

## Families, Children &amp; Learning

## Revenue Budget Summary

Forecast Variance Month 9 £'000	Service	2022/23 Budget Month 12 £'000	Provisional Outturn Month 12 £'000	Provisional Variance Month 12 £'000	Provisional Variance Month 12 %	2022/23 Savings Proposed £'000	Net Savings Achieved £'000	Net Savings Unachieved £'000
(5)	Director of Families, Children & Learning	254	249	(5)	-2.0%	0	0	0
965	Health, SEN & Disability Services	50,168	51,326	1,158	2.3%	1,046	446	600
1,050	Education & Skills	8,025	8,952	927	11.6%	13	13	0
730	Children's Safeguarding & Care	43,008	43,778	770	1.8%	1,529	452	1,077
23	Quality Assurance & Performance	1,502	1,489	(13)	-0.9%	86	86	0
2,763	Total Families, Children & Learning	102,957	105,794	2,837	2.8%	2,674	997	1,677

## 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		
576	Adults with Learning Disabilities - Community Care	The Adults LD community care budget spend includes an additional fee uplift allocated to some providers in recognition of cost of living increases and minimum wage requirements. This has resulted in an increase in unit costs for the Adult LD community care budget.
(115)	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.
578	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.
(61)	Children's Disabilities - in-house provision	There is an underspend in in-house children's disability provision mainly linked to one-off contributions from Health in 2022/23
215	Disability Section 17 Budget	Emergency high cost in-home support provided during August to October from Children's Disability Section 17 budget.

**Appendix 4 – Revenue Budget Performance**

<b>Key Variances</b>		
<b>£'000</b>	<b>Service Area</b>	<b>Variance or Financial Recovery Measure Description</b>
(35)	Other	Other variances include underspends on the SEN team budget due to a delay in implementation of the new team structure and the 14-25 disability social work pod due to high staff turnover and vacancies during the year. These are partly offset by an overspend on the Education Psychology Service mainly linked to additional staffing costs.
<b>Education &amp; Skills</b>		
1,106	Home to School Transport	The final outturn for Home to School Transport showed an overspend of £1.106m. The year-end position took account of the effect of the current contracted routes which included 461 5-16 pupils and 113 post 16 pupils. The overspend included an overspend of £0.264m relating to increased costs of 19-25 year olds previously charged to the DSG. The variance also includes an overspend of £0.083m relating to increased numbers of bus passes issued with the majority relating to allocated school places beyond the statutory distance. Costs increased considerably from September and are related to a combination of the factors which included, demand, single occupancy journeys, out of city placements, inflation and returned routes.
(96)	Early Years, Children's Centres, Nurseries, Early Help and Childcare	Underspends in children's centres and Integrated Team for Families partially offset by overspend in council nurseries. Council nurseries are showing a predicted overspend of £0.053m which is mainly linked to high agency costs as a result of staff absence.
(83)	Other	Minor variances.
<b>Children's Safeguarding &amp; Care</b>		
1,034	Demand-Led - Children's placements	The overspend was a result of a combination of several different factors. There were significant overspends in Residential Home and semi-Independent placements due to increasing difficulty in finding suitable foster carers due to sufficiency problems. This was partially offset by underspends in the External Fostering budget. There were also significant overspends for Care Leaver costs as rising numbers of care leavers require financial support for accommodation.
(297)	Social Work and Adolescent Teams	There were 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.
336	Legal fees	Increased costs of the in-house legal team and counsel fees.
(134)	Contact service	Due to reducing activity levels and the ongoing implementation of efficiency measures, the contact service underspent.
(169)	Other	Minor variances.
<b>Quality Assurance &amp; Performance</b>		
(13)	Other	Minor variances.

Health & Adult Social Care (HASC)

Revenue Budget Summary

Forecast Variance Month 9 £'000	Service	2022/23 Budget Month 12 £'000	2022/23 Provisional Outturn Month 12 £'000	Provisional Variance Month 12 £'000	Provisional Variance Month 12 %	2022/23 Savings Proposed £'000	Net Savings Achieved £'000	Net Savings Unachieved £'000
539	Adult Social Care	46,803	46,591	(212)	-0.5%	1,465	876	589
(345)	S75 Sussex Partnership Foundation Trust (SPFT)	22,836	22,274	(562)	-2.5%	689	398	291
(738)	Integrated Commissioning	3,958	2,760	(1,198)	-30.3%	70	70	0
(42)	Life Events	26	(140)	(166)	-638.5%	129	52	77
0	Public Health	(1,005)	(1,005)	0	0.0%	0	0	0
(586)	Total Health & Adult Social Care	72,618	70,480	(2,138)	-2.9%	2,353	1,396	957

Explanation of Key Variances

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
Adult Social Care		
525	Demand-Led Community Care - Physical & Sensory Support	The number of placements/packages for 2022/23 was 1,914 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 £293 per week (£28 per week above budget per client). The combination of the number of adults placed being 166 WTE below the budgeted level and the increased unit costs result in the overspend of £0.525m. Therefore, the unit costs are 11% 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.
(344)	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 underspend of £0.344m.
(381)	Assessment teams	This is due to a number of temporary vacancies across the Assessment teams.
411	Community Equipment service	Overspend due to increased unit costs of equipment.
(406)	In-house provision	Due to additional income above budget and temporary staffing vacancies.
(17)	Other	Minor variances.

Appendix 4 – Revenue Budget Performance

Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
S75 Sussex Partnership Foundation Trust (SPFT)		
(503)	Demand-Led - Memory Cognition Support	The client numbers are below budget which results in the underspend of £0.503m. The number of placements/packages is 328 WTE which is below the budgeted level of 442 WTE placements. The average unit cost is above the budgeted level at £545 per week (£118 per week above budget). Therefore, the overall activity is 114 WTE below budget and the unit costs are 28% 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.
(137)	Demand-Led - Mental Health Support	The client numbers are below budget resulting in the underspend of £0.137m. There is an increasing need and complexity within this client group and the number of placements/packages is 474 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 £384 per week (£51 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.
78	Staffing teams	Unable to deliver in-year savings target and negotiations with Health are ongoing.
Integrated Commissioning		
(1,011)	Commissioning	Underspend due to the Better Care Fund risk share 2022/23, delays in the planned service redesign and temporary vacancies.
(187)	Contracts	One-off underspends against block contracts.
Life Events		
(166)	Life Events	The underspend of £0.166m is a reduction of £0.124m from Month 9. There is an underspend of £0.246m due to temporary staffing vacancies. This is partly offset by an income shortfall of £0.050m and there are also pressures totalling £0.066m due to professional fees.

Economy, Environment & Culture

Revenue Budget Summary

Forecast Variance Month 9 £'000	Service	2022/23 Budget Month 12 £'000	2022/23 Provisional Outturn Month 12 £'000	Provisional Variance Month 12 £'000	Provisional Variance Month 12 %	2022/23 Savings Proposed £'000	Net Savings Achieved £'000	Net Savings Unachieved £'000
422	Transport	(6,538)	(6,531)	7	0.1%	1,777	466	1,311
243	City Environmental Management	30,389	30,730	341	1.1%	229	159	70
(150)	City Development & Regeneration	1,378	988	(390)	-28.3%	182	83	99
150	Culture, Tourism & Sport	4,622	4,516	(106)	-2.3%	200	190	10
13	Property	1,752	1,998	246	14.0%	342	232	110
678	Total Economy, Environment & Culture	31,603	31,701	98	0.3%	2,730	1,130	1,600
(74)	Further Financial Recovery Measures (see below)	-	-	0	-	-	-	-
604	Residual Risk After Financial Recovery Measures	31,603	31,701	98	0.3%	2,730	1,130	1,600

Explanation of Key Variances

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
(154)	Head of City Transport	Budgets for previous restructures within the wider transport service that have been agreed and implemented, but reallocation of budget has yet to be actioned.
1,223	Parking Services	Overall Parking Services has experienced an overspend of £1.223m (2.73% of income targets) against a £27.500m net income budget. The service has a loss of income of £1.912m (18.21%) 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 proposals 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) is 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 £1.601m (11.51%) underachieved compared to a £13.900m budget and Off-Street Parking is £0.039m (0.45%) underachieved compared to a £8.700m Budget.

Key Variances £'000 Service Area		Variance or Financial Recovery Measure Description
		<p>The underachievement of resident permits and on-street parking is substantially related to an estimated loss of income of £0.979m resulting from 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 2 years. It is important to note that 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. This underachievement is offset by surplus income for Parking Suspensions of £0.675m (82.87%) against a £0.813 budget as well as PCN income, net of bad debt provision, of £1.679m (25.09%) against a £6.007m 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, which started in 2022/23, within the figure above (i.e. wider bus stop enforcement, cycle lane enforcement etc) as well from further schemes from 2023/24 onwards. The pressure from parking income shortfalls are partly offset against underspends in transactional and contract costs, reduced unsupported borrowing and other costs of £0.497m.</p>
(41)	Concessionary Bus Fares	Concessionary bus fares have underspent by £0.041m against a £10.700m budget. The underspend is due to a less than predicted uptake of the concessionary taxis offered to disabled bus pass holders. However, the rest of the spend remains broadly in line with budget.
(542)	Traffic Management	Hoarding licence fees have exceeded budget by £0.415m reflecting the number of significant development sites in the city. Highways licensing income achieved with software and licensing costs £0.063m greater than budget and employment costs £0.090m greater than budget. Income over-achievement for Traffic Regulation Orders of £0.142m. These are partly offset by waived tables and chairs licence fees of £0.103m and additional costs relating to the Highways Services Contracts Support Framework processes of £0.098m. Street Works income of £0.339m greater than budget, of which Section74 prolonged street works charges are £0.229m.
(43)	Transport Policy and Strategy	Transport Policy and Strategy is £0.096m less than budget in part reflecting grant funded employment costs. Highways Development Control exceeded budget by £0.054m.
(436)	Transport Projects and Engineering	Bridges and Other Structures maintenance costs are £0.151m less than budget due to the manager role being vacant to prioritise the maintenance spend in year. Bus Shelter advertising has generated £0.167m more than budgeted whilst Bus Shelter repair and replacement costs are £0.141m less than budget.

Appendix 4 – Revenue Budget Performance

Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
City Environmental Management		
658	City Clean	Overspend of £0.591m is due to waste collection and street cleansing (operational) agency costs due to vacancies across the service. Recruitment into vacant posts, managing of attendance and recruitment freezes had seen these costs reduce during the year, though earlier forecast assumptions overstated the reduction in spend from Strike Deductions. £0.240m overspend within Public Conveniences due to greater than budgeted utility costs, consumables and staffing required to maintain cleaning levels. These overspends are partially offset by surplus in commercial and green waste collections of £0.172m.
(482)	City Parks	Additional funding received during the year supporting costs within City Parks for various projects including Playgrounds, Parks & Trees. This, combined with some underspends relating to staffing and supplies and services, has resulted in a net underspend of £0.482m.
397	Fleet & Maintenance	Increased costs at Hollingdean Depot of £0.076m. Additional income activities of £0.090m. Additional fuel and vehicle related costs of £0.410m as a result of vehicle breakdowns and rising costs for CEM Vehicles.
16	Head of City Environmental Management	Minor overspends.
(248)	Strategy & Projects	Underspends of £0.075m from reduced Supplies & Services costs and £0.173m staffing underspends following vacancy and expenditure controls.
0	Waste Disposal	No variance on Waste Disposal Outturn. However, £1.840m has been released from the Waste PFI Reserve to support the corporate position following reassessment of the long term reserve requirements.
City Development & Regeneration		
276	Development Planning	Underachievement of Planning and Building Control income of £0.540m as there is still some uncertainty over levels of service post-covid. However, there are underspends of £0.264m from several staffing vacancies in both services.
(225)	Planning Policy and Major Projects	Underspend of £0.191m on professional and consultant fees. Staffing underspend of £0.027m from vacancies in the year.
(425)	Sustainability & International	External funding received for sustainability projects plus reduced and delayed spend on projects of £0.365m. Staffing underspends of £0.060m and other various underspends.
92	Director - EEC	Overspend relating to share of cost of attendance management charge (Goodshape) for the whole of EEC and interim director costs during the year.
(91)	Economic Development	Vacant Economic Development Programme Manager and other supplies & services underspends offset by overspend due to Coast to Capital LEP fee not reduced as much as anticipated.

**Appendix 4 – Revenue Budget Performance**

<b>Key Variances</b>		
<b>£'000</b>	<b>Service Area</b>	<b>Variance or Financial Recovery Measure Description</b>
(20)	Business Development and Customer Services	Underspend on vacancies (£0.057m) offset by overspend on supplies & services of £0.029m and underachieved fee income of £0.010m.
3	Head of Regeneration	Minor overspends
<b>Culture, Tourism &amp; Sport</b>		
(10)	Arts	Greater than budgeted costs for Brighton Dome & Brighton Festival Arts Funding of £0.094m offset by vacancies held in the year within Arts of £0.086m following vacancy controls.
365	Heritage and Archives	Additional costs paid to Royal Pavilion & Museums Trust (RPMT) relating to salary pay awards under terms within the contract
(418)	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 resulting in an £0.135m income deficit, however this is offset by underspends in event costs of £0.105m. Welcome Back Fund/Reopening High Street Fund did not cover all project expenditure as anticipated therefore leaving a small balance of £0.028m overspend. Greater than budgeted net income of £0.435m relating to Seafront and Miscellaneous Resort Properties some of which is due to turnover rents and greater than anticipated incomes for Shelter Hall. Costs relating to hosting Women's Euros 2022 were £0.021m greater than earmarked reserves. Other underspends in supplies & services of £0.062m as a result of the expenditure controls.
(14)	Venues	Overspend from utility price increases during the year. This has been offset by expenditure controls during on non-essential spend and additional income achieved.
(29)	Tourism and Marketing	Minor underspends in supplies & services as a result of the expenditure controls.
<b>Property</b>		
246	Property and Design	<p>The pandemic legacy continues to affect the commercial portfolio rental position with some vacancies at Hove Technology Centre, Phoenix House and Lyndean House resulting in expected underachievement of income as well as NNDR bills and other associated costs for vacant properties, including void service charge demands. Vacant Agricultural sites have led to increased Security costs and professional fees. Estates are liaising with Avison Young regarding possible outstanding turnover rents and incomes. Energy costs for electricity, gas and water were higher than expected, resulting in a pressure of £0.170m</p> <p>In-house printing continues to show a historic pressure due to the reduction in demand resulting in underachievement of costs recovered. The Reactive Maintenance budget</p>



**Appendix 4 – Revenue Budget Performance**

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
		<p>avoided an overspend position with only essential Health &amp; Safety related work being undertaken during the final quarter. The Security budget faced pressures as demand exceeded budget due to security requirements on vacant properties (for e.g. Knoll House). Forecast underspends on planned maintenance reduced due to priority maintenance pressures and urgent Health &amp; Safety works to the Stair Tower at Hove Town Hall and fee income during the year decreased due to project delays, with some fees now chargeable in 2023/24.</p>

## Housing, Neighbourhoods &amp; Communities

## Revenue Budget Summary

Forecast Variance Month 9 £'000	Service	2022/23 Budget Month 12 £'000	Provisional Outturn Month 12 £'000	Provisional Variance Month 12 £'000	Provisional Variance Month 12 %	2022/23 Savings Proposed £'000	Net Savings Achieved £'000	Net Savings Unachieved £'000
366	Housing General Fund	11,613	12,052	439	3.8%	1,780	1,645	135
59	Libraries	3,617	3,589	(28)	-0.8%	77	77	0
(137)	Communities, Equalities & Third Sector	3,211	3,030	(181)	-5.6%	40	40	0
(144)	Safer Communities	3,313	2,991	(322)	-9.7%	35	35	0
144	Housing, Neighbourhoods & Communities	21,754	21,662	(92)	-0.4%	1,932	1,797	135

## Explanation of Key Variances

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
Housing General Fund		
748	Temporary Accommodation (TA)	<p>The Temporary Accommodation (TA) and Emergency Accommodation (EA) service overspent by £0.748m consisting of:</p> <ul style="list-style-type: none"> <li>an overspend of £0.092m on employee costs across TA/EA;</li> <li>the budget for leased TA has overspent by £0.613m. Repairs costs have increased substantially compared to 2021/22, and this budget is overspent by £0.464m. There is also an overspend on the contribution to the bad debt provision of £0.150m and £0.172m 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 and council tax on voids has overspent by £0.091m. 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 underspent by (£0.342m) with further minor overspends across this service of £0.078m;</li> <li>Emergency Accommodation (EA) overspent by £0.043m during 2022/23.</li> </ul>

**Appendix 4 – Revenue Budget Performance**

<b>Key Variances</b>		
<b>£'000</b>	<b>Service Area</b>	<b>Variance or Financial Recovery Measure Description</b>
(171)	Commissioned Rough Sleeper and Housing related Support Services	The commissioned services budget for supported accommodation and rough sleepers underspent by £0.171m. Although there was a significant overspend on SWEP of £0.178m, this was more than offset by an underspend on commissioned services of (£0.349m).
193	Additional emergency hotel accommodation	The costs of extra emergency hotels taken on during the pandemic is overspent by £0.193m as hotels are being decanted later than anticipated at budget setting time.
(845)	Housing Options	There is an underspend of £0.895m on the one-off homelessness prevention budget that was carried forward from 2021/22 . This is offset by a £0.050m overspend on staffing costs for housing options teams through the year.
730	Seaside Homes	The repairs and maintenance budgets for these properties overspent by £0.421m and the contribution to the bad debt provision by £0.084m. There is also an overspend on the loss of rent on void properties of £0.094m due to delays caused by a catch up on repairs earlier in the year after the pandemic and a higher level of churn as more households are moved on from temporary accommodation. Staffing costs are also overspent by £0.059m. There are also other service costs not recovered such as insurance costs and legal costs of £0.072m.
(219)	Private Sector Housing	An underspend of £0.071m as a result of the bringing in house the Home Improvement Agency work and further capitalisation of salaries (£0.101m) and consultancy costs for the warmer homes programme (£0.077m) offset by £0.030m overspend on supplies and services costs across the service.
36	Homemove	This service overspent by £0.036m, £0.024 due to extra employee costs and £0.012m as a result of under-recovery of income from Housing Associations for making use of the Home Connections system.
(33)	Travellers Service	This service underspent by £0.033m mainly due to the budget for a new travellers strategy not being spent (£0.020m) and also underspends on employees costs (£0.023m) due to vacancies and rubbish clearance costs relating to unauthorised encampments (£0.025m) offset by higher costs of water £0.015m and an under-recovery of income of £0.020m relating to rents and service charges as the site has had fewer travellers staying at the transit site than budgeted.
<b>Libraries</b>		
88		A shortfall in fees and charges and other income sources across the service.
(75)		An underspend on staffing costs across the service.
(41)		Other minor variances.
<b>Communities, Equalities &amp; Third Sector</b>		
(88)	CETS Staffing	Net underspend against staffing, as a result of vacancies across the service.

Appendix 4 – Revenue Budget Performance

Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
(103)	CETS Initiatives	Underspend on the initiatives budget across Communities and Equalities.
10	Other Costs	Minor net variances across the CETS service.
Safer Communities		
(202)	Safer Communities	An underspend of £0.202m on the VAWG commissioning service as a result of unspent core budget carried forward from 2021/22. As a result of New Burdens grant funding from central government for this service area, core budget carried forward was not spent or committed in 2022/23.
(120)		The underspend is primarily against staffing as a result of vacancies across the service and a review of non-pay budgets to reduce spend in year.

## Governance, People &amp; Resources

## Revenue Budget Summary

Forecast Variance Month 9 £'000	Service	2022/23 Budget Month 12 £'000	Provisional Outturn Month 12 £'000	Provisional Variance Month 12 £'000	Provisional Variance Month 12 %	2022/23 Savings Proposed £'000	Net Savings Achieved £'000	Net Savings Unachieved £'000
8	Chief Executive Monitoring Office	560	559	(1)	-0.2%	0	0	0
(41)	Policy & Communications	1,819	1,545	(274)	-15.1%	76	28	48
222	Legal & Democratic Services	3,284	3,377	93	2.8%	202	83	119
68	Elections & Land Charges	57	106	49	86.0%	34	34	0
(200)	Customer Modernisation & Data	2,520	2,024	(496)	-19.7%	33	33	0
(126)	Finance (Mobo)	2,016	1,912	(104)	-5.2%	150	150	0
0	Procurement (Mobo)	(37)	(54)	(17)	-45.9%	0	0	0
(215)	HR & Organisational Development (Mobo)	4,014	3,634	(380)	-9.5%	0	0	0
(400)	IT&D (Mobo)	9,729	9,227	(502)	-5.2%	0	0	0
146	Welfare Revenue & Business Support	8,392	8,238	(154)	-1.8%	0	0	0
1,440	Contribution to Orbis	1,255	2,733	1,478	117.8%	0	0	0
902	Total Governance, People & Resources	33,609	33,301	(308)	-0.9%	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	
(1)	Monitoring Office	An underspend of just £0.001m. There were small staff pressures offset by underspends elsewhere.

**Appendix 4 – Revenue Budget Performance**

<b>Key Variances</b>		
<b>£'000</b>	<b>Service Area</b>	<b>Variance or Financial Recovery Measure Description</b>
<b>Policy &amp; Communications</b>		
(103)	Policy, Partnerships & Scrutiny	Lower than anticipated use of council funding for EU settled status support of £0.070m. There was also late agreement from the NHS to contribute to the Partnerships service which was not expected (£0.033m).
(171)	Communications	In the Communications service the restructuring costs were £0.057m (£0.061m less than expected) but these were more than offset by recharges and other underspends within the Service of £0.228m for the year (£0.069m higher than forecast at Month 9).
<b>Legal &amp; Democratic Services</b>		
180	Legal Services	In Legal Services there was an overspend of £0.180m (reduced from £0.274m at Month 9) relating mostly to staffing costs such as Lawyer market supplement costs (these were approximately £0.094m in the period January to March) and high agency charges for Locums. There were also pressures relating to loss of income relating to support of the LEP and FCL related work and reduced income from property and planning support.
(87)	Democratic Services	In Democratic Services there was an underspend of £0.087m (an improvement of £0.035m since Month 9). There were underspends against ward budgets of £0.049m, but pressures of £0.040m relating to compulsory regrading costs of Political Assistants, which was a requirement of legislation. Elsewhere in the service there was a net underspend of £0.078m mostly arising from vacancies and one-off income, members allowances and training.
<b>Elections &amp; Land Charges</b>		
49	Elections & Land Charges	The service overspent by £0.049m in 2022/23, an improvement of £0.019m since Month 9. There were income pressures in the Local Land Charges service of £0.110m due to a lack of confidence in the market. In Elections, there are vacancy underspends of £0.086m offset by pressures of £0.025m relating to government funding shortfall and local by-election costs.
<b>Customer Modernisation &amp; Data</b>		
(496)	Customers and Performance	The service underspent by £0.496m in 2022/23, compared to the Month 9 forecast of £0.200m. Underspends from vacancies amounted to £0.250m, £0.050m higher than forecast. The remaining £0.246m related to unspent corporate funding for the PPE team not being returned centrally, which was the assumption at Month 9.
<b>Finance (Mobo)</b>		
(104)	Finance	The service underspent by £0.104m mostly relating to vacancy management. This is a reduction of £0.022m since Month 9, due to the staff costs ending up slightly higher than expected. Elsewhere in the service there were other costs around attendance management

**Appendix 4 – Revenue Budget Performance**

<b>Key Variances</b>		
<b>£'000</b>	<b>Service Area</b>	<b>Variance or Financial Recovery Measure Description</b>
		fees, which were offset by underspends on professional fees and some income which was not forecast.
<b>Procurement (Mobo)</b>		
(17)	Procurement	There was an underspend of £0.017m from various minor budgets. No variance was reported at Month 9
<b>HR &amp; Organisational Development (Mobo)</b>		
(380)	Human Resources	<p>The service underspent by £0.380m in 2022/23 compared to an underspend of £0.215m at Month 9. The improvement of £0.165m was due mainly to higher income than forecast (£0.118m) which included corporate funding for project work, and higher underspends from vacancies (£0.039m).</p> <p>The final underspend position was comprised of £0.110m underspend in the Health and Safety service (£0.075m at Month 9) achieved through restructure and vacancy management , £0.097m underspend in Learning &amp; Development (£0.075m at Month 9) achieved by imposing spending controls stopping training short term and £0.180m underspend in Reward, Policy Projects and Advisory Services (£0.090m at Month 9) achieved through restructure and vacancy management as well as recruitment income. Imposing these strict financial controls has been extremely tough and continues to have a significant impact on all HROD teams capacity. There was a £0.007m unions pressure (£0.031m at Month 9) relating to unfunded extra provision for facilities time and accommodation.</p>
<b>IT&amp;D (Mobo)</b>		
(502)	IT&D	The service underspent in 2022/23 by £0.502m, an increase of £0.102m since Month 9. The final underspend was mainly a result of vacancy management, detailed work to review budgets and identifying opportunities to reduce expenditure. There was an overspend in the contracts budget, particularly in MS licencing, which was being offset by the underspend in salaries. The further underspend since Month 9 was due to higher than expected income from mobile phone and other recharges and lower than expected expenditure relating to computer lines and software.
<b>Welfare Revenue &amp; Business Support</b>		
(231)	Staffing Costs	The salary budget including agency, overtime and remote processing costs after allowing for one-off new burden income funding streams underspent by (£0.171m). Other costs underspent by (£0.060m) with the main underspends being (£0.030m) on amounts for identification of increased rateable values and print / postage costs. Income exceeded

Appendix 4 – Revenue Budget Performance

Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
		budget by £0.073m with the main improvement coming through improved court costs income.
77	Council Tax S13A carers relief discount	Council tax carers relief awarded above the budgeted figure.
Contribution to Orbis		
1,478	contribution to Orbis	<p>There was an overspend of £1.478m at year end compared to £1.440m at Month 9. The pressure can be split into two parts.</p> <p>£1.580m relates to a revision of expected contributions from Orbis Partners, mainly for IT&amp;D, and a squaring off of shortfalls from disaggregated services including Business Operations (now part of WRBS), Finance and HR. BHCC's contribution to the Partnership increased by £0.900m.</p> <p>For 2022/23 the Orbis Partnership is anticipating an underspend of £0.499m, with BHCC's share of this expected to be £0.102m.</p>



## Corporately-held Budgets

## Revenue Budget Summary

Forecast Variance Month 9 £'000	Service	2022/23 Budget Month 12 £'000	Provisional Outturn Month 12 £'000	Provisional Variance Month 12 £'000	Provisional Variance Month 12 %	2022/23 Savings Proposed £'000	Net Savings Achieved £'000	Net Savings Unachieved £'000
293	Bulk Insurance Premia	3,352	3,752	400	11.9%	0	0	0
(2,441)	Capital Financing Costs	15,322	12,827	(2,495)	-16.3%	0	0	0
0	Levies & Precepts	219	219	0	0.0%	0	0	0
(383)	Unallocated Contingency & Risk Provisions	793	410	(383)	-48.3%	0	0	0
(79)	Unringfenced Grants	(49,730)	(50,319)	(589)	-1.2%	0	0	0
761	Housing Benefit Subsidy	(751)	679	1,430	190.4%	0	0	0
4,595	Other Corporate Items	(4,560)	(300)	4,260	93.4%	325	325	0
2,746	Total Corporately-held Budgets	(35,355)	(32,732)	2,623	7.4%	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.
290	Settlement of claims	Increased projected cost for settling claims.
Capital Financing Costs		
(2,055)	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.
(67)	Pressure funding released	Release of pressure funding after all grants announced.

Appendix 4 – Revenue Budget Performance

Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
(496)	Business Rates Retention Levy surplus	This grant was confirmed alongside the final local government finance settlement announced in February 2023.
(13)	Transparency Code Grant	Paid in March 2023 not announced as an annual grant.
Housing Benefit Subsidy		
1,430	HB Subsidy	There is a final pressure of £1.430m. Of this £1.489m relates to the main subsidy budgets and is based on the final claim submitted to the DWP. Of this pressure, £0.598m 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. There are also pressures of £0.786m on the net recovery of overpayments and £0.105m in other areas. The final surplus on the recovery of overpaid former council Tax Benefit is £0.059m.
Other Corporate Items		
(248)	Corporate pension costs	Overpayment from 2021/22 of (£0.112m) and an in year variance of (£0.136m).
5	Death management	BHCC share of Sussex wide costs on mass fatalities work.
350	Academisation	Costs relating to compulsory academisation of Homewood Special 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 pay award offer of £1,925 fixed increase for all NJC salaries as well as an uplift of allowances (4.04%) 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 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 from Contain Outbreak Management Funds (COMF).
(528)	Release of unrequired provision	Release of unrequired provision following settlement of an HSE case.
(49)	Council Tax Rebate Scheme new burden funding	Balance of Council Tax Rebate Scheme residual new burden funding some of which would have offset expenditure incurred in 2021/22.
90	Bad Debt Provision	Increased bad debt provision.
51	Shortfall in achievement of saving for debt management practices	Shortfall in achieving the full £0.250m saving for debt management practices across the whole council.

## Housing Revenue Account (HRA)

## Revenue Budget Summary

Forecast Variance Month 9 £'000	Service	2022/23 Budget Month 12 £'000	Provisional Outturn Month 12 £'000	Provisional Variance Month 12 £'000	Provisional Variance Month 12 %	2022/23 Savings Proposed £'000	Net Savings Achieved £'000	Net Savings Unachieved £'000
671	Capital Financing	24,853	24,123	(730)	-2.9%	0	0	0
329	Housing Management & Support	4,620	5,130	510	11.0%	0	0	0
(153)	Housing Strategy & Supply	1,446	1,182	(264)	-18.3%	0	0	0
(228)	Repairs & Maintenance	14,647	14,815	168	1.1%	0	0	0
(252)	Housing Investment & Asset Management	2,698	2,121	(577)	-21.4%	0	0	0
927	Tenancy Services	(48,264)	(47,371)	893	1.9%	0	0	0
1,295	Total Housing Revenue Account	0	0	0	0.0%	0	0	0

## Explanation of Key Variances

Key Variances £'000	Subjective Area	Variance Description
Capital Financing		
662	Capital Financing costs	£0.757m short term pressure in financing costs as a result of taking on PWLB borrowing earlier to take advantage of more favourable interest rates. This is offset by an increase of £0.095m in interest received on cash balances. Over the life of the borrowing (50 years), the decision to borrow earlier at lower interest rates will substantially benefit the HRA.
(1,392)	Direct revenue funding	A reduced capital programme spend has resulted in less Direct Revenue Funding being required. The impact of this is a reduced level of funding to support future capital programme spend.
Housing Management & Support		
128	Employees	Overspend on staffing costs relating to Homelessness, Housing Allocations and Support Service Costs of £0.183m. This is offset by underspends against Transfer Incentive scheme (£0.035m), Minor variances (£0.018m).
371	Premises	Backdated rent increase in relation to the Housing Centre £0.092m. Forecast overspend against responsive repairs and empty properties £0.228m, utility costs £0.030m and other overspends across the service of £0.021m.

**Appendix 4 – Revenue Budget Performance**

<b>Key Variances</b>	<b>£'000 Subjective Area</b>	<b>Variance Description</b>
(59)	Supplies and Services	The transfer Incentive scheme underspent by (£0.088m) offset in part by Housing Centre Security costs of £0.038m and Other minor variances (£0.009m).
58	Income	Overspend relating to rent loss due to a backlog of empty properties. A project group has been in place to reduce the number void properties during the year.
12	Other	Minor variances.
<b>Housing Strategy &amp; Supply</b>		
(285)	Employees	Forecast underspend against staffing and support service cost in delivery of new supply, delivery of new IT and disabled adaptations.
36	Supplies and Services	Minor variances.
(15)	Other	Minor variances.
<b>Repairs &amp; Maintenance</b>		
(604)	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.
866	Premises	The overspend was as a result of increased contractor costs and the increase in the cost of rubbish clearance. Both empty homes and responsive repair recorded a overspend. This was due partly to increased activity in both areas and the addition of a 10% uplift to all contractors to reflect increased material and labour costs in the industry.
19	Supplies and Services	An underspend on the cost of materials was offset in year by cumulative overspends against other areas such as grant contributions amongst others.
(113)	Transport	There is a forecast underspend against vehicle maintenance costs and fuel.
<b>Housing Investment &amp; Asset Management</b>		
(540)	Employees	An underspend due to change in the timescales for recruiting additional staff to support the new arrangements for planned and major works.
628	Supplies and Services	Pressure from disrepair claims of £0.232m. Instances and costs associated with each instance will be recorded separately within the HRA and the variance against budgets will be regularly reviewed during 2023/24. 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.
(7)	Transport	Minor variances.
(801)	Income	Additional professional fee income in respect of Leasehold extension matters. In addition to this Major work service charge income has been retained in revenue after reviewing the

## Appendix 4 – Revenue Budget Performance

Key Variances		
£'000	Subjective Area	Variance Description
		funding requirements of both the revenue and capital position at the end of the financial year.
143	Premises	Overspend on service contracts for cold water storage tanks, general repairs and heating & ducts £0.190m offset by underspends across a combination of other service contracts (£0.046m)
<b>Tenancy Services</b>		
240	Employees	A higher than anticipated pay award during 2022/23 in addition to the impact of the lower pay scale review has resulted in an overspend within Tenancy Services for the year. This was combined with lower than budgeted establishment which has been addressed through the 2023/24 budget setting process.
629	Premises	The rise in the cost of the utilities was disproportionate to the forecast budget for the year, the cost of which represents 69% of the premises overspend. As well as this, the cost of council tax borne by the HRA as a result of empty council dwellings continued to overspend by £0.136m, despite the work being carried out to reduce the number of empty homes during the year which saw the number of let's exceed pre-pandemic levels. Work on the treatment of Ash Die back started during 2022/23, however quantifying this was not possible at the time of setting the 2022/23 budget. Work has progressed faster than anticipated which has seen a larger proportion of the costs being incurred in the first year. This resulted in spend of £0.064m during the year. There was also a £0.061m overspend on the costs of rubbish and waste clearance, offset to some extent by an underspend of (£0.065m) against Business Rates. Other minor variances of £0.021m also contributed to the final outturn position.
203	Supplies and Services	£0.286m of the overspend on the use of temporary accommodation for council housing tenants this is linked to the housing allocation policy. This is linked to the reduction in number of lets in transferring tenants who needed to urgently move whilst the focus was on moving homeless households into settled accommodation. The cost of Care Link and the use of security guards in high rise blocks to ensure the safety of residents at risk exceeded the budget in year by a combined £0.074m. The overspends above were offset by an underspend on the provision for bad debt after consideration of previous years contributions and the work that is now in place to bring the arrears position back to pre-pandemic levels.
(179)	Income	Overachievement in rental income due to new supply of affordable housing offset by an overspend in voids rent loss. The void rent loss has been mitigated by the project group in place to bring voids down to pre-pandemic levels.

Dedicated Schools Grant (DSG)

Revenue Budget Summary

Forecast Variance Month 9 £'000	Service	2022/23 Budget Month 12 £'000	Provisional Outturn Month 12 £'000	Provisional Variance Month 12 £'000	Provisional Variance Month 12 %
0	Individual Schools Budget (ISB)	133,427	133,427	0	0.0%
(315)	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>	14,039	13,689	(350)	-2.5%
335	High Needs Block	34,461	34,443	(18)	-0.1%
33	Exceptions and Growth Fund	3,188	3,188	0	0.0%
0	Grant Income	(185,080)	(185,080)	0	0.0%
53	Total Dedicated Schools Grant (DSG)	35	(333)	(368)	-1051.4%

Explanation of Key Variances

Key Variances £'000	Service Area	Variance Description
Early Years Block (including delegated to Schools)		
(376)	Early Years Free Entitlement Funding	Underspends on early years free entitlement budgets due to fewer children on the January 2023 early years census. This is expected to be subject to clawback and will therefore utilise the overall carried forward DSG underspend in 2023/24.
26	Other	Other small variances
High Needs Block (excluding delegated to Schools)		
263	Agency - Independent non-maintained special schools	Increase in specialist placements to independent non-maintained special schools. This was driven by increases in demand and complexity of need where suitable local provision did not exist. Placements were mainly linked to autism and social emotional mental health categories of need. The budget was in excess of 120fte placements compared to 90fte placements in the previous year.
(282)	Balance of high needs block funding unallocated	Balance of funding 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
68	Mainstream school top-up funding	Mainstream school top-up budget was significantly rebased in 2022/23 to reflect increase in demand and cost. There is an overspend against the rebased budget due to a surge in demand at the beginning of the 2022/23 academic year.
(56)	Special Schools Support and Top-up funding	Budget rebased in 2022/23 to reflect increase in provision and additional support costs, resulting in a modest underspend against the rebased budget.
(167)	Post-16 High Needs Payments to External Providers	Transport costs for students in post 19 specialist provision were re-assigned to the home to school transport budget.
88	High needs pupils in other local authority maintained schools	Increase in placements to other LA schools due to lack of local specialist provision.
167	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. As at spring term 2023 was an increased caseload of 101 pupils
(99)	Other	Other smaller cumulative variances.
<b>Exceptions and Growth Fund</b>		
45	Premature Retirement Costs	Ongoing annual commitment where regulations do not permit LAs to increase budget beyond historic levels.
(45)	Other	Other cumulative variances.

