

Families, Children & Learning

Revenue Budget Summary

Forecast Variance Month 7 £'000	Service	2021/22 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	COVID Variance Month 9 £'000	Forecast Variance Month 9 %	2021/22 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
0	Director of Families, Children & Learning	157	147	(10)	0	-6.4%	0	0	0
652	Health, SEN & Disability Services	46,363	46,500	137	285	0.3%	1,110	1,033	77
66	Education & Skills	10,403	10,407	4	161	0.0%	162	162	0
(443)	Children's Safeguarding & Care	40,342	40,232	(110)	0	-0.3%	975	667	308
13	Quality Assurance & Performance	1,530	1,518	(12)	0	-0.8%	0	0	0
288	Total Families, Children & Learning	98,795	98,804	9	446	0.0%	2,247	1,862	385

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

51 **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			
(10)	0	Other	
Health, SEN & Disability Services			
451	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 2 new placements anticipated but the current market situation is very challenging and there have been delays in sourcing appropriate placements that deliver value for money.
(692)	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, £0.700m of the £0.950m savings target are identified as being at risk, but there are some reductions in costs elsewhere, due to the impact of the pandemic, particularly on services such as day care.
158	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) and the cost of emergency placements.

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Key Variances £'000	COVID Variances £'000	Service Area	Variance or Financial Recovery Measure Description
134	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.
35	0	Other	Minor variances on other budgets.
Education & Skills			
(69)	106	Home to School Transport	For 2021/22 the forecast underspend is £0.069m based on the current information from the data held on the transport system. This includes spend of £0.106m relating to additional costs as a result of COVID-19 and has been partially funded by the ongoing transport grant of £0.099m for this term. Latest numbers from December are 415 for 5-16 year olds and 94 for Post 16.
115	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.
(42)	9	Other	
Children's Safeguarding & Care			
597	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 and costs of placements. this has been partially off-set by increasing grant funding and underspends in Secure and Care Leaver costs.
(105)	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).
(137)	0	Partners in Change Contracts	Contracts with SPFT and other partners have been re-negotiated reducing the cost to the Council.
(178)	0	Social Work, Adolescent Service and Fostering & Adoption Teams	There are a number of vacancies at present across children's social care teams.
(112)	0	Contact service	Reduced activity within the Contact service and efficiencies in the use of available resources has resulted in an underspend.

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Key Variances £'000	COVID Variances £'000	Service Area	Variance or Financial Recovery Measure Description
(175)	0	Other	Minor variances on other budgets.
Quality Assurance & Performance			
9	0	Other	

Health & Adult Social Care (HASC)

Revenue Budget Summary

Forecast Variance Month 7 £'000	Service	2021/22 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	COVID Variance Month 9 £'000	Forecast Variance Month 9 %	2021/22 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
232	Adult Social Care	42,543	41,785	(758)	104	-1.8%	3,345	2,068	1,277
(1,196)	S75 Sussex Partnership Foundation Trust (SPFT)	22,678	20,801	(1,877)	1	-8.3%	860	728	132
154	Integrated Commissioning	3,633	3,506	(127)	31	-3.5%	310	310	0
0	Public Health	2,687	2,687	0	16	0.0%	0	0	0
(810)	Total Health & Adult Social Care	71,541	68,779	(2,762)	152	-3.9%	4,515	3,106	1,409
(1,157)	Further Financial Recovery Measures (see below)	-	(1,100)	(1,100)	0	-	-	-	-
(1,967)	Residual Risk After Financial Recovery Measures	71,541	67,679	(3,862)	152	-5.4%	4,515	3,106	1,409

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			
(1,100)	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			
(880)	0	Demand-Led Community Care - Physical & Sensory Support	The forecast number of placements/packages is 2,004 WTE, which is below the budgeted level of 2,346 WTE placements. The average unit cost of a placements/package is higher than the budgeted level at £246 per week (£29 per week above budget per client). The combination of the number of adults placed being 342 WTE below the budgeted level and the increased unit costs result in the underspend of £0.880m. Therefore, the unit costs are 13% above budget however

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Key Variances	COVID Variances	Service Area	Variance or Financial Recovery Measure Description
£'000	£'000		
			the overall activity is below budget. This is due to high attrition rates in quarter 4 last financial year and areas where suitable provision is not currently accessible to meet identified need as a result of workforce pressures.
(164)	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 £0.164m.
(155)	89	Assessment teams	This is due to a number of temporary vacancies across the Assessment teams.
415	15	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	
S75 Sussex Partnership Foundation Trust (SPFT)			
(1,694)	0	Demand-Led - Memory Cognition Support	The number of forecast placements is lower than budgeted resulting in the underspend projection of £1.694m. The forecast number of placements/packages is 366 WTE which is below the budgeted level of 429 WTE placements. The average unit cost is below the budgeted level at £409 per week (£15 per week below budget). Therefore, the overall activity is 63 WTE below budget and the unit costs are 4% below budget. This is due to high attrition rates in quarter 4 last financial year, and areas where suitable provision is not currently accessible to meet identified need as a result of workforce pressures.
(169)	0	Demand-Led - Mental Health Support	The number of forecast placements is lower than budgeted which results in the underspend projection of £0.169m. There is an increasing need and complexity within this client group and the forecast number of placements/packages is 459 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 £404 per week (£26 per week higher than the budget per client).
(14)	1	Staffing Teams	This is due to temporary staffing vacancies.
Integrated Commissioning			
(54)	0	Contracts	Underspends against budget for ASC block contracts.
(73)	31	Commissioning teams	There is an overspend related to additional staffing costs and management capacity within the commissioning, performance and management teams. This is offset by delays in the planned service redesign.
Public Health			
0	16	Other	

Economy, Environment & Culture

Revenue Budget Summary

Forecast Variance Month 7 £'000	Service	2021/22 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	COVID Variance Month 9 £'000	Forecast Variance Month 9 %	2021/22 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
1,278	Transport	(3,880)	(3,523)	357	1,746	9.2%	1,782	1,127	655
627	City Environmental Management	34,765	35,410	645	516	1.9%	155	155	0
331	City Development & Regeneration	3,995	4,090	95	293	2.4%	168	133	35
362	Culture, Tourism & Sport	4,667	4,951	284	533	6.1%	92	15	77
118	Property	3,468	3,441	(27)	0	-0.8%	346	106	240
2,716	Total Economy, Environment & Culture	43,015	44,369	1,354	3,088	3.1%	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.
1,112	2,162	Parking Services	Overall Parking Services is forecasting an overspend of £1.112m for Month 9 which is an improvement of £0.865m since month 7. The service is forecasting a substantial loss of income against budget of £2.162m as a result of the recent national restrictions and loss of parking spaces. With continued uncertainty around customer behaviour 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 £0.980m which is contributing to the pressure. The overall parking income position is being kept under constant review and may potentially change depending on local and national circumstances. The pressure from parking income shortfalls are partly offset against reductions in other costs including £0.304m in

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Key Variances £'000	COVID Variances £'000	Service Area	Variance or Financial Recovery Measure Description
			infrastructure and repairs & maintenance of off street car parks, £0.289m in unsupported borrowings and £0.422m in transactional and contract costs.
0	0	Concessionary Bus Fares	It's important to note that the council is also currently subsidising concessionary travel fares for the bus companies paying 100% of expected journeys pre COVID-19 under central government direction. Bus companies have been running at approximately 65% in terms of concessionary travel journeys for much of the year so it has been estimated that the council is effectively paying approximately £0.312m per month for journeys that are not happening. This will be kept under review though as there are some indications that the level of concessionary journeys has been increasing.
(309)	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. Additional consultancy costs of £0.050m are forecast for a North Laine traffic improvement project. Additional forecast income of £0.033m for vehicle crossovers reflecting anticipated applications at increased fee rates and sample inspections of £0.023m based on the proposed inspection schedule. S74 income is now forecast to exceed budget by £0.101m where a new utility company has mainly incurred these prolonged works charges. Salary costs within Street Works and Traffic Management are forecast to exceed budget by £0.055m. Net income for Traffic Regulation Orders exceeds budget by £0.050m and net Event income exceeds budget by £0.028m with more events returning and in particular filming. Additional expenditure of £0.040m is now forecast for the Street Manager software.
30	0	Transport Policy and Strategy	Minor variances.
43	0	Transport Projects and Engineering	Bus Shelter expenditure is forecast to exceed budget by £0.025m due to a supply bottleneck compounded by trade logistic challenges in 2020/21 now easing, enabling essential work catch up and also Valley Gardens 3 Bus Shelter replacements not budgeted for. 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 to not to be received. Computer software costs are forecast to be £0.013m less than budget.

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Key Variances £'000	COVID Variances £'000	Service Area	Variance or Financial Recovery Measure Description
(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.
City Environmental Management			
721	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 forecast. Additional net costs of £0.141m have been forecast for payments to staff for catch up work following the industrial action.
229	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. Forecast overspend in relation to contractor costs for Playgrounds. Further overspends of £0.062m relating to Staffing and Supplies & Services.
(429)	0	Fleet & Maintenance	Fleet & Maintenance are forecast to be underbudget by £0.429m. Progress has been made in Fleet and Maintenance to control and reduce costs.
37	50	Head of City Environmental Management	Additional COVID-19 waste disposal related costs of stewarding at the household waste disposal sites.
121	15	Strategy & Projects	£0.120m overspend related to forecast repairs and maintenance of public conveniences. Other overspends include shortfall on income budgets of £0.113m and additional forecast spend for supplies & services, but these are mostly offset with staffing vacancies.
0	221	Waste Disposal	The forecast impact of COVID-19 on the waste disposal contract will need to be managed through the Waste PFI Reserve.
(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.
City Development & Regeneration			
256	313	Development Planning	Forecast underachievement of Planning Control Applications Income of £0.468m of which some is due to COVID-19 of £0.313m. This partly offset by reductions in staffing expenditure forecast of £0.213m.
(54)		Planning Policy and Major Projects	Forecast underspends relating to staffing and Supplies & Services costs of £0.053m.

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Key Variances £'000	COVID Variances £'000	Service Area	Variance or Financial Recovery Measure Description
(118)		Sustainability & International	Forecast underspends relating to staffing and Supplies & Services costs of £0.118m.
23		Assistant Director - EEC	Forecast overspend relating to share of cost of attendance management charge for the whole of EEC, offset by some underspending on assistant's post.
8		Economic Development	Slight pressure due to Coast to Capital payment increase.
(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.
Culture, Tourism & Sport			
(2)	0	Arts	Other Variances.
(26)	0	Heritage and Archives	Royal Pavilion and Museums are reporting an underspend of (£0.038m) due to the balance of 2020/21 Sales, Fees & Charges compensation grant received in 2021/22 that was under-accrued in 2020/21. This has been offset by additional expenditure for outstanding invoices relating to the period prior to October 2020 transfer to trust of £0.012m.
212	182	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.
95	276	Venues	This underachievement is wholly due to 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 £0.095m.
165	235	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.
(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.
Property			
(27)	0	Property and Design	The pressure reported at Month 9 by Property is largely due to a recent lease termination causing a loss of rental income. The recent 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

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Key Variances £'000	COVID Variances £'000	Service Area	Variance or Financial Recovery Measure Description
			allotments which should be received around February 2022. An in year contribution towards the cost of Energy Audits from the Sustainability Team has reduced the pressure for the Energy Team and a revised break even fee income forecast within Technical Services has enabled Property to reduce the overall forecast pressure from £0.118m to £0.027m underspend.

Housing, Neighbourhoods & Communities

Revenue Budget Summary

Forecast Variance Month 7 £'000	Service	2021/22 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	COVID Variance Month 9 £'000	Forecast Variance Month 9 %	2021/22 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
5,293	Housing General Fund	13,386	18,524	5,138	4,914	38.4%	318	50	268
123	Libraries	4,807	4,952	145	138	3.0%	98	98	0
(75)	Communities, Equalities & Third Sector	4,058	3,983	(75)	0	-1.8%	72	72	0
(80)	Safer Communities	3,417	3,337	(80)	0	-2.3%	47	47	0
5,261	Housing, Neighbourhoods & Communities	25,668	30,796	5,128	5,052	37.2%	535	267	268
(3,658)	Applied Covid Funding (See Below)	-	(4,258)	(4,258)	(4,258)	-	-	-	-
1,603	Residual Risk After Financial Recovery Measures	25,668	26,538	870	794	3.4%	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
Applied Covid Funding			
(4,258)	(4,258)	Temporary Accommodation	Use of COMF funding from 2020/21 & 2021/22
Housing General Fund			
922	922	Temporary Accommodation	This overspend 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 £0.078m from the following areas of the service. The forecast average number of Emergency Accommodation homes (excluding rough sleeper hotels, discussed separately below) for the year has been reducing over the last few months to 589

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Key Variances £'000	COVID Variances £'000	Service Area	Variance or Financial Recovery Measure Description
			at month 7 as numbers of households in spot purchased accommodation has steadily reduced. However, for month 9, this number has increased to 610 as the service considers a slight increase is likely over the next few months. This is due, in part, to normal slow-down of move-on over the Christmas break together with the wave of the new Omicron variant. The forecast includes more HB income received as backlogs are resolved, however, is also includes an increased forecast for costs of block booked emergency accommodation properties as contracts come up for renewal. The service is also seeing higher repairs costs as the costs of materials and sub-contractors increase due to the national labour shortages and supply chain issues. There are some risks to this forecast around homelessness increasing as a result 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.
3,992	3,992	Temporary accommodation - additional emergency hotel accommodation	There is a forecast overspend of £0.334m on the cost of the additional emergency hotel accommodation originally acquired early in the pandemic, a small reduction of 0.017m since month 7. The forecast includes an increase in expected HB income as backlogs in HB claims are being dealt with by the Revenues and Benefits service and the DWP. The housing service has taken steps to reduce the number of placements in TA and as a result has seen a net reduction in the numbers of households in emergency accommodation including the emergency hotels. However, this has slowed over the Christmas period and the forecast does now assume that an estimated 75 rooms will be required to 31st March 2022 to house those we owe a homeless duty to compared to a forecast of 47 at Month 7. This service is forecast to cost £5.142m for 2021/22 and this has been partially funded through a £0.650m one-off Council budget and £0.500m in Next Steps Accommodation Programme (NSAP) funding.
0	0	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 now forecast to break-even during 2021/22, an improvement of £0.168m when compared to the forecast at month 7. This is due to a forecast underspend on staffing costs £0.116m which is offset by an overspend on support costs for the 'care and protect' hotels from July to September of £0.086m. The forecast overspend for SWEP has reduced to £0.020m as most of this will be covered by the Winter Provision Fund from the Department of Levelling

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Key Variances £'000	COVID Variances £'000	Service Area	Variance or Financial Recovery Measure Description
			Up, Housing and Communities (DLUHC). Other small net overspend on the service £0.010m.
(6)	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.
39	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 £0.025m on enforcement of van dwellers and extra site cleaning £0.007m.
259	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 empty properties 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.
Libraries			
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.
7	0	Other	Other minor variance.
Communities, Equalities & Third Sector			
(75)		Communities, Equalities & Third Sector	Net underspend against staffing, as a result of vacancies across the service.
Safer Communities			
(80)		Safer Communities	Net underspend against staffing, as a result of vacancies across the service.

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Finance & Resources

Revenue Budget Summary

Forecast Variance Month 7 £'000	Service	2021/22 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	COVID Variance Month 9 £'000	Forecast Variance Month 9 %	2021/22 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
(35)	Finance (Mobo)	1,623	1,553	(70)	1	-4.3%	0	0	0
83	HR & Organisational Development (Mobo)	2,802	2,861	59	1	2.1%	0	0	0
0	IT&D (Mobo)	5,382	5,382	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)	(305)	446	0	59.4%	0	0	0
617	Contribution to Orbis	8,449	9,010	561	0	6.6%	240	0	240
1,164	Total Finance & Resources	23,031	24,199	1,168	3	5.1%	490	250	240

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
(70)	1	Finance	There is a predicted underspend of £0.070m. There is an underspend of £0.156m due to the vacant Executive Director post (net of the costs of temporary cover arrangements), but this is partly offset by a corporate senior management savings target.

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Key Variances £'000	COVID Variances £'000	Service Area	Variance or Financial Recovery Measure Description
HR & Organisational Development (Mobo)			
59	1	Human Resources	The service is declaring a £0.059m pressure at Month 9. 9 months of Orbis budgets have been disaggregated following withdrawal of the service from Orbis on 1 July 2021. The pressure caused by disaggregation of budgets is reported under the F&R Contribution to Orbis below. The long term impact of Covid on income is currently being tracked and may result in pressure next year. There is also a pressure regarding the corporate decision to increase facilities time and providing parity of support to recognised unions, including regarding the the Unison Branch Secretary and GMB Convenor positions. Additional accommodation costs (if awarded) arising from the facilities review will also create a funding pressure.
IT&D (Mobo)			
0	1	IT&D	At Month 9 IT&D MOBO budgets (mainly hardware, systems and infrastructure) is expecting be on target however, to achieve this, it expects to draw down up to £0.150m of modernisation funding. This is a reduction of £0.025m from Month 7 which is due to a reduction in forecasts for hardware budgets. There are new pressures this year including standby and overtime costs previously funded by Orbis which are now to be funded from partners' sovereign budgets (estimated at approx. £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	0	Procurement	There is an overspend of £0.172m forecast for the year, due to the ending of the 3-year modernisation funding which included support for underlying budget pressures.
Housing Benefit Subsidy			
446	0	HB Subsidy	There is a net pressure of £0.510m on the main subsidy budgets. This relates to a pressure of £0.116m on a particular type of benefit for vulnerable tenants which is not fully subsidised and a pressure of £0.398m on the net position on the recovery of overpayments. There are other minor favourable variances of £0.004m. In addition there is a forecast surplus of £0.064m relating to the recovery of former Council Tax Benefit.
F&R Contribution to Orbis			

Appendix 4 – Revenue Budget Performance

Key Variances £'000	COVID Variances £'000	Service Area	Variance or Financial Recovery Measure Description
561	0	Contribution to Orbis	The variance of £0.561m is due mainly to the expected pressure for services being disaggregated this year from Orbis, currently projected at £0.500m. This stems from the loss of economies related to integrated services (e.g. unravelling of joint posts and integrated management) as well as the impact on savings plans, particularly across Business Operations which is forecast to overspend by £0.311m (BHCC share), though this is partly offset by spare Orbis contribution budget of £0.250m.

Strategy, Governance & Law

Revenue Budget Summary

Forecast Variance Month 7 £'000	Service	2021/22 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	COVID Variance Month 9 £'000	Forecast Variance Month 9 %	2021/22 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
0	Corporate Policy	679	679	0		0.0%	27	27	0
(25)	Legal Services	1,605	1,578	(27)		-1.7%	65	65	0
7	Democratic & Civic Office Services	1,814	1,781	(33)		-1.8%	33	33	0
51	Life Events	261	236	(25)		-9.6%	40	35	5
0	Performance, Improvement & Programmes	1,112	1,112	0		0.0%	37	37	0
(70)	Communications	727	650	(77)		-10.6%	35	35	0
(37)	Total Strategy, Governance & Law	6,198	6,036	(162)	0	-2.6%	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			
(27)	0	Legal Services	The service is forecasting an underspend of £0.027m this year, due mainly to overachievement of income.
Democratic & Civic Office Services			
(33)	0	Democratic Services	An underspend of £0.033m, mostly arising from the Civic Office.
Life Events			
(25)	10	Life Events	The service is forecasting an underspend of £0.025m at Month 9 compared to an overspend of £0.050m last month. The income pressures have dropped dramatically to £0.038m from £0.131m last time, following significant improvements in Registrars and Land Charges, though in Bereavement the drop in death rate remains an issue. Elsewhere there are vacancy savings of £0.102m – mostly from Elections Team and other costs of £0.039m mostly due to webcasting.

Appendix 4 – Revenue Budget Performance

Key Variances £'000	COVID Variances £'000	Service Area	Variance or Financial Recovery Measure Description
Communications			
(77)	0	Communications	The service is forecasting an underspend of £0.077m. 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 7 £'000	Service	2021/22 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	COVID Variance Month 9 £'000	Forecast Variance Month 9 %	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
(2,040)	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	728	728	0	0	0.0%	0	0	0
(139)	Unringfenced Grants	(45,273)	(45,435)	(162)	0	-0.4%	0	0	0
1,808	Other Corporate Items	2,334	4,066	1,732		74.2%	120	120	0
(371)	Total Corporately-held Budgets	(29,226)	(29,696)	(470)	0	-1.6%	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
Capital Financing Costs			
(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 delays 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 delays to the capital programme.
Unringfenced Grants			
(33)	0	DfE Extended Rights to Free Travel	Additional in-year allocation announced.

Appendix 4 – Revenue Budget Performance

Key Variances £'000	COVID Variances £'000	Service Area	Variance or Financial Recovery Measure Description
(106)	0	Pressure funding released	Corporate pressure funding held in lieu of grant reductions released as all grant announcements for 2021/22 are now confirmed.
(23)	0	DH Local Reform Community Voice Grant	Late announcement with higher than forecast allocation.
Other Corporate Items			
(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.
(76)	0	New burden funding	

Appendix 4 – Revenue Budget Performance

Housing Revenue Account (HRA)

Revenue Budget Summary

Forecast Variance Month 7 £'000	Service	2021/22 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	COVID Variance Month 9 £'000	Forecast Variance Month 9 %	2021/22 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
70	Capital Financing	27,285	27,355	70		0.3%	0	0	0
10	Housing Management & Support	4,078	4,118	40	75	1.0%	0	0	0
(97)	New Housing Supply	899	816	(83)		-9.3%	0	0	0
157	Income, Involvement & Improvement	(48,182)	(47,868)	315	200	0.7%	0	0	0
747	Repairs & Maintenance	10,778	11,845	1,067	591	9.9%	0	0	0
(468)	Property & Investment	2,588	1,994	(594)		-22.9%	0	0	0
857	Tenancy Services	2,554	3,445	891	226	34.9%	0	0	0
1,276	Total Housing Revenue Account	0	1,705	1,705	1,092	0.0%	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 Description
Capital Financing			
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.
Housing Management & Support			
(110)	0	Transfer Incentive Scheme	Projected underspend against this budget.
190	75	Temporary Accommodation (TA)	Less rental income of an estimated £0.090m from rent loss due to empty properties. Also forecast overspends on council tax and repairs costs £0.100m compared to budget.
(40)	0	Other	Other minor variances across the service.

Appendix 4 – Revenue Budget Performance

Key Variances	COVID Variances	Service Area	Variance Description
£'000	£'000		
New Housing Supply			
22	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.
(105)	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.
Income, Involvement & Improvement			
650	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 and is working to clear the backlog.
(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.
(208)	0	Employees	A forecast underspend as a result of staff vacancies across the service.
23	0	Other	Minor variances.
Repairs & Maintenance			
1,694	0	Empty Properties and Responsive Repairs	There was an underspend of approximately £1.500m across the Repairs & Maintenance 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 approximately £2.500m forecast at Month 9, 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 £0.300m in the empty properties forecast from Month 7 to reflect both the additional contractor capacity to address the backlog and increased contract rates payable. This will continue to be closely monitored during the year.
(627)	0	Employees	There is a forecast overspend of £0.760m as a result of harmonisation costs, which has been offset by an underspend of £0.627m 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.

Appendix 4 – Revenue Budget Performance

Key Variances £'000	COVID Variances £'000	Service Area	Variance Description
			The full impact of harmonisation on the total employees budget will be reflected in budget setting for 2022/23.
Property & Investment			
(699)	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.
(95)	0	Mechanical & Electrical (M&E) - Service contracts	A forecast underspend is expected against the servicing and maintenance contracts across M&E.
Tenancy Services			
347	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
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.
71	0	Other	Other net overspends across the service.

Appendix 4 – Revenue Budget Performance

Dedicated Schools Grant (DSG)

Revenue Budget Summary

Forecast Variance Month 7 £'000	Service	2021/22 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)	133,505	133,505	0	0	0.0%
(252)	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>	15,264	14,962	(302)	0	-2.0%
635	High Needs Block	30,636	31,241	605	154	2.0%
47	Exceptions and Growth Fund	3,153	3,196	43	0	1.4%
0	Grant Income	(181,812)	(181,812)	0	0	0.0%
430	Total Dedicated Schools Grant (DSG)	746	1,092	346	154	46.4%

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)			
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.
(20)	0	Early Years Free Entitlement Funding	Underspend against free entitlement funding for 2-year olds.
(392)	0	Unallocated DSG	Unallocated DSG to offset wider 2021/22 DSG overspends.
(20)	0	Other	Minor variances on other budgets.
High Needs Block (excluding delegated to Schools)			
538	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

Appendix 4 – Revenue Budget Performance

Key Variances £'000	COVID Variances £'000	Service Area	Variance Description
			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. Furthermore, there is an increasing cost of the education packages linked to external residential social care placements.
(114)	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.
41	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.
(133)	0	Mainstream Specialist Provision	Delay in establishing in-house specialist provision for primary and secondary autism and social emotional mental health needs.
58	0	Post-16 High Needs Placements	Increase in number of placements in FE colleges and post-19 independent specialist provision.
102	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.
83	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.
30	27	Other	Minor variances.
Exceptions and Growth Fund			
38	0	School Premature Retirement Costs	Ongoing pressure linked to historic commitments.
5	0	Other	Minor variances.

