

Families, Children & Learning

Revenue Budget Summary

Forecast Variance Month 7 £'000	Service	2022/23 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	Forecast Variance Month 9 %	2022/23 Net Savings Proposed £'000	Net Savings Achieved/Anticipated £'000	Net Savings At Risk £'000
(5)	Director of Families, Children & Learning	254	249	(5)	-2.0%	0	0	0
960	Health, SEN & Disability Services	50,212	51,177	965	1.9%	1,046	352	694
1,205	Education & Skills	10,451	11,501	1,050	10.0%	13	13	0
1,154	Children's Safeguarding & Care	43,039	43,769	730	1.7%	1,529	423	1,106
32	Quality Assurance & Performance	1,612	1,635	23	1.4%	86	68	18
3,346	Total Families, Children & Learning	105,568	108,331	2,763	2.6%	2,674	856	1,818
(173)	Further Financial Recovery Measures (see below)	-	0	0	-	-	-	-
3,173	Residual Risk After Financial Recovery Measures	105,568	108,331	2,763	2.6%	2,674	856	1,818

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

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
Director of Families, Children & Learning		
(5)	Other	
Health, SEN & Disability Services		
679	Adults with Learning Disabilities - Community Care	The Adults LD community care budget forecast includes an additional fee uplift allocated to some providers in recognition of cost of living increase and minimum wage requirements. This has resulted in an increase in unit costs for the Adult LD community care budget.
(157)	Children's Disability Placements	The Children's Disability Placement Budget was further rebased in 2022-23 to accommodate growth in the number and cost of placements.
409	Adults with Learning Disabilities - in-house provider services	The overspend mainly relates to pressure in the residential respite budget due to the cost of emergency placements at Beach House, and high levels of staff absence at Beaconsfield Villas resulting in very significant agency staff costs.

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Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
(12)	Children's Disabilities - in-house provision	There is an underlying pressure for respite provision for children with disabilities and a high use of agency / sessional staff but this been offset by one-off contributions from Health in 2022-23
203	Disability Section 17 Budget	Emergency high cost, in-home support provided during August to October from the Children's Disability Section 17 budget.
(69)	Brighton and Hove Inclusion Support Service	There is an underspend against the Brighton and Hove Inclusion Support Service mainly linked to small underspends against education psychologists, mental health support and the Schools Wellbeing service.
(88)	Other	Other variances include an underspend on the SEN team budget due to delay in implementation of a new team structure and an underspend on the 14-25 disability social work pod due to high staff turnover and vacancies during the year.
Education & Skills		
1,158	Home to School Transport	Based on the current data held on Mobisoft, the updated forecast overspend for Home to School Transport is £1.158m. This forecast takes account of the effect of the current contracted routes which assumes 452 5-16 pupils and 116 post 16 pupils for the remainder of the financial year. The overspend includes an overspend of £0.260m relating to increasing costs of 19-25 year olds previously charged to the DSG. The variance also includes an anticipated overspend of £0.079m relating to increasing numbers of bus passes being issued with the majority relating to allocated school places beyond the statutory distance. Costs have increased considerably from September and are related to a combination of the factors which include, demand, single occupancy journeys, out of city placements, inflation and returned routes.
(33)	Early Years, Children's Centres, Nurseries, Early Help and Childcare	Underspend in children's centres and Integrated Team for Families partially offset by overspend in council nurseries. Council nurseries are showing a predicted overspend of £0.067m which is mainly linked to high agency costs as a result of staff absence.
(75)	Other	
Children's Safeguarding & Care		
1,100	Demand-Led - Children's placements	The overspend is the result of a number of different factors. There are significant overspends in Residential Homes and semi-Independent placements due to increasing difficulty in finding suitable foster carers due to sufficiency problems. This is partially off-set by underspends in the external Fostering budget. There are also significant overspends for Care Leaver costs as rising numbers of care leavers require financial support for accommodation.

Appendix 4 – Revenue Budget Performance

Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
(263)	Social Work and Adolescent Teams	There have been a number of vacancies across the social work teams. Recruitment is ongoing but a small number of posts are now being covered by Agency social workers.
(73)	Fostering & Adoption	The underspend is due to problems recruiting to vacant posts across the service.
(34)	Other	Minor variances.
Quality Assurance & Performance		
23	Other	Minor variances.

Health & Adult Social Care (HASC)

Revenue Budget Summary

Forecast Variance Month 7 £'000	Service	2022/23 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	Forecast Variance Month 9 %	2022/23 Net Savings Proposed £'000	Net Savings Achieved/Anticipated £'000	Net Savings At Risk £'000
1,079	Adult Social Care	46,952	47,491	539	1.1%	1,465	844	621
(208)	S75 Sussex Partnership Foundation Trust (SPFT)	22,836	22,491	(345)	-1.5%	689	424	265
(333)	Integrated Commissioning	4,169	3,431	(738)	-17.7%	70	70	0
153	Life Events	(4)	(46)	(42)	-1050.0%	129	52	77
0	Public Health	2,846	2,846	0	0.0%	0	0	0
691	Total Health & Adult Social Care	76,799	76,213	(586)	-0.8%	2,353	1,390	963
(104)	Further Financial Recovery Measures (see below)	-	0	0	-	-	-	-
587	Residual Risk After Financial Recovery Measures	76,799	76,213	(586)	-0.8%	2,353	1,390	963

Explanation of Key Variances

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
Adult Social Care		
943	Demand-Led Community Care - Physical & Sensory Support	The forecast number of placements/packages is 1,951 WTE, which is below the budgeted level of 2,080 WTE placements. The average unit cost of a placements/package is higher than the budgeted level at £292 per week (£27 per week above budget per client). The combination of the number of adults placed being 129 WTE below the budgeted level and the increased unit costs result in the overspend of £0.943m. Therefore, the unit costs are 10% above budget however the overall activity is below budget. This is due to areas where suitable provision is not currently accessible to meet identified need as a result of workforce pressures.
(350)	Demand-Led Community Care - Substance Misuse	There are relatively small numbers of clients within this service and the average unit cost is below the budgeted unit cost which is resulting in the projected underspend of £0.350m.
(296)	Assessment teams	This is due to a number of temporary vacancies across the Assessment teams.

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Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
386	Community Equipment service	Forecast overspend due to increased unit costs of equipment.
(150)	In-house provision	Due to additional income above budget and temporary staffing vacancies.
6	Other	
S75 Sussex Partnership Foundation Trust (SPFT)		
(306)	Demand-Led - Memory Cognition Support	The client numbers are below budget which results in the underspend projection of £0.306m. The forecast number of placements/packages is 362 WTE which is below the budgeted level of 442 WTE placements. The average unit cost is above the budgeted level at £504 per week (£77 per week above budget). Therefore, the overall activity is 80 WTE below budget and the unit costs are 18% above budget. This is due to areas where suitable provision is not currently accessible to meet identified need as a result of workforce pressures and market conditions.
(179)	Demand-Led - Mental Health Support	The client numbers are below budget resulting in the underspend projection of £0.179m. There is an increasing need and complexity within this client group and the forecast number of placements/packages is 483 WTE, which is below the budgeted level of 554 WTE placements. The average unit cost of a placement/package is above the budgeted level at £375 per week (£42 per week above budget per client). This is due to an additional contribution to Section 117 from Health Partners and areas where suitable provision is not currently accessible to meet identified need as a result of workforce pressures.
140	Staffing teams	Unable to deliver in-year savings target and negotiations with Health are ongoing.
Integrated Commissioning		
(651)	Commissioning	Projected Better Care fund risk share 2022/23 and delays in the planned service redesign and temporary vacancies.
(87)	Contracts	One-off underspend against block contracts.
Life Events		
(42)	Life Events	The forecast of £0.042m underspent is a reduction of £0.195m from Month 7. There is a projected underspend of £0.219m due to temporary staffing vacancies. This is partly offset by a forecast income shortfall of £0.120m and there are also pressures totalling £0.066m due to additional grounds maintenance work and professional fees.

Economy, Environment & Culture

Revenue Budget Summary

Forecast Variance Month 7 £'000	Service	2022/23 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	Forecast Variance Month 9 %	2022/23 Net Savings Proposed £'000	Net Savings Achieved/ Anticipated £'000	Net Savings At Risk £'000
1,530	Transport	(5,568)	(5,146)	422	7.6%	1,777	466	1,311
717	City Environmental Management	38,859	39,102	243	0.6%	229	159	70
121	City Development & Regeneration	4,445	4,295	(150)	-3.4%	182	83	99
100	Culture, Tourism & Sport	4,593	4,743	150	3.3%	200	190	10
255	Property	2,723	2,736	13	0.5%	342	232	110
2,723	Total Economy, Environment & Culture	45,052	45,730	678	1.5%	2,730	1,130	1,600
(276)	Further Financial Recovery Measures (see below)	-	(74)	(74)	-	-	-	-
2,447	Residual Risk After Financial Recovery Measures	45,052	45,656	604	1.3%	2,730	1,130	1,600

Explanation of Key Variances

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
Further Directorate Financial Recovery Measures		
(74)	Venues	Review of expenditure budgets and additional income potential within Venues to address the current overspend.
Transport		
829	Parking Services	Overall Parking Services is forecasting an overspend of £0.829m (-1.92% of income targets) at Month 9 against a £27.113m net income budget. The service is forecasting a loss of income of £1.741m (-14.02%) on parking permit income compared to a budget of £12.400m, most of which is due to the reduced demand in residents and visitor permits across zones and the loss of parking capacity due to active travel measures over the last two years. The number of permits themselves (36,000 resident permits, 15,000 other permits and 360,000 visitor permits per year) are not declining overall due to all the new parking schemes introduced, but there are harder to attain income targets from increased prices. On-street parking income is forecast to be £1.315m (-9.45%) underachieved

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Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
		<p>compared to a £13.900m budget and off-street parking is forecast to be £0.041m (-0.47%) underachieved compared to a £8.700m Budget.</p> <p>The underachievement of resident permits and reduced forecasts within on-street parking is likely to be as a result of the significant estimated loss of income against budget of £0.979m as a result of the loss of permit and paid parking spaces due to active travel measures (e.g. Madeira Drive, Old Town, A259 – eastern section) introduced over the last two years. This will be exacerbated with the upcoming reductions in parking spaces for the A259 (western section), A23, Low traffic neighbourhood scheme, school streets, Valley Gardens Phase 3, work on Madeira Terraces and the cycle hangers programme which will be discussed in future TBM review meetings and Transport Management Team meetings. This underachievement is offset by forecast surplus income for Parking Suspensions of £0.516m (+63.52%) against a £0.813m budget as well as PCN income, net of bad debt provision, of £1.735m (+25.93%) against a £6.700m budget.</p> <p>The budget does contain a pressure relating to the Traffic Control Centre restructure of £0.522m which is being funded by additional enforcement activities started in 2022/23 within figure above (Wider bus stop enforcement, Cycle lane enforcement etc) as well in the future from further schemes from 2023/24 onwards. The pressure from parking income shortfalls is partly offset against underspends (some related to less paid parking income) in transactional and contract costs, unsupported borrowings, staffing vacancies and other costs of £0.584m.</p>
(225)	Traffic Management	Income over achievement for Hoarding Fees, Traffic Regulation Orders, Events and Sample Inspection Fees. These are partly offset by waived fee income and other highways costs greater than budget.
(182)	Transport Projects and Engineering	Reduced payments to Bus Operators (£0.071m) and Direct Employee costs (£0.020m) with the BSIP (Bus Service Improvement Plan) funding. Bus Shelter repair costs are forecast (£0.054m) less than budget. Bus Shelter Electricity costs are forecast to exceed budget by £0.056m as a result of a more accurate inventory and time cost allocation as well as increased utility charges. Computer Software costs are forecast to be less than budget (£0.025m). Local Transport Fund grant awarded to Public Transport (£0.060m).
City Environmental Management		
348	City Clean	Overspend of £0.226m is due to waste collection and street cleansing (operational) agency costs due to vacancies across the service. Recruitment into vacant posts, managing of

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Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
		attendance and recruitment freezes has seen these costs reduce during the year. £0.132m overspend within Public Conveniences due to greater than budgeted utility costs, consumables and staffing required to maintain cleaning levels. Forecasted Public Conveniences costs have reduced following closure of select toilets within the city.
(40)	City Parks	Staffing underspends within City Parks.
(60)	Fleet & Maintenance	Increased costs at Hollingdean Depot £0.090m. Additional income activities (£0.045m) and reduction in fleet costs (£0.105m).
(5)	Head of City Environmental Management	Minor underspends.
City Development & Regeneration		
296	Development Planning	Underachievement of Planning and Building Control income of £0.588m as there is still some uncertainty over levels of service post-covid, although the income trend will become more apparent as the year progresses. However, there are underspends of (£0.289m) from several staffing vacancies in both services.
(117)	Planning Policy and Major Projects	Underspend of (£0.120m) on professional and consultant fees offset by small underachievement of income £0.005m.
(348)	Sustainability & International	External funding received for sustainability projects plus reduced and delayed spend on projects (£0.271m). Staffing underspends of (£0.060m) and other various underspends.
32	Economic Development	Overspend due to Coast to Capital LEP fee not reduced as much as anticipated.
(13)	Business Development and Customer Services	Underspend on vacancies (£0.055m) plus various other underspends (£0.003m) offset by overspend on agency costs to cover posts £0.016m, computer software £0.019m and underachieved fee income £0.010m.
Culture, Tourism & Sport		
(11)	Arts	Underspend due to vacancies during the year.
16	Sport and Leisure	Outdoor Events are experiencing a pressure from the cancellation of a number of programmed events as a result of organisers experiencing significant cost increases and attendance reduction in the sector. Some other smaller events are moving to 2023 instead. Welcome Back Fund/Reopening High Street Fund did not cover all project expenditure as anticipated therefore leaving a small balance of £0.027m overspend.
78	Venues	Forecast overspend from utility price increases based on costs to date. The Brighton Centre is working closely with Property & Design to get accurate readings processed to facilitate future forecasts and will endeavour to address this overspend by either reducing expenditure on other budgets or increasing income levels. To assist this, an interim spending freeze on non-essential spend has now been introduced.

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Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
77	Heritage and Archives	Additional costs paid to RPMT under terms within the contract.
(10)	Tourism and Marketing	Minor underspends.
Property		
13	Property and Design	<p>The pandemic legacy continues to affect the commercial portfolio rental position with some vacancies at Hove Technology Centre and Lyndean House resulting in £0.165m forecast underachievement of income as well as NNDR bills for vacant properties. Following a recent review of the NNDR accounts, credits have been identified through revaluations plus a rent review of one of the major tenants, leading to increased income.</p> <p>In-house printing continues to show a historic pressure due to the reduction in demand resulting in £0.086m forecast underachievement of costs recovered. The security budget is showing a forecast overspend of £0.200m due to higher contract costs following the re-tendering during 2021/22 plus security pressures from vacant properties. These costs are partly offset by vacancies held during the first part of the year and forecast underspends on planned maintenance.</p>

Housing, Neighbourhoods & Communities

Revenue Budget Summary

Forecast Variance Month 7 £'000	Service	2022/23 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	Forecast Variance Month 9 %	2022/23 Savings Proposed £'000	Net Savings Achieved/ Anticipated £'000	Net Savings At Risk £'000
1,201	Housing General Fund	14,472	14,838	366	2.5%	1,780	1,600	180
100	Libraries	5,090	5,149	59	1.2%	77	77	0
(134)	Communities, Equalities & Third Sector	3,217	3,080	(137)	-4.3%	40	40	0
(105)	Safer Communities	3,863	3,719	(144)	-3.7%	35	35	0
1,062	Housing, Neighbourhoods & Communities	26,642	26,786	144	-4.3%	1,932	1,752	180
(200)	Further Financial Recovery Measures (see below)	-	0	0	-	-	-	-
862	Residual Risk After Financial Recovery Measures	26,642	26,786	144	0.5%	1,932	1,752	180

Explanation of Key Variances

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
Housing General Fund		
734	Temporary Accommodation	<p>A provision for underlying (TA) and Rough Sleeping pressures of over £1m was provided in the 2022/23 budget, which was expected to be supported by additional funding from the government's announcement of an additional £254 million national funding and was reported as an overspend up to Month 7. This overspend has now been mitigated by an extra allocation of £1.006m Homelessness Prevention Grant for 2022/23 in December 2022. The whole of Temporary and Emergency accommodation is now forecast to overspend by £0.734m consisting of:</p> <ul style="list-style-type: none"> - a small overspend of £0.024m on employee costs across TA/EA - an underspend of (£0.100m) relating to the feasibility work relating to an ethical lettings agency which Housing Committee agreed not to pursue at this time. - leased TA is forecast to overspend by £0.686m. Repairs costs have increased substantially compared to 2021/22 and this budget is forecast to overspend by £0.409m. <p>There is also a forecast overspend on the contribution to the bad debt provision of £0.279m</p>

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Key Variances £'000 Service Area		Variance or Financial Recovery Measure Description
		and £0.153m on Housing Benefit Subsidy. The current number of empty leased properties in TA has steadily reduced so far this year as the backlog of works is cleared. However, there are still more properties empty for longer than the current budget allows for and the budget for rent loss on voids is overspending by £0.126m. The rental costs of private sector leased properties for TA have continued to rise as contracts are renewed at higher rates but there are now fewer properties, and so the net rental costs are forecast to underspend by (£0.242m) with further minor overspends across this service of (£0.039m). - Emergency Accommodation (EA) is forecast to overspend by £0.130m. There are plans in place to further reduce the use of block booked and nightly booked accommodation by the year end, however, given the numbers of households facing financial hardship and the rising rental costs in the city, the forecast assumes that those targets will not be fully met by 31st March 2023.
(55)	Commissioned Rough Sleeper and Housing related Support Services	The commissioned services budget for supported accommodation and rough sleepers is forecast to underspend by £0.055m as a few small projects have not commenced as originally scheduled.
197	Additional emergency hotel accommodation	The costs of extra emergency hotels taken on during the pandemic is forecast to overspend by £0.197m as hotels are being decanted later than anticipated at budget setting time. The one remaining hotel was decanted at the end of October.
(821)	Housing Options	There is a forecast underspend of (£0.900m) due to an underspend on the one-off homelessness prevention budget that was carried forward from 2021/22. This is offset by overspends on staffing.
559	Seaside Homes	The repairs budgets for these properties are forecast to overspend by £0.329m and the forecast contribution to the bad debt provision for Seaside homes is forecast to overspend by £0.093m. There is also an overspend on the loss of rent on void properties which is forecast to be £0.109 higher than budgeted due to a higher level of churn as more households are moved on from temporary accommodation. Other minor variances across seaside £0.028m.
(248)	Private Sector Housing	Forecast underspend as a result of the bringing in house the Home Improvement Agency work (£0.070m) and further capitalisation of salaries (£0.100m) and consultancy costs for the warmer homes programme (£0.078m).
0	Travellers	This service is now forecast to break even
Libraries		
83		There is a projected shortfall in fees and charges and other income sources.
(24)		Other minor variances

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Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
Communities, Equalities & Third Sector		
(70)	CETS Staffing	Net underspend against staffing, as a result of vacancies across the service.
(62)	CETS Initiatives	A detailed review of what is funded from the initiatives budget across Communities and Equalities has identified £0.062m of funding that can be released to help the corporate TBM position.
(5)		Minor variances.
Safer Communities		
(144)	Safer Communities	The underspend is primarily against staffing as a result of vacancies across the service and a review of non-pay budgets where spend can be stopped.

Governance, People & Resources

Revenue Budget Summary

Forecast Variance Month 7 £'000	Service	2022/23 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	Forecast Variance Month 9 %	2022/23 Savings Proposed £'000	Net Savings Achieved/ Anticipated £'000	Net Savings At Risk £'000
13	Chief Executive & Monitoring Officer	561	569	8	1.4%	0	0	0
(37)	Policy & Communications	1,503	1,462	(41)	-2.7%	76	28	48
158	Legal & Democratic Services	3,296	3,518	222	6.7%	202	83	119
68	Elections & Land Charges	57	125	68	119.3%	34	34	0
(115)	Customer Modernisation & Data	1,871	1,671	(200)	-10.7%	33	33	0
(211)	Finance	1,979	1,853	(126)	-6.4%	150	150	0
0	Procurement (Mobo)	(37)	(37)	0	0.0%	0	0	0
(17)	HR & Organisational Development	4,332	4,117	(215)	-5.0%	0	0	0
(300)	IT&D (Mobo)	9,717	9,317	(400)	-4.1%	0	0	0
146	Welfare Revenue & Business Support	8,611	8,757	146	1.7%	0	0	0
1,536	Orbis Services (IT&D, Procurement, Audit)	1,255	2,695	1,440	114.7%	0	0	0
1,241	Total Governance, People & Resources	33,145	34,047	902	2.7%	495	328	167

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 any budget variance on 'Orbis Services' is shared in accordance with the Inter-Authority Agreement (IAA).

Explanation of Key Variances

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
Chief Executive Monitoring Office		
8	Monitoring Officer budget	There are expected staffing pressures this year of £0.008m.
Policy & Communications		
(41)	Communications	At Month 9 the service is predicting an underspend this year of £0.041m. This relates to the Communications service pressures around restructuring costs (£0.118m) being more

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Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
		than offset by recharges and other underspends within the Communications Team (£0.159m).
Legal & Democratic Services		
274	Legal Services	In Legal Services there is an increased pressure of £0.274m to reflect anticipated Lawyer market supplement costs of £0.099m to the end of 2022/23 to address severe recruitment & retention issues across the service. There are also pressures relating to an expected loss of income relating to support of the LEP (£0.060m), a shortfall in funding for FCL related work on SEN tribunals/Education work (£0.040m) and a further pressure of £0.075 from a combination of unplanned locum expenditure due to earlier recruitment and retention challenges in the Service and a downward revision of property and planning related income.
(52)	Democratic Services	In Democratic Services there is a forecast net underspend of £0.052m. Underspends against Ward budgets of £0.050m are anticipated, and pressures of £0.035m relating to compulsory regrading costs of Political Assistants, which was a requirement of legislation. Elsewhere in the service there is a net underspend of £0.037m mostly arising from vacancies and one-off income.
Elections & Land Charges		
68	Elections & Land Charges	The forecast at Month 9 is a pressure of £0.068m. There are income pressures in the Local Land Charges service of £0.098m due to a lack of confidence in the market. In Elections, there are vacancy underspends of £0.082m offset by pressures of £0.052m relating to government funding shortfall, equipment replacement costs and local by-election costs.
Customer Modernisation & Data		
(200)	Customers and Performance	A further review of the budgets this month has led to the forecast of an increased underspend of £0.200m relating to vacancy management.
Finance (Mobo)		
(126)	Finance	The service is projecting an underspend of £0.126m relating to vacancy management.
HR & Organisational Development (Mobo)		
(215)	Human Resources	The service is declaring a £0.215m underspend at Month 9. Comprised of a £0.075m underspend in the Health and Safety service achieved through restructure and vacancy management. £0.075m underspend in L&D achieved by imposing spending controls stopping training in the short term. £0.090m underspend in Reward, Policy Projects and Advisory Services achieved through restructure and vacancy management as well as recruitment income. Imposing strict financial controls has been problematic and continues to have a significant impact on all HROD teams' capacity. The service will need to be

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Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
		appropriately resourced in the future to ensure it can deliver the organisational change and assurance work needed for the future. There is a £0.025m pressure relating to unfunded extra provision for union facilities time and accommodation. Pay team funding of £0.120m funding ends in March 2024 and will leave a legacy salaries shortfall. Going forward, any underspends in Workforce Development (grant funding relating to social work service provision) and Our People Promise funding will need to be carried forward to support provision next year.
IT&D (Mobo)		
(400)	IT&D	Following a further review of salaries and contracts this month, the forecast underspend has increased to £0.400m. This is a result of vacancy management, detailed work to review budgets and identifying opportunities to reduce expenditure. This includes drawing down some funds from revenue support reserve to offset the overspend in Microsoft licencing costs rather than this overspend being supported by salaries underspends. There are also still some uncertainties with contract costs as new systems are installed, data services are migrated to the new South East Grid and paper records are moved to a new Supplier. There has also been a requirement for further consultancy with 31Ten for the IT&D investment programme.
Welfare Revenue & Business Support		
56	Staffing Costs	The salary budget including agency, overtime and remote processing costs after allowing for known various one-off income funding streams is forecast to overspend by £0.056m.
57	Council Tax S13A carers relief discount	Council tax carers relief awarded above the budgeted figure.
33	Court Costs income	Forecast to be under by £0.285m however in the current year the council has a one-off backdated payment for court costs from the HMCTS of £0.252m resulting in a net shortfall projection this year of £0.033m.
Contribution to Orbis		
1,440	contribution to Orbis	There is an expected pressure of £1.440m, an improvement of £0.096m on month 7. This relates to a revision of expected contributions from Orbis Partners and a squaring off of shortfalls from disaggregated services including Business Operations (now part of WRBS), Finance, and HR, as well as the rebalancing of IT&D budgets between those held by BHCC (Mobo budgets) and those remaining with the Orbis Services budget. Overall, BHCC's contribution to the Partnership increased by £0.879m plus inflation. In the current financial year, due to the pattern of IT spend in the Orbis Partnership, BHCC's share of an expected Orbis Partnership underspend of £0.177m is actually an

Appendix 4 – Revenue Budget Performance

Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
		overspend of £0.018m due to the differing contribution ratios (ACRs) of the services. However, with the expected continuation of the underspending trend, the assumption is on-target for BHCC.

Corporately-held Budgets

Revenue Budget Summary

Forecast Variance Month 7 £'000	Service	2022/23 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	Forecast Variance Month 9 %	2022/23 Savings Proposed £'000	Net Savings Achieved/ Anticipated £'000	Net Savings At Risk £'000
110	Bulk Insurance Premia	3,352	3,645	293	8.7%	0	0	0
(1,538)	Capital Financing Costs	7,846	5,405	(2,441)	-31.1%	0	0	0
0	Levies & Precepts	219	219	0	0.0%	0	0	0
0	Unallocated Contingency & Risk Provisions	793	410	(383)	-48.3%	0	0	0
(79)	Unringfenced Grants	(49,047)	(49,126)	(79)	-0.2%	0	0	0
761	Housing Benefit Subsidy	(751)	10	761	101.3%	0	0	0
4,073	Other Corporate Items	(2,804)	1,791	4,595	163.9%	325	325	0
3,327	Total Corporately-held Budgets	(40,392)	(37,646)	2,746	6.8%	325	325	0

Explanation of Key Variances

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
Bulk Insurance Premia		
110	Commercial property building insurance	Premium credit adjustment to tenants leading to additional cost in 2022/23.
183	Settlement of claims	Increased projected cost for settling claims.
Capital Financing Costs		
(2,001)	Financing Costs	Higher interest rates on balances and higher investment balances than anticipated.
(440)	Financing Costs	Review of assumptions regarding paying interest on certain reserves and balances.
Unallocated Contingency & Risk Provisions		
(383)	Contingency	Release of brought forward and in-year contingency in line with spending controls for non-essential spend.
Unringfenced Grants		
(13)	Extended Rights to Free Travel	Announced in June 2022 at £0.099m which is £0.013m higher than budgeted.

Appendix 4 – Revenue Budget Performance

Key Variances	£'000 Service Area	Variance or Financial Recovery Measure Description
(66)	Pressure funding released	Only the Local reform community voice grant remains to be announced and historically is not confirmed until later in the year. Forecasting for this grant will be at the same level as 2021/22 which releases pressure funding.
Housing Benefit Subsidy		
761	HB Subsidy	There is an estimated pressure of £0.761m. Of this £0.831m relates to the main subsidy budgets and is based on the mid-year estimate submitted to the DWP. Of this pressure, £0.550m relates to a particular benefit type for vulnerable tenants which is not fully subsidised. This is being investigated to fully understand the reasons for the growth in this area and an action plan is being developed to minimise future subsidy loss. There is also a pressure of £0.281m on the net recovery of overpayments and other areas. The surplus on the recovery of overpaid former council Tax Benefit is currently forecast at £0.070m.
Other Corporate Items		
(251)	Corporate pension costs	Overpayment from 2021/22 of (£0.112m) and an in year variance of (£0.139m).
7	Death management	BHCC share of Sussex wide costs on mass fatalities work.
250	Academisation	Costs relating to compulsory academisation of Homewood House school where the council will be liable for the school's projected budget deficit at the point of transfer.
5,067	General Fund pay award	This reflects the employers' accepted pay award offer of a £1,925 fixed increase for all NJC salaries together with a 4.04% uplift of allowances and an additional day's leave. This is equivalent to a 6.3% increase compared with the 2% increase included in the budget for 2022/23. This pressure is after allowing for the £1.260m remaining one-off provision for pay from the 2021/22 outturn.
(406)	National Insurance - Social Care Levy	Saving resulting from removal of the National Insurance Social Care Levy from November 2022 to March 2023.
(72)	Funding for projects previously funded by COMF	Underspend on the £1.112m brought forward to cover project spend in 2022/23 relating to schemes previously funded by Covid grant (COMF).

Housing Revenue Account (HRA)

Revenue Budget Summary

Forecast Variance Month 7 £'000	Service	2022/23 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	Forecast Variance Month 9 %	2022/23 Savings Proposed £'000	Net Savings Achieved/ Anticipated £'000	Net Savings At Risk £'000
605	Capital Financing	25,553	26,224	671	2.6%	0	0	0
410	Housing Management & Support	4,620	4,949	329	7.1%	0	0	0
(129)	Housing Strategy & Supply	1,446	1,293	(153)	-10.6%	0	0	0
(229)	Repairs & Maintenance	14,061	13,834	(228)	-1.6%	0	0	0
(217)	Housing Investment & Asset Management	2,649	2,397	(252)	-9.5%	0	0	0
732	Tenancy Services	(48,329)	(47,402)	927	1.9%	0	0	0
1,173	Total Housing Revenue Account	0	1,295	1,295	0.0%	0	0	0

Explanation of Key Variances

Key Variances £'000	Subjective Area	Variance Description
Capital Financing		
671	Capital Financing costs	£0.806m short term pressure in financing costs as a result of taking on PWLB borrowing earlier to take advantage of more favourable interest rates. Offset by an increase of £0.135m in interest received on cash balances.
Housing Management & Support		
24	Employees	Forecast overspend on staffing costs relating to Homelessness £0.097m. Underspends against Transfer Incentive scheme (£0.035m), Minor variances (£0.037m).
324	Premises	Backdated rent increase in relation to the Housing Centre £0.107m. Forecast overspend against responsive repairs and empty properties £0.222m, utility costs £0.019m and other underspends across the service of (£0.024m).
(108)	Supplies and Services	Transfer Incentive scheme (£0.095m). Other minor variances (£0.013m).
38	Support Services	Additional contribution to legal services in respect of disrepair claims.
51	Income	Overspend relating to rent loss due to a backlog of empty properties. A project group is in place to reduce the number void properties during the year.
Housing Strategy & Supply		

Appendix 4 – Revenue Budget Performance

Key Variances		
£'000	Subjective Area	Variance Description
(187)	Employees	Forecast underspend against staffing and support service cost in delivery of new supply.
31	Supplies and Services	Minor variance
3	Other	Minor variance
Repairs & Maintenance		
(605)	Employees	Additional staffing costs in respect of dealing with backlog works and the impact of the pay-award, compared to budget setting assumptions have been mitigated by a forecast underspend against the base salary budget due to number of staff vacancies.
646	Premises	Forecast overspend against the base budget for subcontractor costs.
32	Supplies and Services	Forecast overspend against the base budget for material costs.
(151)	Transport	There is a forecast underspend against vehicle maintenance costs and fuel.
(150)	Contribution from reserves	<p>Financial risk relating to the post pandemic backlog of responsive repairs and empty property works was identified as a significant financial issue for 2022/23 and the HRA budget report set aside a total of £1.5m to ensure one-off funding was available during the year to cope with this pressure.</p> <p>The assumption is that £0.150m of this reserve will be used to help offset the increased forecast against subcontractor spend since TBM07 and in recognition of the considerable challenges and financial instability within the subcontractor market from increased material and wages; leading to a loss of resource. Work continues to mitigate this and introduce alternative resources.</p> <p>Budget setting assumptions for 2023/24 are that the earmarked reserve will be required during the year to fund the backlog works and the additional contractor and material spend in excess of typical business as usual budgets.</p>
Housing Investment & Asset Management		
(488)	Employees	An underspend due to change in the timescales for recruiting additional staff to support the new arrangements for planned and major works.
373	Supplies and Services	<p>Pressure from disrepair claims of £0.225m, which 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 budgets are regularly reviewed during the year.</p> <p>There is also a forecast overspend against RTB/Leasehold legal costs and professional fees of approximately £0.100m, which is offset by the additional income referred to below. Other variances across the service account for the balance of £0.048m.</p>

Appendix 4 – Revenue Budget Performance

Key Variances		
£'000	Subjective Area	Variance Description
(7)	Transport	Minor variance
(130)	Income	Additional professional fee income in respect of Leasehold extension matters.
Tenancy Services		
270	Employees	Forecast overspend against staffing budget.
531	Premises	£0.341m forecast overspend on utility costs. £0.150m overspend in council tax costs in respect of the higher number of empty council dwellings awaiting repairs. £0.051m additional grounds maintenance costs for first year of ash die back tree works. £0.028m overspend on the costs of rubbish clearance. (£0.058m) underspend against Business Rates. £0.019m minor variances.
232	Supplies and Services	£0.170m overspend on the use of temporary accommodation for council housing tenants, linked to the current policy for Temporary Accommodation across the authority and in some part to the number of voids held in the HRA. £0.043m overspend against cost of Carelink. £0.032m overspend relating to the use of security guards to ensure the safety of residents at risk. (£0.013m) underspend - other minor variances.
(132)	Income	Forecast overachievement in rental income due to new supply of affordable housing offset by an overspend in voids rent loss.
26	Other	Minor variances.

Appendix 4 – Revenue Budget Performance

Dedicated Schools Grant (DSG)

Revenue Budget Summary

Forecast Variance Month 7 £'000	Service	2022/23 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	Forecast Variance Month 9 %
0	Individual Schools Budget (ISB)	130,701	130,701	0	0.0%
(328)	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>	14,034	13,719	(315)	-2.2%
423	High Needs Block	34,341	34,676	335	1.0%
(1)	Exceptions and Growth Fund	3,188	3,221	33	1.0%
0	Grant Income	(182,229)	(182,229)	0	0.0%
94	Total Dedicated Schools Grant (DSG)	35	88	53	151.4%

Explanation of Key Variances

Key Variances £'000	Service Area	Variance Description
Early Years Block (including delegated to Schools)		
(346)	Early Years Free Entitlement Funding	Underspends anticipated on early years free entitlement budgets due to fewer children on the October 2022 early years census.
31	Other	Other small variances.
High Needs Block (excluding delegated to Schools)		
440	Agency - Independent non-maintained special schools	Increase in specialist placements to independent non-maintained special schools. This is being driven by increases in demand and complexity of need where suitable local provision does not exist. Placements are mainly linked to autism and social emotional mental health categories of need. The budget is currently forecasting in excess of 122fte placements compared to 90fte placements at the comparative time last year.
(150)	Balance of high needs block funding currently unallocated	Balance of funding currently unallocated within the high needs block following government increases in funding in 2022-23. Required to offset pressures in wider high needs block.

Appendix 4 – Revenue Budget Performance

Key Variances		
£'000	Service Area	Variance Description
87	Mainstream school top-up funding	Mainstream school top-up budget has been significantly rebased in 2022/23 to reflect increase in demand and cost. At this stage it is forecast there will be a modest overspend against the rebased budget due to a surge in demand since the beginning of the new academic year.
(48)	Special Schools Support and Top-up funding	Budget rebased in 2022-23 to reflect increase in provision and additional support costs. At this stage it is forecast there will be an underspend against the rebased budget.
(134)	Post-16 High Needs Payments to External Providers	Transport costs for students in post 19 specialist provision now being assigned to home to school transport budget.
91	High needs pupils in other local authority maintained schools	Increase in placements to other LA schools due to lack of local specialist provision.
105	Children with Medical Needs	Significant increase in the number of pupils receiving education through tuition due to their medical needs. The number of children who were receiving tuition in February 2022 was 56 pupils. Currently (as January 23 and following the recent panel meeting) there is a caseload of 101 pupils.
(56)	Other	Other smaller compensating variances.
Exceptions and Growth Fund		
38	Premature Retirement Costs	Ongoing annual commitment where regulations do not permit LAs to increase budget beyond historic levels.
(5)	Other	Other minor variances.

