Centres	591	N		There is currently a forecast overspend of £1.890m related to Waste Services due to a 5% increase in the volume of household waste being collected and increased cost of the Mixed Dry Recycling (MDR) contract.
Place	Design Services	Efficiency saving on system maintenance costs	39	Y		
Place	Highways Services	Efficiency savings on winter maintenance operations with the remainder due to increased charges for a range of highway services including road closures, fixed penalty notices and searches	664	N		Although charge rates were reviewed at the start of the year, the ability to secure additional income has been severely affected by Covid but the shortfall is currently planned to be met from grant support. Savings identified on winter maintenance will be a challenge as we move into gritting season.
Place	Highways Asset Management	Increase in charges for skip and scaffold permits and a reduction in the scanner and scrim surveying contracts	35	Y		
Fire and Rescue and Public Protection	Fire and Rescue	A reduction in costs associated with unwanted fire signals (false alarms) policy and a reduction in budget to cover fire-fighter absence to maintain operational resilience	115	Y		

Directorate	Service Area	Saving Information *	Reported Position			Explanation of any Shortfall and/or Covid19 Grant Support
			Planned Saving £000's	Delivery Y / N	If N, Shortfall £000's	
BUDGET SAVINGS						
Resources	Human Resources	Restructure of Human Resources following the return of staff to LCC	440	Y		
Resources	Legal Services	Realignment of Legal Lincolnshire surplus target in line with recent performance	450	N		Legal Services Income figures in quarters 1 and 2 are down on previous years. This is due to a fall in instructions during the Covid crisis and is currently forecast to be funded from grant support.
Resources	Democratic Services	The permanent removal of a vacant position	15	Y		
Resources	Business Support	Implementation of a paper reduction strategy	16	Y		
Commercial	Property Services	Reductions in building and programme costs and alignment of county farms income in line with current year performance	279	Y		
Commercial	Information Management	Budget revision to meet current service requirements	567	N		Costs for enabling homeworking capability for workforce, and extending current software licences are expected to be picked up by the Covid grant. The need to continue to preserve access to data held in the SAP system has resulted in higher than budgeted licence costs with further costs being incurred in order to migrate this data in order to provide a longer-term solution. The revised contract pricing model for the Serco contract and third party arrangements have resulted in increased costs.
Commercial	Commercial Management	Budget revision to meet current service requirements	104	Y		
Other Budgets	Commercial Discount	Reduction in contract payments	706	Y		
TOTAL BUDGET SAVINGS			9,434	0	0	

			Reported Position			Explanation of any Shortfall and/or Covid19 Grant Support
Directorate	Service Area	Saving Information *	Planned Saving £000's	Delivery Y / N	If N, Shortfall £000's	
GROWTH IN INCOME						
Adult Care and Community Wellbeing	Adult Frailty and Long Term Conditions	Proportionate increase in Service User Contributions from increase in benefits	1,595	Y		
Adult Care and Community Wellbeing	Adult Frailty and Long Term Conditions	Increase in Direct Payment Refund income	575	Y		
Adult Care and Community Wellbeing	Adult Frailty and Long Term Conditions	Increase in Debtor income	1,000	Y		
Adult Care and Community Wellbeing	Adult Specialities	Increase in Direct Payment Refund income	250	Y		
Adult Care and Community Wellbeing	Adult Specialities	Additional CHC Funding from CCG's	1,800	Y		
Resources	Financial Strategy	Increased income from Schools	43	Y		
Resources	Audit and Risk	Increased income from audit services	22	N		Loss of income due to being unable to deliver planned audit work in Quarter 1 and 2 to District clients. Covid-19 costs and savings are being captured and it is anticipated that additional grant funding will cover the overspend.
Resources	Information Assurance	Increased income from Schools	17	Y		
Other Budgets	Dividend Income	Increase in dividend relating to investment	206	Y		This is received in December relating to the performance of our investment. At this stage, it is anticipated that we will still meet this income and will be updated in next quarter's monitoring.
TOTAL GROWTH IN INCOME			5,508	0	0	
TOTAL REDUCTIONS TO BUDGET			14,942	0	0	

Monitoring of Development Fund Initiatives 2020/21

Directorate	Service Area	Development Initiative	Planned One-Off Investment £000's	Progress to date
Place	Environment	Green Masterplan	350	Activity progressing but delayed due to COVID and now unlikely to fully spend in 2020/21
Place	Communities	Anaerobic digestion Facilities - Business Case Viability	150	Work on this is progressing and planned to be completed by end of 2020/21.
Place	Highways and Communities	Highways Advance Design/Economic Development Pipeline Projects	2,713	Forecast spend of £0.940m in 2020/21 is being managed alongside the annual allocated ADB budget and agreed with Exec Directors and Exec Members.
Place	Highways	Traffic signals - Wireless communications	5	Successfully installed and operated trial site, roll-out being planned and decommissioning of broadband connections being progressed. This is now complete and reserve will be drawdown in the next quarter.
Place	Highways	Drainage Investigation and Flood Repairs	200	Individual projects been agreed. Projects now commenced in Long Bennington and Timberland Chapel Lane. It is planned that this will span two years.
Fire and Rescue and Public Protection	Fire and Rescue	Research study - LFR prevention work	10	Lincoln University has been commissioned and are currently underway with the analysis to evaluate our Prevention activities. This work will be completed by end of this calendar year and time for us to utilise for the upcoming HMICFRS Inspection. The costs have been confirmed at 10K.
Commercial	Transformation	Transformation Programme (Business Process re-engineering)	280	Transformation Programme Board established. Governance arrangements and outline programme developed
Commercial	IMT	Broadband - 4G	135	Discussions have taken place with potential providers and these are currently being evaluated prior to making a decision regarding implementation.
	Reserves	Future Transformation & Covid-19 Recovery Plans	7,394	This programme will be reported separately.
	Reserves	Development Fund Reserve balance still to be allocated	1,444	
TOTAL DEVELOPMENT INITIATIVES			12,681	

APPENDIX O

Approved Budget Virements up to 30 September 2020

Revenue

SERVICE FROM	SERVICE TO	REASON	Approved by	AMOUNT
Adult Frailty & LTC	Adult Specialties	Transfer of revenue budget between Adult Frailty (Infrastructure) to Mental Health for community care fund.	Executive (3 rd March 2020)	£0.569m
Adult Frailty & LTC	Commercial	Movement of budgets from Adult Frailty (Infrastructure) to Commercial to assist with the delivery of Mental Health contract.	AD Specialist Adult Services & Safeguarding and General Manager Service Development	£0.045m

Capital

SERVICE FROM	SERVICE TO	REASON	Approved by	AMOUNT
Property	Safeguarding	Transfer Capital Care Leavers Housing budget back to Children's from Corporate Property	Business Manager Corporate Property	£0.053m

Revenue to Capital

SERVICE FROM	SERVICE TO	REASON	Approved by	AMOUNT
Highways (Revenue)	Capital Financing Charges	Salix national loan repayments 20/21	S151 Officer and Head of Design Services	£0.030m
Revenue funding (Capital)	Energy Efficiency Street Lighting scheme	This is part of Capital Programme approved by the Council in February 2020 but can only transfer in year (when the revenue budget is available).		

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