

Families, Children & Learning

Revenue Budget Summary

Forecast Variance Month 5 £'000	Service	2020/21 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	COVID Variance Month 7 £'000	Forecast Variance Month 7 %	2020/21 Savings Proposed £'000	Savings Achieved/Anticipated £'000	Savings At Risk £'000
(5)	Director of Families, Children & Learning	104	103	(1)	4	-1.0%	0	0	0
2,037	Health, SEN & Disability Services	42,546	44,512	1,966	1,479	4.6%	1,376	683	693
1,211	Education & Skills	7,791	8,805	1,014	646	13.0%	206	167	39
(1,442)	Children's Safeguarding & Care	40,874	39,258	(1,616)	372	-4.0%	1,362	1,249	113
(12)	Quality Assurance & Performance	1,458	1,462	4	0	0.3%	38	30	8
1,789	Total Families, Children & Learning	92,773	94,140	1,367	2,501	1.5%	2,982	2,129	853
(40)	Further Financial Recovery Measures (see below)	-	0	0	0	-	-	-	-
1,749	Residual Risk After Financial Recovery Measures	92,773	94,140	1,367	2,501	1.5%	2,982	2,129	853

The COVID variances shown in the tables above and below are included within the "Forecast Variance" and "Key Variances" columns.

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

Key Variances £'000	COVID Variances £'000	Service Area	Variance or Financial Recovery Measure Description
(1)	4	Other	Minor Variances.
955	0	Demand led - Children's Disability Placements	The number of placements and unit costs are forecast to be 40% in excess of budget with particular pressure on external residential provision. There have been six

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Key Variances £'000	COVID Variances £'000	Service Area	Variance or Financial Recovery Measure Description
			new high cost residential placements in the current financial year.
286	129	In-house disability services	There is an underlying budget pressure in in-house respite provision and additional staffing requirements due to COVID-19.
693	1,293	Adults LD - community care	The overspend is largely attributable to COVID-19 - £0.967m of planned savings are not achievable (of which £0.811m is linked to COVID-19) and it is estimated that additional payments to providers in support of COVID-19 will be £0.482m.
32	57	Other	Minor variances.
<b>Education &amp; Skills</b>			
1,020	402	Home to School Transport	For 2020/21 the forecast overspend is £1.020m, of which £0.402m relates to additional costs as a result of COVID-19. Excluding COVID-19 related costs, the forecast overspend for 2020/21 has reduced from the initial estimate of £1.200m to £0.618m. It should be noted that the forecast of COVID-19 costs is subject to a number of unknown variables and may significantly change. The forecast has improved significantly following the route planning work undertaken by the Home to School Transport Team for the new academic year. The figures include the impact of agreed supplier relief payments and the additional costs from social distancing measures from September. The forecast includes an assumption at this stage about Government Grants for home to school and college transport. The grants are announced on a term by term basis and the allocations are agreed in co-operation with the transport department.
84	152	Council Nurseries and Children's Centres	There are budget pressures relating to the council nurseries in 2020/21 mainly linked to the impact of COVID-19 and the consequent loss of fee income. The loss of fee income against budget has been estimated

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Key Variances £'000	COVID Variances £'000	Service Area	Variance or Financial Recovery Measure Description
			<p>as £0.528m. However, the service is using the government's Coronavirus Job Retention Scheme (CJRS). This will mean reimbursement for staff costs as a result of furloughing, with an amount of £0.089m estimated. In addition, the government is providing a scheme to support local authorities with the impact of lost income due to COVID-19 and it is estimated that £0.287m will be recovered through this mechanism (net of furlough). The net overspend forecast against council nurseries is £0.104m.</p> <p>There is also an estimated £0.020m underspend relating to the council's children's centres.</p>
(90)	92	Other	<p>Minor variances on other budgets. The COVID-19 costs relate to delays in implementing savings within the Skills &amp; Employment service.</p>
<b>Children's Safeguarding &amp; Care</b>			
(1,003)	178	Demand-Led - Children's placements	<p>The underspend relates to a number of different factors. There has been an increase in the level of grant available for care leavers. Despite overall numbers of children being placed in high cost placements increasing in recent months it is still below the budgeted level. The average unit costs for placements is increasing and is marginally higher than budgeted but overall, the combination of these factors results in the underspend of £1.003m.</p>
(172)	55	Preventive/S17	<p>There is a significant underspend projected across the Preventive budgets. It is anticipated that, with continued scrutiny and current controls on spending, a year end underspend will be realised in 2020/21 despite the additional costs relating to COVID-19.</p>
76	0	Legal Fees	<p>There has been a significant increase in demand for child protection legal work in recent weeks. Cases are taking longer for a number of reasons and new cases need to be allocated. It is, therefore anticipated that</p>

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Key Variances £'000	COVID Variances £'000	Service Area	Variance or Financial Recovery Measure Description
			there will be additional costs incurred by the in-house legal team resulting in the overspend of £0.075m.
(159)	28	Social Work Teams	The underspend is primarily due to the difficulty in recruiting psychologists in the Partners in Change hub and the recharge of costs from SPFT.
(80)	47	Contact Service	Activity levels are down from previous years and this has resulted in the forecast underspend. However, this may be, in part, an impact of COVID-19 and may not continue for the second half of the year.
(169)	0	Adolescent service	The underspend in the adolescent service reflects the difficulty in recruiting to various vacant posts across the service.
(109)	64	Other	Minor variances.
<b>Quality Assurance &amp; Performance</b>			
4	0	Other	

Health & Adult Social Care (HASC)

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Forecast Variance Month 5 £'000	Service	2020/21 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	COVID Variance Month 7 £'000	Forecast Variance Month 7 %	2020/21 Savings Proposed £'000	Savings Achieved/Anticipated £'000	Savings At Risk £'000
5,806	Adult Social Care	35,479	38,922	3,443	4,098	9.7%	0	0	0
366	S75 Sussex Partnership Foundation Trust (SPFT)	18,373	18,686	313	1,697	1.7%	0	0	0
4,588	Integrated Commissioning	10,573	15,321	4,748	4,576	44.9%	0	0	0
0	Public Health	404	404	0	67	0.0%	0	0	0
10,760	Total Health & Adult Social Care	64,829	73,333	8,504	10,438	13.1%	0	0	0
0	Further Financial Recovery Measures (see below)	-	0	0	3,046	-	-	-	-
10,760	Residual Risk After Financial Recovery Measures	64,829	73,333	8,504	13,484	13.1%	0	0	0

The COVID variances shown in the tables above and below are included within the “Forecast Variance” and “Key Variances” columns.

Explanation of Key Variances

Key Variances £'000	COVID Variances £'000	Service Area	Variance or Financial Recovery Measure Description
Further Directorate Financial Recovery Measures			
0	3,046	Further Financial Recovery Measures projection	The initial recovery measures have now been incorporated into the forecast above. The Directorate is working on additional measures and confirming plans to further mitigate the current forecast.
Adult Social Care			
2,397	3,558	Demand-Led Community Care - Physical & Sensory Support	The forecast number of placements/packages is 2,268 WTE, which is below the budgeted level of 2,321 WTE placements. The average unit cost of a placements/package is higher than the budgeted level at £203 per week (£22 per week above budget per client). The combination of the number of adults placed being 52 WTE below the budgeted level and the increased unit costs

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Key Variances £'000	COVID Variances £'000	Service Area	Variance or Financial Recovery Measure Description
			<p>result in the overspend of £2.397m. Therefore, the overall activity is in-line with the budget however the unit costs are 13% above budget and causing a significant pressure. This is due to increasing numbers of placements (many of which are hospital discharges) being made at high unit costs as a result of COVID-19.</p> <p>A significant portion of the overspend is attributable to COVID-19 - £3.358m for the ongoing costs for increased demand for care packages and care home placements, and additional payments to providers in support of COVID-19, net of NHS England funding.</p>
268	21	Demand-Led Community Care - Substance Misuse	There are relatively small numbers of clients within this service and this is in line with the budgeted demand. The average unit cost is higher than the budgeted unit cost resulting in the overspend of £0.268m.
(184)	104	Assessment teams	This is due to a number of temporary vacancies across the Assessment teams.
940	414	In house services	There is an underlying budget pressure in in-house provision. There are also additional staffing requirements and income pressures due to COVID-19.
22	1	Other	Minor variances.
<b>S75 Sussex Partnership Foundation Trust (SPFT)</b>			
434	1,362	Demand-Led - Memory Cognition Support	<p>The unit cost is higher than had been anticipated resulting in the overspend projection of £0.434m (before applying the agreed risk-share with Sussex Partnership Foundation Trust).</p> <p>The forecast number of placements/packages is 406 WTE which is above the budgeted level of 397 WTE placements. The average unit cost is above the budgeted level at £354 per week (£13 per week above budget). Therefore, the overall activity is 9 WTE above budget and the unit costs are 4% above budget and causing a significant pressure. A significant portion of the overspend is attributable to COVID-19 - £1.362m for the ongoing costs for increased demand for care packages and care home placements, and additional payments to providers in support of COVID-19.</p>
37	335	Demand-Led - Mental Health Support	<p>The number of forecast placements are higher than budgeted and this results in the overspend projection of £0.037m (before applying the agreed risk-share with Sussex Partnership Foundation Trust).</p> <p>There is an increasing need and complexity within this client group and the forecast number of placements/packages is 480 WTE, which is above the budgeted level of 418 WTE placements. The average unit cost of a</p>

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Key Variances £'000	COVID Variances £'000	Service Area	Variance or Financial Recovery Measure Description
			placements/package is lower than the budgeted level at £319 per week (£46 per week less than the budget per client). A significant portion of the overspend is attributable to COVID-19 - £0.335m for the ongoing costs for increased demand for care packages and care home placements, and additional payments to providers in support of COVID-19.
92	0	Staffing Teams	This is due to an increase in overtime hours within the Approved Mental Health Professional Service (AMHP) Service.
(250)	0	SPFT Risk Share	Agreed risk-share with Sussex Partnership Foundation Trust.
<b>Integrated Commissioning</b>			
361	0	External Funding	£0.361m is the net pressure to the Council following recurrent reductions in funding from Brighton & Hove CCG. The Council has allocated reinvestment funding to mitigate this however the pressure of £0.361m remains.
4,228	4,517	Contracts	The overspend is attributable to COVID-19 and reflects the forecast statutory costs to support verified rough sleepers. The government has recently awarded the council £3.429m towards the costs of housing rough sleepers and this funding will reduce the forecast overspends in both HNC and HASC. Officers are currently awaiting detailed notification of exactly what is funded across the two directorates. Therefore, the current forecast for HASC does not reflect any grant funding.
159	59	Commissioning teams	The overspend relates to additional staffing costs within the commissioning, performance and management teams.
<b>Public Health</b>			
0	67	Other	Minor variances.

## Economy, Environment &amp; Culture

## Revenue Budget Summary

Forecast Variance Month 5 £'000	Service	2020/21 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	COVID Variance Month 7 £'000	Forecast Variance Month 7 %	2020/21 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
4,675	Transport	(2,699)	1,889	4,588	4,963	170.0%	3,877	2,109	1,768
166	City Environmental Management	32,324	33,024	700	700	2.2%	265	265	0
274	City Development & Regeneration	3,609	3,645	36	415	1.0%	155	126	29
2,482	Culture, Tourism & Sport	3,998	5,669	1,671	4,078	41.8%	260	233	27
1,677	Property	2,129	3,379	1,250	1,340	58.7%	447	273	174
9,274	Total Economy, Environment & Culture	39,361	47,606	8,245	11,496	20.9%	5,004	3,006	1,998

The COVID variances shown in the tables above and below are included within the “Forecast Variance” and “Key Variances” columns.

## Explanation of Key Variances

Key Variances £'000	COVID Variances £'000	Service Area	Variance or Financial Recovery Measure Description
Further Directorate Financial Recovery Measures			
		Whole Directorate	The impact of the COVID-19 lockdown on the directorate's income streams is significant and material. All areas of activity are under review with the aim of mitigating the income losses further.
Transport			
11,400	11,400	Parking Services	Parking Services is forecasting no change in loss of income against budget (£11.400m at Month 5) offset by an estimated £6.8m of Sales, Fees and Charges compensation grant. The buoyant summer months have helped to ensure parking income is forecast to more than offset losses in income due to the second lockdown, while there is also a reduction in the forecast for the Penalty Charge Notice bad debt provision of £0.550m. Parking income is a demand led activity which can be difficult to predict and may also be negatively



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Key Variances £'000	COVID Variances £'000	Service Area	Variance or Financial Recovery Measure Description
			impacted by further COVID-19 infection control measures. The income losses this year are substantially COVID-19 related, however, there is significant IT&D work required for some of the fees and charges agreed for 2020/21 to be implemented in full. Therefore, this may result in a small part of the parking losses with these agreed changes unlikely to be operational until early 2021 at the earliest. The overall parking income position is being kept under constant review and may potentially deteriorate.
123	256	Transport Projects and Engineering	Payments to Bus Operators are forecast to exceed budget by £0.152m. This may be mitigated by other public transport funding. Bus shelter advertising Income is expected to be short of budget by £0.103m (Agreement in principle with CCUK for one missed quarterly payment (COVID-19 related) and a National Trust voluntary contribution towards Breeze up to the Downs is not forecast to be received £0.015m.
65	307	Traffic Management	Reduced Road Work Permit Fees Income of £0.128m (COVID-19 related) is partially offset by forecast reduced Permit Scheme staff costs of £0.100m. Highways Licensing income is forecast to underachieve due to waived Tables and Chairs licence fees of £0.101m and reduced forecast Skip income of £0.074m and A-Board Income of £0.004m (both COVID-19 related). However, this is partially offset by Hoarding Licence income (£0.186m) and Scaffold Licence income (£0.026m) both forecast to exceed budget. Also, Streetworks fees are now forecast to exceed budget by £0.015m as contractors work volumes are now increasing.
(7,000)	(7,000)	Sales, Fees and Charges Grant	This is the estimated value of the grant due to be claimed based on the latest eligible forecast losses of income driven by the COVID-19 outbreak (£6.8m relating to Parking Services and £0.2m for the rest).
<b>City Environmental Management</b>			
800	500	City Clean	£0.700m of the forecast overspend relates to waste collection and street cleansing agency costs substantially driven by COVID-19 staffing related shortfalls. £0.100m is the COVID-19 related net forecast loss of commercial income (garden and trade waste after reduced disposal costs). Service delivery is under review and measures are being put in place to reduce costs (for example; service improvement plans, rationalisation of bin/box deliveries, a mobile collection team to more efficiently support rounds). However, there are cost pressures which cannot be mitigated such as beach clean ups.

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Key Variances £'000	COVID Variances £'000	Service Area	Variance or Financial Recovery Measure Description
0	300	Waste Disposal	The £0.300m forecast overspend is the estimated impact of COVID-19 on the waste disposal contract (for example: increased volume of household waste during lockdown). This has reduced since Month 2 (from £0.600m) and is assumed to be funded waste PFI reserve (no impact on the bottom line). Any income from the government's Sales, Fee and Charges compensation grant, if appropriate, will be managed through the Waste PFI reserve at the year-end (for example, recycling income losses if these materialise).
0	0	City Parks	An in-year spending pressure mainly for emergency tree maintenance (Dutch Elm disease related) is being contained within existing Parks Services budgets. This is the cost of essential public health and safety works to remove dead trees. This is also offset from a planned drawdown of approximately £0.100m from relevant Parks Services reserves.
(300)	0	Fleet & Maintenance	Fleet & Maintenance are forecast to be underbudget by £0.300m (with additional COVID-19 related costs contained within existing budgets). Progress has been made in Fleet and Maintenance to control and reduce costs which has now delivered results. For example, vehicle hire costs are lower than at the same point last year.
200	100	Head of City Environmental Management	There is a £0.100m management/service improvement team pressure which was funded from the Modernisation Fund in 2019/20. This team (also part of Strategy & Projects) are working to deliver the service improvements and operational reviews to deliver cost reductions going forward. This also includes £0.100m of the additional waste disposal COVID-19 related costs (stewarding at the household waste disposal sites).
200	0	Strategy & Projects	There is a £0.200m management/service improvement team pressure which was funded from the Modernisation Fund in 2019/20.
(200)	(200)	Sales, Fees and Charges Grant	This is the estimated value of the grant due to be claimed based on the latest eligible forecast losses of income driven by the COVID-19 outbreak.
<b>City Development &amp; Regeneration</b>			
884	987	Development Planning	Loss of Planning and Building Control income due to COVID-19. Some assumption has been made for Planning income to start returning to normal levels from October onwards, notwithstanding the second lockdown.
(53)	0	Planning Policy and Major Projects	Principal Planning Officer post forecasted to be vacant for eight months and part time Waste Planning post is also vacant.

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<b>Key Variances £'000</b>	<b>COVID Variances £'000</b>	<b>Service Area</b>	<b>Variance or Financial Recovery Measure Description</b>
(271)	0	Sustainability & International	Delay in recruiting to the Biodiversity Officer post and a post within City Wide Food projects.
40	0	Assistant Director - EEC	Overspend on Firstcare Attendance Management fees not budgeted for.
36	28	Economic Development	Additional expenditure on Brighton & Hove Economic Partnership and other costs due to COVID-19.
(600)	(600)	Sales, Fees and Charges Grant	This is the estimated value of the grant due to be claimed based on the latest eligible forecast losses of income driven by the COVID-19 outbreak.
<b>Culture, Tourism &amp; Sport</b>			
2,082	2,660	Royal Pavilion and Museums	Loss of income due to closure of all buildings from COVID-19. Some overspend offset by reduced expenditure on some costs such as building maintenance and staff costs.
56	0	Arts	Additional staffing costs and Legal fees to be paid related to the Trust.
1,088	1,930	Sports and Leisure	Loss of income due to COVID-19, including rent reductions on seafront properties and assumed closure of Volks Railway for the whole year.
1,942	2,838	Venues	Loss of income from cancelled events due to COVID-19 and assumes venues will remain closed till end of March 2021. Some loss of income is offset from reduced staff and building costs.
203	350	Tourism and Marketing	Loss of income due to result of reduced visitor/tourist numbers and cancellation of conferences due to COVID-19. Also includes £0.100m overspend for Partnership Fees subject to be waived (Policy & Resources sub-committee 29th May 2020).
(3,700)	(3,700)	Sales, Fees and Charges Grant	This is the estimated value of the grant due to be claimed based on the latest eligible forecast losses of income driven by the COVID-19 outbreak.
<b>Property</b>			
1,250	1,340	Property	The fast changing impact of COVID-19 has continued to put increasing pressures on many Property budgets. Increased cleaning specifications, Deep Cleans requested and specific cleaning materials in increased volumes has led to pressures within the Building Cleaning Service. Increased need for Security for many areas, the need to secure sites where work was paused due to COVID-19 plus cover for staff in isolation has resulted in a large pressure within the Premises/Concierge Service but some reductions in provision are expected in the later part of the year which reduces the forecast. Many building projects have been put on hold resulting in much uncertainty around fee income to the Technical Services Team who are currently expecting fee income shortfall. The

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Key Variances £'000	COVID Variances £'000	Service Area	Variance or Financial Recovery Measure Description
			Energy Team have reviewed expected gas prices and have now been able to reduce the expected full year costs accordingly. COVID-19 has put pressure on some council commercial tenants particularly those dependent on the travel industry and Estates have been liaising with tenants who are struggling with their rental payments to negotiate and conclude alternative payment arrangements, deferral or reduction on a case by case basis. A process for considering these cases was implemented and the second tranche of rent reductions led to the expected income loss. The Month 7 position shows some improvements due to rent reviews, new leases and the receipt of some back dated rent
0	0	Sales, Fees and Charges Grant	The estimated value of the grant due to be claimed based on the latest eligible forecast losses of income driven by the COVID-19 outbreak is not material for Property Services as commercial rental income is not eligible.

## Housing, Neighbourhoods &amp; Communities

## Revenue Budget Summary

Forecast Variance Month 5 £'000	Service	2020/21 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	COVID Variance Month 7 £'000	Forecast Variance Month 7 %	2020/21 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
8,494	Housing General Fund	6,143	14,131	7,988	6,607	130.0%	500	150	350
178	Libraries	4,786	4,929	143	143	3.0%	89	89	0
185	Communities, Equalities & Third Sector	2,953	3,123	170	185	5.8%	11	11	0
64	Safer Communities	2,717	2,717	0	54	0.0%	170	170	0
8,921	Housing, Neighbourhoods & Communities	16,599	24,900	8,301	6,989	138.8%	770	420	350
(4,193)	Further Financial Recovery Measures (see below)	-	(3,150)	(3,150)	(1,637)	-	-	-	-
4,728	Residual Risk After Financial Recovery Measures	16,599	21,750	5,151	5,352	31.0%	770	420	350

The COVID variances shown in the tables above and below are included within the “Forecast Variance” and “Key Variances” columns.

## Explanation of Key Variances

Key Variances £'000	COVID Variances £'000	Service Area	Variance or Financial Recovery Measure Description
Further Directorate Financial Recovery Measures			
(2,300)	(787)	Temporary Accommodation (TA)	Use of Flexible Homelessness Support Grant (FHSG) of £1.513m to offset overspends on business as usual TA. A further £0.787m as a contribution towards the additional costs of homelessness caused by COVID-19. All other financial recovery measures for TA have now been incorporated into the main forecasts.
(650)	(650)	Rough Sleeper Housing Benefit (HB)	This is the current estimate of HB collectable from rough sleepers/homeless in hotels to reduce COVID-19 pressures up to March 2021. The team have endeavoured to complete HB forms with residents where possible. Working remotely has made this difficult in many cases and once people are in

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Key Variances £'000	COVID Variances £'000	Service Area	Variance or Financial Recovery Measure Description
			accommodation the incentive to communicate with us is lost. Housing Needs staff are going out on site to pick up issues and will keep this under review as restrictions due to COVID-19 change. The forecast has reduced since Month 5 due to the level of HB claimed to date and the increased move on assumptions for those living in hotels and guest houses which is a condition of the grant funding from MHCLG.
(200)	(200)	Libraries	Managing the Library PFI contract very closely and through effective management, improved performance and projected low inflationary increases, the Library Service will be able to reduce PFI costs by at least £0.200m in future years, hopefully more, based on current PFI Unitary Payments. If further savings are confirmed to be possible, these will come through future budget monitoring reports.
<b>Housing General Fund</b>			
3,004	1,389	Temporary Accommodation	<p>£1.513m overspend due to higher levels of households using spot purchase accommodation than budgeted. The budget assumes an average of 36 units of spot purchase accommodation through the year and at the end of October there were 105 units for statutory homeless accommodation in use. The forecast assumes this will continue at this level as any successful move-on's will likely be replaced with new statutory homeless clients.</p> <p>Continued similar levels of overspending as in 2019/20 on other areas of TA such as repairs and income collection mean that its £0.350m of savings are unlikely to be met. This forecast includes the use of £0.098m reserves following review of the Damage Deposit Guarantee Scheme Reserve.</p> <p>Forecast underspend of £0.300m relating to the new investment funding for an enhanced level of service for Emergency short term accommodation. This assumes new contract is not in place during 2020/21.</p> <p>Forecast net £1.791m overspend from higher levels of households using spot purchase accommodation as a result of COVID-19 for those housed as part of the 'everyone in' initiative up to October 2020. As at the end of October an additional 149 clients were housed over and above the 105 units in spot purchase pushing total units to 254. The forecast assumes this will continue to increase by a further 17 to December and then level off as there are limited move-on options at this time. The forecast includes an estimated reduction in income collected, especially from those not in receipt of Housing Benefit as well</p>

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Key Variances £'000	COVID Variances £'000	Service Area	Variance or Financial Recovery Measure Description
			as assumed extra HB income collected of £0.616m from the increase of spot purchase.
4,900	4,900	Rough Sleeper Accommodation	<p>This relates to the cost of hotel and University accommodation and move on costs for housing rough sleepers to 31 March 2021 as part of the 'everyone in' initiative by the Government. This variance has increased since the forecast at month 5 by £0.600m. The main reason for this is a prudential risk provision for not meeting the MHCLG target for 40% move-on by 31 December 2020 which is a condition of the Next Steps Accommodation Programme (NSAP) grant (£1.000m). This is offset by a reduction of the forecast costs for use of HMO's (£0.212), given that this was originally assumed to commence on 1st October and a further reduction in the forecast due to a number of those housed in spot purchase accommodation under the everyone in initiative already being accounted for in the TA forecast above.</p> <p>Note that income from HB for this group is shown in financial recovery measures above. The costs of support, security costs etc. are shown in the forecast for HASC. The government has recently awarded the council £3.429m of short term NSAP grant towards the costs of housing rough sleepers and this funding will reduce the forecast overspends in both HNC and HASC although there is still work required to apportion this. Therefore, the grant is currently being treated corporately so costs here do not include any grant funding.</p>
(86)	0	Private Sector Housing	Forecast underspend of £0.150m relating to the new investment funding of £0.150m for the further enforcement work with private sector landlords. This assumes no spend during 2020/21. This underspend is offset by a forecast overspend of £0.060m relating to Minimum Energy Efficiency Standard fine income which is not achievable.
80	69	Seaside Homes	Forecast overspend of £0.066m due to shortfalls in income collection due, in part, to the impact of Universal Credit and a further forecast overspend of £0.069m for a possible reduction in rent payments from those self-payers and those in receipt of Universal Credit facing more hardship as a result of COVID-19. These are offset by the release of the Seaside Homes revenue reserve of £0.055m.
147	147	Housing Options	Additional staffing costs to undertake assessments of rough sleepers and other newly accommodated households under COVID-19 provision. The contracts for these staff has been extended to end of December in line with authority by P&R

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Key Variances £'000	COVID Variances £'000	Service Area	Variance or Financial Recovery Measure Description
			committee to continue to support rough sleepers until then, pending the funding from the MHCLG.
(100)		Travellers	Underspend due to staff vacancies, recruitment due from January. Also underspends on rubbish clearance and legal costs.
43	0	Various	Minor variances.
<b>Libraries</b>			
143	143	Loss of Libraries Income	Libraries business as usual budget is currently forecast to break-even with all savings met. There is an estimated loss of income due to COVID-19 from shop sales, meeting space bookings, fines and charges of £0.475m. Currently assuming very little income for the whole financial year. This has been mitigated by the assumed Sales Fees and Charges Grant of £0.297m. Mitigating actions of £0.035m have also been identified to cover some of this shortfall.
<b>Communities, Equalities &amp; Third Sector</b>			
185	185	Vulnerable People cell	This is an estimate of the extra Food Partnership costs as a result of COVID-19.
(15)	0	General	Minor underspend across the service.
<b>Safer Communities</b>			
54	54	Loss of licensing income	The estimated impact of COVID-19 on Licensing income are: Taxi Licensing shortfall (£0.110m); Licensed Premises (£0.050m); Street Trading (£0.010m). This is offset by the assumed level of Sales, Fees and Charges grant of £0.106m. The service has also identified further mitigating actions to cover £0.010m of the pressure.
(54)	0	Environmental Health & Licensing	Net underspend against staffing, as a result of vacancies across the service.



Finance & Resources

Revenue Budget Summary

Forecast Variance Month 5 £'000	Service	2020/21 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	COVID Variance Month 7 £'000	Forecast Variance Month 7 %	2020/21 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
(66)	Finance (Mobo)	273	207	(66)	0	-24.2%	0	0	0
101	HR & Organisational Development (Mobo)	1,104	1,223	119	30	10.8%	0	0	0
0	IT&D (Mobo)	4,427	4,427	0	18	0.0%	225	225	0
0	Procurement (Mobo)	(255)	(255)	0	1	0.0%	0	0	0
97	Business Operations (Mobo)	(184)	(87)	97	12	52.7%	0	0	0
330	Revenues & Benefits (Mobo)	5,399	5,775	376	205	7.0%	250	250	0
147	Housing Benefit Subsidy	(751)	(199)	552	0	73.5%	0	0	0
230	Contribution to Orbis	10,967	11,153	186	0	1.7%	477	477	0
839	Total Finance & Resources	20,980	22,244	1,264	266	6.0%	952	952	0

**Mobo** = Budgets held by Orbis and **Managed on behalf of** the relevant partner i.e. they are sovereign, non-partnership budgets.

The COVID variances shown in the tables above and below are included within the “Forecast Variance” and “Key Variances” columns.

Explanation of Key Variances

Key Variances £'000	COVID Variances £'000	Service Area	Variance or Financial Recovery Measure Description
(66)	0	Finance (Mobo)	A predicted underspend of £0.066m. The vacant post of the Executive Director is anticipated to save £0.130m this year, net of acting up costs. This will be partially offset by higher external audit costs of £35k and other additional contractual costs of £0.029m including FirstCare.

**Appendix 4 – Revenue Budget Performance**

Key Variances £'000	COVID Variances £'000	Service Area	Variance or Financial Recovery Measure Description
<b>HR &amp; Organisational Development (Mobo)</b>			
119	30	Human Resources	The service is declaring an overspend of £0.119m at Month 7, an increase of £0.017m from last month. There remains a pressure against the funding of union time of £0.040m, income pressures within the service of £0.052m and other net costs elsewhere of £0.027m. Within these forecast figures, the service has incurred costs relating to COVID-19 of £0.030m. The service is putting forward a pressure funding request through the budget setting process.
<b>Business Operations (Mobo)</b>			
97	12	Business Operations	The service is predicting a pressure of £0.097m due mainly to extra BHCC system costs in 2020/21, including significant ICON (Income Management System) hosted implementation costs. This figure includes covid-19 costs of £0.012m, mostly for costs of overtime.
<b>Revenues &amp; Benefits (Mobo)</b>			
376	205	Revenues & Benefits	The service is forecast to overspend by £0.376m. The main element of the forecast overspend is a forecast shortfall in court costs income of £0.442m for which £0.205m relates to the impact of Covid-19. There are pressures of £0.051m for supplies and services costs, mainly from increased computer system costs and bank charges. Staffing costs are being offset on a one-off basis from a combination of new burdens and grant funding resulting in net savings of £0.117m.
<b>Housing Benefit Subsidy</b>			
552	0	Housing Benefit Subsidy	The overall forecast is for a pressure of £0.552m which is a worsening of £0.405m since Month 5. Within this there is a projected surplus of £0.065m relating to the collection of overpayments of former Council Tax Benefit and this is £0.015m worse than Month 5. There is an overspend of £0.417m on the main subsidy budgets. Within this there is a pressure of £0.529m (£0.434m at Month 5) relating to a particular benefit type for vulnerable tenants which is not fully subsidised. This is partially offset by the net position on the collection of overpayments being £0.070m worse than budget (£0.225m better than budget at Month 5) and there are other minor adverse variances of £0.018m.

**Appendix 4 – Revenue Budget Performance**

<b>Key Variances £'000</b>	<b>COVID Variances £'000</b>	<b>Service Area</b>	<b>Variance or Financial Recovery Measure Description</b>
<b>F&amp;R Contribution to ORBIS</b>			
186	0	Contribution to Orbis	This is forecast to overspend by £0.186m mainly due there being a £0.750m pressure in the base budget for Business Operations. There are other pressures relating to unachieved vacancy rates in HR, but this is mostly offset by underspends within Finance

## Strategy, Governance &amp; Law

## Revenue Budget Summary

Forecast Variance Month 5 £'000	Service	2020/21 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	COVID Variance Month 7 £'000	Forecast Variance Month 7 %	2020/21 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
0	Corporate Policy	647	647	0	0	0.0%	27	27	0
(50)	Legal Services	1,555	1,505	(50)	0	-3.2%	103	103	0
0	Democratic & Civic Office Services	1,810	1,810	0	0	0.0%	12	12	0
200	Life Events	109	310	201	269	184.4%	8	0	8
(6)	Performance, Improvement & Programmes	674	668	(6)	0	-0.9%	49	49	0
30	Communications	655	675	20	84	3.1%	44	0	44
174	Total Strategy, Governance & Law	5,450	5,615	165	353	3.0%	243	191	52

The COVID variances shown in the tables above and below are included within the “Forecast Variance” and “Key Variances” columns.

## Explanation of Key Variances

Key Variances £'000	COVID Variances £'000	Service Area	Variance or Financial Recovery Measure Description
Legal Services			
(50)	0	Legal Services	£0.050m underspend at Month 7, mainly due to income overachievement.
Life Events			
201	269	Life Events	There were income pressures of £0.577m (down from £0.618m last month) which is reduced to £0.269m after income pressure funding relating to COVID-19 restrictions, as follows: <ul style="list-style-type: none"> <li>Registrars - £0.337m (reduced to £0.117m) as a result of all Registration services being suspended during the first lockdown and telephone death registration only.</li> </ul>

**Appendix 4 – Revenue Budget Performance**

Key Variances £'000	COVID Variances £'000	Service Area	Variance or Financial Recovery Measure Description
			<p>This forecast has been recast with the extra pressures due to income from ceremonies.</p> <ul style="list-style-type: none"> <li>• Bereavement - £0.102m (reduced to £0.096m). Memorials, Cemetery and Mortuary income pressure accounted for £0.177m, where the resources within the service had to work flexibly with adherence to safe distancing, so priority had been to provide cremations and burials and it was unable to resource other services. This was partly offset by a £0.075m overachievement in burials and cremations themselves as a result of increased funerals.</li> <li>• Land Charges - £0.138m (reduced to £0.056m) a further improvement this month due to stamp duty relaxation. However the large pressure is the result of the major slump in activity due to closure of housing market, and ongoing uncertainty in this area of the economy</li> </ul> <p>There are expected vacancy savings of £0.129m, from the Elections Team (£0.056m), Bereavement (£0.040m) and Registrars (£0.033m).</p> <p>Elsewhere in the service there are expected pressures in the Public Funerals service of £0.049m, and other overspends generally of £0.030m, but this is partly offset by expected furlough funding of £0.018m for Registrars staff.</p>
<b>Performance, Improvement &amp; Programmes</b>			
(6)	0	Performance Team	Minor variances.
<b>Communications</b>			
20	84	Communications	<p>The service is forecasting an overspend of £0.020m this month. There are £0.084m pressures attributable to Covid, being unachievable restructuring savings (£0.044m), and extra advertising and distribution costs (£0.040m). These costs are partially offset however by</p>

**Appendix 4 – Revenue Budget Performance**

Key Variances £'000	COVID Variances £'000	Service Area	Variance or Financial Recovery Measure Description
			underspends in staffing (£0.032m), supplies and services (£0.026m) and also in the Graphic Design Team (£0.006m)

## Corporately-held Budgets

## Revenue Budget Summary

Forecast Variance Month 5 £'000	Service	2020/21 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	COVID Variance Month 7 £'000	Forecast Variance Month 7 %	2020/21 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
0	Bulk Insurance Premia	3,107	3,107	0	0	0.0%	0	0	0
(450)	Capital Financing Costs	7,726	6,973	(753)	0	-9.7%	0	0	0
0	Levies & Precepts	211	211	0	0	0.0%	0	0	0
(217)	Unallocated Contingency & Risk Provisions	364	147	(217)	0	-59.6%	0	0	0
(21,930)	Unringfenced Grants	(29,190)	(55,902)	(26,712)	(26,673)	-91.5%	0	0	0
2,926	Other Corporate Items	9,578	12,594	3,016	3,119	31.5%	340	0	340
(19,671)	Total Corporately-held Budgets	(8,204)	(32,870)	(24,666)	(23,554)	-300.7%	340	0	340

The COVID variances shown in the tables above and below are included within the “Forecast Variance” and “Key Variances” columns.

## Explanation of Key Variances

Key Variances £'000	COVID Variances £'000	Service Area	Variance or Financial Recovery Measure Description
Capital Financing Costs			
(1,140)		Interest Payable and MRP	Reduction in cost of financing debt and MRP due to pause in Capital Programme.
387		Interest receivable	Lower Investment income as a result of reduction in interest rates.
Unallocated Contingency & Risk Provisions			
(175)	0	Release of risk provision	The general risk provision of £0.750m has £0.575m earmarked against pay award and the remaining £0.175m is being released.
(42)	0	Other	Minor variance.
Unringfenced Grants			

**Appendix 4 – Revenue Budget Performance**

Key Variances £'000	COVID Variances £'000	Service Area	Variance or Financial Recovery Measure Description
(23,244)	(23,244)	Covid 19 Grant	This is the amount of COVID-19 grant allocated to the council in four tranches. £7.857m relates to the remaining allocation carried forward to 2020/21 from the first tranche of £8.157m and there is £8.048m, £2.557m and £4.782m in respect of the second, third and fourth tranches.
(3,429)	(3,429)	Next Steps Accommodation Programme Grant	Allocation announced in September 2020 by the Ministry for Housing, Communities & Local Government.
(39)	0	Extended Rights to Free Transport	Higher than forecast grant allocation for 2020/21 for Local Reform and Community Voice grant and Extended Rights to Free Transport.
<b>Other Corporate Items</b>			
2,800	2,800	PPE	Estimates of PPE reflect demands on the service and the decision to charge certain external customers for provision. This estimate could be volatile depending on the changing requirements for managing the pandemic and the level of supplies provided free of charge by government.
229	229	COVID-19 Death Management	Council's share of current forecast expenditure as part of the Sussex Resilience Forum.
(103)	0	Pensions	Overpayment from 2019/20 of £0.068m and an in year variance of £0.035m.
90	90	Laptops for homeworking	Cost of purchasing laptops for homeworking during the pandemic.



## Housing Revenue Account (HRA)

## Revenue Budget Summary

Forecast Variance Month 5 £'000	Service	2020/21 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	COVID Variance Month 7 £'000	Forecast Variance Month 7 %
(110)	Capital Financing	25,964	25,854	(110)	0	-0.4%
(120)	Housing Management & Support	4,035	4,005	(30)	0	-0.7%
(135)	Head of City Development & Regeneration	590	455	(135)	(60)	-22.9%
118	Income, Involvement & Improvement	(46,905)	(46,935)	(30)	51	-0.1%
(710)	Repairs & Maintenance	10,435	9,285	(1,150)	(690)	-11.0%
410	Property & Investment	(709)	(454)	255	(150)	36.0%
240	Tenancy Services	2,680	3,020	340	190	12.7%
(307)	Total Housing Revenue Account	(3,910)	(4,770)	(860)	(659)	-22.0%

The COVID variances shown in the tables above and below are included within the “Forecast Variance” and “Key Variances” columns.

## Explanation of Key Variances

Key Variances £'000	COVID Variances £'000	Service Area	Variance Description
<b>Capital Financing</b>			
(110)	0	Financing costs	Significant reprofiling of HRA capital expenditure from 2019/20 into 2020/21 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 2020/21, compared to the original budget forecast.
<b>Housing Management &amp; Support</b>			
(70)	0	Transfer Incentive Scheme	This service assists tenants to down-size or to move into more suitable or accessible accommodation. Each case takes time to complete and current expenditure levels indicate that this budget will be underspent by £0.070m.
90	0	Rents -Temporary Accommodation	Less rental income for Temporary Accommodation (TA) units in the HRA than expected due to delays to the completion of

**Appendix 4 – Revenue Budget Performance**

Key Variances £'000	COVID Variances £'000	Service Area	Variance Description
			schemes to provide council owned TA and fewer home purchase properties being used for TA than budgeted. This is partly offset by more income for general needs housing.
(50)	0	Employee costs	Projected underspend against staff training and agency staff budget.
<b>Head of City Development &amp; Regeneration</b>			
(135)	(60)	Staffing	Staffing underspends as COVID-19 has meant delayed recruitment.
<b>Income, Involvement &amp; Improvement</b>			
(100)	0	Employee costs	Underspend on employee costs £0.100m across Income Management Team, Rent Accounting Team and Customer Service team.
51	51	Laundries costs	Overspend due to non-collection of laundry charges.
19	0	Other	Other minor variances across the service.
<b>Repairs &amp; Maintenance</b>			
(1,150)	(690)	Repairs & Maintenance	<p>There is a significant underspend forecast across the service, mainly due to the impact of reduced activity due to COVID-19. Expenditure on Responsive Repairs and Empty Properties sub-contractors and materials is expected to be approximately £0.690m less than budgeted, owing to the first five months of operation being impacted by the COVID-19 restrictions in place and the service attending to emergency repairs only. Vacancies were also held, pending the full service resuming which accounts for a further £0.200m underspend and other running costs (mainly reduced fuel costs) are £0.100m less than budgeted. The Estates Development Budget is also expected to underspend by approximately £0.160m.</p> <p>Given the significant backlog in works, it is recommended that an earmarked reserve is created at Month 7 in recognition that these works will now over-run into 2021/22. The proposal is to earmark the £0.440m increase in forecast underspend across the service since last month, with a recommendation that any further underspending in the Repairs and Maintenance Service</p>

**Appendix 4 – Revenue Budget Performance**

Key Variances £'000	COVID Variances £'000	Service Area	Variance Description
			between now and the end of the financial year will be used to top-up this reserve, subject to business needs.
<b>Property &amp; Investment</b>			
790	0	Leaseholder - Service Charges Major Works	A lower than expected level of leasehold service charge is being forecast for major works in 2020/21. Provision in the HRA budget allowed for billing of £3.600m, based on likely completion times for a large number of projects. Due to the COVID-19 restrictions in place it has taken longer to complete or reach final account on one large major project and some smaller projects, resulting in a lower level of £2.800m actually billed in 2020/21 with the remainder forecast for billing in 2021/22.
(150)	0	Leaseholder - Service Charges	Projected income for annual service charges is slightly more than budget assumptions.
(235)	0	Repairs & Improvement	An underspend is forecast due to changes in the timescales for recruiting additional staff to support the new arrangements for planned and major works. This is as a result of changes to programme start dates whilst procurement work has been paused through the COVID-19 pandemic. Procurement work is now progressing well and in the final stages for planned works and major works frameworks are set to go out to tender shortly.
(150)	(150)	Mechanical & Electrical (M&E) - Service contracts	A forecast underspend is expected against the servicing and maintenance contracts across M&E, as a result of the COVID-19 restrictions.
<b>Tenancy Services</b>			
120	120	Estates Cleaning	There has been additional spend against agency staff in the estates services team due to the increased cleaning requirements as a result of COVID-19.
121	70	Employee costs	Extra staff costs in tenancy management and re-housing teams in part due to COVID-19 and staff turnover has been lower than expected at budget setting time leading to an overspend on these budgets.
123	0	Security costs	Overspend largely relates to the use of security guards at two central blocks of flats to ensure the safety of residents at risk.

**Appendix 4 – Revenue Budget Performance**

<b>Key Variances £'000</b>	<b>COVID Variances £'000</b>	<b>Service Area</b>	<b>Variance Description</b>
28	0	Temporary Accommodation	An overspend on the use of temporary accommodation for council housing tenants
(35)	0	Rents and service charges	Income from rents and service charges for Seniors Housing is slightly higher than budget assumptions.
(17)	0	Transport and supplies	Other minor underspends on transport and supplies across this service.

Dedicated Schools Grant (DSG)

Revenue Budget Summary

Forecast Variance Month 5 £'000	Service	2020/21 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	COVID Variance Month 7 £'000	Forecast Variance Month 7 %
0	Individual Schools Budget (ISB)	131,849	131,849	0	0	0.0%
(188)	Early Years Block (excluding delegated to Schools) <i>(This includes Private Voluntary &amp; Independent (PVI) Early Years 3 &amp; 4 year old funding for the 15 hours free entitlement to early years education)</i>	13,736	13,423	(313)	25	-2.3%
454	High Needs Block (excluding delegated to Special Schools)	21,925	22,409	484	74	2.2%
163	Exceptions and Growth Fund	3,464	3,641	177	148	5.1%
0	Grant Income	(170,271)	(170,271)	0	0	0.0%
429	<b>Total Dedicated Schools Grant (DSG)</b>	<b>703</b>	<b>1,051</b>	<b>348</b>	<b>247</b>	<b>49.5%</b>

The COVID variances shown in the tables above and below are included within the “Forecast Variance” and “Key Variances” columns.

Explanation of Key Variances

Key Variances £'000	COVID Variances £'000	Service Area	Variance Description
<b>Early Years Block (including delegated to Schools)</b>			
(204)	0	Early Years Free Entitlement	Lower take up than anticipated in summer term and anticipated reduction in 2-year old free entitlement in autumn term.
(140)	0	Early Years Unallocated	Balance of DSG underspend from 2019/20 to be used to offset wider DSG overspends in 2020/21.
31	25	Other	Other variances.
<b>High Needs Block (excluding delegated to Schools)</b>			
292	74	Educational Agency Placements	There has been an increase in the cost of some bespoke tuition packages, some of which relates to COVID-19. The agency budget has also been impacted due to a lack of local provision for cognitively able children with Autism

Appendix 4 – Revenue Budget Performance

Key Variances £'000	COVID Variances £'000	Service Area	Variance Description
			and Anxiety/Social Emotional Mental Health (SEMH) needs who have not been able to manage in local mainstream schools despite intervention from external agencies. Furthermore, there is an increasing cost of the education packages linked to external residential disability placements.
235	0	Mainstream top-up	There has been overall significant growth both in terms of EHCP numbers and the unit rate of top-up funding assigned. There has been a particular increase in demand through higher numbers of EHCP needs assessments for early years children with complex needs from nursery into primary mainstream reception classes in September 2020 requiring high levels of support.
(89)	0	Specialist Provision - Resource Bases	Increased provision for the new Cullum Centre - not yet at full capacity from September.
50	0	BHISS	Increases in staffing costs in excess of generated income.
(4)	0	Other	Minor variances.
<b>Exceptions and Growth Fund</b>			
98	58	Other	Other variances. COVID-19 costs relate to loss of income in the EMAS service.
79	90	Access to Education	This is as a result of the estimated loss of fines income due to COVID-19.