

Families, Children & Learning

Revenue Budget Summary

Forecast Variance Month 5 £'000	Service	2023/24 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %	2023/24 Savings Proposed £'000	Net Savings Achieved £'000	Net Savings Unachieved £'000
(5)	Director of Families, Children & Learning	147	142	(5)	-3.4%	0	0	0
508	Health, SEN & Disability Services	8,632	9,554	922	10.7%	460	10	450
754	Education & Skills	11,972	11,505	(467)	-3.9%	104	104	0
(889)	Children's Safeguarding & Care	41,287	39,506	(1,781)	-4.3%	1,302	1,302	0
5	Quality Assurance & Performance	1,651	1,651	0	0.0%	0	0	0
373	Total Families, Children & Learning	63,689	62,358	(1,331)	-2.1%	1,866	1,416	450

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		
657	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 one additional placement from February 2024. The cost of one recent placement was significantly higher than anticipated. There is also a risk regarding funding contributions from third parties.
115	Commissioning and Brokerage	Delays in recruitment have meant the commissioning and brokerage function has not yet achieved the level of savings required to make itself financing. Corporate modernisation funding of this function ceased in 2023-24.
25	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.

Appendix 4 – Revenue Budget Performance

Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
125	Other	Other variances.
Education & Skills		
496	Home to School Transport	<p>Based on current data the updated forecast overspend for Home to School Transport is £0.496m. This takes account of the updated contracted routes and assumptions re pupil number from November which assumes average numbers of 466 5-16 pupils, 100 post 16 pupils and 32 post 19-25 for the remainder of the financial year. Costs have increased considerably and are related to a combination of the 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.
(1,293)	Early Help	One-off contribution from Public Health for the development of Family Hubs of £1.316m in 2023/24.
(43)	Other	Minor variances.
Children's Safeguarding & Care		
(1,771)	Demand-Led - Children's placements	<p>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, 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</p>

Appendix 4 – Revenue Budget Performance

Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
		anticipated that placements for children in care and care leavers will remain within budget in 2023/24.
269	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 £0.269m in 2023/24.
(143)	Contact Service	Reduced activity and increased efficiency within the contact service have resulted in an underspend in 2023/24.
(136)	Other	Other variances totalling £0.136m

Health & Adult Social Care (HASC)

Revenue Budget Summary

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1,853	Adult Social Care	78,644	80,111	1,467	1.9%	3,143	2,351	792
235	S75 Sussex Partnership Foundation Trust (SPFT)	18,280	18,641	361	2.0%	987	789	198
(33)	Integrated Commissioning	5,567	5,499	(68)	-1.2%	173	173	0
104	Life Events	(35)	35	70	200.0%	13	13	0
0	Public Health	4,022	3,851	(171)	-4.3%	0	0	0
2,159	Total Health & Adult Social Care	106,478	108,137	1,659	1.6%	4,316	3,326	990
(1,220)	Further Financial Recovery Measures (see below)	-	(731)	(731)	-	-	-	-
939	Residual Risk After Financial Recovery Measures	106,478	107,406	928	0.9%	4,316	3,326	990

Explanation of Key Variances

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
Further Directorate Financial Recovery Measures		
(731)	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. CHC and joint funding
		- Targeted reviews
Adult Social Care		
(166)	Demand-Led Community Care - Physical & Sensory Support	The forecast number of placements/packages is 2,015 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 £199 per week (£5 per week

Appendix 4 – Revenue Budget Performance

Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
		above budget per client). The combination of the number of adults placed being 81 WTE below the budgeted level and the increased unit costs result in the underspend of £0.166m. Therefore, the unit costs are 3% 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.
(11)	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 £0.011m.
(419)	Assessment teams	This is due to a number of temporary vacancies across the Assessment teams
1,125	In-house provision	Due to projected agency and overtime spend above budget.
1,284	Demand-Led Community Care - Adult LD	The forecast number of placements/packages is 1,061 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 £591 per week (£40 per week above budget per client). The combination of the number of adults placed being 42 WTE below the budgeted level and the increased unit costs result in the overspend of £1.284m. Therefore, the unit costs are 7% above budget however the overall activity is below budget.
(350)	Community Equipment Store	Forecast underspend due to lower equipment unit cost than budgeted. The underspend is prior to the Better Care fund risk share.
4	Other	Minor variances.
S75 Sussex Partnership Foundation Trust (SPFT)		
1,129	Demand-Led - Memory Cognition Support	The forecast unit costs are above budget which results in the overspend projection of £1.129m. The forecast number of placements/packages is 346 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 50 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.
(1,106)	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 £1.106m. The forecast number of placements/packages is 490 WTE, which is below the budgeted level of 527 WTE placements. The average unit cost of a placement/package is below the budgeted level

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Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
		at £251 per week (£26 per week below budget per client). There is an increasing need and complexity within this client group.
338	Staffing teams	Unable to deliver in-year savings target and negotiations with Health are ongoing.
Integrated Commissioning		
(68)	Commissioning and Contracts	Underspend due to temporary vacancies.
Life Events		
70	Life Events	Life events services are forecasting a £0.070m overspend. The staffing underspend totals £0.169m due to temporary vacancies. This is offset by an income shortfall of £0.124m and the £0.138m additional cost of the Coroners Officers.
Public Health		
(171)	Public Health	Contracts previously funded through general fund now being resourced within Public Health grant.

Economy, Environment & Culture

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1,382	Transport	(7,800)	(6,141)	1,659	21.3%	2,765	1,524	1,241
279	City Environmental Management	38,271	37,732	(539)	-1.4%	498	498	0
179	City Development & Regeneration	3,648	3,925	277	7.6%	428	428	0
245	Culture, Tourism & Sport	4,876	4,884	8	0.2%	563	463	100
1,885	Property	974	2,228	1,254	128.7%	473	275	198
3,970	Total Economy, Environment & Culture	39,969	42,628	2,659	6.7%	4,727	3,188	1,539

Explanation of Key Variances

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
1,691	Parking Services	Parking Services are forecasting an overspend of £1.691m (3.73% of income targets) against a £28.552m net income budget. On-Street paid parking income is predicted to be £1.761m (12.00%) underachieved compared to its £14.600m budget, £0.400m of which is driven by the reversal of previously agreed zone changes, and £0.500m is due to removal of Parking spaces due to active travel measures. A further £0.300m is a result of the light to full scheme programme being altered with full consultation now being undertaken. The remainder of the shortfall is due to a combination of economic conditions and significant price rises in recent years which are impacting on demand; the impact of hybrid and home working which has changed parking patterns; the £2 single bus fare encouraging bus travel over short car journeys; concern that motorists are risking receiving a Penalty Charge Notice in some areas (particularly high tariff areas) as the charge is almost the same rate as a PCN (£25 at discounted rate for a low level offence), and; poor weather in 2023/24 particularly since June 2023 and the issues of not going ahead with the recent changes to Area M (Medium tariff to High) & Area Y (parts Medium to High) and the seafront Winter tariff only increasing by 11%. Further to this,

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Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
		<p>the increased charges for 2023/24 were delayed and only introduced in early October following the Traffic Regulation Order process and required IT changes and further delayed by additional changes to parking charges as aforementioned. The impact of this was difficult to quantify until this point in the financial year but is likely to be around £0.033m.</p> <p>Parking permit income is predicting a loss of income of £1.064m (8.32%) on parking permit income compared to a budget of £12.800m. This forecast is a prediction of a continued reduction in demand in residents and visitor permits across zones and the loss of parking capacity due to active travel proposals. PCN income is set to underachieve by £0.174m following a reduction in tickets issued compared to last year.</p> <p>This underachievement is offset by predicted surplus income for Parking Suspensions of £0.231m (19.35%) against a £1.198m budget. In addition, Off-Street Parking is predicted to overachieve by £0.374m (4.95%) 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 predicted reduction in Parking costs of £0.761m which is primarily driven by £0.490m predicted reduction in unsupported borrowing and other costs, associated with the replacement of parking machines that is no longer going ahead.</p>
163	Traffic Management	<p>Additional forecast Highway Maintenance 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 largely mitigated by capitalising larger repairs and reviewing scope of works required. Forecast additional income from Temporary Traffic Orders (£0.041m), Events (£0.038m) and Streetworks income of (£0.076m) for s.74 prolonged works and vehicle crossovers charges 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. Additional Highway licensing income (£0.159m), part countered by new Highway licensing software to improve service delivery £0.019m and additional staff costs for acting up £0.010m.</p>
(195)	Transport Projects and Engineering	<p>Electricity forecast savings against budget (£0.400m). Bus Shelter cost requirement for Valley Gardens 3 scheme £0.126m. Road Safety Education costs exceeding funding by £0.089m. Public Transport staff costs forecast to be recharged (£0.020m) countered by consultancy fees for Bus Priority Study £0.012m.</p>

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Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
City Environmental Management		
266	City Clean	<p>£0.246m overspend in Street Cleansing caused by greater employment pension and NI 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>£0.104m underspend within waste collections due to vacant posts held as part of expenditure controls. The underspend is net of £0.109m additional staffing oncosts as a result of greater employer Pension and NI costs than the historic budget allocation due to a large turnover of staff in recent years with more staff remaining in the pension scheme than choosing to opt out.</p> <p>£0.204m overspend in CityClean Enforcement as income forecast is not achieving its targets together with costs of the whistle-blowing investigation in City Clean. Use of the enforcement reserve will partially offset pressure in this division if income does not recover by the end of the year.</p> <p>These overspends are partially offset by surplus in commercial and green waste collections of £0.084m and underspends in public toilets of £0.049m due to vacancies and spending controls in place.</p>
(3)	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 of £0.143m held within the service and underspends on supplies and services of £0.021m as part of spending controls.
120	Fleet & Maintenance	£0.063m 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.
(118)	Strategy & Projects	Forecast underspends of £0.057m from reduced Supplies & Services costs and £0.060m staffing underspends from vacancies as a result of spending controls.
(804)	Waste Disposal	Release of one-off reconciliation payments from electricity incomes in the Waste PFI contract which have over-performed. Review of available Waste PFI reserves has allowed this one-off sum to be released to support the council's overall financial position.
City Development & Regeneration		
589	Development Planning	Underachievement of Planning and Building Control income of £0.775m as there is still some uncertainty over levels of service post-covid, although the income trend will

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Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
		become more apparent as the year progresses. This is offset by staffing and supplies & services underspends of £0.185m.
(76)	Planning Policy and Major Projects	Forecast underspends on consultants' fees and salaries.
(136)	Sustainability & International	Delayed spend in Sustainability initiatives and underspend from vacant International Officer post.
(100)	Business Development and Customer Services	Forecast staffing underspends from held vacancies as a result of spending controls.
Culture, Tourism & Sport		
63	Arts	Greater than budgeted costs for Brighton Dome & Brighton Festival funding of £0.078m assuming a fixed 2% contract uplift for 2 years. Offset by staff vacancies of £0.015m.
300	Heritage and Archives	Anticipated additional costs under the RPMT contract relating to salary pay awards.
(262)	Sport and Leisure	£0.100m pressure for maintaining the lifeguarding during the summer season at 2022/23 levels offset by forecast underspends on golf course contracts. Income surplus of £0.118m relating to Freedom Leisure management fee income available to BHCC. (£0.116m) Forecast income surplus of £0.116m relating to Seafront Properties.
(78)	Venues	Forecast utility overspends of £0.033m offset by underspends in Brighton Centre Security and Technical Costs and surplus incomes of £0.100m.
(15)	Tourism and Marketing	Forecast underspends on supplies & services costs.
Property		
1,254	Property and Design	<p>Vacant Properties within both the In-house & Commercial portfolios have caused pressures from the loss of rental income and the additional premises related costs until new tenants can be attracted resulting in a pressure of £1.262m. 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 forecast to be £0.325m overspent due to shortfalls on Professional Fee income and this is being mitigated through planned underspends within the Planned Maintenance Budgets (PMB) (£0.500m) and Education Maintenance</p>

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Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
		<p>Budgets 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.</p>

Housing, Neighbourhoods & Communities

Revenue Budget Summary

Forecast Variance Month 5 £'000	Service	2023/24 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %	2023/24 Savings Proposed £'000	Net Savings Achieved £'000	Net Savings Unachieved £'000
2,072	Housing General Fund	12,307	13,727	1,420	11.5%	1,705	689	1,016
0	Libraries	3,499	3,480	(19)	-0.5%	81	81	0
(67)	Communities, Equalities & Third Sector	3,015	2,899	(116)	-3.8%	44	44	0
(107)	Safer Communities	4,001	3,779	(222)	-5.5%	86	86	0
1,898	Total Housing, Neighbourhoods & Communities	22,822	23,885	1,063	1.6%	1,916	900	1,016
(600)	Further Financial Recovery Measures (see below)	-	(150)	(150)	-	-	-	-
1,298	Residual Risk After Financial Recovery Measures	22,822	23,735	913	4.0%	1,916	900	1,016

Explanation of Key Variances

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
Further Financial Recovery Measures		
(150)	Temporary Accommodation (TA)	This plan includes measures to reduce the number of households in spot purchase by a further 82 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 continuing to focus on a number of key issues such as void turnaround times, reducing the unit costs of spot purchase accommodation and improving move on options for those in temporary and emergency accommodation.
Housing General Fund		
1,310	Temporary Accommodation	The budget for Temporary Accommodation (TA) is forecast to overspend by £1.310m 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

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
		<p>applicants for emergency accommodation in the first quarter of 2023/24 with an average of 153 households every night. The summer saw a slight dip in numbers, however there were 151 households being housed as at 13/11/23. 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. Overall this budget is forecast to overspend by £1.218m. This forecast assumes that the number of households remains at an average of 148 all year. However, the service is implementing further measures to reduce the number of households accommodated as part of the financial recovery plan.</p> <p>Block Booked - 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 unlikely due to the demands on the service and the forecast assumes a reduction of 16 units from December as one block has recently been handed back to the provider. Additionally, the council is facing large increases to contract prices and therefore this forecast estimates that this budget will overspend by £1.909m. This forecast overspend has reduced since Month 5 due to the service improvements relating to void turnaround times of third party contracts and the recent hand back.</p> <p>Leased TA - There has been a budget adjustment since the forecast at Month 5. £0.343m of this grant income budget has now been allocated to emergency accommodation (above) as it better reflects where grant is needed and presents a more realistic picture of where the pressures are in the service. Therefore, leased TA is forecast as a small overspend of £0.005m made up of a (£0.114m) in a variety of small underspends on repairs, council tax and the contribution to the bad debt provision offset with the extra cost of the loss of Housing Benefit Subsidy £0.089m. and a forecast overspend on leased rental costs £0.030m. The service has been working to improve empty property turnaround times and as a result has also seen an improvement in the void rent loss. Future forecasts will depend on the costs associated with any new contracts agreed with landlords as and when new contracts are agreed.</p> <p>The overall variance for TA has been offset by Homelessness Prevention Grant of (£1.801m) and an underspend on temporary accommodation staffing costs of (£0.021m).</p>
(60)	Housing Options	Vacancies across this service and a reduction in the use of agency staff.

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Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
178	Seaside Homes	The repairs and maintenance budgets for these properties are forecast to overspend by £0.140m. There is also an overspend on the management costs of this service of £0.207m. However, this is offset by an underspend on the contribution to the bad debt provision of (£0.134m) and an underspend on the rent loss on void properties of (£0.035m.) The service is working to improve void turn-around times further in order to minimise void loss and further reduce costs.
(27)	Private Sector Housing	Unachieved savings for fine income of £0.040m offset by an underspend on employees costs (£0.017m), underspend on the adaptations service as a result of further capitalisation (£0.050m)
61	Homemove	Extra IT costs due to system changes and a shortfall in income generated from other Local Authorities and Housing associations.
(79)	Commissioned Rough Sleeper and Housing Related Support Services	This service is forecast to underspend by (£0.079m) across the core commissioned services.
37	Travellers Service	Increased security costs and the costs of water at the site offset by an underspend on staffing.
Libraries		
(19)	Libraries	Underspend on staffing costs offset by extra security costs
Communities, Equalities & Third Sector		
(47)	CETS	Staffing underspend
(20)	Initiatives	Pause on 'Our Legacy' project and a reduction in number of advisory group meetings for anti-racism and accessible city work.
(49)	Community Grant Programme	Reduction of 3rd round of annual Community Grants Programme.
Safer Communities		
(102)	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.
(120)	Domestic Violence and Violence against Women and Girls	Underspend on core budgets for Domestic Violence and Violence against Women and Girls

Governance, People & Resources

Revenue Budget Summary

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0	Chief Executive Monitoring Office	553	553	0	0.0%	0	0	0
0	Policy & Communications	1,209	1,209	0	0.0%	134	134	0
(107)	Legal & Democratic Services	3,642	3,554	(88)	-2.4%	167	147	20
173	Elections & Land Charges	531	754	223	42.0%	22	10	12
(10)	Customer Modernisation & Data	1,429	1,419	(10)	-0.7%	86	86	0
0	Finance	1,966	1,989	23	1.2%	67	67	0
0	Procurement (Mobo)	(37)	(37)	0	0.0%	0	0	0
(5)	HR & Organisational Development	4,185	4,180	(5)	-0.1%	214	214	0
(300)	IT&D (Mobo)	8,182	7,772	(410)	-5.0%	350	350	0
97	Welfare, Revenues & Business Support	7,224	7,184	(40)	-0.6%	146	146	0
0	Contribution to Orbis Services	2,832	2,832	0	0.0%	0	0	0
(152)	Total Governance, People & Resources	31,716	31,409	(307)	-1.0%	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).
21	Democratic Services	An expected increase in cost for the Modern.gov software and other small expenditures.
28	Members Allowances	Increased members bus saver transport and member allowance cost.
(143)	Legal team	Vacancy savings and a reduction in forecast costs after a detailed review.
Elections & Land Charges		
223	Land Charges	Forecast underachievement is due to expected slow housing market as highlighted by RICS, government and Savills.
Customer Modernisation & Data		
(10)	Customers and Performance	Vacancy Contribution.
Finance		
23	Finance	Overspend due to Goodshape attendance management fees.
HR & Organisational Development		
(5)	Organisation	Small savings on Learning and Development budgets.
IT&D (Mobo)		
(410)	IT&D	Reduction in forecast costs following a detailed review and some vacancy savings.
Welfare, Revenues & Business Support		
(24)	HB Admin, Council Tax running expenses, NNDR, & Discretionary Payments	£0.150m shortfall in Council Tax court costs recovered offset by underspends across HB Administration, NNDR and Discretionary payments.
25	Corporate Debt Team	One-off costs of corporate standard debt management training specified by debt policy.
19	WRBS Management & Admin	Admin costs costs £0.025m offset by Operation support team underspend of £0.006m.
(5)	Social Fund and Welfare	Underspend of £0.044m on Welfare Reform team offset by underspends on Household Support Fund and Bailiffs.
(126)	WRBS HR Systems	Lower cost in the current year as per contract resulting in underspends.
71	WRBS Payroll and Pensions	Additional staff costs for backlog clearance to prevent service failure.

Appendix 4 – Revenue Budget Performance

Corporately-held Budgets

Revenue Budget Summary

Forecast Variance Month 5 £'000	Service	2023/24 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %	2023/24 Savings Proposed £'000	Net Savings Achieved £'000	Net Savings Unachieved £'000
0	Bulk Insurance Premia	3,676	3,876	200	5.4%	0	0	0
(1,511)	Capital Financing Costs	6,645	5,034	(1,611)	-24.2%	0	0	0
0	Levies & Precepts	229	229	0	0.0%	0	0	0
(100)	Unallocated Contingency & Risk Provisions	716	616	(100)	-14.0%	0	0	0
0	Unringfenced Grants	(28,708)	(28,708)	0	0.0%	0	0	0
950	Housing Benefit Subsidy	(301)	619	920	305.6%	0	0	0
3,628	Other Corporate Items	1,747	2,346	599	34.3%	162	162	0
2,967	Total Corporately-held Budgets	(15,996)	(15,988)	8	0.1%	162	162	0

Explanation of Key Variances

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
Bulk Insurance Premia		
96	Premium costs	The majority of the premiums increased by 18% which is in excess of the amount budgeted.
104	Claims	There has been an increase in settlement of claims.
Capital Financing Costs		
(1,611)	Financing Costs	Increases in the Bank of England Base Rate and higher than budgeted cash balances has resulted in improved investment income.
Unallocated Contingency & Risk Provisions		
(100)	Contingency	Release of contingency set aside for part year effect of 2023/24 savings no longer required.

Appendix 4 – Revenue Budget Performance

Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
Housing Benefit Subsidy		
920	Housing Benefit Subsidy	There is an estimated net pressure of £0.920m. Within this £0.967m relates to the main subsidy budgets and is based on the latest subsidy data produced in 2023/24. Of this pressure £0.418m 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 variances of £0.023m. The surplus on the recovery of overpaid former council Tax Benefit is currently forecast at £0.047m.
Other Corporate Items		
3,700	Pay award 2023/24	Anticipated additional cost for the 2023/24 pay award based on the most recent offer.
(74)	Corporate pension costs	Overpayment from 2022/23 of (£0.020m) and an in year variance of (£0.054m).
500	School Organisation	Provision for costs related to school organisational changes including closures whereby the General Fund is required to fund any anticipated deficits arising on closure.
(176)	Back Pay Provision	Over-estimated, historic back-pay provision written back to revenue.
147	Bad Debt Provision	Increased bad debt provision due to pressures on debt collection.
(3,500)	Housing JV	Share of one-off resources from the Housing Joint Venture on completion of properties as per the joint venture agreement. This sum provides a corporate resource available to support the council's overall financial position.
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 5 £'000	Service	2023/24 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %	2023/24 Savings Proposed £'000	Net Savings Achieved £'000	Net Savings Unachieved £'000
(942)	Capital Financing	25,579	24,644	(935)	-3.7%	0	0	0
120	Housing Management & Support	5,130	5,283	153	3.0%	0	0	0
(69)	Housing Strategy & Supply	1,427	1,362	(65)	-4.5%	0	0	0
1,700	Repairs & Maintenance	16,239	17,922	1,682	10.4%	0	0	0
(49)	Housing Investment & Asset Management	2,907	2,680	(227)	-7.8%	0	0	0
(760)	Tenancy Services	(51,282)	(51,891)	(608)	-1.2%	0	0	0
(0)	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.
(835)	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 Month 2. The use of Direct Revenue Funding balances off any net overspend on services within the HRA.
Housing Management & Support		
5	Employees	Minor variance.
166	Premises	Pressure from fuel costs at Manoj House of £0.106m. 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..

Appendix 4 – Revenue Budget Performance

Key Variances		
£'000	Subjective Area	Variance Description
36	Income	Minor variance.
Housing Strategy & Supply		
(93)	Employees	Forecast underspend as a result of a small number of vacancies.
28	Supplies and Services	Minor variances across the service.
Repairs & Maintenance		
(692)	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.
1,943	Premises	Forecast overspend against the base budget for subcontractor costs.
417	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.
14	Transport	Minor variance.
Housing Investment & Asset Management		
(176)	Employees	There are a number of vacancies across the service.
(71)	Premises	Reduced spend against the Environmental Improvements budget.
20	Supplies & Services	Minor variance
Tenancy Services		
(5)	Employees	Minor variance.
153	Premises	Forecast underspend on utility costs of £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.
180	Supplies and Services	Increased contribution required to the bad debt provision of £0.100m and a forecast overspend on the use of temporary accommodation of £0.080m 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.
30	Other	Minor variance.

Appendix 4 – Revenue Budget Performance

Key Variances		
£'000	Subjective Area	Variance Description
(966)	Income	Forecast overachievement in net rental income and service charges of £0.837m 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 5 £'000	Service	2023/24 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %
0	Individual Schools Budget (ISB)	136,875	136,875	0	0.0%
32	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>	14,539	14,415	(124)	-0.9%
633	High Needs Block	37,293	37,977	684	1.8%
15	Exceptions and Central Services	3,178	3,191	13	0.4%
0	Grant Income	(191,517)	(191,517)	0	0.0%
680	Total Dedicated Schools Grant (DSG)	368	941	573	155.7%

Explanation of Key Variances

Key Variances £'000	Service Area	Variance Description
Early Years Block (including delegated to Schools)		
(111)	Early Years Free Entitlements	Underspends relating to free entitlement funding for 2-year olds and 3 and 4-year olds due to a reduction in the number of early years children.
(13)	Other	Minor variances.
High Needs Block (excluding delegated to Schools)		
117	Post-16 high needs placements	Predicted overspends totalling £0.117m 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.

Appendix 4 – Revenue Budget Performance

Key Variances		
£'000	Service Area	Variance Description
173	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, particularly in primary schools.
(115)	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 in line with forecast expenditure, with a small underspend being forecast as not all special schools are at full capacity in September.
120	Brighton and Hove Inclusion Support Services (BHISS)	Predicted overspend of £0.120m against the BHISS DSG budget areas. This is made up of £0.100m BHISS core services and £0.020m 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
245	Children with medical needs	The budget for Children with medical needs has seen a significant increase in the caseload including the educational provision of children who are placed in private hospitals, generally due to acute mental health needs
144	Other	Minor variances.
Exceptions and Growth Fund		
26	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
(13)	Other	Minor variances.

