

Families, Children & Learning

Revenue Budget Summary

Forecast Variance Month 5 £'000	Service	2021/22 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	COVID Variance Month 7 £'000	Forecast Variance Month 7 %	2021/22 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
0	Director of Families, Children & Learning	133	133	0	0	0.0%	0	0	0
858	Health, SEN & Disability Services	46,267	46,919	652	285	1.4%	1,110	1,032	78
84	Education & Skills	10,283	10,349	66	175	0.6%	162	162	0
(452)	Children's Safeguarding & Care	40,364	39,921	(443)	0	-1.1%	975	789	186
33	Quality Assurance & Performance	1,508	1,521	13	0	0.9%	0	0	0
523	Total Families, Children & Learning	98,555	98,843	288	460	0.3%	2,247	1,983	264

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
Health, SEN & Disability Services			
500	201	Children's Disability Placements	The children's disability placement budget has been rebased in 2021/22, but there continues to be a pressure with existing provision breaking down.
(191)	0	Adults with Learning Disabilities - Community Care	Due to social work staff vacancies and the ongoing impact of COVID-19 it is anticipated that the 2021/22 savings target will not be fully achieved. At this stage, £0.550m of the £0.950m savings target are identified as being at risk, but there are some reductions in cost elsewhere, due to the impact of the pandemic, particularly on services such as day care
175	84	Adults with Learning Disabilities - in-house provider services	The forecast overspend mainly relates to pressure in the residential respite budget due to high levels of staff absence (partly linked to COVID-19) and the cost of emergency placements.
105	0	Children's Disabilities - in-house provision	There is a pressure for respite provision for children with disabilities and a high use of agency / sessional staff.
51	0	Brighton and Hove Inclusion Support Service	Locum cover for staff absences in Education Psychology Service to ensure Council meets statutory duties and delivers buyback commitments to schools.

Appendix 4 – Revenue Budget Performance

Key Variances £'000	COVID Variances £'000	Service Area	Variance or Financial Recovery Measure Description
12	0	Other	Minor variances.
<b>Education &amp; Skills</b>			
(72)	126	Home to School Transport	For 2021/22 the forecast underspend is £0.072m based on the current information from the data held on the transport system. This includes spend of £0.126m relating to additional costs as a result of COVID-19 and has been partially funded by the ongoing transport grant, assumed at £0.099m for this term. Latest numbers from October are 414 for 5-16 year olds and 94 for Post 16.
150	46	Council Nurseries and Children's Centres	There is a reduction in children attending council nurseries due to COVID-19. This is both for fee paying and DSG early years funded children and is a continuation of the trend seen in spring term when council nurseries were only open for disadvantaged children. At the same time there has been an increase in the number of SEND children and there are also higher levels of staff sickness and maternity leave that need to be covered to maintain legal ratios
(12)	3	Other	Minor variances.
<b>Children's Safeguarding &amp; Care</b>			
396	0	Demand-Led - Children's placements	The overspend is the result of a combination of a number of different factors. There are significant overspends in Residential Home and External Fostering placements due to increasing numbers but this has been off-set by increasing grant funding and underspends in Secure and Care Leaver costs.
(116)	0	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 2021/22, despite the continuing increasing costs of families with No Recourse to Public Funds (NRPF).
(196)	0	Partners in Change Contracts	Contracts with SPFT and other partners have been re-negotiated reducing the cost to the Council.
(347)	0	Social Work, Adolescent Service and Fostering & Adoption Teams	There are a number of vacancies at present across children's social care teams.
(180)	0	Other	Minor variances.
<b>Quality Assurance &amp; Performance</b>			
13	0	Other	

Health & Adult Social Care (HASC)

Revenue Budget Summary

Forecast Variance Month 5 £'000	Service	2021/22 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	COVID Variance Month 7 £'000	Forecast Variance Month 7 %	2021/22 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
1,150	Adult Social Care	42,643	42,875	232	104	0.5%	3,345	2,086	1,259
(843)	S75 Sussex Partnership Foundation Trust (SPFT)	22,546	21,350	(1,196)	1	-5.3%	860	760	100
233	Integrated Commissioning	3,643	3,797	154	86	4.2%	310	310	0
0	Public Health	2,687	2,687	0	9	0.0%	0	0	0
540	Total Health & Adult Social Care	71,519	70,709	(810)	200	-1.1%	4,515	3,156	1,359
(1,313)	Further Financial Recovery Measures (see below)	-	(1,157)	(1,157)	0	-	-	-	-
(773)	Residual Risk After Financial Recovery Measures	71,519	69,552	(1,967)	200	-2.8%	4,515	3,156	1,359

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			
(1,157)	0	Further Financial Recovery Measures projection	The directorate has developed an over-arching Financial Recovery Plan to address the above pressures. The Recovery plan includes the following measures: - developing a new Section 117 funding arrangement with health partners
Adult Social Care			
(423)	0	Demand-Led Community Care - Physical & Sensory Support	The forecast number of placements/packages is 2,068 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 £244 per week (£25 per week above budget per client). The combination of the number of adults placed being 278 WTE below the budgeted level and the increased unit costs result in the underspend of £0.423m. Therefore, the unit costs are 11% above budget however

Appendix 4 – Revenue Budget Performance

Key Variances £'000	COVID Variances £'000	Service Area	Variance or Financial Recovery Measure Description
			the overall activity is within budget. This is due to high attrition rates in Quarter 4 last financial year.
(76)	0	Demand-Led Community Care - Substance Misuse	There are relatively small numbers of clients within this service and this is below the budgeted demand which is resulting in the projected underspend of £0.076m
(183)	89	Assessment teams	This is due to a number of temporary vacancies across the Assessment teams.
863	16	In house services	There is an underlying budget pressure in in-house provision due to unachieved 2020/21 financial recovery plan targets and staffing costs above budget
26	0	Other	Minor variances.
<b>S75 Sussex Partnership Foundation Trust (SPFT)</b>			
(1,235)	0	Demand-Led - Memory Cognition Support	The number of forecast placements is lower than budgeted resulting in the underspend projection of £1.235m. The forecast number of placements/packages is 380 WTE which is below the budgeted level of 429 WTE placements. The average unit cost is below the budgeted level at £416 per week (£8 per week below budget). Therefore, the overall activity is 49 WTE below budget and the unit costs are 2% below budget. This is due to high attrition rates in Quarter 4 last financial year.
(12)	0	Demand-Led - Mental Health Support	The number of forecast placements is lower than budgeted which results in the underspend projection of £0.012m. There is an increasing need and complexity within this client group and the forecast number of placements/packages is 476 WTE, which is below the budgeted level of 499 WTE placements. The average unit cost of a placements/package is above the budgeted level at £392 per week (£17 per week higher than the budget per client).
51	1	Staffing Teams	This is due to temporary agency staff and additional capacity.
<b>Integrated Commissioning</b>			
(25)	0	Contracts	Underspends against budget for ASC block contracts.
179	86	Commissioning teams	The overspend relates to additional staffing costs and management capacity within the commissioning, performance and management teams
<b>Public Health</b>			
0	9	Other	Minor variances.

Economy, Environment & Culture

Revenue Budget Summary

Forecast Variance Month 5 £'000	Service	2021/22 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	COVID Variance Month 7 £'000	Forecast Variance Month 7 %	2021/22 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
2,130	Transport	(3,870)	(2,592)	1,278	2,115	33.0%	1,782	1,127	655
429	City Environmental Management	34,695	35,322	627	516	1.8%	155	155	0
247	City Development & Regeneration	4,098	4,429	331	293	8.1%	168	133	35
570	Culture, Tourism & Sport	4,511	4,873	362	624	8.0%	92	15	77
53	Property	3,512	3,630	118	0	3.4%	346	106	240
3,429	Total Economy, Environment & Culture	42,946	45,662	2,716	3,548	6.3%	2,543	1,536	1,007

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
0	0	Head of City Transport	Head of City Transport is forecast to spend on budget for 2021/22.
1,977	2,531	Parking Services	Parking Services is forecasting a substantial additional loss of income against budget of £2.531m as a result of the recent national restrictions and loss of parking spaces. With continued uncertainty around behaviours of customers following easing of restrictions and ongoing home working for many offices in the city, the forecast assumption is that current levels of parking income will increase later in the year. However, the loss of parking due to active transport measures (e.g Madeira Drive, Old Town, A259) does mean a loss of an estimated £0.950m which is contributing a substantial amount to the pressure. The overall parking income position is being kept under constant review and may potentially change depending on local and national circumstances. There are also forecast overspends of £0.149m for repairs & maintenance of off street car parks due to essential work to safeguard income, as well as additional use of overtime and

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Key Variances £'000	COVID Variances £'000	Service Area	Variance or Financial Recovery Measure Description
			agency of £0.028m. These additional overspends are partly offset against reductions in other costs including (£0.289m) in unsupported borrowings and (£0.442m) in transactional and contract costs. The updated figures for Month 7 also include an additional forecast for a new parking scheme being introduced at the start of next year and a review of cash collection payments which has improved the income forecast since Month 2. It's important to note that the Council are also currently subsidising concessionary travel fares for the bus companies paying 100% of expected journeys pre COVID-19 under central government direction. Bus companies are currently running at 60% in terms of concessionary travel journeys so currently the Council are effectively paying about £0.360m of the monthly payments of £0.890m for journeys that are not happening.
(254)	103	Traffic Management	Hoarding, Scaffold and Skip licence fees are forecast to exceed budget by £0.371m, principally reflecting a number of significant development sites for hoardings. This is partially offset by waived Tables and Chairs licence fees of £0.103m and increased signage costs of £0.040m. There is additional forecast income for vehicle crossovers of £0.018m reflecting anticipated applications at increased fee rates and sample inspections of £0.011m based on the proposed inspection schedule. Salary costs within Street Works and Traffic Management are forecast to exceed budget by £0.065m. Net income for Traffic Regulation Orders exceeds budget by £0.035m and Event income exceeds budget by £0.029m with more events returning and in particular filming.
44	0	Transport Projects and Engineering	Bus Shelter expenditure is forecast to exceed budget by £0.025m. This is due to a supply bottleneck compounded by trade logistic challenges in 2020-21 which is now easing, enabling essential work catch up. The unbudgeted cost of Valley Gardens 3, Bus Shelter replacements has also contributed to this pressure. Bus Shelter electricity costs are forecast to exceed budget by £0.015m due to a revision to supply cost allocation. A National Trust voluntary contribution of £0.016m towards Breeze up to the Downs is forecast not to be received. Computer software costs are forecast to be £0.013m less than budget.
30	0	Transport Policy and Strategy	Minor variances.
(519)	(519)	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. The grant is only for losses in the first quarter.

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Key Variances £'000	COVID Variances £'000	Service Area	Variance or Financial Recovery Measure Description
<b>City Environmental Management</b>			
884	208	City Clean	The forecast overspend is waste collection and street cleansing (operational) agency costs anticipated partly due to COVID-19 staffing related shortfalls. Recruitment into vacant posts and managing of attendance should start to see these high agency costs reduce during the year. Commercial income is anticipated to be overspent due to reduced commercial incomes and additional waste disposal costs forecasted. Additional net costs of £0.141m have been forecasted for payments to staff for catch up work following the industrial action.
0	221	Waste Disposal	The forecasted impact of COVID-19 on the waste disposal contract will need to be managed through the Waste PFI Reserve.
167	56	City Parks	Anticipated additional costs for decorating and repairs to The Level Café of £0.021m. Potential written off rental income of £0.056m from The Level Café. There is also a forecast overspend in relation to contractor costs for Playgrounds.
(580)	0	Fleet & Maintenance	Fleet & Maintenance are forecast to be underbudget by £0.580m. Progress has been made in Fleet and Maintenance to control and reduce costs.
50	50	Head of City Environmental Management	Additional COVID-19 waste disposal related costs of stewarding at the household waste disposal sites.
140	15	Strategy & Projects	£0.120m overspend related to forecasted repairs and maintenance of public conveniences. Other overspends include shortfall on income budgets of £0.085m and additional forecast spend for supplies & services, but these are mostly offset with staffing vacancies.
(34)	(34)	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. The grant is only for losses in the first quarter.
<b>City Development &amp; Regeneration</b>			
410	313	Development Planning	Forecast underachievement of Planning Control applications income of £0.468m of which £0.313m is due to COVID-19. This partly offset by reductions in the staffing expenditure forecast of £0.058m.
(50)	0	Planning Policy and Major Projects	Forecast underspends relating to staffing and Supplies & Services costs of £0.050m.
(41)	0	Sustainability & International	Forecast underspends relating to staffing and Supplies & Services costs of £0.041m.
8	0	Economic Development	Slight pressure due to Coast to Capital payment.

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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>
24	0	Assistant Director - EEC	Forecast overspend relating to share of cost of attendance management charge for the whole of EEC, offset by some underspend on assistant's post.
(20)	(20)	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. The grant is only for losses in the first quarter.
<b>Culture, Tourism &amp; Sport</b>			
272	243	Sport and Leisure	Loss of income due to COVID-19, including rent reductions on seafront properties, closure of Volks Railway during the start of the year and underachievement on the outdoor events programme.
110	291	Venues	This underachievement is wholly as a result of COVID-19 as the Venue could not open until 1st September 2021 resulting in lost income of over £1.000m. However its use as a Vaccination Centre and savings from vacancies and other budgets has helped to reduce this figure to £0.137m.
180	250	Tourism and Marketing	The deficit is due to a projected under achievement on income, predominantly from a total collapse of conference and hotel commissions due to all events from March – August being cancelled. Every effort will be made to mitigate the loss of income through careful control of non-fixed expenditure.
(2)	0	Arts	Minor variances.
(38)	0	Royal Pavilion and Museums	Royal Pavilion and Museums are reporting an underspend of £0.038m due to the balance of 2020/21 SFC grant received in 2021/22 that was under accrued in 2020/21.
(160)	(160)	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. The grant is only for losses in the first quarter.
<b>Property</b>			
118	0	Property and Design	The pressure reported at Month 7 by Property is largely due to a recent lease termination causing a loss of rental income. The recent national price increase for gas has increased the forecast costs of Corporate Landlord gas charges but a proportion of this has been offset by an in year refund on Water overcharges relating to allotments, which should be received around February 2022.



Housing, Neighbourhoods & Communities

Revenue Budget Summary

Forecast Variance Month 5 £'000	Service	2021/22 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	COVID Variance Month 7 £'000	Forecast Variance Month 7 %	2021/22 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
3,653	Housing General Fund	13,371	15,006	1,635	1,589	12.2%	318	50	268
145	Libraries	4,807	4,930	123	138	2.6%	98	98	0
0	Communities, Equalities & Third Sector	4,058	3,983	(75)	0	-1.8%	72	72	0
0	Safer Communities	3,416	3,336	(80)	0	-2.3%	47	47	0
3,798	Housing, Neighbourhoods & Communities	25,652	27,255	1,603	1,727	10.6%	535	267	268

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
923	923	Temporary Accommodation	This pressure relates to the budget assumption for Rough Sleeper funding which included £1m increased funding relating to the government announcement of £254m funding nationally. Although core funding has increased overall, it has not increased by £1m compared to 2020/21 core funding. Therefore the service must reflect the increased grant funding assumption approved by Budget Council which increases the forecast overspend by £1m. This is offset by an underspend of £0.077m. The numbers in Emergency Accommodation have reduced since Month 5 and the current forecast assumes 589 properties on average for the year compared to 627 forecast at month 5. However, this improvement has been offset by an increased forecast for repairs costs due to the volume of repairs to empty properties this year and the increases expected in the costs of materials and sub-contractors due to the national labour shortage. The forecast also factors in the higher costs of emergency accommodation as contracts come up for renewal. There are some risks to this forecast around homelessness increasing as a result

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Key Variances £'000	COVID Variances £'000	Service Area	Variance or Financial Recovery Measure Description
			of the ending of the moratorium on private landlord evictions together with potential implications with the ending of the government's furlough scheme, although numbers are very difficult to predict due to the high levels of uncertainty at this time.
351	351	Temporary accommodation - additional emergency hotel accommodation	There is a forecast overspend of £0.351m on the cost of the additional emergency hotel accommodation originally acquired early in the pandemic. This is reduction of £2.379m since Month 5. £0.764m relates to cost reductions as a result of decanting hotels more quickly and also the receipt of backdated Housing Benefit income. The service have taken steps to reduce the number of placements in TA and has therefore seen a net reduction in the numbers of households in emergency accommodation including the emergency hotels. This forecast now assumes that an estimated 47 rooms will be required to 31st March 2022 to house those we owe a homeless duty to, compared to a forecast of 113 at Month 5. The remaining £1.615m improvement in this forecast relates to use of the remaining 2021/22 Containment Outbreak Management Fund (COMF) grant as agreed at P&R Committee on 7 October 2021. The current costs of this service are high with an average gross cost of approximately £80 per person per night due to the high costs of damages/repairs costs, security costs and food. This forecast also assumes the use of £2.043m in 2020/21 COMF Grant as agreed at P&R Committee 28 April 2021 and the use of £0.500m grant from MHCLG for continued housing of rough sleepers as included in the original budget assumptions.
168	168	Commissioned Rough Sleeper and Housing related Support Services (Formally HASC Budgets)	The council commissions services to assist rough sleepers and those in supported housing. This service is forecast to overspend by £0.168m during 2021/22. The forecast includes an overspend relating to the costs of Severe weather Emergency Protocols (SWEP) of £0.090m as the council needs to source a separate building for this purpose now that congregate accommodation is not advisable due to COVID-19 transmission. However, £0.050m of this is now being met from re-purposed RSI4 grant. There is also a £0.086m overspend on support for those rough sleepers housed in the 'care and protect' hotels from July to September. Other small net overspend on the service £0.040m.
(15)	0	Housing Options	Underspend due to staff turnover. The service is busy recruiting staff in order to ensure that they can support the current volume of households in temporary accommodation to move on to more sustainable housing options.

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Key Variances £'000	COVID Variances £'000	Service Area	Variance or Financial Recovery Measure Description
23	0	Travellers	Forecast overspend of £0.010m shortfall in income due to HB claims issues and reduced capacity of transit site to comply with COVID-19 regulations. A further forecast overspend of £0.015m on enforcement of van dwellers.
253	0	Seaside Homes	Overspend due to the costs of loss of rent on empty properties and bad debts exceeding 91% of rents as budgeted. There is also more spend on repairs as the backlog of properties made empty as a result of the pandemic are being repaired.
(68)	0	Private Sector Housing	Adaptations service underspend - more of this service can be capitalised and charged to the DFG capital grant.
<b>Libraries</b>			
120	120	Loss of library income	There is an estimated loss of income due to COVID -19 from shop sales, meeting space bookings, fines and charges of £0.120m, after assumed Sales, Fees and Charges Grant in respect of Quarter 1 losses.
18	18	Premises	Covid related changes to air conditioning units
(15)	0	Other	Other minor variance
<b>Communities, Equalities &amp; Third Sector</b>			
(75)		Communities, Equalities & Third Sector	Net underspend against staffing, as a result of vacancies across the service.
<b>Safer Communities</b>			
(80)		Safer Communities	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 5 £'000	Service	2021/22 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	COVID Variance Month 7 £'000	Forecast Variance Month 7 %	2021/22 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
(35)	Finance (Mobo)	1,623	1,588	(35)	1	-2.2%	0	0	0
19	HR & Organisational Development (Mobo)	2,802	2,885	83	1	3.0%	0	0	0
0	IT&D (Mobo)	5,394	5,394	0	1	0.0%	0	0	0
172	Procurement (Mobo)	(104)	68	172	0	165.4%	0	0	0
0	Business Operations (Mobo)	(85)	(85)	0	0	0.0%	0	0	0
0	Revenues & Benefits (Mobo)	5,715	5,715	0	0	0.0%	250	250	0
327	Housing Benefit Subsidy	(751)	(424)	327	0	43.5%	0	0	0
497	Contribution to Orbis	8,437	9,054	617	0	7.3%	240	0	240
980	<b>Total Finance &amp; Resources</b>	<b>23,031</b>	<b>24,195</b>	<b>1,164</b>	<b>3</b>	<b>5.1%</b>	<b>490</b>	<b>250</b>	<b>240</b>

**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
(35)	1	Finance	There is a predicted underspend of £0.035m. There is an underspend of £0.156m due to the vacant Executive Director post (net of acting up costs), but this is partly offset by other costs including a contribution towards the senior management restructure saving.

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Key Variances £'000	COVID Variances £'000	Service Area	Variance or Financial Recovery Measure Description
HR & Organisational Development (Mobo)			
83	1	Human Resources	The service is declaring a £0.083m pressure at Month 7. Nine months of Orbis budgets have been disaggregated. The forecast assumes that Orbis pressures are dealt with elsewhere in the corporate forecast and there is a pressure of approximately £0.600m showing corporately. We are continuing to track the long term impact of COVID-19 on income in the service. This will inform future pressure funding requests and will include a request for £0.120m funding which ends in the coming financial years leaving a legacy salaries shortfall. The pressure includes part year costs of corporate decision to increase facilities time and regarding giving parity to Unison Branch Secretary / GMB Convenor positions to M8. Additional accommodation costs (if awarded) arising from the facilities review will create a funding pressure
IT&D (Mobo)			
0	1	IT&D	At Month 7 IT&D is expecting be on target however, to achieve this, it expects to draw down £0.175m of modernisation funding. This is a reduction of £0.015m from the previous estimate which is due to further reductions in contract spend. There are new pressures this year; standby and overtime costs previously funded by Orbis are now to be funded from the Sovereign budget (estimated at approximately £0.100m) and the service is also contributing funding of £0.011m to a new Orbis Accessibility post and approx. £0.020m to a new Orbis wide “ChatBot” system. There is also the possibility of increased telephony costs due to the ending of the Virgin Media Centrex contract but this is still being finalised.
Procurement (Mobo)			
172		Procurement	There is an overspend of £0.172m forecast for the year, due to unaddressed budgetary pressures.
Housing Benefit Subsidy			
327		HB Subsidy	There is a net pressure of £0.377m on the main subsidy budgets. This relates to a pressure of £0.147m on a particular type of benefit for vulnerable tenants which is not fully subsidised and a pressure of £0.219m on the net position on the recovery of overpayments. There are other minor adverse variances of £0.011m. In addition there is a forecast surplus of £0.050m relating to the recovery of former Council Tax Benefit.

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Key Variances £'000	COVID Variances £'000	Service Area	Variance or Financial Recovery Measure Description
F&R Contribution to Orbis			
617		Contribution to Orbis	The variance of £0.617m is due mainly to the expected pressure for services being disaggregated this year from Orbis, currently projected at £0.500m. There is also current year Orbis Partnership overspend, mainly around Business Operations which will cost BHCC approximately £0.367m, though this is partly offset by spare Orbis contribution budget of £0.250m. These figures reflect the latest known Orbis position at Month 6

## Strategy, Governance &amp; Law

## Revenue Budget Summary

Forecast Variance Month 5 £'000	Service	2021/22 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	COVID Variance Month 7 £'000	Forecast Variance Month 7 %	2021/22 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
0	Corporate Policy	679	679	0	0	0.0%	27	27	0
(25)	Legal Services	1,605	1,580	(25)	0	-1.6%	65	65	0
(9)	Democratic & Civic Office Services	1,814	1,821	7	0	0.4%	33	33	0
26	Life Events	261	312	51	10	19.5%	40	35	5
0	Performance, Improvement & Programmes	1,112	1,112	0	0	0.0%	37	37	0
(11)	Communications	727	657	(70)	0	-9.6%	35	35	0
(19)	Total Strategy, Governance & Law	6,198	6,161	(37)	10	-0.6%	237	232	5

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			
(25)		Legal Services	The service is forecasting an underspend of £0.025m this year, due mainly to overachievement of income.
Democratic & Civic Office Services			
7		Democratic Services	A minor overall variance of £0.007m overspend.
Life Events			
51	10	Life Events	The service is forecasting an overspend of £0.051m at Month 7, compared to £0.031m overspend last month. The income pressures have risen again to £0.117m from £0.082m last time, following further worsening in Bereavement mostly due to the drop in the death rate. Elsewhere there are vacancy savings of £0.101m – mostly from Elections Team and other costs of £0.035m mostly due to webcasting.

**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>Communications</b>			
(70)		Communications	The service is forecasting an underspend of £0.070m, an increase from the £0.011m reported last month. COVID-19 related pressures of restructure saving delay (£0.080m) and COVID-19 advertising and printing costs (£0.030m) have been covered by funding as part of the budget setting process, and in addition there have been large amounts recharged through the internal invoicing process



## Corporately-held Budgets

## Revenue Budget Summary

Forecast Variance Month 5 £'000	Service	2021/22 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	COVID Variance Month 7 £'000	Forecast Variance Month 7 %	2021/22 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
0	Bulk Insurance Premia	3,127	3,127	0	0	0.0%	0	0	0
(1,866)	Capital Financing Costs	9,643	7,603	(2,040)	0	-21.2%	0	0	0
0	Levies & Precepts	215	215	0	0	0.0%	0	0	0
0	Unallocated Contingency & Risk Provisions	746	746	0	0	0.0%	0	0	0
0	Unringfenced Grants	(45,273)	(45,412)	(139)	0	-0.3%	0	0	0
(98)	Other Corporate Items	(39,944)	(38,136)	1,808	49	4.5%	120	120	0
(1,964)	Total Corporately-held Budgets	(71,486)	(71,857)	(371)	49	-0.5%	120	120	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
<b>Capital Financing Costs</b>			
(391)	0	Investment Income	Increased income due to a combination of increased balances since Budget Setting and an increased average investment rate as a result of undertaking some longer term investments.
(1,357)	0	Minimum Revenue Provision	Reduction in provision for un-supported borrowing as a result of delay to the capital programme
(292)	0	Interest on borrowing	Reduction in expected borrowing in the year and therefore a reduction in borrowing interest as a result of the delay to the capital programme
<b>Unringfenced Grants</b>			
(33)	0	DfE Extended Rights to Free Travel	Additional in year allocation announced

**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>
(106)	0	Pressure funding released	Only the DH Local Reform Community Voice Grant remains unannounced and therefore pressure funding released
<b>Other Corporate Items</b>			
(147)	0	Pensions	Overpayment from 2020/21 of £0.050m and an in year variance of £0.097m.
49	49	Death Management	Council share of Sussex wide death management forecast spend
321	0	General Fund Services	Increase in the nationally negotiated NJC 2021/22 pay award offer from 1.50% to 1.75%.
1,585	0	General Fund and Schools	Cost of increasing the council's minimum pay grade from Scale 1/2 to Scale 3 (£0.491m) together with the cost of resolving the recent industrial dispute (£1.094m). These costs include the impact on schools for the current year only.

## Appendix 4 – Revenue Budget Performance

### Housing Revenue Account (HRA)

#### Revenue Budget Summary

Forecast Variance Month 5 £'000	Service	2021/22 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	COVID Variance Month 7 £'000	Forecast Variance Month 7 %
70	Capital Financing	27,285	27,355	70	0	0.3%
80	Housing Management & Support	4,078	4,088	10	75	0.3%
0	New Housing Supply	899	802	(97)	0	-10.8%
241	Income, Involvement & Improvement	(48,182)	(48,026)	157	200	0.3%
220	Repairs & Maintenance	10,778	11,525	747	0	6.9%
(230)	Property & Investment	2,588	2,120	(468)	0	-18.1%
597	Tenancy Services	2,554	3,411	857	226	33.5%
978	Total Housing Revenue Account	0	1,276	1,276	501	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 Description
<b>Capital Financing</b>			
70	0	Financing costs	There is a forecast overspend of £0.070m against the financing costs budget, resulting from borrowing being undertaken much earlier in the financial year to take advantage of low interest rates.
<b>Housing Management &amp; Support</b>			
(100)	0	Transfer Incentive Scheme	Projected underspend against this budget.
150	75	Temporary Accommodation (TA)	Less rental income of an estimated £0.100m due to later completion of HRA schemes to provide council owned TA than expected at budget setting time and rent loss due to empty properties. Also forecast overspends on council tax and repairs costs £0.050m.

**Appendix 4 – Revenue Budget Performance**

Key Variances £'000	COVID Variances £'000	Service Area	Variance Description
(40)	0	Other	Minor variances.
<b>New Housing Supply</b>			
13	0	Estate Regeneration	An underspend is forecast on salary costs due to changes in timescales for recruiting to the new structure. This underspend has been offset by an increase in legal costs incurred as a result of the changes to the Housing Joint Venture proposal.
(110)	0	New Housing Supply	An underspend is forecast due to changes in the timescales for recruiting additional staff to support the new arrangements for delivery of new homes.
<b>Income, Involvement &amp; Improvement</b>			
400	200	Rents and service charges	Forecast overspend relating to rent loss due to a backlog of empty properties caused by the pandemic when lettings were put on hold and also challenges of a shortage of contractors available to undertake the backlog of works. The service has now agreed additional contractor capacity.
(150)	0	Contribution to Bad Debt Provision	Forecast underspend based on debt outstanding to date. This budget was increased for 2020-21 on the basis that debts would increase in light of welfare reforms. However, although arrears have increased they have not reached the levels expected at that time and therefore this budget will be reviewed as part of the budget setting process for 2022/23.
(130)	0	Employees	A forecast underspend as a result of staff vacancies across the service.
37	0	Other	Minor variances.
<b>Repairs &amp; Maintenance</b>			
1,183	0	Empty Properties and Responsive Repairs	There was an underspend of approximately £1.5m across the R&M service in 2020/21, largely due to reduced activity as a result of COVID-19 restrictions. For 2021/22, there is a projected overspend of £1.999m forecast at Month 7, largely due to catch-up works from last financial year, of which £0.816m is forecast to be funded from reserves set aside for this purpose. There has been an increase of approximately £0.600m in the empty properties forecast from the previous forecast to reflect both the additional contractor capacity to address the backlog and increased contract

**Appendix 4 – Revenue Budget Performance**

Key Variances £'000	COVID Variances £'000	Service Area	Variance Description
			rates payable. This will continue to be closely monitored during the year.
(436)	0	Employees	There is a forecast overspend of £0.760m as a result of harmonisation costs, which has been offset by an underspend of £0.436m as a result of the high level of staff vacancies. As set out in the HRA budget 2021/22 report to Budget Council in February 2021, the harmonisation costs will be funded from HRA reserves. The full impact of harmonisation on the total Employees budget will be reflected in budget setting for 2022/23.
<b>Property &amp; Investment</b>			
(704)	0	Employees	An underspend is forecast due to changes in the timescales for recruiting additional staff to support the new arrangements for planned and major works.
200	0	Disrepair Claims	There is a forecast overspend against the £0.100m compensation budget provision, based on current spend to date projected forward. Disrepair claims by their nature are not possible to forecast easily. Instances and costs associated with each instance will be recorded separately within the HRA and the variance against budget will be regularly reviewed during the year.
36	0	Other	Minor variances.
<b>Tenancy Services</b>			
332	150	Employee costs	There is a forecast overspend against staffing, largely as a result of a continuation of agency staff in the estates services team due to the increased cleaning requirements as a result of COVID-19 and extra resources in the rehousing team to assist with the mutual exchange and empty property backlog.
152	76	Council Tax	Increase in council tax costs in respect of the higher number of empty council dwellings awaiting repairs.
80	0	Gas	Price of gas set to rise by estimated 50% from 1st October causing an overspend of £0.080m.
108	0	Temporary Accommodation	An overspend on the use of temporary accommodation for council housing tenants.
70	0	Cleaning	COVID-19 additional cleaning costs.

**Appendix 4 – Revenue Budget Performance**

<b>Key Variances £'000</b>	<b>COVID Variances £'000</b>	<b>Service Area</b>	<b>Variance Description</b>
63	0	Security costs	Overspend largely relates to the use of security guards at two blocks of flats to ensure the safety of residents at risk.
52	0	Other	Minor variances.

## Appendix 4 – Revenue Budget Performance

### Dedicated Schools Grant (DSG)

#### Revenue Budget Summary

Forecast Variance Month 5 £'000	Service	2021/22 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)	133,509	133,509	0	0	0.0%
(342)	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>	15,260	15,008	(252)	0	-1.7%
769	High Needs Block	30,636	31,271	635	154	2.1%
48	Exceptions and Growth Fund	3,153	3,200	47	0	1.5%
0	Grant Income	(181,812)	(181,812)	0	0	0.0%
475	<b>Total Dedicated Schools Grant (DSG)</b>	<b>746</b>	<b>1,176</b>	<b>430</b>	<b>154</b>	<b>57.6%</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>			
130	0	Early Years Additional Support Funding for 2, 3 and 4-year olds	Increase in the number of early years children being assessed for additional support funding. Caseload increases and impact of out of area children attending early years settings within the city
(382)	0	Unallocated DSG	Unallocated DSG to offset wider 2021/22 DSG overspends
<b>High Needs Block (excluding delegated to Schools)</b>			
549	127	Education agency placements	There has been an increase in the cost of some bespoke tuition packages, some of which relate to COVID-19. The agency budget has also been impacted due to a lack of local provision for cognitively able children with Autism and Anxiety/Social Emotional Mental Health (SEMH) needs who have not been able to manage in local mainstream schools despite intervention from external agencies.

Appendix 4 – Revenue Budget Performance

Key Variances £'000	COVID Variances £'000	Service Area	Variance Description
			Furthermore, there is an increasing cost of the education packages linked to external residential social care placements.
(107)	0	Special school provision	Special school budgets have been rebased to accommodate an increase in commissioned places from September 2021. There is a surplus in the amount of pressure funding that has been applied.
61	0	Brighton and Hove Inclusion Support Service (BHISS)	Staff absences in key areas that require agency cover to ensure statutory duties are met and buyback commitments to schools are delivered
(122)	0	Mainstream Specialist Provision	Delay in establishing in-house specialist provision for primary and secondary autism and social emotional mental health needs
65	0	Post-16 High Needs Placements	Increase in number of placements in FE colleges and post-19 independent specialist provision
85	0	Mainstream Schools Top-up	Large increase in the number of children with education, health and care plans in mainstream schools within the city and increase in complexity of need
95	0	High needs placements in maintained provision in other LAs	Lack of local specialist provision resulting in increased number of placements in special schools outside of the city
9	27	Other	Variances on other budgets
<b>Exceptions and Growth Fund</b>			
38	0	School Premature Retirement Costs	Ongoing pressure linked to historic commitments
9	0	Other	Minor variances.