

Families, Children & Learning

Revenue Budget Summary

| Forecast Variance Month 7 £'000 | Service | 2020/21 Budget Month 9 £'000 | Forecast Outturn Month 9 £'000 | Forecast Variance Month 9 £'000 | COVID Variance Month 9 £'000 | Forecast Variance Month 9 % | 2020/21 Savings Proposed £'000 | Savings Achieved/ Anticipated £'000 | Savings At Risk £'000 |
|--|---|---------------------------------------|---|--|---------------------------------------|--------------------------------------|---|--|--------------------------------|
| (1) | Director of Families, Children & Learning | 104 | 93 | (11) | 4 | -10.6% | 0 | 0 | 0 |
| 1,966 | Health, SEN & Disability Services | 42,545 | 44,532 | 1,987 | 1,712 | 4.7% | 1,376 | 1,132 | 244 |
| 1,014 | Education & Skills | 7,831 | 8,698 | 867 | 564 | 11.1% | 206 | 167 | 39 |
| (1,616) | Children's Safeguarding & Care | 40,874 | 38,825 | (2,049) | 425 | -5.0% | 1,362 | 1,287 | 75 |
| 4 | Quality Assurance & Performance | 1,458 | 1,429 | (29) | 0 | -2.0% | 38 | 38 | 0 |
| 1,367 | Total Families, Children & Learning | 92,812 | 93,577 | 765 | 2,705 | 0.8% | 2,982 | 2,624 | 358 |

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 |
|---|-----------------------------|---|---|
| Director of Families, Children & Learning | | | |
| (11) | 4 | Other | Minor variances. |
| Health, SEN & Disability Services | | | |
| 1,221 | 233 | Demand led - Children's Disability Placements | The number of placements and unit costs are forecast to be significantly in excess of budget with particular pressure on external residential provision. There have been six new high cost residential placements in the current financial year, partly linked to COVID-19 and the additional pressure this has placed on families. There has also been a one-off change to the apportionment of recharges between education and social care provision to reflect increased social care needs |
| 287 | 129 | In-house disability services | There is an underlying budget pressure in in-house respite provision and additional staffing requirements due to COVID-19. |
| 244 | 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. |

Appendix 4 – Revenue Budget Performance

| Key Variances £'000 | COVID Variances £'000 | Service Area | Variance or Financial Recovery Measure Description |
|-------------------------------|-----------------------------|--|---|
| | | | However, client numbers have stabilised compared to earlier forecasts and this has helped to mitigate the overall level of overspend. |
| 122 | 40 | Children's Disability Direct Payments | One-off Increase in apportionment of the social care element of direct payments. Some additional direct payments to support families linked to COVID-19. |
| 160 | 0 | Section 17 Preventive Payments | High cost emergency support arrangements with costs split between the local authority and CCG. |
| (47) | 17 | Other | Minor variances. |
| Education & Skills | | | |
| 891 | 368 | Home to School Transport | For 2020/21 the forecast overspend is £0.891m, of which £0.368m 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 £0.523m. It must be stressed 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 supplier relief payments and the additional costs from social distancing measures from September. The forecast includes an assumption at this stage re 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. The full year cost in 2021/22 is expected to be £1.486m higher. |
| 130 | 162 | Council Nurseries and Children's Centres | There has been a significant loss of fee income against budget due to lower numbers of children. However, the service is using the Coronavirus Job Retention Scheme (CJRS). This will mean reimbursement for staff costs as a result of furloughing, with an amount of £0.101m 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 £0.392m will be recovered through this mechanism. For spring term 2021 the decision to close council nurseries to all but vulnerable and key worker children will have a detrimental impact on the levels of free entitlement income. This is estimated at £0.150m. The reduction in children means expenditure on staffing, particularly sessional and agency staff across most council nurseries has reduced. Overall, a net overspend of £0.150m is being forecast against council nurseries. |

Appendix 4 – Revenue Budget Performance

| Key Variances £'000 | COVID Variances £'000 | Service Area | Variance or Financial Recovery Measure Description |
|--|-----------------------------|------------------------------------|---|
| | | | There is also an estimated £0.020m underspend relating to the council's Children's Centres. |
| (154) | 34 | Other | Minor variances on other budgets. The COVID-19 costs relate to delays in implementing savings within the Skills & Employment service. |
| Children's Safeguarding & Care | | | |
| (1,175) | 205 | Demand-Led - Children's placements | The underspend relates to a number of different factors. There has been an increase in the level of grant available for care leavers and Unaccompanied Asylum Seeking Children. Despite overall numbers of children being placed in high cost placements increasing in recent months it is still within 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 £1.175m. |
| (213) | 55 | Preventive/S17 | 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. |
| 83 | 0 | Legal Fees | 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 there will be additional costs incurred by the in-house legal team resulting in the overspend of £0.083m |
| (242) | 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 Sussex Partnership Foundation Trust (SPFT). In addition there have been a number of vacant posts across the service. |
| (91) | 73 | 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. |
| (190) | 0 | Adolescent service | The underspend in the adolescent service reflects the difficulty in recruiting to various vacant posts across the service. |
| (100) | 0 | Partners in Change Contracts | Contracts with SPFT and other partners have been re-negotiated reducing the cost to the Council. |
| (121) | 64 | Other | Minor variances. |
| Quality Assurance & Performance | | | |
| (29) | 0 | Other | Minor variances. |

Health & Adult Social Care (HASC)

Revenue Budget Summary

| Forecast Variance Month 7 £'000 | Service | 2020/21 Budget Month 9 £'000 | Forecast Outturn Month 9 £'000 | Forecast Variance Month 9 £'000 | COVID Variance Month 9 £'000 | Forecast Variance Month 9 % | 2020/21 Savings Proposed £'000 | Savings Achieved/ Anticipated £'000 | Savings At Risk £'000 |
|--|---|---------------------------------------|---|--|---------------------------------------|--------------------------------------|---|--|--------------------------------|
| 3,443 | Adult Social Care | 35,540 | 38,221 | 2,681 | 1,321 | 7.5% | 0 | 0 | 0 |
| 313 | S75 Sussex Partnership Foundation Trust (SPFT) | 18,373 | 18,338 | (35) | 411 | -0.2% | 0 | 0 | 0 |
| 4,748 | Integrated Commissioning | 10,503 | 13,972 | 3,469 | 2,742 | 33.0% | 0 | 0 | 0 |
| 0 | Public Health | 404 | 404 | 0 | 90 | 0.0% | 0 | 0 | 0 |
| 8,504 | Total Health & Adult Social Care | 64,820 | 70,935 | 6,115 | 4,564 | 9.4% | 0 | 0 | 0 |
| 0 | Further Financial Recovery Measures (see below) | - | 0 | 0 | 2,962 | - | - | - | - |
| 8,504 | Residual Risk After Financial Recovery Measures | 64,820 | 70,935 | 6,115 | 7,526 | 9.4% | 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 | 2,962 | 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 | | | |
| 2,047 | 844 | Demand-Led Community Care - Physical & Sensory Support | The forecast number of placements/packages is 2,243 WTE, which is below the budgeted level of 2,321 WTE placements. However, the average unit cost of a placements/packages is significantly higher than the budgeted level at £202 per week (£24 per week above budget per client). The combination of the number of adults placed being 78 WTE below the budgeted level and the increased unit costs result in the overspend of £2.047m. Therefore, the overall activity is in-line with the |

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| Key Variances £'000 | COVID Variances £'000 | Service Area | Variance or Financial Recovery Measure Description |
|---|-----------------------------|--|--|
| | | | <p>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 and underlying increased costs such as cleaning, PPE, training, etc which are expected to be ongoing after the end of the pandemic.</p> <p>A significant portion of the current overspend is attributable to COVID-19 - £0.844m for the costs of 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> |
| 187 | 0 | 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 £0.187m. |
| (474) | 96 | Assessment teams | This is due to a number of temporary vacancies across the Assessment teams. |
| 897 | 380 | 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 |
| 24 | 1 | Other | Minor variances. |
| S75 Sussex Partnership Foundation Trust (SPFT) | | | |
| 33 | 222 | Demand-Led - Memory Cognition Support | <p>The number of forecast placements are higher than budgeted resulting in the overspend projection of £0.033m.</p> <p>The forecast number of placements/packages is 407 WTE which is above the budgeted level of 397 WTE placements. The average unit cost, which had seen increase in previous years, is below the budgeted level at £335 per week (£7 per week below budget). Therefore, the overall activity is 9 WTE above budget and the unit costs are 2% below budget. A significant portion of spend is attributable to COVID-19 - £0.222m 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> |
| (51) | 189 | Demand-Led - Mental Health Support | <p>The average unit cost is less than anticipated and this results in the underspend projection of £0.051m.</p> <p>There is an increasing need and complexity within this client group and the forecast number of placements/packages is 484 WTE, which is above the budgeted level of 418 WTE placements. The average unit cost of a placements/package is lower than the budgeted level at £313 per week (£52 per</p> |

Appendix 4 – Revenue Budget Performance

| Key Variances £'000 | COVID Variances £'000 | Service Area | Variance or Financial Recovery Measure Description |
|---------------------------|-----------------------------|---------------------|---|
| | | | week less than the budget per client). A significant portion of spend is attributable to COVID-19 - £0.189m for the ongoing costs for increased demand for care packages and care home placements, and additional payments to providers in support of COVID-19 |
| (17) | 0 | Staffing Teams | This is due to a number of temporary vacancies across the Assessment teams. |
| Integrated Commissioning | | | |
| 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. |
| 2,907 | 2,683 | Contracts | The overspend is attributable to COVID-19 and reflects the forecast statutory costs to support verified rough sleepers. The additional costs are partially offset by the MHCLG emergency accommodation grant and Next Steps Accommodation Programme grant. |
| 201 | 59 | Commissioning teams | The overspend relates to additional staffing costs within the commissioning, performance and management teams. |
| Public Health | | | |
| 0 | 90 | Other | Minor variances. |

Economy, Environment & Culture

Revenue Budget Summary

| Forecast Variance Month 7 £'000 | Service | 2020/21 Budget Month 9 £'000 | Forecast Outturn Month 9 £'000 | Forecast Variance Month 9 £'000 | COVID Variance Month 9 £'000 | Forecast Variance Month 9 % | 2020/21 Savings Proposed £'000 | Savings Achieved/ Anticipated £'000 | Savings At Risk £'000 |
|--|--------------------------------------|---------------------------------------|---|--|---------------------------------------|--------------------------------------|---|--|--------------------------------|
| 4,588 | Transport | (2,652) | 2,547 | 5,199 | 5,546 | 196.0% | 3,877 | 2,109 | 1,768 |
| 700 | City Environmental Management | 32,324 | 33,124 | 800 | 1,200 | 2.5% | 265 | 265 | 0 |
| 36 | City Development & Regeneration | 3,562 | 3,512 | (50) | 424 | -1.4% | 155 | 126 | 29 |
| 1,671 | Culture, Tourism & Sport | 4,565 | 5,326 | 761 | 3,694 | 16.7% | 260 | 233 | 27 |
| 1,250 | Property | 2,042 | 3,162 | 1,120 | 1,120 | 54.8% | 447 | 176 | 271 |
| 8,245 | Total Economy, Environment & Culture | 39,841 | 47,671 | 7,830 | 11,984 | 19.7% | 5,004 | 2,909 | 2,095 |

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 |
|---------------------------|-----------------------------|------------------------------------|---|
| Transport | | | |
| 13,500 | 13,500 | Parking Services | Parking Services is forecasting a substantial additional loss of income against budget as a result of the latest lockdown (£13.500m compared to £11.400m at Month 7). The forecast assumption is that the lockdown impact continues to the end of March 2021. Parking income is a demand led activity which can be difficult to predict and may also be negatively impacted by the COVID-19 infection control measures. The income losses are substantially COVID-19 related, however, there is significant IT&D work required for some of the fees and charges agreed for 2020/21. Therefore, this may be a small part of the parking losses and these agreed changes will not be operational until early 2021. The overall parking income position is being kept under constant review and may potentially deteriorate. |
| 202 | 279 | Transport Projects and Engineering | Payments to Bus Operators are forecast to exceed budget by £0.176m. This may be mitigated by other public transport Government funding of £0.146m. Bus Shelter Advertising Income is expected to be short of budget by £0.103m because |

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| Key Variances £'000 | COVID Variances £'000 | Service Area | Variance or Financial Recovery Measure Description |
|--------------------------------------|-----------------------------|-------------------------------|--|
| | | | of an agreement in principle with CCUK for one missed quarterly payment (COVID-19 related). Bus Shelter expenditure in Valley Gardens of £0.109m is now forecast but is partially offset by a forecast underspend of £0.062m elsewhere in the City. A National Trust voluntary contribution towards Breeze up to the Downs is forecast not to be received: £0.015m. |
| 97 | 367 | Traffic Management | There is a COVID-19 related shortfall of £0.128m in Road Work Permit Fees. Costs in implementing Street Manager software are forecast to exceed budget by £0.050m. Highways Licensing income is forecast to underachieve due to waived Tables and Chairs licence fees of £0.101m (COVID-19) and reduced forecast Skip income of £0.074m and A-Board Income of £0.004m (both COVID-19 related). Other COVID-19 related highway regulation costs of £0.060m are also forecast. These are partially offset by Hoarding Licence income (£0.186m) and Scaffold Licence income (£0.076m) both forecast to exceed budget. Also, Street works fees are now forecast to exceed budget by £0.043m as contractors' work volumes are continuing to increase. |
| (8,600) | (8,600) | 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. An estimated £8.300m is related to Parking Services and the balance (£0.300m) to the rest of Transport. |
| City Environmental Management | | | |
| 1,000 | 800 | City Clean | £0.900m of the forecast overspend is waste collection and street cleansing (operational) agency costs substantially driven by COVID-19 staffing related shortfalls during the latest lockdown. In addition, there is a £0.100m COVID-19 related net forecast loss of commercial income (garden and trade waste after reduced disposal costs) which has deteriorated due to the second lockdown. Service delivery is under review and measures are being put in place to reduce costs such as service improvement plans, rationalisation of bin/box deliveries and a mobile collection team to more efficiently support rounds. However, there are cost pressures which cannot be mitigated such as beach clean ups. |
| 0 | 400 | Waste Disposal | The £0.400m 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 from £0.600m at Month 2 and is assumed to be funded from the Waste PFI reserve so will have no impact on the bottom line. Any income from the Government's Sales, Fee and Charges grant if appropriate will be |

Appendix 4 – Revenue Budget Performance

| Key Variances £'000 | COVID Variances £'000 | Service Area | Variance or Financial Recovery Measure Description |
|--|-----------------------------|---------------------------------------|--|
| | | | managed through the Waste PFI reserve at the year end (for example; recycling income losses if these materialise). |
| 0 | 100 | 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. However, this will need substantial additional works in 2021/22. Park Services budgets are being actively managed to bring the service in on budget. |
| (400) | 0 | Fleet & Maintenance | Fleet & Maintenance are forecast to be underbudget by £0.400m with additional COVID-19 related costs contained within existing budgets which is an improvement of £0.100m since Month 7. 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 and also part of Strategy & Projects (see below) 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). |
| 300 | 100 | Strategy & Projects | There is a £0.200m management/service improvement team pressure which was funded from the Modernisation Fund in 2019/20. This pressure is reflected in the 2021/22 budget proposals to ensure continued funding and support for ongoing modernisation programmes and operational reviews of the service aimed at achieving service improvements and medium term cost reductions. This also includes a forecast loss of income due to COVID-19 such as not charging for public toilets. |
| (300) | (300) | 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. |
| City Development & Regeneration | | | |
| 876 | 1,000 | Development Planning | Loss of Planning and Building Control income due to COVID-19. Some assumptions were made for Planning income to start returning to normal levels from October onwards. |
| (100) | 0 | Planning Policy and Major Projects | Principal Planning Officer post forecast to be vacant for eight months and part time Waste Planning post vacant. |

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| Key Variances £'000 | COVID Variances £'000 | Service Area | Variance or Financial Recovery Measure Description |
|-------------------------------------|-----------------------------|--------------------------------|---|
| (260) | 0 | Sustainability & International | Primarily, delays in recruiting for Biodiversity Officer and a post within City Wide Food projects among other vacancy management savings. |
| 40 | 0 | Assistant Director - EEC | Overspend on Firstcare Attendance Management fees not budgeted for. |
| (80) | 0 | Major Projects | Underspend on salaries and lower than expected costs for initiatives. |
| 74 | 24 | Economic Development | Additional spend 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. |
| Culture, Tourism & Sport | | | |
| 1,899 | 2,673 | Royal Pavilion and Museums | Loss of income due to closure of all buildings from COVID-19. Some overspend is offset by reduced expenditure on some costs such as building maintenance and staff costs. |
| 28 | 0 | Arts | Additional staffing costs and Legal fees to be paid related to the Trust. |
| 1,107 | 2,124 | 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. |
| 1,127 | 2,122 | 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. |
| 200 | 375 | 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 waived Partnership Fees as agreed by Policy & Resources sub-committee on 29th May 2020. |
| (3,600) | (3,600) | 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. |
| Property | | | |
| 1,120 | 1,120 | 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 and cover for staff in isolation has resulted in a large pressure within the Premises/Concierge Service. Some reductions in provision are starting to materialise in some areas which reduces the forecast pressure. Many building projects have been put on hold resulting in much uncertainty around fee income to |

Appendix 4 – Revenue Budget Performance

| Key Variances £'000 | COVID Variances £'000 | Service Area | Variance or Financial Recovery Measure Description |
|---------------------------|-----------------------------|-------------------------------|--|
| | | | the Technical Services Team but some new projects will hopefully reduce the expected fee income shortfall slightly. The 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. 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 further expected income loss. The Month 9 position also shows some further improvements due to rent reviews, new leases and the receipt of some back-dated rent plus the recent service charge account reconciliation provided a one off adjustment to the revenue account which offset £0.100m of the shortfall. |
| 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 & Communities

Revenue Budget Summary

| Forecast Variance Month 7 £'000 | Service | 2020/21 Budget Month 9 £'000 | Forecast Outturn Month 9 £'000 | Forecast Variance Month 9 £'000 | COVID Variance Month 9 £'000 | Forecast Variance Month 9 % | 2020/21 Savings Proposed £'000 | Savings Achieved/ Anticipated £'000 | Savings At Risk £'000 |
|--|---|---------------------------------------|---|--|---------------------------------------|--------------------------------------|---|--|--------------------------------|
| 7,988 | Housing General Fund | 6,213 | 10,692 | 4,479 | 3,700 | 72.1% | 500 | 150 | 350 |
| 143 | Libraries | 4,786 | 4,929 | 143 | 143 | 3.0% | 89 | 89 | 0 |
| 170 | Communities, Equalities & Third Sector | 2,953 | 3,122 | 169 | 185 | 5.7% | 11 | 11 | 0 |
| 0 | Safer Communities | 2,717 | 2,717 | (0) | 54 | 0.0% | 170 | 170 | 0 |
| 8,301 | Housing, Neighbourhoods & Communities | 16,669 | 21,460 | 4,791 | 4,082 | 80.8% | 770 | 420 | 350 |
| (3,150) | Further Financial Recovery Measures (see below) | - | (3,250) | (3,250) | (2,290) | - | - | - | - |
| 5,151 | Residual Risk After Financial Recovery Measures | 16,669 | 18,210 | 1,541 | 1,792 | 9.2% | 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) | (1,540) | Temporary Accommodation (TA) | Appropriate use of Flexible Homelessness Support Grant (FHSG) of £0.760m to offset overspends on business as usual TA overspends. A further £1.540m as a contribution towards the additional costs of homelessness caused by COVID-19. All other financial recovery measures have now been incorporated into the main forecasts. |
| (750) | (750) | 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 accommodation the incentive to communicate with us diminishes. Housing Needs |

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| Key Variances £'000 | COVID Variances £'000 | Service Area | Variance or Financial Recovery Measure Description |
|---------------------------|-----------------------------|-------------------------|---|
| | | | staff are going out on site to pick up issues, and will keep this under review as restrictions due to COVID-19 change. |
| (200) | 0 | 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 (i.e. reduce the PFI reserve) based on current PFI Unitary Payments. |
| Housing General Fund | | | |
| 2,372 | 1,611 | Temporary Accommodation | <p>£0.923m 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 January there were 105 units for statutory homeless accommodation in use. The forecast assumes numbers will continue at this level as any successful move-ons will likely be replaced with new statutory homeless clients. Continued similar levels of overspending as in 2019/20 on other areas of TA such as income collection and void loss mean that £0.350m of savings are unlikely to be met. However this forecast now includes no overspend on repairs costs for leased TA properties, given that catch up repairs are now unlikely to happen by the year end. This forecast includes the use of £0.098m reserves following review of the Damage Deposit Guarantee Scheme Reserve.</p> <p>Forecast underspend of £0.162m relating to spend on repairs and void works. The volume of repairs and void works to leased accommodation has reduced due to the restrictions as a result of COVID-19. With continuing restrictions in place, the forecast assumes this reduced level of spend for the rest of the year.</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 a new contract is not in place during 2020/21.</p> <p>Forecast net £1.911m 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 March 2020. This forecast includes the extra HB income (£0.600m) due to be collected as a result of this increase. As at the end of December an additional 114 clients were housed over and above the 105 units in</p> |

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| Key Variances £'000 | | COVID Variances £'000 | Service Area | Variance or Financial Recovery Measure Description |
|------------------------|-------|--------------------------|-----------------------------|--|
| | | | | spot purchase, increasing total units to 219. The number of spot purchase units had reduced during December, however in the first two weeks of January the total units increased to 255. The forecast assumes this will continue to increase by a further 10 per month as there are limited move-on options at this time. This forecast also now includes food costs to the end of March 2021. |
| 1,961 | 1,961 | | Rough Sleeper Accommodation | 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. The forecast gross costs are higher at £4.290m compared to a cost of £3.900m at Month 7. This is partly due to the recent agreement at Policy & Resources Committee to continue to house those at risk of rough sleeping which has meant that hotels are not being decanted as planned. However, the Next Steps Accommodation Programme (NSAP) grant has now been allocated between the HASC and HNC directorates and this forecast now assumes grant of £2.329m, reducing the net overspend. 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. |
| (86) | (150) | | 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 mainly due to shortfalls in income collection due, in part, to the impact of Universal Credit. There is also a 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. . |
| 209 | 209 | | 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 have been extended to the end of the financial year. |
| (100) | | | Travellers | Underspend due to staff vacancies, and reduced rubbish clearance and legal costs. |
| 43 | 0 | | Various | Minor variances. |
| Libraries | | | | |

Appendix 4 – Revenue Budget Performance

| Key Variances £'000 | COVID Variances £'000 | Service Area | Variance or Financial Recovery Measure Description |
|--|-----------------------------|----------------------------------|---|
| 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. |
| Communities, Equalities & Third Sector | | | |
| 185 | 185 | Vulnerable People cell | This is an estimate of the extra Food Partnership costs as a result of COVID-19. |
| (16) | 0 | General | Minor variances. |
| Safer Communities | | | |
| 54 | 54 | Loss of licensing income | The estimated impacts of COVID-19 on Environmental Health and Licensing income are: Taxi Licensing shortfall (£0.100m); Licensed Premises (£0.033m); Street Trading (£0.017m) and other fees (£0.038m). 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 £0.028m of the pressure. |
| (54) | 0 | Environmental Health & Licensing | Net underspend against staffing, as a result of vacancies across the service. |

Appendix 4 – Revenue Budget Performance

Finance & Resources

Revenue Budget Summary

| Forecast Variance Month 7 £'000 | Service | 2020/21 Budget Month 9 £'000 | Forecast Outturn Month 9 £'000 | Forecast Variance Month 9 £'000 | COVID Variance Month 9 £'000 | Forecast Variance Month 9 % | 2020/21 Savings Proposed £'000 | Savings Achieved/ Anticipated £'000 | Savings At Risk £'000 |
|--|--|---------------------------------------|---|--|---------------------------------------|--------------------------------------|---|--|--------------------------------|
| (66) | Finance (Mobo) | 273 | 203 | (70) | 0 | -25.6% | 0 | 0 | 0 |
| 119 | HR & Organisational Development (Mobo) | 1,104 | 1,201 | 97 | 30 | 8.8% | 0 | 0 | 0 |
| 0 | IT&D (Mobo) | 4,427 | 4,427 | 0 | 22 | 0.0% | 225 | 225 | 0 |
| 0 | Procurement (Mobo) | (254) | (254) | 0 | 1 | 0.0% | 0 | 0 | 0 |
| 97 | Business Operations (Mobo) | (185) | (21) | 164 | 12 | 88.6% | 0 | 0 | 0 |
| 376 | Revenues & Benefits (Mobo) | 5,389 | 5,643 | 254 | 171 | 4.7% | 250 | 250 | 0 |
| 552 | Housing Benefit Subsidy | (751) | (194) | 557 | 0 | 74.2% | 0 | 0 | 0 |
| 186 | Contribution to Orbis | 10,967 | 11,017 | 50 | 0 | 0.5% | 477 | 477 | 0 |
| 1,264 | Total Finance & Resources | 20,970 | 22,022 | 1,052 | 236 | 5.0% | 952 | 952 | 0 |

Mobo = Specific budget items held by Orbis but **Managed on behalf of** the relevant partner i.e. they are sovereign, non-partnership budgets. Under or overspends on Mobo budgets fall directly to the relevant partner whereas Orbis Operational budget variances are shared in accordance with the Inter-Authority Agreement (IAA).

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 |
|--|-----------------------------|----------------|--|
| Finance (Mobo) | | | |
| (70) | 0 | Finance (Mobo) | 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 £0.040m and other additional contractual costs of £0.020m including FirstCare. |
| HR & Organisational Development (Mobo) | | | |

Appendix 4 – Revenue Budget Performance

| Key Variances £'000 | COVID Variances £'000 | Service Area | Variance or Financial Recovery Measure Description |
|----------------------------|-----------------------------|-------------------------|--|
| 97 | 30 | Human Resources | The service is declaring an overspend of £0.097m at Month 9, reducing the pressure by £0.030m from last month through additional grant funding and salary adjustments in Learning & Development and Workforce Development budgets. There remains a pressure against the funding of union time of £0.033m, this is lower as a result of the Unison branch secretary vacancy and will increase in the new financial year when the post is filled. There are income pressures within the service of £0.060m and other net costs elsewhere of £0.004m. Within these forecast figures, the service has incurred costs relating to COVID-19 of £0.030m. The service have put forward a pressure funding request of £0.256m through the budget setting process. |
| Business Operations (Mobo) | | | |
| 164 | 12 | Business Operations | The service is predicting a pressure of £0.164m, an increase of £0.070m since Month 7 due a projected shortfall in staff advertising income. The rest is due mainly to extra BHCC system costs including significant ICON Hosted implementation costs. This figure includes COVID-19 costs of £0.012m, mostly for payment of overtime |
| Revenues & Benefits (Mobo) | | | |
| 254 | 171 | Revenues & Benefits | The service is forecast to overspend by £0.254m. The main element of the forecast overspend is a forecast shortfall in court costs income of £0.425m for which £0.171m relates to the impact of COVID-19. Staffing costs are being offset on a one-off basis from a combination of new burdens and grant funding resulting in net saving of £0.173m. |
| Housing Benefit Subsidy | | | |
| 557 | 0 | Housing Benefit Subsidy | The overall forecast is for a pressure of £0.557m which is £0.005m worse than Month 7. Within this there is a projected surplus of £0.060m relating to the collection of overpayments of former Council Tax Benefit and this is £0.005m worse than Month 7. There is an overspend of £0.617m on the main subsidy budgets. Within this there is a pressure of £0.529m (unchanged from Month 7) relating to a particular benefit type for vulnerable tenants which is not fully subsidised. The net position on the collection of overpayments is £0.070m worse than budget and there are other minor adverse variances of £0.018m. |
| F&R Contribution to ORBIS | | | |

Appendix 4 – Revenue Budget Performance

| Key Variances £'000 | COVID Variances £'000 | Service Area | Variance or Financial Recovery Measure Description |
|---------------------------|-----------------------------|-----------------------|---|
| 50 | 0 | Contribution to Orbis | This is forecast to overspend by £0.050m, BHCC's share of the forecast Orbis overspend of £0.412m, mostly due to an overall pressure within Business Operations of £0.750m due to the risk of not achieving this year's savings. There are staffing underspends in IT&D of £0.070m, and in Month 9 significant improvements of over £0.200m to forecasts in Management, Finance and Centres of Expertise, mostly staff related. |

Strategy, Governance & Law

Revenue Budget Summary

| Forecast Variance Month 7 £'000 | Service | 2020/21 Budget Month 9 £'000 | Forecast Outturn Month 9 £'000 | Forecast Variance Month 9 £'000 | COVID Variance Month 9 £'000 | Forecast Variance Month 9 % | 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 | 1,440 | (115) | 0 | -7.4% | 103 | 103 | 0 |
| 0 | Democratic & Civic Office Services | 1,810 | 1,801 | (9) | 0 | -0.5% | 12 | 12 | 0 |
| 201 | Life Events | 109 | 292 | 183 | 315 | 167.9% | 8 | 0 | 8 |
| (6) | Performance, Improvement & Programmes | 674 | 668 | (6) | 0 | -0.9% | 49 | 49 | 0 |
| 20 | Communications | 655 | 751 | 96 | 108 | 14.7% | 44 | 0 | 44 |
| 165 | Total Strategy, Governance & Law | 5,450 | 5,599 | 149 | 423 | 2.7% | 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 | | | |
| (115) | 0 | Legal Services | An underspend of £0.115m at month 9, up from £0.050m previously. This is due to voluntary reduction in hours, holding some recruitment and achievement of additional income. Within this figure is also a small pressure from COVID-19 relating to fee income pressure |
| Democratic & Civic Office Services | | | |
| (9) | 0 | | Minor variances. |
| Life Events | | | |
| 183 | 315 | Life Events | There were income pressures of £0.623m (up from £0.557m at Month 7) which are reduced to £0.315m after government funding relating to COVID-19 restrictions, as follows: |

Appendix 4 – Revenue Budget Performance

| Key Variances £'000 | COVID Variances £'000 | Service Area | Variance or Financial Recovery Measure Description |
|---------------------------------------|-----------------------------|------------------|--|
| | | | <ul style="list-style-type: none"> Registrars – up to £0.409m (reduced to £0.189m) as a result of the latest lockdown and following all Registration services being suspended during the first lockdown and telephone death registration only. Bereavement - £0.119m (reduced to £0.113m). 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 an £0.058m overachievement in burials and cremations themselves as a result of increased funerals. Land Charges - £0.095m (reduced to £0.013m) 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. <p>There are expected vacancy savings of £0.184m, from the Elections Team (£0.108m), Bereavement (£0.040m) and Registrars (£0.036m). Elsewhere in the service there are expected pressures in the Public Funerals service of £0.045m, and other overspends generally of £0.007m.</p> |
| Performance, Improvement & Programmes | | | |
| (6) | 0 | Performance Team | Minor variances. |
| Communications | | | |
| 96 | 108 | Communications | There is an expected pressure of £0.096m, taking into account recent increases in COVID-19 costs. There are £0.108m pressures attributable to COVID-19, being unachievable restructuring savings (£0.044m), and extra advertising and distribution costs (£0.064m). These costs |

| Key Variances £'000 | COVID Variances £'000 | Service Area | Variance or Financial Recovery Measure Description |
|---------------------------|-----------------------------|--------------|--|
| | | | are slightly reduced however by underspends in staffing and also in the Graphic Design Team. |

Corporately-held Budgets

Revenue Budget Summary

| Forecast Variance Month 7 £'000 | Service | 2020/21 Budget Month 9 £'000 | Forecast Outturn Month 9 £'000 | Forecast Variance Month 9 £'000 | COVID Variance Month 9 £'000 | Forecast Variance Month 9 % | 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 |
| (753) | Capital Financing Costs | 7,726 | 6,507 | (1,219) | 0 | -15.8% | 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 |
| (26,712) | Unringfenced Grants | (29,190) | (52,473) | (23,283) | (23,244) | -79.8% | 0 | 0 | 0 |
| 3,016 | Other Corporate Items | 9,578 | 12,033 | 2,455 | 2,519 | 25.6% | 340 | 0 | 340 |
| (24,666) | Total Corporately-held Budgets | (8,204) | (30,468) | (22,264) | (20,725) | -271.4% | 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) | 0 | Interest Payable and Minimum Revenue Provision (MRP) | Reduction in cost of financing debt and MRP due to previously paused schemes within Capital Programme. |
| (69) | 0 | Interest receivable | Increased balances compared to expectation, leading to a number of longer term deals being undertaken to improve yield. |
| (10) | 0 | Debt Management Expenses | Removal of brokerage costs as a result of no longer requiring new debt in 2020/21. |
| Unallocated Contingency & Risk Provisions | | | |
| (175) | 0 | Release of risk provision | The general risk provision of £0.750m has £0.575m earmarked against the 2020/21 pay award and the remaining £0.175m is being released. |

Appendix 4 – Revenue Budget Performance

| Key Variances £'000 | COVID Variances £'000 | Service Area | Variance or Financial Recovery Measure Description |
|------------------------------|-----------------------------|---|---|
| (42) | 0 | Release of residual carbon neutral allocation | Pausing of capital programme has released this amount from the £0.200m allocated for Carbon Neutral |
| Unringfenced Grants | | | |
| (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 to fourth tranches. |
| (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. |
| Other Corporate Items | | | |
| 2,200 | 2,200 | 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. |
| 229 | 229 | Covid 19 Death Management | The 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. |
| 39 | 0 | Repayment of Reserves | Approved repayment of SWAMP reserve (over 10 years). |

Housing Revenue Account (HRA)

Revenue Budget Summary

| Forecast Variance Month 7 £'000 | Service | 2020/21 Budget Month 9 £'000 | Forecast Outturn Month 9 £'000 | Forecast Variance Month 9 £'000 | COVID Variance Month 9 £'000 | Forecast Variance Month 9 % |
|--|---|---------------------------------------|---|--|---------------------------------------|--------------------------------------|
| (110) | Capital Financing | 25,964 | 25,854 | (110) | 0 | -0.4% |
| (30) | Housing Management & Support | 4,155 | 4,081 | (74) | 86 | -1.8% |
| (135) | Head of City Development & Regeneration | 590 | 455 | (135) | (60) | -22.9% |
| (30) | Income, Involvement & Improvement | (46,905) | (47,152) | (246) | 231 | -0.5% |
| (1,150) | Repairs & Maintenance | 10,315 | 9,645 | (670) | (650) | -6.5% |
| 255 | Property & Investment | (709) | (548) | 161 | (150) | 22.6% |
| 340 | Tenancy Services | 2,680 | 3,172 | 492 | 290 | 18.4% |
| (860) | Total Housing Revenue Account | (3,910) | (4,493) | (583) | (253) | -14.9% |

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 |
|------------------------------|-----------------------------|---------------------------|---|
| Capital Financing | | | |
| (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. |
| Housing Management & Support | | | |
| (110) | 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 £0.110m. |

Appendix 4 – Revenue Budget Performance

| Key Variances £'000 | COVID Variances £'000 | Service Area | Variance Description |
|---|-----------------------------|--------------------------------------|---|
| 86 | 86 | Temporary Accommodation (TA) - Rents | Less rental income for Temporary Accommodation units in the HRA than expected due to delays to the completion of 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. |
| Head of City Development & Regeneration | | | |
| (135) | (60) | Staffing | Staffing underspends as COVID-19 has meant delayed recruitment. |
| Income, Involvement & Improvement | | | |
| (164) | 0 | Employee costs | Underspend on employee costs of £0.164m across Performance & Improvement, Income Management Team, Rent Accounting Team and Customer Service team. |
| (258) | 0 | Provision for Bad Debts | Underspend on the contribution to bad debt provision. The budget for this contribution was increased as part of the budget setting process for 2020/21 in anticipation of the continuation of the trend seen in 2019/20 of increasing arrears. However, the arrears levels in the HRA have stabilised during 2020/21, even with the pandemic and therefore this budget is forecast to underspend. |
| 180 | 180 | General Needs - Rents | Overspend due to the increase in rent loss from properties being empty. This is due to the delays caused by the pandemic where lettings were put on hold and also challenges of re-starting the service after the initial lockdown. |
| 51 | 51 | Laundries costs | Non collection of laundry charges as a result of infection control issues caused by the pandemic. |
| (28) | 0 | Resident Involvement | An underspend on printing costs. |
| (27) | 0 | Other | Other minor variances across the service. |
| Repairs & Maintenance | | | |
| (670) | (650) | Repairs & Maintenance | There is a significant underspend forecast across the service, mainly due to the impact of reduced activity due to COVID-19. Spend against Responsive Repairs and Empty Properties sub-contractors and materials is expected to be approximately £0.650m less than budgeted, owing to the first five months of operation |

Appendix 4 – Revenue Budget Performance

| Key Variances £'000 | COVID Variances £'000 | Service Area | Variance Description |
|----------------------------------|-----------------------------|---|--|
| | | | 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. Given the significant backlog in works, an earmarked reserve was created at Month 7 in recognition that these works will over-run into 2021/22. The initial sum allocated was £0.440m reflecting the increase in forecast underspend across the service since Month 5, with a recommendation that any further underspending in the Repairs and Maintenance Service between now and the end of the financial year will be used to top-up this reserve, subject to business needs. |
| Property & Investment | | | |
| 791 | 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 a couple of 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. |
| (330) | 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 was paused through the COVID-19 pandemic. |
| (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. |

Appendix 4 – Revenue Budget Performance

| Key Variances £'000 | | COVID Variances £'000 | Service Area | Variance Description |
|------------------------|--|--------------------------|-------------------------|--|
| Tenancy Services | | | | |
| 212 | | 212 | 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. |
| 108 | | 70 | Other Employee costs | Extra staff costs in tenancy management and re-housing teams in part due to COVID-19 and also staff turnover has been lower than expected at budget setting time leading to an overspend on these budgets. |
| 125 | | 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. |
| 61 | | 0 | Temporary Accommodation | An overspend on the use of temporary accommodation for council housing tenants. |
| 33 | | 33 | Rents & Service Charges | Income from rents and service charges for Seniors Housing is slightly lower than budget assumptions due to increases in void losses. |
| (47) | | (25) | Transport and Supplies | Other minor underspends on transport and supplies across this service. |

Appendix 4 – Revenue Budget Performance

Dedicated Schools Grant (DSG)

Revenue Budget Summary

| Forecast Variance Month 7 £'000 | Service | 2020/21 Budget Month 9 £'000 | Forecast Outturn Month 9 £'000 | Forecast Variance Month 9 £'000 | COVID Variance Month 9 £'000 | Forecast Variance Month 9 % |
|--|--|---------------------------------------|---|--|---------------------------------------|--------------------------------------|
| 0 | Individual Schools Budget (ISB) | 131,853 | 131,853 | 0 | 0 | 0.0% |
| (313) | 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> | 13,732 | 13,351 | (381) | 9 | -2.8% |
| 484 | High Needs Block (excluding delegated to Special Schools) | 22,017 | 22,044 | 27 | 74 | 0.1% |
| 177 | Exceptions and Growth Fund | 3,414 | 3,501 | 87 | 100 | 2.5% |
| 0 | Grant Income | (170,313) | (170,313) | 0 | 0 | 0.0% |
| 348 | Total Dedicated Schools Grant (DSG) | 703 | 436 | (267) | 183 | -38.0% |

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 |
|--|-----------------------------|-------------------------------|---|
| Early Years Block (including delegated to Schools) | | | |
| (150) | 0 | Early Years Free Entitlement | Lower free entitlement payments to council nurseries in spring term due to decision to limit attendance to vulnerable and key worker children only. |
| (240) | 0 | Early Years Unallocated | Balance of DSG underspend from 2019/20 to be used to offset wider DSG overspends in 2020/21. |
| 9 | 9 | Other | Minor variances. |
| High Needs Block (excluding delegated to Schools) | | | |
| 392 | 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 |
| 223 | 0 | Mainstream top-up | There has been overall significant growth both in terms of Education and Health Care Plan (EHCP) numbers and the unit rate of top-up funding assigned. There has been a particular increase in demand through higher numbers of EHC needs assessments for early years children with complex needs from nursery into primary mainstream reception classes in September 2020 requiring high levels of support. |
| (99) | 0 | Specialist Provision - Resource Bases | Increased provision for the new Cullum Centre - not yet at full capacity from September. |
| 65 | 0 | BHISS | Increases in staffing costs in excess of generated income. |
| (500) | 0 | High needs recharges | A one-off reduction in the level of high needs recharges between education and social care budget areas. |
| (54) | 0 | Other | Minor variances. |
| Exceptions and Growth Fund | | | |
| 50 | 56 | Ethnic Minority Achievement Service (EMAS) | Loss of income in the EMAS service due to COVID-19 |
| 17 | 44 | Access to Education | This is as a result of the estimated loss of fines income due to COVID-19. |
| 20 | 0 | Other | Minor variances. |

