

Families, Children & Learning

Revenue Budget Summary

Forecast Variance Month 5 £'000	Service	2018/19 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %	2018/19 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
0	Director of Families, Children & Learning	283	283	0	0.0%	15	15	0
1,091	Health, SEN & Disability Services	37,752	38,538	786	2.1%	1,245	489	756
229	Education & Skills	7,278	7,476	198	2.7%	276	236	70
(550)	Children's Safeguarding & Care	40,052	38,948	(1,104)	-2.8%	2,722	3,507	189
(16)	Quality Assurance & Performance	1,461	1,445	(16)	-1.1%	50	50	0
754	Total Families, Children & Learning	86,826	86,690	(136)	-0.2%	4,308	4,297	1,015
(485)	Further Financial Recovery Measures (see below)	-	(200)	(200)	-	-	-	-
269	Residual Risk After Financial Recovery Measures	86,826	86,490	(336)	-0.4%	4,308	4,297	1,015

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

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
Further Directorate Financial Recovery Measures		
(200)	Further Financial Recovery Measures projection	The directorate has developed an over-arching Financial Recovery Plan to address the above pressures. The Recovery plan includes the following measures:
		- reducing the average unit cost of placements through improved commissioning and reviewing identified high cost placements;
		- Adult LD Community Care - reducing the need for use of contingency budgets, and potential application of Clinical Commissioning Group (CCG) NHS dowries grant;
		- In-House Foster Care - aiming to move to 65% in-house carers by the end of the year.

Appendix 3 – Revenue Budget Performance

Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
Health, SEN & Disability Services		
456	Adults Learning Disabilities - Community Care	The number of clients continues to increase (increase of 36.90 WTE over budget) and complexity of clients is impacting on the ability to achieve savings - at Month 7, £0.195m savings have been identified as unachievable and this is adding to the forecast overspend.
100	Adults Learning Disabilities - loss of continuing health care funding	The CCG is reviewing health needs of Adults LD clients and there is a loss of £0.100m of Continuing Health Care (CHC) funding in 2018/19 for a high cost client.
223	In-house Children's Learning Disability Provision	There is a significant budget pressure on Drove Road (£0.287m) being offset by small underspends in other areas of Children's in-house disability provision.
182	Children's Disability Agency Placements	Due to new high cost placements in 2018/19, both the number (increase of 0.6 FTE over budget) and unit cost of placements (increase of 23.9% above budget) are in excess of budget.
(130)	Medical requisites	Underspend being reported at TBM7 following legal advice to resolve a long running dispute with Sussex Community Trust.
(45)	Other	
Education & Skills		
160	Home to School Transport	The overspend is due to additional hired transport and an increase in numbers and fuel costs.
135	Skills and Employment	Mainly due to underachievement of income targets in Able and Willing.
(97)	Other	
Children's Safeguarding & Care		
501	Demand-Led - Residential Agency Placements	The projected number of residential placements (35.52 FTE) is broken down as 31.77 FTE social care residential placements (children's homes) and 3.75 FTE schools placements. The budget allowed for 30.20 FTE social care residential care placements and 5.30 FTE schools placements. The average unit cost of residential placements is higher than the budgeted level at £3,692.37 per week (£165.89 per week above budget). The combination of the number of children placed being 0.02 FTE above the budgeted level and the high unit costs result in the overspend of £0.501m.

Appendix 3 – Revenue Budget Performance

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
443	Demand-Led - Independent Foster Agency (IFA) Placements	The number of children placed in Independent Foster Agency placements has decreased in recent years. During 2017/18 there were 118.68 FTE (compared with 132.14 FTE for 2016/17). The current projected number of placements in 2018/19 is 98.27 FTE, a reduction of 17%. The budget for IFA placements included significant levels of savings and was set at 86.30 FTE. The numbers being higher than the budget by 11.97 FTE results in a projected overspend of £0.443m.
(379)	Demand-Led - Secure Accommodation	It is estimated that during 2018/19 there will be 0.25 FTE secure (welfare) placements and 0.82 FTE secure (justice) placements. The budget allowed for 1.40 FTE welfare and 1.10 FTE justice placements during the year. There are currently no children in a secure (welfare) placement and none in a secure (justice) placement resulting in a projected underspend of £0.379m.
(926)	Demand-Led - Semi-independent/Supported placements	The number of semi-independent and supported living placements is projected to be 28.38 FTE and this is 8.72 FTE below the budgeted level. The average unit cost of these placements had increased considerably last year but has now stabilised in line with the budgeted level. The lower forecast number of placements results in the underspend of £0.926m.
(790)	Demand-Led - In-House Fostering	As at the 31st October 2018 there were 146 children placed with 'in-house' foster carers and 149.34 FTE for the year. The budget, based on an increasing trend over the last few years and the drive to increase recruitment of in-house carers, was set at 171.60 FTE placements. This has resulted in the current projected underspend of £0.790m.
166	Demand-Led - Family & Friends placements, Child Arrangement Orders and Special Guardianship Orders	The budget allows for 314.40 FTE placements of these types. It is currently anticipated that there will be 322.64 FTE children in these placements during 2018/19 and this results in the overspend of £0.166m.
248	Demand-Led - Care Leavers	The projected number of care leaver placements in 2018/19 is 135.67 FTE. The budget allows for 114.40 FTE placements. The change in responsibilities for local authorities has seen a growth in the number of care leavers receiving financial support and has resulted in the overspend of £0.248m.
184	Demand-Led Unaccompanied Asylum Seeking Children (UASC) Grant	The numbers of unaccompanied asylum seeking children has increased considerably in the last two years. The costs of looking after these children is funded by a grant from the Home Office, however the increase in the number of asylum seekers has required additional staffing and there has been an increase in other, non- accommodation costs resulting in the overspend of £0.184m.

Appendix 3 – Revenue Budget Performance

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
(76)	Legal Fees	The projected underspend of £0.076m at Month 7 is based on current spend/commitments and accounts for the fact that activity and associated spend are down significantly on the same period 2017/18 and whilst some growth has been allowed within the projection a reduced year end outturn is anticipated. For 2018/19 the Special Assessment budgets (Medical, Psychological etc) have been transferred to the Clermont Service and will be managed there. Accordingly, the overspend is attributable in the main to Legal, Court and Counsel fees.
189	Adoption Payments	The overspend in Adoption Payments is made up of two elements. An underspend of £0.018m in Adoption Allowances combined with a projected overspend of £0.207m against the Interagency Adoption budget.
(197)	Social Work Team (Pods)	The £0.197m underspend forecast variance accounts for current vacancies and assumed future staff turnover. The successful recruitment to a number of newly qualified Social Workers in September 2018 is accounted for within the forecast as well as new posts being replaced on the basis of “one in one out” of the Social Work Establishment.
(185)	Adolescent Service	Vacant posts and staff turnover following service restructure.
(156)	Preventive	Despite significant costs from families with no recourse to public funds, there have been reductions in spending on agency and sessional workers, rent and deposits, payments to relatives and assessment and treatments resulting in an overall underspend of £0.156m.
(126)	Other	
Quality Assurance & Performance		
(16)	Other	

Health & Adult Social Care (HASC)

Revenue Budget Summary

Forecast Variance Month 5 £'000	Service	2018/19 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %	2018/19 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
2,426	Adult Social Care	32,567	33,588	1,021	3.1%	2,130	652	1,478
(45)	Integrated Commissioning	6,228	6,139	(89)	-1.4%	120	120	0
1,148	S75 Sussex Partnership Foundation Trust (SPFT)	14,036	15,166	1,130	8.1%	340	340	0
4	Public Health	948	997	49	5.2%	826	826	0
3,533	Total Health & Adult Social Care	53,779	55,890	2,111	3.9%	3,416	1,938	1,478
(577)	Further Financial Recovery Measures (see below)	-	(153)	(153)	-	-	-	-
2,956	Residual Risk After Financial Recovery Measures	53,779	55,737	1,958	3.6%	3,416	1,938	1,478

Explanation of Key Variances

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
Further Directorate Financial Recovery Measures		
(153)	Further Financial Recovery Measures projection	The directorate has developed an over-arching Financial Recovery Plan to address the pressures detailed below across the various service headings.
		The Financial Recovery Plan includes: - a review of high cost placements; - revision of use of in-house provision; and - Re-directing the use of some in house home care staff.
Adult Social Care		
0	Demand-Led Community Care - No Recourse to Public Funds	

Appendix 3 – Revenue Budget Performance

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
1,157	Demand-Led Community Care - Physical & Sensory Support	<p>There are increasing numbers of 'new' older people being discharged from hospital requiring social care services for the first time, as well as increased community demand. This additional financial pressure is being partly met by the Adult Care Support Grant and Improved Better Care fund for 2018/19.</p> <p>The residential and nursing unit cost pressure for 18-64s is due to 39 placements since January 2018 which were on average 55% over the budgeted unit cost</p> <p>For the 65+ age band, the residential and nursing pressure is due to increasing client numbers.</p> <p>There has been a significant reduction in continuing healthcare (CHC) savings over the last two financial years. In 2016/17 £0.602m was achieved (26 clients at £564 per week on average) but this reduced to £0.174m in 2017/18 and £0.263m in 2018/19 to date (14 clients at £452 per week).</p>
102	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 cost is higher than the budgeted unit cost resulting in the overspend of £0.102m.
142	In house provision	The saving of £0.326m set against in house provision (home care and residential) has been put at risk subject to further review. This is offset with temporary savings elsewhere in the service.
(381)	Assessment teams	This is due to a number of temporary vacancies across the Assessment teams.
1	Other	
Integrated Commissioning		
(47)	Contracts	In-year underspends have been identified as a result of contract pricing management.
(42)	Other	
S75 Sussex Partnership Foundation Trust (SPFT)		
145	Demand-Led - Memory Cognition Support	<p>The unit costs are higher than had been anticipated resulting in the overspend projection of £0.145m. This is due to a current lack of affordable residential and nursing home placements within the city.</p> <p>The forecast number of residential & nursing placements is 293 WTE which is less than the budgeted level of 303 WTE placements. However, the average unit cost of residential placements is higher than the budgeted level at £454 per week (£27 per week above budget). The combination of the number of adults placed being 10 WTE less than the budgeted level and the increased unit costs result in the overspend of £0.270m (before applying the agreed risk-share with Sussex Partnership Foundation Trust).</p>

Appendix 3 – Revenue Budget Performance

Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
1,022	Demand-Led - Mental Health Support	The average unit costs are higher than budgeted and this results in the overspend projection of £1.022m. There is an increasing need and complexity within this client group and the forecast number of residential & nursing placements is 151 WTE, which is above the budgeted level of 131 WTE placements. The average unit cost of residential placements is also higher than the budgeted level at £743 per week (£61 per week above budget). The combination of the number of adults placed being 20 WTE less than the budgeted level and the increased unit costs result in the overspend of £1.147m (before applying the agreed risk-share with Sussex Partnership Foundation Trust).
(37)	Other	
Public Health		
49	Other	

Economy, Environment & Culture

Revenue Budget Summary

Forecast Variance Month 5 £'000	Service	2018/19 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %	2018/19 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
(570)	Transport	1,857	986	(871)	-46.9%	1,243	1,093	150
882	City Environmental Management	28,513	29,847	1,334	4.7%	350	100	250
100	City Development & Regeneration	2,563	2,560	(3)	-0.1%	221	221	0
(193)	Culture, Tourism & Sport	1,514	1,325	(189)	-12.5%	282	282	0
391	Property	(1,238)	(908)	330	26.7%	243	178	65
0	Property Contribution to ORBIS	0	0	0	0.0%	0	0	0
610	Total Economy, Environment & Culture	33,209	33,810	601	1.8%	2,339	1,874	465
0	Further Financial Recovery Measures (see below)	-	0	0	-	-	-	-
610	Residual Risk After Financial Recovery Measures	33,209	33,810	601	1.8%	2,339	1,874	465

Explanation of Key Variances

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
Further Directorate Financial Recovery Measures		
		For Property, the Service manager intends to reduce the service pressure by the investment of Capital funding and implementation of measures that will reduce the revenue spend and also by reducing the spend on non-emergency reactive maintenance as much as possible.
		For CityParks, the savings at risk have been mitigated by vacancy management within the Operations team.

Appendix 3 – Revenue Budget Performance

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
		Cityclean will work to increase the number of customers for commercial services and review pricing with the aim of increasing income. A review will also be taken of sickness absences to identify any support requirements with the aim of reducing agency and non-contracted overtime expenditure
Transport		
(892)	Parking Services	<p>An underspend on salaries of £0.147m due to time to recruit following the Parking Services restructure which started on 1st April 2018. Some key roles have been covered by agency staff to safeguard income.</p> <p>An overachievement of penalty charge notice (PCN) income of £1.166m for bus lane enforcement following the installation of the new CCTV cameras. After an initial high increase, the PCN's issued are levelling out as compliance improves and this overachievement takes into account a 12 month forecast for 2018/19.</p> <p>Pay & display income is forecast to overachieve by £0.415m primarily due to new parking zones introduced in 2017/18.</p> <p>Essential maintenance requirements (to protect income) have been identified in a number of off-street car parks which has resulted in a forecast overspend of £0.338m.</p> <p>Other net variances total an overspend of £0.499m. This includes additional CCTV camera maintenance costs and the purchase of new vehicles for the maintenance teams.</p> <p>Parking income is monitored on a monthly basis as there are a number of variable factors that can impact on parking activity. Minor variations in demand can result in significant financial implications. The current forecast variance represents 2.72% of the parking income budget.</p>
(150)	Concessionary Fares	The concessionary bus fares budget is forecast to underspend by £0.150m due to lower than anticipated reimbursement.
206	Transport Projects and Engineering	<p>Bus Shelter advertising income shortfall due to the tender for bus shelter advertising being delayed and associated additional groundworks costs of £0.075m.</p> <p>Payments to Bus Operators are forecast to exceed budget by £0.152m.</p>
(35)	Other Variances	

Appendix 3 – Revenue Budget Performance

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
City Environmental Management		
973	City Clean Operations	An overspend of £0.339m on salaries due to high demand during summer season due to the heatwave and outdoor events such as Pride, higher sickness levels and weekend working in communal bin areas. A forecast overspend of £0.081m for the commercial waste service and in addition the budgeted surplus of £0.325m is predicted not to be met in 2018/19. A forecast underachievement of income of £0.109m for the garden waste service.
196	Strategy & Projects	Savings at risk of £0.075m due to delayed implementation of introduction of charging at 12 public conveniences sites approved at October 2018 Policy, Resources and Growth committee. Forecast underachievement of textiles income of £0.046m. An overspend of £0.051m on salary costs.
204	Fleet & Maintenance	External vehicle maintenance income is underachieving by £0.370m due to delayed commencement of the service and difficulties with recruiting workshop fitters. An underspend of £0.177m on staff costs offset by agency and non-contracted overtime costs of £0.132m. An underspend of £0.632m on unsupported borrowing repayments offsets overspends of £0.604m on vehicle costs such as repairs & maintenance, contract hire and fuel. An overachievement of income from vehicle sales of £0.043m.
(39)	Other Variances	
Culture, Tourism & Sport		
(165)	Royal Pavilion & Museums	Reduction in Royal Pavilion and Museums Business Rates of £0.170m.
(24)	Other Variances	
Property		
430	Rents	Although currently there is still a reduced forecast shortfall in expected rental income mainly associated with the Contracted Property Portfolio (CPP) and New England House, the transfer of the management contract from Cluttons to GVA will reduce overall annual management fees. Also, Property Services are currently looking to sell some of the less profitable premises and reinvest for greater gain but this project has caused some short term income loss within Corporate Landlord budget for 2018/19 plus the same vacant properties are currently awaiting renovation and redevelopment. There are also some pressures from NNDR revaluations leading to increased bills.

Appendix 3 – Revenue Budget Performance

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
(100)	Property Services	Staff shortages on the Technical Services Team have created a predicted shortfall in professional fee income for 2018/19, though this is now reducing slightly, and there is still a large expected pressure of around £0.350m identified relating to the high demand for additional security provision. The Service manager intends to reduce this pressure by the investment of Capital funding and implementation of measures that will reduce the revenue spend and also by reducing the spend on non- emergency reactive maintenance as much as possible.

Neighbourhood, Communities & Housing

Revenue Budget Summary

Forecast Variance Month 5 £'000	Service	2018/19 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %	2018/19 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
850	Housing General Fund	4,811	5,911	1,100	22.9%	364	186	178
(50)	Libraries	4,754	4,704	(50)	-1.1%	85	50	35
(70)	Communities, Equalities & Third Sector	3,154	3,084	(70)	-2.2%	35	35	0
(150)	Safer Communities	2,644	2,444	(200)	-7.6%	169	129	40
0	Digital First	0	0	0	0.0%	0	0	0
580	Total Neighbourhood, Communities & Housing	15,363	16,143	780	12.0%	653	400	253
(850)	Further Financial Recovery Measures (see below)	-	(1,100)	(1,100)	-	-	-	-
(270)	Residual Risk After Financial Recovery Measures	15,363	15,043	(320)	-2.1%	653	400	253

Explanation of Key Variances

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
Further Directorate Financial Recovery Measures		
(1,100)	Further Financial Recovery Measures projection	Housing General Fund services have a challenging savings target which is only partially met and a forecast overspend in Temporary Accommodation. There are a range of measures being put in place in Temporary Accommodation to deliver a balanced budget. If these measures are unsuccessful this year, the Flexible Homelessness Support Grant can be used, as a last resort, to mitigate any in-year overspend.

Appendix 3 – Revenue Budget Performance

Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
Housing General Fund		
250	Housing General Fund savings	There are £0.250m of savings required of the Housing General Fund (some from 2017/18) to be identified. There is further work underway to deliver more savings in-year. If these measures are unsuccessful, the Flexible Homelessness Support Grant can be used, as a last resort, to mitigate any in-year overspend as mentioned in the financial recovery measures.
750	Temporary Accommodation	The forecast overspend is substantially a result of higher than budgeted volumes and costs of temporary accommodation due to the continuing local pressures and bedding in the more onerous statutory requirements. The number of households in temporary accommodation has not increased but it has not decreased as modelled in the budget. In addition, the service has also noticed an increase in former tenant debt and is having to provide for this by contributing more to the bad debt provision. The service continues to aim to reduce the volume of households in temporary accommodation by focusing resources on earlier prevention of homelessness.
150	Seaside Homes	There is a forecast overspend driven substantially by the insurance costs which have in the past been covered by underspends on voids and maintenance budgets.
(50)	Travellers	There is a forecast underspend on travellers sites supplies and services.
Libraries		
(50)	Staffing	There is a forecast underspend against the staffing budget.
Communities, Equalities & Third Sector		
(30)	Supplies & Services	Variance less than £0.050m.
(40)	Staffing	Variance less than £0.050m.
Safer Communities		
(200)	Staffing	Net underspend forecast across Safer Communities, mainly as a result of the summer start date for Field Officers and staffing costs being less than originally budgeted.

Finance & Resources

Revenue Budget Summary

Forecast Variance Month 5 £'000	Service	2018/19 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %	2018/19 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
104	Finance	4,855	4,856	1	0.0%	137	137	0
(325)	Housing Benefit Subsidy	(901)	(1,144)	(243)	-27.0%	0	0	0
0	HR & Organisational Development	806	806	0	0.0%	25	25	0
1,093	IT&D	2,269	3,362	1,093	48.2%	62	0	62
0	Business Operations	(178)	(178)	0	0.0%	0	0	0
0	Contribution to Orbis	13,750	13,652	(98)	-0.7%	681	681	0
872	Total Finance & Resources	20,601	21,354	753	3.7%	905	843	62
(925)	Further Financial Recovery Measures (see below)	-	(925)	(925)	-	-	-	-
(53)	Residual Risk After Financial Recovery Measures	20,601	20,429	(172)	-0.8%	905	843	62

Explanation of Key Variances

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
Further Directorate Financial Recovery Measures		
(925)	IT&D Contracts	A funding plan is being developed to offset the pressure on IT&D contracts. This will be reviewed again before the Month 8 forecast, along with the pressure itself, but currently includes the use of £0.220m unallocated funding following the disaggregation of Orbis budgets - this has mostly arisen from planned savings for the Orbis partnership being higher than those originally budgeted for. In addition, it is intended to maximise the use of appropriate Modernisation Funding, other one-off and capital funding resources to mitigate the pressure by £0.705m.

Appendix 3 – Revenue Budget Performance

Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
Finance		
1	Revenues & Benefits	The main elements of this relate to a shortfall of £0.268m in court costs and bailiff income (resulting from staff vacancies). This is being offset by additional grant income of £0.093m, underspends in supplies and services of £0.081m (mainly reduced court costs expenditure); staff vacancies £0.061m and income from deminimis asset sales of £0.032m.
Housing Benefit Subsidy		
(243)	HB Subsidy	There is a forecast surplus of £0.136m on the recovery of overpaid council tax benefits. This has worsened by £0.014m compared to Month 5. A detailed forecast has been made on the main subsidy budgets and this indicates a surplus of £0.107m which is £0.068m worse than Month 5. Within this, the net position on the recovery of overpayments is forecast to be £0.301m better than budget and this is partially offset by additional costs of £0.186m in respect of a particular benefit type for vulnerable tenants which is not fully subsidised by the DWP. There are other minor adverse variances of £0.008m.
IT&D		
1,093	IT&D Contracts	At Month 7, IT&D are still expecting a net pressure of £1.093m due to budget pressures in some areas, particularly IT&D contracts (£1.076m). The service is working to identify funding (see above) to minimise these pressures including appropriate use of ICT Reserve and capitalisation of legitimate costs. It is also working to identify contract savings due to the Data Centre.
F&R Contribution to ORBIS		
(98)		The contribution to ORBIS from BHCC is expected to be approximately 21% of the final cost of the partnership. Latest Orbis projections suggest an underspend of £0.455m mainly due to staffing underspends and lower than expected pension costs. This equates to a reduction in contribution from BHCC of £0.098m.

Strategy, Governance & Law

Revenue Budget Summary

Forecast Variance Month 5 £'000	Service	2018/19 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %	2018/19 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
0	Corporate Policy	713	713	0	0.0%	20	20	0
0	Legal Services	1,366	1,351	(15)	-1.1%	59	59	0
0	Democratic & Civic Office Services	1,739	1,732	(7)	-0.4%	32	32	0
(50)	Life Events	(22)	21	43	195.5%	20	20	0
0	Performance, Improvement & Programmes	660	650	(10)	-1.5%	48	48	0
4	Communications	679	653	(26)	-3.8%	46	46	0
(46)	Total Strategy, Governance & Law	5,135	5,120	(15)	-0.3%	225	225	0
0	Further Financial Recovery Measures (see below)	-		0	-	-	-	-
(46)	Residual Risk After Financial Recovery Measures	5,135	5,120	(15)	-0.3%	225	225	0

Explanation of Key Variances

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
Legal Services		
(15)	Legal Services	Minor income overachievements.
Democratic & Civic Office Services		
(7)	Democratic Services	Minor underspends.

Appendix 3 – Revenue Budget Performance

Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
Life Events		
43	Life Events	<p>Following last month's re-evaluation of the land charges income forecast, usage numbers have improved recovered and there is now a forecast of £0.015m surplus for this income. Additionally, the service has had a windfall of £0.042m relating to new burdens funding. The Coroners' pay review is a pressure to the service, and is currently expected to cost in the region of £0.085m in 2018/19.</p> <p>Elsewhere, the Registrar's service expects an £0.086m shortfall of income, mainly from reduced nationality checking fees, but Elections are expecting an underspend of £0.021m this year in Electoral Registration costs. Management of vacancies across the service accounts for a further £0.049m reduction in costs, and other variances in the service amount to a net underspend of just £0.001m.</p>
Performance, Improvement & Programmes		
(10)	Performance Improvement & Programmes	Management of vacancies.
Communications		
(26)	Communications	There are expected net underspends from staffing costs of approximately £0.026m. There is no longer a reported income pressure from the Graphic Design Team.

Appendix 3 – Revenue Budget Performance

Corporate Budgets

Revenue Budget Summary

Forecast Variance Month 5 £'000	Service	2018/19 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %	2018/19 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
0	Bulk Insurance Premia	3,133	3,133	0	0.0%	0	0	0
(150)	Capital Financing Costs	6,998	6,743	(255)	-3.6%	0	0	0
(1)	Levies & Precepts	201	200	(1)	-0.5%	0	0	0
(147)	Unallocated Contingency & Risk Provisions	153	6	(147)	-96.1%	0	0	0
(34)	Unringfenced Grants	(17,105)	(17,344)	(239)	-1.4%	0	0	0
(56)	Other Corporate Items	5,179	5,592	413	8.0%	525	25	500
(388)	Total Corporately-held Budgets	(1,441)	(1,670)	(229)	-15.9%	525	25	500
0	Further Financial Recovery Measures (see below)	-		0	-	-	-	-
(388)	Residual Risk After Financial Recovery Measures	(1,441)	(1,670)	(229)	-15.9%	525	25	500

Explanation of Key Variances

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
Capital Financing Costs		
(225)	Investment Income	Larger than anticipated cash balances.
(65)	Recharges to Services	Increase in recharges to services in respect of unsupported borrowing undertaken.
35	Capital financing costs	Pressure in relation to one off costs associated with debt restructure of RBS LOBO loans. However, this restructuring will provide annual savings from 2019/20 onwards.
Levies & Precepts		
(1)	Levies & precepts	Minor variances.

Appendix 3 – Revenue Budget Performance

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
Unallocated Contingency & Risk Provisions		
(147)	Contingency	£0.150m was held in contingency for a planning appeal - however a proportion of this was funded from directorate budgets in 2017/18 and only £0.005m spent in 2018/19.
Unringfenced Grants		
(21)	Department of Health - Local Reform and Community Voice grant	Allocation announced in July 2018 was higher than budgeted.
(13)	Department for Education - Extended rights for home to school transport	Additional grant allocation for Extended Rights for Home to School Transport announced in August 2018.
(205)	S31 grant compensation for the small business rates relief threshold	Estimated additional funding for 2018/19.
Other Corporate Items		
(56)	Corporate Pension Costs	On corporate pension costs there is a £0.041m underspend relating to overpayments identified in respect of 2017/18 and £0.015m in respect of an in year reduction.
(160)	Carbon Reduction Commitment	This reflects the latest estimate of CRC credits that are required to be purchased in 2018/19 taking into account the pre purchased credits brought forward from 2017/18.
500	Procurement and contract management savings	This reflects allocation of the corporately-held procurement savings target across all services in respect of cost reductions achieved through improved contract management, savings on re-procurements and lower than anticipated costs of planned new procurements. Spending areas include agency staffing, external advisory commissions, and various supplies and services contracts.
129	Admin savings	Represents allocation of the corporately-held savings target across all directorates to reflect current recruitment controls which are prioritised on vacancy management of administrative and support roles rather than front-line or customer facing roles.

Appendix 3 – Revenue Budget Performance

Housing Revenue Account (HRA)

Revenue Budget Summary

Forecast Variance Month 5 £'000	Service	2018/19 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %	2018/19 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
(140)	Capital Financing	32,176	32,036	(140)	-0.4%	0	0	0
(40)	Strategic Director HRA	3,636	3,616	(20)	-0.6%	105	105	0
(60)	Head of City Development & Regeneration	412	352	(60)	-14.6%	0	0	0
(50)	Housing Strategy	762	712	(50)	-6.6%	0	0	0
(90)	Income Involvement Improvement	(45,990)	(46,120)	(130)	-0.3%	0	0	0
(100)	Property & Investment	7,050	6,950	(100)	-1.4%	550	550	0
0	Tenancy Services	1,954	1,954	0	0.0%	0	0	0
(480)	Total Housing Revenue Account	0	(500)	(500)	0.0%	655	655	0

Explanation of Key Variances

Key Variances £'000	Service Area	Variance Description
Capital Financing		
(140)	Capital Financing	Significant reprofiling of HRA capital expenditure from 2017/18 into 2018/19 has impacted on the timing of borrowing required to fund the expenditure. This has resulted in lower interest charges being incurred during 2018/19 compared to the original budget forecast.
Strategic Director HRA		
(20)	Employees costs	Net reduction in staff costs due to recent service redesign in Housing.
Head of City Development & Regeneration		
(60)	Employees costs	Staff vacancies and capitalisation of salaries are forecast to be higher than originally budgeted.

Appendix 3 – Revenue Budget Performance

Key Variances		
£'000	Service Area	Variance Description
Housing Strategy		
(50)	Rents & Service Charges	Projected income is slightly more than budget assumptions for Temporary Accommodation.
Income Involvement Improvement		
(130)	Rents & Service Charges	Projected income is slightly more than budget assumptions.
Property & Investment		
(100)	Employees costs	Forecast underspend due to staff vacancies and mobilisation of resources identified to support forthcoming costs aligned to consideration of options for future delivery of the repairs & improvement service.

Dedicated Schools Grant (DSG)

Revenue Budget Summary

Forecast Variance Month 5 £'000	Service	2018/19 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %
0	Individual Schools Budget (ISB)	125,896	125,896	0	0.0%
(280)	Early Years Block (excluding 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>	13,210	12,819	(391)	-3.0%
85	High Needs Block (excluding delegated to Schools)	19,445	19,532	87	0.4%
45	Exceptions and Growth Fund	4,016	4,085	69	1.7%
0	Grant Income	(162,366)	(162,366)	0	0.0%
(150)	Total Dedicated Schools Grant (DSG)	201	(34)	(235)	-116.9%

Explanation of Key Variances

Key Variances £'000	Service Area	Variance Description
Early Years Block (including delegated to Schools)		
57	Additional Support funding for 2, 3 & 4 year olds	Significant increase in the number of children receiving additional support funding and the impact of increased free entitlement available to working parents from September 2017.
355	Universal early years free entitlement for 2, 3 and 4 year olds	Early forecast based on summer and autumn term take-up and budgeted level of provision for the spring term.
(800)	Extended hours early years entitlement for working parents	Increase in DfE funding based on January 2018 census. This will be subject to a retrospective downward adjustment in 2019/20 if actual take-up is below January 2019 snapshot.
(3)	Other	Balance of variances on the other cost centres

Appendix 3 – Revenue Budget Performance

Key Variances		
£'000	Service Area	Variance Description
High Needs Block (excluding delegated to Schools)		
65	Inclusion Support Service	Vacancy control and plans to move the service to operate on a part traded basis in 2019/20.
120	High Needs top-up for mainstream schools	Additional top-up funding agreed at case review for pupils with high needs. Growth in top-up funding estimated at £0.300m in 2018/19.
118	High Needs top-up for Special schools	Additional support packages for several pupils to avoid more expensive agency placements and special schools numbers above commissioned places.
31	Educational agency placements and other external high needs provision	Special schools are above capacity, largely due to upward pressure from mainstream settings, and this is having knock-on implications for out of city placements.
113	Children with Medical Needs	The number of children with medical needs and private hospital charges.
24	Other	Balance of variances on other cost centres.
(384)	Unallocated balance of carry forward from 2017/18 DSG	Balance of funding available following retrospective adjustment made to the 2017/18 DSG by DfE in July 2018.
Exceptions and Growth Fund		
36	Historic pension costs	Historic pension liabilities.
21	Other	Balance of variances on other cost centres.
12	Schools Contingency	Significant Valuation Office Agency (VOA) changes to rates bills due to school expansions.

