

Families, Children & Learning

Revenue Budget Summary

Forecast Variance Month 2 £'000	Service	2023/24 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %	2023/24 Savings Proposed £'000	Net Savings Achieved £'000	Net Savings Unachieved £'000
0	Director of Families, Children & Learning	177	172	(5)	-2.8%	0	0	0
153	Health, SEN & Disability Services	8,532	9,040	508	6.0%	460	321	139
891	Education & Skills	11,946	12,700	754	6.3%	104	57	47
(18)	Children's Safeguarding & Care	41,287	40,398	(889)	-2.2%	1,302	1,302	0
5	Quality Assurance & Performance	1,651	1,656	5	0.3%	0	0	0
1,031	Total Families, Children & Learning	63,593	63,966	373	0.6%	1,866	1,680	186

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	Minor variances.
Health, SEN & Disability Services		
139	Demand-Led Disability Placements	There are three new residential disability placements taking effect from the start of the new academic year and the budget forecast allows for further growth equivalent to 1 additional placement.
120	Commissioning and Brokerage	Delays in recruitment have meant the commissioning and brokerage function has not yet achieved the level of savings required to make it self-financing. Corporate modernisation funding of this function ceased in 2023-24.
66	Children's Disability Section 17 Preventive Payments Budget	The Section 17 preventive payments budget has been required to provide additional support to young people where additional unforeseen costs have arisen.
183	Other	Minor variances.
Education & Skills		
518	Home to School Transport	Based on the current data held on Mobisoft the updated forecast overspend for Home to School Transport is £0.518m. This takes account of the updated contracted routes and assumptions re pupil number from September which assumes average numbers of 461 5-

Appendix 4 – Revenue Budget Performance

Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
		<p>16 pupils, 91 post 16 pupils and 30 post 19-25 for the remainder of the financial year. Costs have increased considerably and are related to a combination of factors which include, increased numbers of children requiring single occupancy journeys, lack of local SEND school sufficiency, and increased numbers of routes required to accommodate individual post 16 learners' timetables.</p> <p>Market forces within SEND transport are also contributing to overspend in Home to School Transport. The service is being increasingly impacted by local driver, vehicle passenger assistant, vehicle shortages and increased running costs. There is also a lack of competition in the transport market, particularly minibus providers, which is pushing up contract prices still further.</p> <p>There is increasingly less capacity in the local system to meet increasing demand, not just in the numbers of children requiring transport but the nature of the transport requirements</p>
373	Schools PFI	A combination of historically low interest rates reducing the return on balances held in reserves and very high inflation impacting on costs has resulted in a shortfall in the schools PFI reserve in 2023/24.
(145)	Early Help	Vacant Posts following a restructure at the beginning of the year.
8	Other	Minor variances.
Children's Safeguarding & Care		
(1,092)	Demand-Led - Children's placements	There are ongoing significant issues with sufficiency of foster carers and other placement types making placing children difficult and driving up unit costs. In addition the post pandemic period has seen children with increasingly complex needs coming into care. However, there are several ongoing initiatives and alternative service offers which are attempting to reverse the trend of reducing foster carer numbers and address the complex needs of the children being referred, Dependent on the relative success of these initiatives, it is anticipated that placements for children in care and care leavers will remain within budget in 2023/24.
353	Legal Fees	In recent years there has been a significant increase in the cost of both the in-house legal team and external counsel. At this stage it is estimated that there will be an overspend on legal fees of £0.350m in 2023/24.
(90)	Contact Service	Reduced activity and increased efficiency within the contact service have resulted in an underspend in 2023/24.
(60)	Other	Other variances totalling £0.060m.
Quality Assurance & Performance		
5	Other	Minor variances.

Health & Adult Social Care (HASC)

Revenue Budget Summary

Forecast Variance Month 2 £'000	Service	2023/24 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %	2023/24 Savings Proposed £'000	Net Savings Achieved £'000	Net Savings Unachieved £'000
3,994	Adult Social Care	78,744	80,597	1,853	2.4%	3,143	2,068	1,075
4,823	S75 Sussex Partnership Foundation Trust (SPFT)	18,280	18,515	235	1.3%	987	756	231
68	Integrated Commissioning	5,524	5,491	(33)	-0.6%	173	173	0
58	Life Events	(35)	69	104	297.1%	13	13	0
0	Public Health	4,022	4,022	0	0.0%	0	0	0
8,943	Total Health & Adult Social Care	106,535	108,694	2,159	2.0%	4,316	3,010	1,306
(6,246)	Further Financial Recovery Measures (see below)	-	(1,220)	(1,220)	-	-	-	-
2,697	Residual Risk After Financial Recovery Measures	106,535	107,474	939	0.9%	4,316	3,010	1,306

Explanation of Key Variances

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
Further Directorate Financial Recovery Measures		
(1,220)	Further Financial Recovery Measures projection	The directorate has developed an over-arching Financial Recovery Plan to address the above pressures. The Recovery plan includes the following measures: - Health funding incl. Continuing Health Care (CHC) and joint funding - Targeted reviews
Adult Social Care		
115	Demand-Led Community Care - Physical & Sensory Support	The forecast number of placements/packages is 2,026 WTE, which is below the budgeted level of 2,096 WTE placements. The average unit cost of a placements/package is higher than the budgeted level at £198 per week (£4 per week above budget per client). The combination of the number of adults placed being 70 WTE below the budgeted level and the increased unit costs result in the overspend of £0.115m. Therefore, the unit costs are

Appendix 4 – Revenue Budget Performance

Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
		2% 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.
(10)	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 £0.010m
(161)	Assessment teams	This is due to a number of temporary vacancies across the Assessment teams
700	In-house provision	Due to projected agency and overtime spend above budget
1,457	Demand-Led Community Care - Adult LD	The forecast number of placements/packages is 1,080 WTE, which is below the budgeted level of 1,103 WTE placements. The average unit cost of a placements/package is higher than the budgeted level at £580 per week (£29 per week above budget per client). The combination of the number of adults placed being 23 WTE below the budgeted level and the increased unit costs result in the overspend of £1.457m. Therefore, the unit costs are 5% above budget however the overall activity is below budget.
(251)	Community Equipment Store	Forecast underspend due to lower equipment unit cost than budgeted. The underspend is prior to the Better Care fund risk share.
3	Other	Minor variances.
S75 Sussex Partnership Foundation Trust (SPFT)		
1,279	Demand-Led - Memory Cognition Support	The forecast unit costs are above budget which results in the overspend projection of £1.279m. The forecast number of placements/packages is 352 WTE which is below the budgeted level of 396 WTE placements. The average unit cost is above the budgeted level at £463 per week (£109 per week above budget). Therefore, the overall activity is 44 WTE below budget and the unit costs are 31% 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.
(1,272)	Demand-Led - Mental Health Support	The forecast now assumes a 50:50 funding arrangement with Health partners for Section 117 which is contributing to the underspend projection of £1.272m. The forecast number of placements/packages is 499 WTE, which is below the budgeted level of 527 WTE placements. The average unit cost of a placement/package is below the budgeted level at £240 per week (£37 per week below budget per client). There is an increasing need and complexity within this client group.
228	Staffing teams	Unable to deliver in-year savings target and negotiations with Health are ongoing.
Integrated Commissioning		
(33)	Commissioning and Contracts	Minor variances.

Appendix 4 – Revenue Budget Performance

Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
Life Events		
104	Life Events	Life events services are forecasting a £0.104m overspend. The staffing underspend totals £0.134m due to temporary vacancies. This is offset by an income shortfall of £0.111m and the £0.138m additional cost of the Coroners Officers.

Economy, Environment & Culture

Revenue Budget Summary

Forecast Variance Month 2 £'000	Service	2023/24 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %	2023/24 Savings Proposed £'000	Net Savings Achieved £'000	Net Savings Unachieved £'000
1,038	Transport	(7,800)	(6,418)	1,382	17.7%	2,765	1,674	1,091
528	City Environmental Management	38,271	38,550	279	0.7%	498	498	0
641	City Development & Regeneration	3,686	3,865	179	4.9%	428	428	0
386	Culture, Tourism & Sport	5,129	5,374	245	4.8%	563	463	100
640	Property	1,593	3,478	1,885	118.3%	473	275	198
3,233	Total Economy, Environment & Culture	40,879	44,849	3,970	9.7%	4,727	3,338	1,389
(1,020)	Further Financial Recovery Measures (see below)	-	(424)	(424)	-	-	-	-
2,213	Residual Risk After Financial Recovery Measures	40,879	44,425	3,546	8.7%	4,727	3,338	1,389

Explanation of Key Variances

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
Further Directorate Financial Recovery Measures		
(200)	Traffic Management	Anticipated surplus Traffic Management Fees to offset expenditure pressures and achieve underspends within Transport. Further budget alignment work to ensure staffing funded by income is reflected in budgets which will support the work in ensuring realistic income forecasts are reflected in future months' forecasts.
(74)	Parking Services	All significant parking income and expenditure will continue to be forecast alongside finance officers to ensure ongoing robust forecasts are presented as part of the budget monitoring process. Minor variations in demand can result in significant financial implications. £1.279m represents 2.81% of the parking income budget.
(150)	Heritage & Archives	Negotiations with RPMT to ensure they are able to mitigate the impact on their finances of any NJC increases this year.

Appendix 4 – Revenue Budget Performance

Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
Transport		
1,279	Parking Services	<p>Overall at Month 5 Parking Services are forecasting an overspend of £1.279 (2.81% of income targets) for 2023/24 against a £28.552m net income budget. The service is forecasting a loss of income of £1.284m (9.87%) on parking permit income compared to a budget of £13m. This forecast contains continued reduction in demand in residents and visitor permits across zones and the loss of parking capacity due to active travel proposals. On-Street paid parking income is forecast to be £1.077m (7.34%) underachieved compared to its £14.600m budget. £0.400m of this relates to the reversal of previously agreed zone changes. Due to Committee approval needed for these zone changes the increased charges for 2023/24 are due to be introduced in October following the Traffic Regulation Order process and required IT changes, the impact of this is difficult to quantify at this point in the financial year. PCN income is set to under-achieve by £0.174m following a reduction in tickets issued compared to last year.</p> <p>This underachievement is offset by forecast surplus income for Parking Suspensions of (£0.181m) (15.08%) against a £1.198m budget. In addition Off-Street Parking is forecast to overachieve by (£0.201m) (2.66%) against its £9.100m budget which is due to increased income from the main barrier car parks in the City Centre. There is also a forecast reduction in Parking costs of (£0.931m) which is primarily driven by £0.710m underspend in Unsupported borrowing and other costs associated with the replacement of parking machines that is no longer going ahead.</p>
353	Traffic Management	<p>Additional forecast Highway Maintenance expenditure of £0.300m. The contract costs for the service have increased by 30% following the contract retender and a very wet and cold winter has increased defects by 50% leading to an initial £0.900m projected outturn, however the service is seeking to capitalise larger repairs and is reviewing scope of works required. Forecast additional income from Temporary Traffic Orders of £0.041m, Events of £0.038m and Streetworks income for s.74 prolonged works charges of £0.031m are countered by Direct Employee cost pressures of £0.119m, though these will be mitigated by the current staffing budget exercise. Streetworks Training £0.017m, Software £0.008m and staff transport costs £0.013m are additional forecast pressures.</p>
(250)	Transport Projects and Engineering	<p>Electricity forecast savings against budget of £0.400m. Pressure of £0.150m as a result of some delays in the processing of lighting maintenance purchase orders when taking into account the volume of works already committed to the incumbent contractor in the current financial year.</p>

Appendix 4 – Revenue Budget Performance

Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
City Environmental Management		
297	City Clean	<p>£0.231m overspend in Street Cleansing as a result of greater employment pension and National Insurance costs than historic budget allocation of approximately £0.195m due to large turnover of staff in recent years with more staff remaining in the scheme than choosing to opt out.</p> <p>£0.109m overspend in waste collection as a result of greater employment pension and National Insurance costs than historic budget allocation of c£0.093m due to large turnover of staff in recent years with more staff remaining in the scheme than choosing to opt out. Greater costs on bin replacements offset by staffing vacancies and controlling agency expenditure. Recovery measures are in place to reduce bin expenditure through a bin amnesty and considering options of capitalisation of bin replacements.</p> <p>£0.192m overspend in CityClean Enforcement as income forecast is not achieving its targets. Use of the enforcement reserve will be considered to cover the shortfall.</p> <p>These overspends are partially offset by surpluses in commercial and green waste collections of £0.128m and underspends in public toilets of £0.106m due to vacancies and spending controls in place.</p>
30	City Parks	£0.079m overspends as a result of the Level being vacant and other works and £0.081m overspend in Sports Bookings income due to reduced demand. These are offset by vacancies held within the service (£0.130m) as part of spending controls.
111	Fleet & Maintenance	£0.054m overspend on Hollingdean Depot costs due to insufficient budget. Additional fuel and vehicle related costs anticipated of £0.057m as a result of rising costs for CEM Vehicles.
(159)	Strategy & Projects	Forecast underspends of (£0.055m) from reduced Supplies & Services costs and (£0.104m) staffing underspends from vacancies as a result of spending controls.
City Development & Regeneration		
361	Development Planning	Underachievement of Planning and Building Control income of £0.515m as there is still some uncertainty over levels of service post-covid, although the income trend will become more apparent as the year progresses. This is offset by staffing and supplies & services underspends (£0.148m).
(9)	Planning Policy and Major Projects	Forecast underspends on Professional Fees.

Appendix 4 – Revenue Budget Performance

Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
(73)	Sustainability & International	Delayed spend in Sustainability initiatives.
(100)	Business Development and Customer Services	Forecasted staffing underspends from held vacancies as a result of spending controls.
Culture, Tourism & Sport		
78	Arts	Greater than budgeted costs for Brighton Dome & Brighton Festival funding of £0.078m assuming a fixed 2% contract uplift for 2 years.
300	Heritage and Archives	Anticipated additional costs under the Royal Pavilion & Museums Trust contract relating to salary pay awards.
(123)	Sport and Leisure	£0.100m pressure for maintaining the lifeguarding during the summer season at 22/23 levels offset by forecasted underspends on golf course contracts. (£0.118m) income surplus to budget relating to Freedom Leisure management fee income available to BHCC.
(10)	Venues	Minor underspend.
Property		
1,885	Property and Design	<p>Vacant Properties within both the In-house & Commercial portfolio's have caused pressures from the loss of rental income and the additional premises related costs until new tenants can be attracted resulting in £1.567m . The current rental climate demands rent free periods which leads to in year pressures that will hopefully impact on the first year only.</p> <p>Security costs have increased significantly by over £5 per hour due to BHCC agreeing to pay the higher rate living wage to contract service providers, with the increase from April 1st resulting in pressures of £0.229m. In-house printing continues to show a historic pressure of £0.082m due to the reduction in demand resulting in underachievement of costs recovered.</p> <p>Technical Services are forecasted to be £0.500m overspent due to shortfalls on Professional Fee incomes, and this is being mitigated through planned underspends within the Planned Maintenance Budgets of (£0.500m) by only completing essential health & safety works and capitalising costs that are appropriate to the PMB Capital budgets.</p> <p>Some of these pressures are offset by in-year staff vacancies being held within Estates. Previously reported utility underspends were included in error at Month 2 and service pressure funding allocated this year have since been realigned to services that require it.</p>

Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
		Further work is ongoing to identify if the reallocated budgets can report utility underspends or offset previously reported pressures in their services respectfully.

Housing, Neighbourhoods & Communities

Revenue Budget Summary

Forecast Variance Month 2 £'000	Service	2023/24 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %	2023/24 Savings Proposed £'000	Net Savings Achieved £'000	Net Savings Unachieved £'000
2,663	Housing General Fund	12,333	14,405	2,072	16.8%	1,705	642	1,063
0	Libraries	3,499	3,499	0	0.0%	81	81	0
0	Communities, Equalities & Third Sector	3,015	2,948	(67)	-2.2%	44	44	0
0	Safer Communities	4,001	3,894	(107)	-2.7%	86	86	0
2,663	Total Housing, Neighbourhoods & Communities	22,848	24,746	1,898	11.9%	1,916	853	1,063
(600)	Further Financial Recovery Measures (see below)	-	(600)	(600)	-	-	-	-
2,063	Residual Risk After Financial Recovery Measures	22,848	24,146	1,298	5.7%	1,916	853	1,063

Explanation of Key Variances

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
Further Financial Recovery Measures		
(600)	Temporary Accommodation (TA)	This plan includes measures to reduce the number of households in spot purchase by at least a further 74 units which will be challenging, given the demands on the homelessness service. The service will continue with the Homelessness Transformation programme to reduce current costs by initially focussing on a number of key issues such as void turnaround times, reducing the unit costs of spot purchase accommodation.
Housing General Fund		
1,817	Temporary Accommodation	The budget for Temporary Accommodation (TA) is forecast to overspend by £1.817m for 2023/24. Emergency nightly accommodation (spot purchased) was budgeted to be at an average of 52 households per night for the year. However, the service saw increasing numbers of applicants for emergency accommodation in the first quarter of 2023/24 with an average of 153 households every night. The last few months show a gradual reduction and 134

Key Variances £'000 Service Area		Variance or Financial Recovery Measure Description
		<p>households are being housed as at 11/9/23. To add to this pressure, the cost of accommodation has also been increasing and the service is focussed on reducing the average nightly cost wherever possible and have seen a reduction over the last 2 months. Overall this budget is forecast to overspend by £1.296m. This forecast assumes that the number of households remains at an average of 148 all year. However, the service is trying to reduce the number of households accommodated as part of the financial recovery plan and have already seen a modest reduction. If this trend continues, we will change the forecast.</p> <p>The service is also facing significant pressures on the overall costs of block booked emergency accommodation. The budget assumed that there would be a reduction of 125 units of block booked accommodation during 2023/24. However, this is now looking increasingly challenging due to the demands on the service and the forecast assumes no reduction in the number of households supported. Additionally, the council is facing large increases to contract costs and therefore this forecast estimates that this budget will overspend by £2.401m.</p> <p>Leased TA is forecast to overspend by £0.271m largely as a result of the extra cost of the loss of Housing Benefit Subsidy £0.187m, and void costs of £0.057m with other minor variances of £0.027m. Future forecasts will depend on the costs associated with any new contracts agreed with landlords as and when new contracts are agreed.</p> <p>These variances have been offset by Homelessness Prevention Grant of £2.111m and an underspend on temporary accommodation staffing costs of £0.040m.</p>
(47)	Housing Options	Vacancies across this service and a reduction in the use of agency staff.
211	Seaside Homes	The repairs and maintenance budgets for these properties are forecast to overspend by £0.219m and also an overspend on the management costs of this service of £0.134m. However this is offset by an underspend on the contribution to the bad debt provision of £0.114m and an underspend on rent loss on void properties of £0.036m. The service is working to improve void turn-around times further in order to minimise void loss and further reduce costs. There are further minor overspends of £0.008m.
23	Private Sector Housing	Unachieved savings for fine and other income opportunities of £0.040m offset by an underspend on employees costs (£0.017m).
68	Homemove	Shortfall in income generated from Home Connections Partners and Housing associations.
Communities, Equalities & Third Sector		
(47)	CETS	Staffing underspend.

Appendix 4 – Revenue Budget Performance

Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
(20)	Initiatives	Pause on 'Our Legacy' project and a reduction in number of advisory group meetings for anti-racism and accessible city work.
Safer Communities		
(107)	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 2 £'000	Service	2023/24 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %	2023/24 Savings Proposed £'000	Net Savings Achieved £'000	Net Savings Unachieved £'000
0	Chief Executive Monitoring Office	591	591	0	0.0%	0	0	0
(6)	Policy & Communications	1,209	1,209	0	0.0%	134	134	0
34	Legal & Democratic Services	3,642	3,535	(107)	-2.9%	167	147	20
199	Elections & Land Charges	531	704	173	32.6%	22	10	12
0	Customer Modernisation & Data	1,429	1,419	(10)	-0.7%	86	86	0
0	Finance	1,966	1,966	0	0.0%	67	67	0
0	Procurement (Mobo)	(37)	(37)	0	0.0%	0	0	0
(10)	HR & Organisational Development	4,185	4,180	(5)	-0.1%	214	214	0
0	IT&D (Mobo)	8,182	7,882	(300)	-3.7%	350	350	0
97	Welfare Revenue & Business Support	7,298	7,395	97	1.3%	146	146	0
0	Orbis Services	2,832	2,832	0	0.0%	0	0	0
314	Total Governance, People & Resources	31,828	31,676	(152)	-0.5%	1,186	1,154	32
(314)	Further Financial Recovery Measures (see below)	-	0	0	-	-	-	-
0	Residual Risk After Financial Recovery Measures	31,828	31,676	(152)	-0.5%	1,186	1,154	32

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
Legal & Democratic Services		
6	Civics Mayors Office	Increase in cost to support the Lord-Lieutenancy (Support officer).
5	Democratic Services	An expected increase in cost for the Modern.gov software.
23	Members Allowances	Increased member's bus saver transport cost.
(141)	Legal team	Vacancy savings and a reduction in forecasted costs after a detailed review.
Elections & Land Charges		
173	Land Charges	Expected underachievement is due to expected slow housing market as highlighted by RICS, government and Savills.
Customer Modernisation & Data		
(10)	Customers and Performance	Vacancy Contribution.
HR & Organisational Development		
(5)	Organisation	Small savings on learning and development budgets.
IT&D (Mobo)		
(300)		Reduction in forecasted costs following a detailed review and some vacancy savings.
Welfare Revenue & Business Support		
31	Council Tax Running Expenses	Additional staff cost to clear backlog affecting collection performance and customer service
24	Corporate Debt Team	corporate standard debt management training specified by debt policy, once off cost.
25	WRBS Management & Admin	Admin costs.
(17)	WRBS Financial Systems	Lower cost in the current year as per contract resulting in saving/underspends.
(109)	WRBS HR Systems	Lower cost in the current year as per contract resulting in underspends.
143	WRBS Payroll and Pensions	Additional staff costs for backlog clearance to prevent service failure .

Corporately-held Budgets

Revenue Budget Summary

Forecast Variance Month 2 £'000	Service	2023/24 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %	2023/24 Savings Proposed £'000	Net Savings Achieved £'000	Net Savings Unachieved £'000
0	Bulk Insurance Premia	3,676	3,676	0	0.0%	0	0	0
(930)	Capital Financing Costs	6,645	5,134	(1,511)	-22.7%	0	0	0
0	Levies & Precepts	223	223	0	0.0%	0	0	0
0	Unallocated Contingency & Risk Provisions	725	625	(100)	-13.8%	0	0	0
0	Unringfenced Grants	(28,708)	(28,708)	0	0.0%	0	0	0
400	Housing Benefit Subsidy	(301)	649	950	315.6%	0	0	0
3,627	Other Corporate Items	(2,262)	1,366	3,628	160.4%	162	162	0
3,097	Total Corporately-held Budgets	(20,002)	(17,035)	2,967	14.8%	162	162	0

Explanation of Key Variances

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
Capital Financing Costs		
(1,511)	Financing Costs	Increases in the Bank of England Base Rate and cash balances has resulted in improved investment income.
Unallocated Contingency & Risk Provisions		
(100)	Contingency	Planned release of contingency set aside for part year effect of 2023/24 savings.
Housing Benefit Subsidy		
950	Housing Benefit Subsidy	There is an estimated net pressure of £0.950m. Within this £0.995m relates to the main subsidy budgets and is based on the first subsidy data produced in 2023/24. Of this pressure, £0.445m relates to a particular benefit type for vulnerable tenants which is not fully subsidised and which continues to grow despite service pressure funding of £0.450m provided in the 2023/24 budget. This is being investigated to fully understand the reasons for the ongoing and relatively recent growth in this area. There is also a pressure of £0.526m on the net recovery of overpayments mainly due to a required increase in the bad debt provision based on the forecast increase in debt outstanding. There are minor

Appendix 4 – Revenue Budget Performance

Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
		variances of £0.024m. The surplus on the recovery of overpaid former council Tax Benefit is currently forecast at £0.045m.
Other Corporate Items		
3,700	Pay award 2023/24	Anticipated additional cost for the 2023/24 pay award based on the most recent offer which is estimated to cost 6% compared to 3.75% provided within the budget.
(74)	Corporate pension costs	Overpayment from 2021/22 of (£0.020m) and an in year variance of (£0.054m).
2	Death management	BHCC share of Sussex wide costs on mass fatalities work.

Appendix 4 – Revenue Budget Performance

Housing Revenue Account (HRA)

Revenue Budget Summary

Forecast Variance Month 2 £'000	Service	2023/24 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %	2023/24 Savings Proposed £'000	Net Savings Achieved £'000	Net Savings Unachieved £'000
0	Capital Financing	25,579	24,637	(942)	-3.7%	0	0	0
413	Housing Management & Support	5,130	5,250	120	2.3%	0	0	0
(28)	Housing Strategy & Supply	1,427	1,359	(69)	-4.8%	0	0	0
200	Repairs & Maintenance	16,239	17,939	1,700	10.5%	0	0	0
(41)	Housing Investment & Asset Management	2,907	2,858	(49)	-1.7%	0	0	0
(384)	Tenancy Services	(51,282)	(52,043)	(760)	-1.5%	0	0	0
160	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		
(100)	Capital Financing costs	Increase in interest on balances due for the HRA.
(842)	Direct Revenue funding	A reduced capital programme has resulted in less Direct Revenue Funding being required without increasing borrowing beyond that which had been forecast at TBM 2. The use of Direct Revenue Funding balances off any net overspend on services within the HRA.
Housing Management & Support		
5	Employees	Minor variance.
199	Premises	Forecast overspend against responsive repairs and empty properties of £0.129m and a pressure from temporary boiler hire costs at Manoj House of £0.109m. Other minor variances across the service, make up the difference.
(54)	Supplies and Services	Transfer Incentive scheme (£0.080m). Other minor variances of £0.026m..
(30)	Income	Minor variance.
Housing Strategy & Supply		
(97)	Employees	Forecast underspend as a result of a small number of vacancies.

Appendix 4 – Revenue Budget Performance

Key Variances		
£'000	Subjective Area	Variance Description
29	Supplies and Services	Minor variances across the service.
(1)	Other	Minor variance.
Repairs & Maintenance		
(652)	Employees	There is a forecast underspend against the base salary budget due to vacancy management. This represents a 10% variance against the total salary budget.
1,885	Premises	Forecast overspend against the base budget for subcontractor costs.
415	Supplies and Services	Pressure from disrepair claims of approximately £0.450m, which by their nature are not possible to forecast easily. Costs associated with each instance will be recorded separately within the HRA and the variance against budgets regularly reviewed during the year. There is a forecast underspend against the materials budget across the service, which is in part offsetting the pressure outlined above.
52	Transport	Overspend against fuel and van hire costs.
0	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 £1.500m to ensure one-off funding was available during the year to cope with this pressure.</p> <p>For 2022/23, there was a drawdown of £0.560m from the reserve, with the balance of £0.940m being carried forward to 2023/24 and budget setting assumptions were that the earmarked reserve will be required to fund the backlog works. These works are being packaged up in a procurement process outlined in the Housing & New Homes Committee report presented to in September 2023. The use of the reserve has been removed from the 2023/24 in year position with any overspend being funded from the direct revenue funding available.</p>
Housing Investment & Asset Management		
(135)	Employees	There are a number of vacancies across the service.
(53)	Premises	Minor underspend.
139	Supplies & Services	Estimated costs for the stock condition survey due to be undertaken during 2023/24.
Tenancy Services		
(73)	Employees	There are a number of vacancies across the service.
4	Premises	Forecast underspend on utility costs (£0.206m), offset by overspends against council tax costs of £0.080m which is linked to the number of empty properties held in the HRA over the course of the financial year and £0.066m against rubbish clearance. Other minor variances across the service make up the difference.

Appendix 4 – Revenue Budget Performance

Key Variances		
£'000	Subjective Area	Variance Description
208	Supplies and Services	There is a forecast 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 empty properties held in the HRA.
29	Other	Minor variance.
(928)	Income	Forecast overachievement in rental income and service charges of £0.872m due to new supply of affordable housing. Other minor variances across the service, make up the difference.

Dedicated Schools Grant (DSG)

Revenue Budget Summary

Forecast Variance Month 2 £'000	Service	2023/24 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %
0	Individual Schools Budget (ISB)	137,762	137,762	0	0.0%
52	Early Years Block (excluding delegated to Schools) <i>(This includes Private Voluntary & Independent (PVI) Early Years 3 & 4 year old funding for the free entitlement to early years education)</i>	14,491	14,523	32	0.2%
1,025	High Needs Block	37,293	37,926	633	1.7%
78	Exceptions and Central Services	3,178	3,193	15	0.5%
0	Grant Income	(192,355)	(192,355)	0	0.0%
1,155	Total Dedicated Schools Grant (DSG)	369	1,049	680	184.3%

Explanation of Key Variances

Key Variances £'000	Service Area	Variance Description
Early Years Block (including delegated to Schools)		
32	Early Years Ethnic Minority Achievement Service	The overspend is linked to the high cost of pay awards in 2022-23 and 2023-24, and expected lower levels of income from Syrian and Afghan asylum seeker grants in 2023-24
High Needs Block (excluding delegated to Schools)		
459	Post-16 high needs placements	Predicted overspends totalling £0.459m for high needs students in FE colleges and post-19 specialist providers. There has been a significant increase in the number of high needs learners accessing FE colleges in the last year with a large number attending provision outside of the city
143	Mainstream school top-up funding	There continues to be a predicted overspend on the mainstream top-up budget despite a further increase to the budget of £0.470m in 2023/24. This is linked to the continuing growth in the number of Education Health and Care plans being issued
(91)	Special school top-up funding	There is an increase of 62 places in the LA's special schools from September 2023 and budgets have been rebased accordingly. At this stage the amount of additional funding assigned is generally

Appendix 4 – Revenue Budget Performance

Key Variances		
£'000	Service Area	Variance Description
		in line with forecast expenditure, with a small underspend being forecast as not all special schools are at full capacity in September.
125	Brighton and Hove Inclusion Support Services	Predicted overspend of £0.125m against the BHISS DSG budget areas. This is made up of £0.100m BHISS core services and £0.025m against the Literacy support service. The most significant factor contributing to the predicted overspend is the level of the pay awards for 2022/23 and 2023/24 and insufficient resources in the high needs block to fully fund these pay awards
130	Children with medical needs	The budget for Children with medical needs has seen a 30% increase in the caseload, from 88 pupils at June 2022 to 114 pupils in June 2023
(133)	Other	Other variances
Exceptions and Growth Fund		
29	Ethnic Minority Achievement Service	The overspend is linked to the high cost of pay awards in 2022-23 and 2023-24, and expected lower levels of income from Syrian and Afghan asylum seeker grants in 2023-24
(14)	Other	Other variances