

Appendix 3 Communities OSC Management of Financial Risk

Management of Financial Risk

- The table below details performance against the latest approved revenue budget as measured by forecast under/overspend, further information and reasons for variances can be found in the [Cabinet Q3 Monitoring Report](#).

Service Area	Approved Budget	Service Forecast	(Under) /Overspend	% Change from Budget	Represented by:			
					Investment Funds	Impact on Earmarked Reserves	Covid Impact	Remaining Service Variance
					£m	£m	£m	£m
Environment Services	50.098	57.110	7.012	14.0%	0.00	(0.030)	0.055	6.987
Strategic Commissioning for Communities	26.786	26.537	(0.249)	-0.9%	(0.030)	(0.304)	0.616	(0.531)
Total	76.884	83.647	6.763	13.1%	(0.030)	(0.334)	0.671	6.456

- Performance against the approved savings target as measured by forecast under/overachievement.

As at Quarter 3, Environment Services is forecasting 100% delivery against the 3 saving targets (£1.286m) for the 2022/23 financial year and Strategic Commissioning for Communities reporting 65% delivery against 6 saving targets (£1.164m).

- The table below details performance against the approved capital programme as measured by forecast delays in delivery.

Service Area	Approved 2022-23 capital programme	New projects in year	Net over / underspend	Total capital programme	Budget Reprofile	Delays	Forecast In year capital spend	% of Delays
	£m	£m	£m	£m	£m	£m	£m	
Environment Services	42.280	0.157	0	42.437	1.099	(4.164)	39.372	-9.8%
Strategic Commissioning for Communities	10.317	0.008	(0.199)	10.126	0.164	(2.344)	7.946	-22.7%
S278 Developer Funded Schemes	14.785	1.496	0	16.281	0.180	(1.030)	15.429	-6.3%

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Total	67.382	1.661	(0.199)	68.844	1.443	(7.538)	62.747
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Environment Services – £4.164m:

- Lawford Road / Addison Road Casualty Reduction - £1.323m. Due to supply issues this scheme is being pushed back to 2023/24 financial year.
- A3400 Birmingham Road, Stratford Corridor improvements - £1.000m. This includes £803,703 of CIF inflation funding as costs have risen above original estimates which has necessitated a reprofiling of spend into 2023/24.
- A452 Myton Road and Shire Park Roundabouts - £0.528m. This scheme has been reprofiled with contractors expected on site in Summer 2023. £0.343m of CIF Inflation funding has been granted on the scheme.
- There are a number of other schemes with delays of less than £0.200m each which are detailed in the annexes to the finance quarterly monitoring report.

Strategic Commissioning for Communities - £2.344m:

- Evidence Led decision making in tackling climate emergency and air quality - £0.712m. There has been a delay in the procurement of the equipment necessary to provide the evidence.
- Library & Business Centre Nuneaton (CIF funded) - £0.500m. Following a cost review and decision at Corporate Board agreement has been reached to commission a building re-design to bring the scheme back within budget. Costs have been moved back to reflect the likely delays while the redesign takes place. The aim is to deliver the scheme within the original timeframe.
- Transforming Nuneaton - £0.296m. Inflation allocation from CIF inflation pot of £433k. Some delays to realign spending with expected timescales.
- Casualty reduction annual maintenance 2022/23 - £0.229m. One of the projects within the block of schemes in not progressing due to feasibility issues.
- There are a number of other schemes with delays of less than £0.200m each which are detailed in the annexes to the finance quarterly monitoring report.