

Families, Children & Learning

Revenue Budget Summary

| 2016/17 Month 7 Variance £'000 | Service | 2016/17 Budget Month 9 £'000 | Forecast Outturn Month 9 £'000 | Forecast Variance Month 9 £'000 | Forecast Variance Month 9 % | 2016/17 Savings Proposed £'000 | Savings Achieved/ Anticipated £'000 | Savings At Risk £'000 |
|---|---|---------------------------------------|---|--|--------------------------------------|---|--|--------------------------------|
| 0 | Director of Families, Children & Learning | 344 | 249 | (95) | -27.6% | 100 | 100 | 0 |
| 2,465 | Health, SEN & Disability Services | 34,384 | 36,691 | 2,307 | 6.7% | 4,008 | 3,505 | 552 |
| 254 | Education & Skills | 8,111 | 8,200 | 89 | 1.1% | 786 | 849 | 92 |
| 854 | Children's Safeguarding & Care | 37,646 | 39,103 | 1,457 | 3.9% | 2,971 | 791 | 2,250 |
| (30) | Quality Assurance & Performance | 1,642 | 1,605 | (37) | -2.3% | 0 | 0 | 0 |
| 3,543 | Total Families, Children & Learning | 82,127 | 85,848 | 3,721 | 4.5% | 7,865 | 5,245 | 2,894 |

Explanation of Key Variances (Note: FTE/WTE = Full/Whole Time Equivalent)

| Key Variances | | | |
|---|---|---|---------------------------------------|
| £'000 | Service Area | Variance Description | Mitigation Strategy (Overspends Only) |
| Director of Families, Children & Learning | | | |
| (95) | Stronger Families | Vacant posts being held pending reductions in grant funding for next year. | |
| Health, SEN & Disability Services | | | |
| (120) | Demand-Led - Disability Agency Placements | It is currently forecast that there will be 11.45 FTE disability agency placements during 2016/17. The budget allows for 14.00 FTE and this has resulted in the projected underspend of £0.120m. | |
| 69 | In-house residential and respite services | Increasing use of overtime and agency staff providing residential and respite care for disabled children with complex needs. These services are contributing to the reduced spending on Disability Agency Placements above. | |

Appendix 2 – Revenue Budget Performance

| Key Variances | | | |
|--------------------|--|--|---|
| £'000 | Service Area | Variance Description | Mitigation Strategy (Overspends Only) |
| 2,131 | Demand Led - Learning Disability Adults - Community Care | There has been an increase in the level of clients presenting with greater complexity of need in recent months. This has resulted in an increase in the average unit costs for Learning Disability Care packages. The overspend predominantly relates to Supported Accommodation and Direct Payments which have shown a significant increase in activity since April 2015. | Continued review of care packages to ensure provision of services is effective, appropriate and value for money. Making the best use of in-house resources is also critical. Continued exploration of ways to reduce the need for high cost care and admissions into residential homes. Also, talking to NHS colleagues regarding the impact of the transforming care programme. |
| 48 | Learning Disability Adults - Assessment | This is due to additional staffing related to Deprivation of Liberty Safeguards and staffing being recruited beyond establishment for project work. | |
| 274 | Learning Disability Adults - In-house provision | The income target for Able & Willing has risen significantly in the last few years to £0.490m. The level of sales being generated however is considerably below the required rate and it is anticipated that there will be a shortfall of £0.198m in 2016/17. This is being offset by underspends against staffing costs and non pay costs. | Review of the Able & Willing service and exploring ways to maximise income revenue streams. |
| Education & Skills | | | |

Appendix 2 – Revenue Budget Performance

| Key Variances | | | |
|---------------|--------------------------|--|--|
| £'000 | Service Area | Variance Description | Mitigation Strategy (Overspends Only) |
| 266 | Home to School Transport | <p>The overspend is due to:</p> <ul style="list-style-type: none"> • Additional costs of the new contract introduced last year following the retendering exercise; • Less impact of Independent Travel Training than anticipated; • Increased costs in 16-19 travel; • Additional recoupment costs. <p>The overspend reflects the latest numbers of children (350) being transported. An analysis has been undertaken with the budget holder for each area of the budget and the latest position reflects the estimated outturn position based on current information.</p> | Further work is taking place to understand the increased costs of transport and identify mitigations. |
| 12 | Youth Service | An element of the 2016/17 budget savings strategy for the youth service was based on reducing the costs for premises following a review of buildings. At this stage it is unlikely that these savings will materialise, however this is now being partially off-set by savings on vacant posts. | Negotiations are currently underway with third sector providers to increase delivery from the Youth Service buildings. |
| (90) | Access to Education | This underspend relates to a reorganisation and reduction in management costs. | |

| Key Variances | | | |
|--------------------------------|--|---|--|
| £'000 | Service Area | Variance Description | Mitigation Strategy (Overspends Only) |
| (40) | Early Years - Nurseries and Children's Centres | <p>Nurseries – The overspend of £0.100m has decreased because of a further increase in income. The nursery restructure will be implemented by January and will match the number of staff to the number of children in each nursery. There will be some savings because of staff leaving on Voluntary Severance and more efficient shift patterns. Savings from changes in grades will not be realised until the end of three years protected pay.</p> <p>Children's centres – the underspend of £0.103m is due to additional income from midwifery, gaps in vacancies being filled and further reductions in running costs.</p> <p>In addition there is a £0.010m underspend due to no sufficiency grants being funded for early years providers.</p> | The restructure of the nurseries is progressing and some savings are expected but at this stage is difficult to quantify the level of the savings due to uncertainties around voluntary severance and protected pay. |
| Children's Safeguarding & Care | | | |
| 388 | Demand-Led - Residential Agency Placements | The projected number of residential placements (32.32 FTE) is broken down as 29.29 FTE social care residential placements (children's homes), 3.00 FTE schools placements and 0.02 FTE family assessment placements. The budget allowed for 27.70 FTE social care residential care placements, 3.90 FTE schools placements and 0.40 FTE family assessment placements. The average unit costs of these placements is also higher than the budgeted level for all placement | Regular reviews of any placement in a residential setting are being undertaken and there are plans for a number of children to move them to alternative placements in the community where this is appropriate. |

Appendix 2 – Revenue Budget Performance

| Key Variances | | | |
|---------------|---|---|---|
| £'000 | Service Area | Variance Description | Mitigation Strategy (Overspends Only) |
| | | types. The number of children's placements is 0.32 FTE above the budgeted level and together with the high unit costs results in the overspend of £0.388m. | |
| 697 | Demand-Led - Independent Foster Agency (IFA) Placements | The number of children placed in Independent Foster Agency placements has decreased in recent years. During 2015/16 there were 158.06 FTE. The current projected number of placements in 2016/17 is 130.72 FTE, a reduction of 17.3%. The budget for IFA placements included significant levels of savings and was set at 121.00 FTE. The numbers being higher than the budget by 9.72 FTE results in a projected overspend of £0.697m. | This project is working very well and with a reduction in children in Care (CIC) is enabling the service to achieve an improved financial outcome. If both factors continue, it may be possible to achieve greater savings. It is, however, anticipated that the recruitment of new in-house foster carers will reduce the overspend by £0.200m. |
| 212 | Demand-Led - Secure Accommodation | It is estimated that during 2016/17 there will be 1.84 FTE secure (welfare) placements and 0.74 FTE secure (justice) placements. The budget allowed for 1.00 FTE welfare and 1.00 FTE justice placements during the year. There is currently two children in a secure (welfare) placement and two in a secure (criminal) placement resulting in a projected overspend of £0.212m. | Secure placements are only used as a last resort. They are used when deprivation of a young person's liberty is the only solution which will enable work to start to keep them safe on exit from the unit. The Adolescent Service is being successful in reducing the risk and stepping down needs and it is planned that the service will be able to impact on the number of young people requiring secure placements. |
| 841 | Demand-Led - Semi-independent/Supported placements | The number of semi-independent and supported living placements is projected to be 26.82 FTE and this is 8.32 FTE above the budgeted level. In addition, the average unit cost of these placements is £396.61 per week higher than the budget and this results in an overspend of £0.841m. | It will be difficult to achieve any savings in this area due to pressures elsewhere in the system. |

Appendix 2 – Revenue Budget Performance

| Key Variances | | | |
|---------------|--|--|--|
| £'000 | Service Area | Variance Description | Mitigation Strategy (Overspends Only) |
| (163) | Demand-Led - In-House Fostering | As at the 31st December 2016 there were 154 children placed with 'in-house' foster carers and 151.34 FTE for the year. The budget was based on an increasing trend over the last few years and was set at 156.50 FTE placements. This has resulted in the current projected underspend of £0.163m. There is currently work ongoing to increase the number of in-house foster carers and this should result in a net reduction in costs . | The project will try to increase the number of in house foster carers by more than predicted. |
| (144) | Demand-Led - Family & Friends placements, Child Arrangement Orders and Special Guardianship Orders | The budget allows for 310.00 FTE placements of these types. It is currently anticipated that there will be 292.74 FTE children in these placements during 2016/17 and this results in the underspend of £0.144m. | |
| 479 | Demand-Led - Care Leavers | The projected number of care leaver placements in 2016/17 is 81.30 FTE. The budget allows for 58.10 FTE placements. The increase mainly relates to growing numbers of Staying Put placements (44.88 FTE in 2016/17). In addition, the average unit cost is also higher than the budget resulting in an overall overspend of £0.479m. | The right of 18 year olds to decide to 'Stay Put' with their foster carers is a requirement on the service and one which we are tasked to encourage as in the best interests of young people. We do not anticipate this spend reducing. The current Social Work Bill is likely to lead to increased pressure in this area. |
| (78) | Demand-Led Unaccompanied Asylum Seeking Children (UASC) Grant | The numbers of unaccompanied asylum seeking children has increased considerably in the last 12 months. The costs of looking after these children is funded by a grant from the home office and the grant is in access of the estimated value by £0.078m | |

Appendix 2 – Revenue Budget Performance

| Key Variances | | | |
|----------------------|------------------------------|--|--|
| £'000 | Service Area | Variance Description | Mitigation Strategy (Overspends Only) |
| 271 | Social Work Teams | The overspend within the social work teams relates predominantly to use of agency staff. This is a result of a large number of vacant posts across the social work teams at present and a difficulty in retaining experienced staff. There are currently 25 locum social workers employed within the social work service resulting in additional costs of £1.705m. | The new model for social work adopted in Brighton & Hove has attracted a lot of interest from social workers from other areas and those employed as agency staff currently. With the potential agreement to a market supplement payment, it is hoped that it will be possible to achieve further reductions in agency spend. |
| (603) | Adoption | Following changes to adoption regulations and a re-basing of the inter-agency budget, it is anticipated that there will be an underspend in 2016/17. This is based on estimated income from other agencies which was considerably higher last year than in previous years. In addition, it includes income from the new Inter Agency Adoption Fee Grant. | |
| (162) | Fostering and Adoption teams | There are currently a number of vacant posts across the fostering and adoption teams. | |

Health & Adult Social Care

Revenue Budget Summary

| 2016/17 Month 7 Variance £'000 | Service | 2016/17 Budget Month 9 £'000 | Forecast Outturn Month 9 £'000 | Forecast Variance Month 9 £'000 | Forecast Variance Month 9 % | 2016/17 Savings Proposed £'000 | Savings Achieved/ Anticipated £'000 | Savings At Risk £'000 |
|---|--|---------------------------------------|---|--|--------------------------------------|---|--|--------------------------------|
| 978 | Adult Social Care | 29,644 | 30,416 | 772 | 2.6% | 2,851 | 2,851 | 0 |
| (145) | Integrated Commissioning | 8,701 | 8,518 | (183) | -2.1% | 159 | 159 | 0 |
| 419 | S75 Sussex Partnership Foundation Trust (SPFT) | 11,634 | 12,237 | 603 | 5.2% | 246 | 246 | 0 |
| (75) | Public Health | 1,242 | 1,242 | 0 | 0.0% | 1,096 | 1,096 | 0 |
| 1,177 | Total Health & Adult Social Care | 51,221 | 52,413 | 1,192 | 2.3% | 4,352 | 4,352 | 0 |

Explanation of Key Variances (Note: FTE/WTE = Full/Whole Time Equivalent)

| Key Variances £'000 | Service Area | Variance Description | Mitigation Strategy (Overspends Only) |
|---------------------------|---|--|---|
| Adult Social Care | | | |
| (11) | Demand-Led Community Care - No Recourse to Public Funds | The average unit cost is slightly lower than the budgeted unit cost resulting in the small underspend of £0.007m. | |
| 572 | Demand-Led Community Care - Physical & Sensory Support | The number of WTE care packages is significantly greater than the budgeted level. This is partly the result of increasing numbers of 'new' older people being discharged from hospital requiring social care services for the first time, as well as increased community demand. | Numbers of clients requiring social care services have been higher than anticipated and work is ongoing to look at reducing admissions to nursing and residential homes. There is a need to work with all partners both NHS and independent sector to promote well being and reablement. |

Appendix 2 – Revenue Budget Performance

| Key Variances | | | |
|---------------|--|--|---|
| £'000 | Service Area | Variance Description | Mitigation Strategy (Overspends Only) |
| 79 | Demand-Led Community Care - Substance Misuse | There are relatively small numbers of clients within this service and this is in line with the expected demand. The average unit costs however are slightly higher than anticipated and this accounts for the small overspend. | |
| 633 | Deprivation of Liberty Safeguarding (DOLS) | The level of new referrals increased significantly in the last half of 2015/16, rising from 122 in October 2015 to 190 in April 2016. It is estimated that referrals will increase by 25% in 2016/17 to just fewer than 3,100 for new and repeat referrals. | This is a key pressure area for which additional resources will be required and in future years will need to be mitigated by either additional resources (e.g. Adult Social Care precepts) or by savings elsewhere. |
| (142) | Carers Support | More efficient use of Better Care Fund resources will result in an underspend in the carers support budget. | |
| 104 | Hostel Accommodation | There has been a delay in the transfer of a Hostel to a new building which has resulted in pressures on rent costs and Housing Benefit income. | A new building is being identified for the Hostel and the move is expected next financial year. |
| 299 | Community Equipment Store (Better Care Fund S75 Pooled Budget) | The Community Equipment Store has reported an overspend of £1.384m to the Better Care Board however this should be offset in part by other underspends within Better care. The £0.299m reflects a residual risk of £0.598m of which the council has a 50% risk share with the CCG. | |
| 151 | Older people resource centres | The overspend relates to use of Care Crew agency staffing pressures across the resource centres. | |
| (575) | Home Care & Night Home Care Service | The Night Home Care Service has closed and they have also made additional staffing savings. This forms part of the budget proposals for 2017/18. | |

Appendix 2 – Revenue Budget Performance

| Key Variances | | | |
|--|---------------------------------------|---|--|
| £'000 | Service Area | Variance Description | Mitigation Strategy (Overspends Only) |
| (337) | Assessment & SIT | This is due to a number of vacancies across the Assessment teams. | |
| Integrated Commissioning | | | |
| (122) | Carers Support | More efficient use of Better Care Fund resources will result in an underspend in the Carers Support budget. | |
| (84) | Integrated Commissioning | Due to vacancies within the Commissioning teams. | |
| S75 Sussex Partnership Foundation Trust (SPFT) | | | |
| 560 | Demand-Led - Memory Cognition Support | There are higher numbers of WTE care packages than are funded in the budget; the unit costs are also higher than had been anticipated resulting in the overspend of £0.415m. This is due to a current lack of affordable residential and nursing home placements within the city. | Increased scrutiny of all complex or high cost care packages to ensure value for money against eligible care needs. Where possible, no placements are made above the agreed Local Authority rates. The Clinical Commissioning Group (CCG) have agreed additional funding of £0.850m to offset the risks on the Community Care budget. The Risk Share arrangement with SPFT assumes a 50:50 split of any remaining overspend up to a cap of £0.250m. A Continuing Health Care Taskforce is in place to ensure that all appropriate funding sources are identified. |
| 331 | Demand-Led - Mental Health Support | Numbers of WTE clients are lower than the budget allocation but the average unit costs are significantly higher due to the increasing need and complexity of this client group and it is this that results in the overspend of £0.255m. | |
| (38) | Demand-Led - Staff teams | Underspends resulting from vacancies and turnover. | |

Appendix 2 – Revenue Budget Performance

| Key Variances | | | |
|----------------------|------------------------------|---|--|
| £'000 | Service Area | Variance Description | Mitigation Strategy (Overspends Only) |
| (250) | Demand-Led - SPFT risk share | The risk share arrangements with SPFT have been agreed for two years. The risk will be shared 50/50 with a cap at £0.250m, the breaching of which would trigger further discussions with the CCG. | |

Economy, Environment & Culture

Revenue Budget Summary

| 2016/17 Month 7 Variance £'000 | Service | 2016/17 Budget Month 9 £'000 | Forecast Outturn Month 9 £'000 | Forecast Variance Month 9 £'000 | Forecast Variance Month 9 % | 2016/17 Savings Proposed £'000 | Savings Achieved/ Anticipated £'000 | Savings At Risk £'000 |
|---|--------------------------------------|---------------------------------------|---|--|--------------------------------------|---|--|--------------------------------|
| (876) | Transport | (6,237) | (7,194) | (957) | -15.3% | 980 | 813 | 167 |
| (52) | City Environmental Management | 28,365 | 28,224 | (141) | -0.5% | 1,330 | 1,316 | 14 |
| 312 | City Development & Regeneration | 2,844 | 3,043 | 199 | 7.0% | 226 | 216 | 10 |
| (177) | Culture | 4,446 | 4,125 | (321) | -7.2% | 572 | 364 | 208 |
| (60) | Property & Design | 3,567 | 3,469 | (98) | -2.7% | 789 | 769 | 20 |
| (853) | Total Economy, Environment & Culture | 32,985 | 31,667 | (1,318) | -4.0% | 3,897 | 3,478 | 419 |

Explanation of Key Variances

| Key Variances | | | |
|---------------|----------------------------|--|---------------------------------------|
| £'000 | Service Area | Variance Description | Mitigation Strategy (Overspends Only) |
| Transport | | | |
| (124) | Asset & Network Management | Underspends due to establishment management pending the service redesign (£0.081m) and highways licencing and other income (£0.089m) are partly offset by £0.020m overspend on the gulley cleansing contract due to three major flood events so far this year and other minor variances. | |

Appendix 2 – Revenue Budget Performance

| Key Variances | | | |
|-------------------------------|------------------------------|---|--|
| £'000 | Service Area | Variance Description | Mitigation Strategy (Overspends Only) |
| 198 | Head of Transport | The implementation of the service redesign is now anticipated later than originally planned resulting in a savings risk of £0.167m; 0.022m for the planned recruitment of a Commercial Manager post to support actions identified in the service and financial plans across the EEC Directorate; £0.009m forecast overspend on traffic research costs. | Various vacancies are being held across the Transport service area pending the service redesign. |
| (856) | Parking & Network Operations | Forecast over-achievement of permit fee income of (£0.650m) due to continued uptake in traders and visitors permits, as well as suspension permit parking due to a number of developments in the city. Other net favourable variances totalling (£0.206m) represent increased demand in particular areas such Regency Square following the opening of the i360. | |
| (225) | Transport Projects | Various underspend variances includes reduced borrowing and other costs relating to public transport (£0.076m), contractual income from the bus shelter contract (£0.072m), and reduced contribution to the Sussex Safer Roads Partnership following a change to funding of (£0.051m) | |
| City Environmental Management | | | |
| (72) | Sport and Leisure | Expenditure underspends held in advance of future year budget savings as well as minor in year underspends across a range of expenditure areas. | |

| Key Variances | | | |
|---------------------------------|---|---|---|
| £'000 | Service Area | Variance Description | Mitigation Strategy (Overspends Only) |
| (69) | Strategy & Projects | Salary forecasts have been updated following the implementation of a service redesign. Underspends largely relate to vacant post held during the redesign and following increased recruitment controls. The forecast variance is net of a forecast £0.014m saving risk relating to income from textile recycling. | |
| City Development & Regeneration | | | |
| 319 | Applications | Forecast under-achievement on Development Planning and Building Control fee income of £0.130m based on current demand and delays to implementing pre-planning application advice charges. Net salary overspend forecast of £0.189m to meet government set timescales to respond to planning applications and regrading of posts following appeal. | Income levels are demand led and dependant on the number of applications and major developments in the City. Potential mitigating actions have not been possible due to pressure on the service to meet government set timescales for respond to planning applications. |
| 63 | Head of City Development & Regeneration | Interim management services provided by external agency to support service modernisation and transformation. | |
| (4) | International & Sustainability | Saving risk of £0.010m due to delays to implementation as part of wider service restructure, to be funded from underspends elsewhere within the service. | |
| (58) | Major Projects | Underspends in net salary costs following recharge of project manager staff time to capital funded schemes. | |
| (69) | Planning Policy and Major Projects | Underspends in salary costs due to vacancies being held during a service restructure following increased recruitment controls. | |

Appendix 2 – Revenue Budget Performance

| Key Variances | | | |
|---------------|-------------------|---|--|
| £'000 | Service Area | Variance Description | Mitigation Strategy (Overspends Only) |
| Culture | | | |
| (154) | Tourism | Vacancy management underspend of (£0.086m) to allow for business planning and service delivery review, increased Conference Commission income of (£0.054m) and other minor net underspends. | |
| (198) | Venues | Income from events, ticket commissions and catering commissions in the current year based on known business and one-off effect of an under accrual from 2015/16. | |
| Property | | | |
| 213 | Estates | There are net revenue pressures for the Estates service totalling £0.118m. Additionally there are additional security and other costs relating to the Agricultural Estates in the region of £0.095m | Rent income forecasts are monitored and reported on a monthly basis as part of the TBM process. The managing agents acting on behalf of the council seek to maximise the level of rental income from the commercial portfolio. |
| (310) | Property Services | There are underspends within the Energy Management service of £0.138m due to reductions in electricity costs. There are cost savings in the Premises Management section of £0.155m due mainly to management of vacancies with other services accounting for further underspends of £0.018m. | |

Neighbourhood, Communities & Housing

Revenue Budget Summary

| 2016/17 Month 7 Variance £'000 | Service | 2016/17 Budget Month 9 £'000 | Forecast Outturn Month 9 £'000 | Forecast Variance Month 9 £'000 | Forecast Variance Month 9 % | 2016/17 Savings Proposed £'000 | Savings Achieved/ Anticipated £'000 | Savings At Risk £'000 |
|---|--|---------------------------------------|---|--|--------------------------------------|---|--|--------------------------------|
| 897 | Housing General Fund | 4,509 | 5,189 | 680 | 15.1% | 582 | 582 | 0 |
| 0 | Libraries | 4,952 | 4,952 | (0) | 0.0% | 309 | 309 | 0 |
| 95 | Communities, Equalities & Third Sector | 2,873 | 2,960 | 87 | 3.0% | 208 | 108 | 100 |
| (4) | Regulatory Services | 1,983 | 1,979 | (4) | -0.2% | 154 | 154 | 0 |
| (0) | Community Safety | 1,260 | 1,260 | (0) | 0.0% | 133 | 133 | 0 |
| 987 | Total Neighbourhood, Communities & Housing | 15,577 | 16,340 | 763 | 4.9% | 1,386 | 1,286 | 100 |

Explanation of Key Variances

| Key Variances | | | |
|----------------------|---|--|--|
| £'000 | Service Area | Variance Description | Mitigation Strategy (Overspends Only) |
| Housing General Fund | | | |
| 650 | Temporary Accommodation and Allocations | The net budget for Temporary Accommodation (TA) is £1.459m and the service is currently forecast to spend £2.806m, an overspend of £1.347m. This is due to the lack of affordable accommodation to move people on to which has led to growth in the numbers of households requiring TA. This has been made worse by the need to handback 150 properties through the ending of a key provider relationship leading to the use of more expensive spot purchase accommodation. There is a financial recovery plan which is forecast to reduce costs by £0.597m. Using a contingency sum set aside for homelessness of £0.100m, means that the service is forecast to overspend £0.650m. | The service is currently forecasting to overspend by £1.347m. The current financial recovery plan is now forecast to deliver £0.597m. This plan includes the use of reserves, staff vacancy management and DCLG grant money to improve prevention and incentivise landlords in the private rented sector. It also assumes a reduction to the numbers of households in TA as a result of the new allocation policy approved by PR&G Committee on 8th December. The overspend is further mitigated by the use of £0.100m contingency sum set aside for homelessness. |

Appendix 2 – Revenue Budget Performance

| Key Variances | | | |
|--|------------------------|---|---|
| £'000 | Service Area | Variance Description | Mitigation Strategy (Overspends Only) |
| 132 | Private Sector Housing | Additional pressure of £0.216m (reduced from £0.328m at month 7) has arisen because the Better Care Fund allocation for Disabled Facilities Grant transferred to Housing is less than the indicative amount of £1.590m announced by the Government in February for 2016/17. Recovery plan measures to reduce the overspend are counteracted by this reduction in the allocation passed on to Housing. This is offset by underspends (£0.084m) as a result of vacancies within the private sector housing team and an increase in the recharge of salaries to capital for the adaptations service. | The Better Care Fund approved by the Health & Wellbeing Board allocated some DFG resources to other schemes including carers and protecting social care. However, this needs resolution for future Better Care Fund allocations as the current funding level for DFG is insufficient. |
| (71) | Housing Strategy | This relates to the service redesign taking pace earlier than originally planned leading to reduced employee costs in 2016/17 as well as further minor underspends throughout housing strategy and development. | |
| (32) | Travellers | There has been a reduction in the costs rubbish removal and legal costs associated with unauthorised encampments as there has been a significant reduction in the number of these since the opening of the transit and permanent site. | |
| Communities, Equalities & Third Sector | | | |

Appendix 2 – Revenue Budget Performance

| Key Variances | | | |
|----------------------|--|--|---|
| £'000 | Service Area | Variance Description | Mitigation Strategy (Overspends Only) |
| 87 | Communities, Equalities & Third Sector | The projected variance reflects the cross-cutting saving (£0.200m) from the proposed merger with Community Safety in Public Health of which £0.100m is currently at risk. £0.113m is currently being managed through vacancy management. | This overspend has reduced since the beginning of the financial year, using vacancies to manage this. However, it is unlikely to be mitigated by the end of the year. |

Finance & Resources

Revenue Budget Summary

| 2016/17 Month 7 Variance £'000 | Service | 2016/17 Budget Month 9 £'000 | Forecast Outturn Month 9 £'000 | Forecast Variance Month 9 £'000 | Forecast Variance Month 9 % | 2016/17 Savings Proposed £'000 | Savings Achieved/ Anticipated £'000 | Savings At Risk £'000 |
|---|---------------------------------|---------------------------------------|---|--|--------------------------------------|---|--|--------------------------------|
| (54) | Finance | 10,918 | 10,700 | (218) | -2.0% | 810 | 810 | 0 |
| (300) | Housing Benefit Subsidy | (676) | (1,001) | (325) | -48.1% | 0 | 0 | 0 |
| 0 | HR & Organisational Development | 3,106 | 3,032 | (74) | -2.4% | 335 | 335 | 0 |
| 0 | ICT | 7,310 | 7,310 | 0 | 0.0% | 434 | 434 | 0 |
| (354) | Total Finance & Resources | 20,658 | 20,041 | (617) | -3.0% | 1,579 | 1,579 | 0 |

Explanation of Key Variances

| Key Variances £'000 | Service Area | Variance Description | Mitigation Strategy (Overspends Only) |
|---------------------------|-------------------------|---|---------------------------------------|
| Finance | | | |
| (153) | Finance | Vacancy management in Finance & Procurement (£0.105m), reimbursement of audit investigation costs and reduced professional fee costs for the Internal Audit section (£0.048m). | |
| (65) | Revenues & Benefits | Staffing underspends. | |
| Housing Benefit Subsidy | | | |
| (325) | Housing Benefit Subsidy | £0.210m relates to the recovery of former Council Tax Benefit overpayments. Based on data up to the end of September, a surplus of £0.115m is forecast for the subsidy budgets. | |

Appendix 2 – Revenue Budget Performance

| Key Variances | | | |
|---------------------------------|---------------------------------|---|--|
| £'000 | Service Area | Variance Description | Mitigation Strategy (Overspends Only) |
| HR & Organisational Development | | | |
| (74) | HR & Organisational Development | Management of vacancies as well as small projected underspends in Occupational Health and Health & Safety | |

Strategy, Governance & Law

Revenue Budget Summary

| 2016/17 Month 7 Variance £'000 | Service | 2016/17 Budget Month 9 £'000 | Forecast Outturn Month 9 £'000 | Forecast Variance Month 9 £'000 | Forecast Variance Month 9 % | 2016/17 Savings Proposed £'000 | Savings Achieved/ Anticipated £'000 | Savings At Risk £'000 |
|---|---------------------------------------|---------------------------------------|---|--|--------------------------------------|---|--|--------------------------------|
| (30) | Corporate Policy | 654 | 624 | (30) | -4.6% | 167 | 167 | 0 |
| 0 | Legal Services | 1,412 | 1,409 | (3) | -0.2% | 105 | 105 | 0 |
| (9) | Democratic & Civic Office Services | 1,838 | 1,819 | (19) | -1.0% | 85 | 85 | 0 |
| 57 | Life Events | 27 | 154 | 127 | 470.4% | 212 | 152 | 60 |
| (30) | Performance, Improvement & Programmes | 879 | 849 | (30) | -3.4% | 46 | 46 | 0 |
| 0 | Communications | 754 | 624 | (130) | -17.2% | 140 | 140 | 0 |
| (12) | Total Strategy, Governance & Law | 5,564 | 5,479 | (85) | -1.5% | 755 | 695 | 60 |

Explanation of Key Variances

| Key Variances £'000 | Service Area | Variance Description | Mitigation Strategy (Overspends Only) |
|---------------------------|----------------------|--|--|
| Life Events | | | |
| 14 | Registrars | Staffing cost pressures within the Registrars Service. | The Head of Life Events and Registrations Manager are progressing a service redesign in this area. |
| 16 | Elections | Overall cost pressures within Elections Service. | A review of the costs and funding for the Elections Service is being undertaken following the EU referendum. |
| 97 | Bereavement Services | Crematorium fee income pressure £0.123m, Vacancy management of £0.053m, other variances £0.027m overspend. | A service redesign is being progressed in this area alongside a further review of fees and charges. |

Appendix 2 – Revenue Budget Performance

| Key Variances | | | |
|-----------------------|---------------------|---|--|
| £'000 | Service Area | Variance Description | Mitigation Strategy (Overspends Only) |
| Communications | | | |
| (130) | Communications | Management of vacant posts (£0.075m) and supplies and services underspends (£0.055m). | |

Corporate Services

Revenue Budget Summary

| 2016/17 Month 7 Variance £'000 | Service | 2016/17 Budget Month 9 £'000 | Forecast Outturn Month 9 £'000 | Forecast Variance Month 9 £'000 | Forecast Variance Month 9 % | 2016/17 Savings Proposed £'000 | Savings Achieved/ Anticipated £'000 | Savings At Risk £'000 |
|---|---|---------------------------------------|---|--|--------------------------------------|---|--|--------------------------------|
| (250) | Bulk Insurance Premia | 0 | (250) | (250) | 0.0% | 0 | 0 | 0 |
| (30) | Concessionary Fares | 10,933 | 10,903 | (30) | -0.3% | 240 | 240 | 0 |
| (380) | Capital Financing Costs | 6,705 | 6,240 | (465) | -6.9% | 0 | 0 | 0 |
| (1) | Levies & Precepts | 172 | 171 | (1) | -0.6% | 0 | 0 | 0 |
| 0 | Unallocated Contingency & Risk Provisions | 3,002 | 2,859 | (143) | -4.8% | 0 | 0 | 0 |
| (160) | Unringfenced Grants | (15,495) | (15,655) | (160) | -1.0% | 0 | 0 | 0 |
| (217) | Other Corporate Items | 2,334 | 1,589 | (745) | -31.2% | 270 | 270 | 0 |
| (1,038) | Total Corporate Budgets | 7,651 | 5,857 | (1,794) | -23.5% | 510 | 510 | 0 |

Explanation of Key Variances

| Key Variances £'000 | Service Area | Variance Description | Mitigation Strategy (Overspends Only) |
|---------------------------|-------------------------|---|--|
| Bulk Insurance Premia | | | |
| (250) | Bulk Insurance Premia | Expenditure on the settlement of claims is forecast to be lower than budgeted. | |
| Concessionary Fares | | | |
| (30) | Concessionary Bus Fares | Lower than anticipated reimbursements for concessionary trips. | |
| Capital Financing Costs | | | |
| (465) | Capital Financing Costs | Additional net borrowing costs of £0.147m will be incurred as a result of bringing forward borrowing to take advantage of historically low borrowing rates. This is expected to make permanent savings of | Overspending is offset by an increase in forecast investment income (see below). |

Appendix 2 – Revenue Budget Performance

| Key Variances | | | |
|--|---------------------------|--|---------------------------------------|
| £'000 | Service Area | Variance Description | Mitigation Strategy (Overspends Only) |
| | | £0.086m per year. This is offset by an increase in forecast investment income as a result of higher forecast investment balances than previously expected. There is also a budget for a contribution to Trusts that is not required (already accounted for in another budget line) and a one-off saving due to the conclusion of the MRP review. | |
| Unallocated Contingency & Risk Provisions | | | |
| (143) | Contingency | Reduced requirement from general contingency (£0.075m). Reduced requirement from the amount set aside for legal costs relating to temporary accommodation (£0.068m). | |
| Unringfenced Grants | | | |
| (78) | Unringfenced Grants | Council Tax Support Admin Subsidy Grant announced in March 2016 is higher than forecast. | |
| (68) | Unringfenced Grants | Local Reform & Community Voices grant announced in April 2016 is higher than forecast. | |
| (14) | Unringfenced Grants | Receipt of CLG Transparency Code Set up (£0.013m) and Lead Local Flood Authority (£0.001m) grants | |
| Other Corporate Items | | | |
| (217) | Unfunded Pension Payments | There is a £0.123m underspend relating to overpayments identified in respect of previous years and £0.094m in respect of an in year reduction. | |

Appendix 2 – Revenue Budget Performance

| Key Variances | | | |
|----------------------|--------------------------|--|--|
| £'000 | Service Area | Variance Description | Mitigation Strategy (Overspends Only) |
| (528) | Centrally Managed Budget | Unidentified income relating to 2014/15 and earlier financial years has been written back in accordance with the council's accounting policy. Release of Adult Social Care contingency to meet Better Care Fund and S75 risk shares (£350k) (see paragraph 3.16). | |

Appendix 2 – Revenue Budget Performance

Housing Revenue Account (HRA)

Revenue Budget Summary

| 2016/17 Month 7 Variance £'000 | Service | 2016/17 Budget Month 9 £'000 | Forecast Outturn Month 9 £'000 | Forecast Variance Month 9 £'000 | Forecast Variance Month 9 % | 2016/17 Savings Proposed £'000 | Savings Achieved/ Anticipated £'000 | Savings At Risk £'000 |
|---|---|---------------------------------------|---|--|--------------------------------------|---|--|--------------------------------|
| (125) | Capital Financing | 31,916 | 31,791 | (125) | -0.4% | 0 | 0 | 0 |
| (7) | Head of Housing HRA | 3,197 | 3,224 | 27 | 0.8% | 385 | 385 | 0 |
| (31) | Head of City Development & Regeneration | 264 | 235 | (29) | -11.0% | 37 | 37 | 0 |
| (13) | Housing Strategy | 664 | 651 | (13) | -2.0% | 0 | 0 | 0 |
| (323) | Income Involvement Improvement | (46,311) | (46,877) | (566) | -1.2% | 239 | 239 | 0 |
| (961) | Property & Investment | 8,369 | 6,947 | (1,422) | -17.0% | 348 | 348 | 0 |
| (6) | Tenancy Services | 1,901 | 1,793 | (108) | -5.7% | 384 | 384 | 0 |
| (1,466) | Total Housing Revenue Account | 0 | (2,236) | (2,236) | 0.0% | 1,393 | 1,393 | 0 |

Explanation of Key Variances

| Key Variances | | | |
|-------------------|-------------------|--|---------------------------------------|
| £'000 | Service Area | Variance Description | Mitigation Strategy (Overspends Only) |
| Capital Financing | | | |
| (125) | Capital Financing | Significant reprofiling of HRA capital expenditure from 2015/16 into 2016/17 impacts on the timing of when borrowing is required to be undertaken to fund the expenditure. This has resulted in lower interest charges being incurred during 2016/17 compared to the original budget forecast. | |

Appendix 2 – Revenue Budget Performance

| Key Variances | | | |
|--------------------------------|--|--|---------------------------------------|
| £'000 | Service Area | Variance Description | Mitigation Strategy (Overspends Only) |
| Income Involvement Improvement | | | |
| (283) | Income Management - provisions for debt and DHP fund | The contribution to the HRA debt provision is forecast to be underspent by £0.208m, this is based on the forecast level of arrears and write offs for the year and allowing for welfare reform changes. The HRA budget also includes £0.075m for a contribution to Discretionary Housing Payments(DHP) fund. It is forecast that this contribution will not be required to be called upon this financial year. | |
| (200) | Income Involvement Improvement - salary forecast | The service is also currently forecast to underspend by £0.200m on employee costs across rent accounting, Housing Customer Services and Income management teams. | |
| (66) | Tenancy Management office Costs | Underspends of approximately £0.066m relating to a reduction in office costs across the service. | |
| Property & Investment | | | |
| (688) | Responsive Repairs and Empty Property works | This underspend relates to a reduction in responsive repairs and empty property works expenditure due to the increased capital investment in council dwellings over recent years as well as reducing stock numbers from Right to Buy sales and stock transfer to Seaside Homes. | |
| (500) | Gas servicing and maintenance | Estimated contract efficiency savings relating to new gas contract which commenced on 1 April 2016. | |

Appendix 2 – Revenue Budget Performance

| Key Variances | | | |
|------------------|---------------------------------------|---|---------------------------------------|
| £'000 | Service Area | Variance Description | Mitigation Strategy (Overspends Only) |
| (300) | Leaseholder Major Works Income | Income from service charges to leaseholders for Major Works is forecast to overachieve by £0.300m, mainly due to the timing of capital works meaning more was rechargeable in 2016/17 than was estimated when setting the budget. | |
| 85 | Property & Investment salary forecast | An increase in staff costs partly due to an increase in agency staff covering vacancies and additional quantity surveyor. | A review of the 2017/18 budget. |
| Tenancy Services | | | |
| (71) | Tenancy Management Property Costs | Forecast underspend of £0.107m for gas and electricity charges which has been offset by various minor variations across Tenancy Services. | |
| (46) | Rehousing Team | A forecast reduction in the expenditure on decorating vouchers of £0.053m by moving to decorating packs which are cheaper. This is offset by other small variances. | |

Dedicated Schools Grant (DSG)

Revenue Budget Summary

| 2016/17 Month 7 Variance £'000 | Service | 2016/17 Budget Month 9 £'000 | Forecast Outturn Month 9 £'000 | Forecast Variance Month 9 £'000 | Forecast Variance Month 9 % |
|---|--|---------------------------------------|---|--|--------------------------------------|
| 0 | Individual Schools Budget (ISB) | 123,359 | 123,359 | 0 | 0.0% |
| (327) | Early Years Block (including delegated to Schools) <i>(This includes Private Voluntary & Independent (PVI) Early Years 3 & 4 year old funding for the 15 hours free entitlement to early years education)</i> | 10,629 | 10,204 | (425) | -4.0% |
| 154 | High Needs Block (excluding delegated to Schools) | 18,409 | 18,687 | 278 | 1.5% |
| (42) | Exceptions and Growth Fund | 5,298 | 5,233 | (65) | -1.2% |
| 0 | Grant Income | (157,263) | (157,263) | 0 | 0.0% |
| (215) | Total Dedicated Schools Grant (DSG) | 432 | 220 | (212) | -49.1% |

Explanation of Key Variances

| Key Variances £'000 | Service Area | Variance Description | Mitigation Strategy (Overspends Only) |
|--|---------------------------|--|---------------------------------------|
| Early Years Block (including delegated to Schools) | | | |
| (350) | 3 & 4 year old funding | Latest estimate of 3 & 4 year old payments for EYFE based on summer 2016 | |
| (25) | Early Years Pupil Premium | Latest Estimate of payments for early years pupil premium | |
| (23) | 2 year old funding | Latest estimate of 2 year old payments for EYFE based on summer 2016 | |
| (27) | Centrally retained | Miscellaneous minor underspends | |

Appendix 2 – Revenue Budget Performance

| Key Variances | | | |
|---|-----------------------------------|---|--|
| £'000 | Service Area | Variance Description | Mitigation Strategy (Overspends Only) |
| High Needs Block (excluding delegated to Schools) | | | |
| 260 | Maintained schools top up funding | High Needs top up to maintained schools (mainstream and special) is higher than budgeted. | A review of top up funding to primary and secondary schools will take place and a report will be prepared for DMT incorporating a number of proposals to address the ongoing pressure. |
| 150 | Post 16 placements | Post 16 pupils SEN placements in educational provision | |
| 50 | DSG contributions | Unanticipated DSG contribution to meet General Fund pressures. | |
| (8) | New Learning Support Service | Savings from Learning Support Service review | |
| (20) | Other | Other miscellaneous underspends | |
| (49) | Other | Unallocated 2015/16 budget brought forward. | |
| (105) | One to One support | Budget now not allocated to support schools | |
| Exceptions and Growth Fund | | | |
| (32) | Exception 1 | Mainly school reimbursement for union duties, jury service and suspension. | |
| (17) | Exception 1 | Additional charges to schools for Newly Qualified Teacher service | |
| (10) | Exception 1 | School Meals service | |
| (6) | Other | Miscellaneous minor overspends | |

