



Document Type	Information Report
Programme	Future Northants
Title	Future Northants Finance Monitoring Report
Audience for this document	
West Northamptonshire Shadow Executive	
Purpose of this document	
The purpose of this report is to provide a summary of the forecast outturn position of the Future Northants Programme.	

Document Control

Version History (please see version control guidance)			
Date	Version	Author	Brief Comments on Changes
27/05/2020	1.0	Audra Satham	Updated LGR and Transformation Budget Changes
13/07/2020	1.0	Audra Satham	Outturn Report
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Distribution (For Information, Review or Approval)	
Name	Resp⁽¹⁾

(1) Responsibility: I=Information, R=Review, A=Approval

Document Approval	
Date	Who



1. Introduction

The programme expenditure and benefits realisable were reviewed, amended and presented to each of the North and West Executive committees in June 2020. Progress against this realigned budget is reported on a monthly basis. The budget monitoring relates to 20/21 only with any resulting slippage for future years being noted.

2. Background

The budget to deliver local government reorganisation and the forecast outturn for 2020/21 is summarised below and in full detail at Appendix 1.

Investment	Budget	Outturn	Variance
	2020/21	2020/21	Under/ (Over)
	£000	£000	£000
Business Rates Retention Pilots	7,802	7,802	0
NCC Transformation	4,250	4,250	0
Other Programme Costs	4,948	4,948	0
Staff Costs	5,697	5,697	0
Total	22,697	22,697	0

Benefits Realisation	Budget	Outturn	Variance
	2020/21	2020/21	
	£000	£000	£000
Business Rates Retention Pilots	2,246	1,630	616
NCC Transformation	12,235	12,435	-200
Total	14,481	14,065	416

The overall variance of £0.416m has decreased since the last report by £0.052m. This is an improved position. It is still expected that savings not delivered in 20/21 will still be delivered in later years.

Investment

As can be seen the investment costs are currently projected in line with budget. Whilst recruitment to all positions is still on-going, producing a favourable variance within the period, these savings are being used to further strengthen ICT resources and communications and engagement, related to the shortened implementation period.



Benefits Realisation

An analysis of the impact of the current health crisis on the realisation of financial benefits was undertaken on each of the Business Rates Retention Pilot schemes and NCC savings on the basis of what was known or assumed during April and May. This was and remains a fast moving, dynamic period of time and there are a number of assumptions in the analysis that will require ongoing review as the country starts to return to normal and enters into a recovery phase, which will be challenging in the lead up to setting budgets for the two unitary councils.

The variances reported above relate mainly to adults and children's services. Since period 4, reported in August, there has been an improved position on the targeted delivery of roads maintenance. The overall savings impact is a profile issue not an inability to achieve the savings.

Revised Financial Forecast

There remains considerable financial risk to the above outturn position, which will not be fully understood for some time yet depending on the recovery of the economy and the increasing outbreaks of Covid-19.

It is important to note that of the total £84.448m savings, £34.907m has already been delivered in 2019/20 and we are on track to deliver £14,065m during 2020/21. This will leave £35.476m to be delivered beyond vesting day.

3. Conclusion

Overall we are on track to deliver local government reform and transformation within budget, despite the very challenging environment in which we are operating. Risk remains high but by the end of 2020/21 a total of approximately £50m worth of savings will have been delivered.



FUTURE NORTHANTS



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