

Appendix 1 – Revenue Budget Performance

Children’s Services - Revenue Budget Summary

Month 2 Forecast Variance £'000	Service	2013/14 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %
0	Director of Children's Services	177	205	28	15.8%
(105)	Education & Inclusion	4,886	4,753	(133)	-2.7%
(742)	Children's Health, Safeguarding and Care	33,278	32,652	(626)	-1.9%
(464)	Stronger Families, Youth & Communities	20,825	20,087	(738)	-3.5%
(1,311)	Total Revenue - Children	59,166	57,697	(1,469)	-2.5%

Explanation of Key Variances

Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Mitigation Strategy (Overspends only)
Director of Children’s Services			
28	Other	Minor overspend variance relating to staff recruitment costs and staffing.	Costs will be monitored closely over the year and efforts made to reduce costs or identify mitigating savings to bring these budgets back in balance where possible
Education & Inclusion			
(205)	Home to School Transport	The underspend reflects the latest number of children being transported. The number of pupils transported to/from school for May/June was 445, July 421 and September 449. A detailed analysis has been undertaken with the budget holder for each area of the budget and these will continue to be monitored monthly.	
72	Other	Minor overspend variances	Costs will be monitored closely over the year and efforts made to reduce costs or identify mitigating savings to

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Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Mitigation Strategy (Overspends only)
			bring these budgets back in balance where possible
Children's Health, Safeguarding & Care			
(387)	Social Work Teams	The Social Work Teams are currently projected to underspend due to a number of vacant posts within the teams.	
281	Care Leavers	Based on the spend to date in 2013/14 there would be an overspend on care leavers of £0.281m . There is currently on-going work to link services with housing to achieve better value for money in this service.	Costs will be monitored closely over the year and efforts made to reduce costs or identify mitigating savings to bring this budget back in balance where possible. There is an ongoing project to look at cost reductions through better partnership working between Children's and Housing services. Increased activity in care leavers is linked to reductions in Looked After Children so spend in this area is supporting the VFM savings above.
(30)	Legal Fees	At this stage in the financial year there is insufficient information to produce an accurate forecast. However, early estimates indicate a potential underspend based on quarter 1 expenditure.	
(60)	Adoption Payments	The government have instituted a number of changes and new requirements for the adoption service. Linked to this, a new Adoption Reform grant has been made available partly to fund increases in fees for inter-agency adoptions and partly to facilitate the required changes in processes. It is not yet known what the net impact this will have on inter-agency adoption costs and therefore no budget variance has been included at this stage. The underspend relates to regular adoption support payments and allowances which are currently running slightly below budgeted levels.	
(428)	Corporate Critical - In	Part of the VFM budget strategy is to switch the emphasis of fostering placements from IFA to in-house carers. The budgets	Continuing the implementation of a tiered approach to the procurement of

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Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Mitigation Strategy (Overspends only)
	House Foster Payments	are based on an increased number of in-house placements with a corresponding reduction in IFA numbers. This has not progressed as quickly as anticipated resulting in the overspend in IFAs (above) and an underspend of £0.428m in in-house placements.	placements, reducing the proportion of high cost placements.
(185)	Contact Service	The underspend in this service is predominantly due to the use of sessional and agency staff being considerably less than anticipated in the budget.	
150	Data Retrieval	There is a potential budget pressure of £0.150m relating to work being commissioned to improve data retrieval systems within Children's services.	There are mitigating underspends across Children's Services and every effort will be made to keep the cost of this work to a minimum.
(111)	Prevention	The underspend in this service mainly relates to the costs of housing and payments to family & friends carers.	
144	Other	Minor overspend variances	Costs will be monitored closely over the year and efforts made to reduce costs or identify mitigating savings to bring these budgets back in balance where possible
Stronger Families, Youth & Communities			
(595)	Corporate Critical - Children's Agency Placements	<p>The current projected number of residential placements (27.53FTE) is broken down as:</p> <ul style="list-style-type: none"> • 23.02 FTE social care residential placements (children's homes), • 3.94 FTE schools placements, • 0.57 FTE family assessment placements, and • FTE substance misuse rehabilitation placements. <p>The budget allows for 22.20 FTE social care residential care placements, 6.00 FTE schools placements, 1.50 FTE family assessment placements and 0.60 FTE substance misuse rehab placements. The number of projected children's home</p>	<p>Agency Placement budgets. In particular, the Children's Services Value for Money (VFM) project is effectively addressing the level of activity and spend in IFAs. The plan focuses on strengthening preventive services and streamlining social care processes including:</p> <ul style="list-style-type: none"> • implementing a tiered approach to the procurement of placements for looked after children, reducing the proportion of high cost placements • improving the commissioning and

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Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Mitigation Strategy (Overspends only)
		<p>placements is in line with the budget although 1.30 FTE of these are in 'semi independence' with a considerably reduced unit cost. Other residential placement types remain low compared with historic averages. Overall the number of placements is currently 2.77 FTE below the budgeted level, and this combined with the unit cost savings described above result in an estimated underspend of £0.681m.</p> <p>The numbers of children placed in independent foster agency (IFA) placements began to fall during 2012/13 and that trend appears to be continuing in 2013/14. Currently there are 164.65 projected FTE placements. Although this represents a reduction of 11.4% on last year, the budget strategy included a target for switching the emphasis from IFA to in-house carers which has not yet been achieved. On that basis, budget for IFA placements is 154.00 FTE which is currently being exceeded by 10.65 FTE placements resulting in an anticipated overspend of £0.102m.</p> <p>The current projected number of disability placements is 18.88 FTE with an average unit cost of £1,755.59. The number of placements is 5.38 FTE above the budgeted level. The average weekly cost of these placements is £462.68 lower than the budgeted level and the combination of these two factors together with a projected underspend of £0.050m on respite placements, results in an overspend of £0.117m.</p> <p>It is currently anticipated that there will be 1.08 FTE secure (welfare) placements and 1.26 FTE secure (justice) placements in 2013/14. The budget allows for 1.25 FTE welfare and 0.75 FTE justice placements during the year. There is currently one child in a secure (welfare) placement and three in a secure (criminal) placement resulting in a projected underspend of £0.133m.</p>	<p>procurement of expert assessments in care proceedings, strengthening arrangements for early permanence planning and increasing the numbers of in house foster placements able to provide tier 1 care.</p> <ul style="list-style-type: none"> • strengthening early intervention and preventive services and commissioning a transformation change programme to support the re-structuring of social work services in the Children's Delivery Unit.

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Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Mitigation Strategy (Overspends only)
(143)	Other	Minor underspend variances	

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Adult Services – Revenue Budget Summary

Month 2 Forecast Variance £'000	Service	2013/14 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %
2,153	Adults Assessment	48,112	49,946	1,834	3.8%
737	Adults Provider	13,593	14,355	762	5.6%
0	Commissioning & Contracts	516	507	(9)	-1.7%
2,890	Total Revenue - Adult	62,221	64,808	2,587	4.2%

Explanation of Key Variances

Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Mitigation Strategy (Overspends only)
		The key variances across Adult Social Care are as detailed below:	Further plans are being developed and mitigating action is being taken to reduce these forecast overspends which are improving.
Adults Assessment			
see below	Assessment Services	Assessment Services are showing an overspend of £1.834m (3.8% of net budget) at Month 5, broken down as follows:	
1,318	Corporate Critical - Community Care Budget (Older People)	The pressure on the Older People community care budget relates to the Supported Living and Extra Care Housing savings target of £1.64m jointly commissioned with Housing which is now not expected to be delivered in year. The target includes options around Sheltered Housing, Shared Lives and other accommodation. These options are complex and there are significant service, legal, financial and commissioning considerations to work through for each option that will require a greater lead-in time than originally anticipated. Currently, there is a significant risk that units and/or alternative options will	Corporate strategic work is ongoing to deliver the extra care units required and explore/develop the other options-this is unlikely to deliver cost savings until 2014/15 or beyond. Placements are being managed to contain the potential overspend in 2013/14.

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Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Mitigation Strategy (Overspends only)
		not be deliverable in time to achieve the savings target for 2013/14.	
(153)	Corporate Critical - Community Care Budget (Learning Disabilities)	Learning Disabilities are now reporting an underspend of £0.153m at Month 5 following a detailed review of growth assumptions for transition cases. The improvement from Month 2 is £0.486m. It should be noted that the potential impact from Ordinary Residence (OR) claims against the budget is £0.755m full year effect, of which £0.270m is included in the forecast. All OR applications need to be reassessed by B&H and are prioritised against risk, therefore there can be a delay in acceptance. Although the majority of applications are legally sound, some are disputed successfully.	
730	Corporate Critical - Community Care Budget (Under 65's)	Under 65's are currently showing an overspend of £0.730m (an increase of £0.354m from Month 2 due to several large packages of care being agreed). The underlying pressure is largely due to the full-year effect of the increased complexity (e.g. Acquired Brain Injury) in small numbers of high cost placements against homecare and direct payments.	Continuing to explore alternative models of provision and funding.
(54)	Community Care Budget (HIV)	The underspend is a continuation of the activity and spending levels experienced over the last 2 financial years. Consideration needs to be given to realigning the budget, given the pressures on other areas described above.	
(7)	Support & Intervention Teams	There is a risk around the delivery of the £0.340m savings target in respect of joint commissioning provider arrangements.	Planning service redesign, however this is unlikely to achieve savings in 2013/14. One off funding relating to a legal case on funding a learning disability placement should cover the pressure for 2013/14 only.
Adults Provider			
762	Adults Provider	The forecast overspend includes an assessed risk of £0.500m against the achievement of savings targets totalling £1.640m (2013/14 targets and unachieved targets in 2012/13). Achievement of the savings is dependent on the commissioning	The services are working to implement the changes required to deliver the savings and to identify further opportunities to make

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Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Mitigation Strategy (Overspends only)
		<p>review of day options, the corporate VFM programme on transport, the review of options for different service models led by a corporate working group, and the Learning Disabilities accommodation review, all of which are underway.</p> <p>The forecast overspend also includes additional pressures on Adults Provider budgets due to increased staffing in the Resource Centres for Older People (£0.460m) which has been partly offset by one off and recurrent Department of Health Social Care funding (£0.262m), projected shortfalls on Residents Contributions (£0.068m) and other areas are underspent by £0.004m.</p>	efficiencies across all the services.
Commissioning & Contracts			
(9)	Commissioning & Contracts	There is a pressure of approximately £0.040m against delivery of the Community Meals savings target, which is offset against vacancy management savings across the service.	

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Environment, Development & Housing - Revenue Budget Summary

Month 2 Forecast Variance £'000	Service	2013/14 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %
(101)	Transport	(4,025)	(4,081)	(56)	1.4%
3	City Infrastructure	28,602	28,606	4	0.0%
23	City Regeneration	1,078	1,118	40	3.7%
133	Planning & Public Protection	4,527	4,625	98	2.2%
58	Total Non Housing Services	30,182	30,268	86	0.3%
315	Housing	16,541	16,933	392	2.4%
373	Total Revenue - Environment, Development & Housing	46,723	47,201	478	1.0%

Explanation of Key Variances:

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
Transport			
(245)	Corporate Critical – Parking Operations	<p>Overall the corporate critical parking budget is forecast to underspend by £0.245m. The main components of this are:</p> <ul style="list-style-type: none"> • London Road car park is expected to achieve additional income of £0.221m largely as a result of letting an additional 220 season ticket spaces to a large local business. • Surplus permit income of £0.124m. This has been caused by increased demand for permits, partially trader permits where 	

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Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
		<p>removal of the waiting list has increased demand and also a general migration from on-street parking to permits.</p> <ul style="list-style-type: none"> • An expected £0.113m surplus on leased car park income. • On-street parking, income received to date and the forecast tariff model suggests a potential over achievement of income by approximately £0.028m. • There is a forecast under-achievement of income of approximately £0.219m relating to other off street car parks. It is possible that changes in prices have resulted in greater movement to on-street parking. Details of customer activity are being investigated to identify potential reasons for income being significantly less than anticipated in the tariff model. • There is a forecast under achievement of £0.053m relating to Penalty Charge Notice (PCN) income. 	
60	Highways	<p>Forecasted pressures totalling £0.060m have been indentified within the Highways division. A potential pressure of £0.065m has been highlighted with regards to staff funding and agency costs; with another pressure of £0.005m in relation to counsel costs. These have been partially offset by additional income of approximately £0.024m.</p>	<p>The Highways team will continue to explore options to reduce its forecast revenue overspend.</p>
128	Highways Engineering	<p>The £0.128m variance relates to Highways Engineers' costs rechargeable to capital. The expected works rechargeable to capital is less than the budgeted recovery target. The current forecast has been based on a high level analysis of the</p>	<p>Following a review of the scope to further capitalise revenue costs against capital transport projects, it has been concluded that there is no further scope within the current transport capital programme to do this. The forecast revenue</p>

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Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
		expected works during the year.	spend is nonetheless required to support the transport capital programme and hence the revenue deficit will be met from any surplus parking revenues.
City Infrastructure			
4	City Clean	There have been some minor variances reported by budget holders but these are expected to be managed within existing budgets. Potential material budget variances, such as the impact of industrial action and service redesign should be noted and detailed forecasts will be developed for future months once the implications are known.	
City Regeneration			
20	Economic Development	This relates to a contribution to the Coast to Capital LEP which is above what was originally budgeted.	Other spending will be kept under review to try and manage this within the overall resources of the division.
20	Sustainability	Pressures have been identified with regards to maternity pay cover (£0.005m) and potentially unachievable income (£0.015m).	An exercise is being carried out to establish whether the sustainability budget could be better aligned to reflect actual activity with the regards to the unrecoverable income.
Planning & Public Protection			
35	Development Planning	There is a forecast income shortfall within the Development Management budget of £0.100m. The income forecast for the year is based on the anticipated number of applications, and includes an assessment of the likelihood of receiving income from major applications. There is a predicted income drop of approximately £0.040m compared to previous years as a consequence of the prior approval legislation changes in May 2013 which has increased the scope of change of use development rights. A further £0.019m pressure has been identified	Pre-application advice charges for Major Schemes in development control are to be introduced in the autumn. Work to improve income forecasting, supported by the finance team, means that income forecasts are now considerably more accurate. A bid for delivery of ICT database and migration projects should assist with ongoing and unplanned software upgrade and maintenance costs. Use of some agency staff is also due to come to an end by October.

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Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
		within the Fee-Earning Building Control service. This is a forecasted net position of the service, after considering underspending on the salary budget and underachievement on income. These variances are offset to an extent by a shorter than expected 'Examination in Public' into the City Plan reducing the forecast spend by £0.80m.	
63	Public Protection	The forecast variance has improved by £0.070m since Month 2. It reflects an anticipated £0.030m shortfall on licensing income budgets where there is little scope to generate additional income, and a £0.033m overspend on the employee budget.	Detailed forecasting across all budgets will be carried out regularly to determine potential for additional income and cost reductions to offset the forecasted overspend.
Housing			
202	Corporate Critical Temporary Accommodation & Allocations	As identified at Month 2, the forecast pressure is due to lower than expected income on Block & Spot Purchase Bed and Breakfast placements due to voids and collection rates. Some Bed & Breakfast contracts have been reviewed and appropriate action taken to reduce the level of voids.	Additional leased properties will reduce the impact of lower income for B&B accommodation. A rent accounting system for B&B is being implemented which will enable us to collect income from working people. Income collection for leased properties has been better than anticipated and voids have been lower, which will offset potential overspend.
202	Travellers	£0.092m overspend on Horsdean site due to remedial/improvement works, increased security costs and income loss due to the site being closed. £0.055m overspend on unauthorised encampments due to fly-tipping waste removal costs, increased legal costs and increased costs for the removal and storage of vehicles. There is a £0.055m overspend on additional staffing required to run this reactive service.	Financial recovery processes are in place; all expenditure is being scrutinised and contracts renegotiated. The option of a temporary office at Horsdean is being explored and improved CCTV which would reduce security costs. Options to prevent expenditure on unauthorised encampments are being considered.
15	Housing Support	The £0.015m overspend at month 5 relates to staffing costs.	All expenditure is being scrutinised to mitigate this pressure.

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Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
	Services		
(27)	Other Housing	Further underspends on staffing budgets in Housing Options have been identified.	

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Assistant Chief Executive - Revenue Budget Summary

Month 2 Forecast Variance £'000	Service	2013/14 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %
0	Communications	790	790	0	0.0%
100	Royal Pavilion, Arts & Museums	3,727	3,727	0	0.0%
121	Tourism & Venues	1,512	1,663	151	10.0%
0	Policy, Civic, Performance & Communities	5,854	5,854	0	0.0%
0	Sport & Leisure	874	874	0	0.0%
221	Total Revenue - Assistant Chief Executive	12,757	12,908	151	1.2%

Explanation of Key Variances

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
Communications			
0	Communications	Break-even position reported at Month 5.	
Royal Pavilion, Arts & Museums			
0	Royal Pavilion, Arts & Museums	The service was showing an overspend of £0.100m at Month 2, but has been able to reduce this to a break-even position by reviewing all areas of spend across the service and identifying savings from vacancy management to help improve the overall financial position.	
Tourism & Venues			
151	Tourism & Venues	Tourism & Venues are reporting a pressure of £0.151m at Month 5, which is broken down as follows: Venues had an overspend of £0.422m last financial year due mainly to reduced bookings for	Further action will be taken to secure further bookings and maximise future business opportunities.

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Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
		<p>entertainments. As a result of the action taken to help secure further bookings and maximise future business opportunities the overall pressure reported at Month 5 is much reduced at £0.116m (reduction of £0.004m from Month 2).</p> <p>There is a pressure of £0.018m relating to the full-year savings target applied to the Visitor Information Centre which is not actually closing until October and a further £0.017m against Marketing from reduced advertising receipts.</p>	
Policy, Civic ,Performance & Communities			
0	Policy, Civic Performance & Communities	Break-even position reported at Month 5.	
Sport & Leisure			
0	Sport & Leisure	Sport & Leisure are reporting a break-even position at Month 5. However there is a risk in respect of liabilities for Saltdean Lido until a lease is granted to an external operator. This is nearing completion.	

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Public Health – Revenue Budget Summary

Month 2 Forecast Variance £'000	Service	2013/14 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %
0	Public Health	35	35	0	0.0%
0	Community Safety	1,595	1,595	0	0.0%
0	Civil Contingencies	177	185	8	4.5%
0	Total Revenue - Public Health	1,807	1,815	8	0.4%

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
Public Health			
0	Public Health	<p>This is a ring-fenced grant of £18.2m from the Department of Health, which is being provided to give local authorities the funding needed to discharge their new public health responsibilities. The expectation is that funds will be utilised in-year, but if at the end of the financial year there is any underspend this can be carried over, as part of a public health reserve, into the next financial year. In utilising those funds next year, the grant conditions will still need to be complied with.</p> <p>It has recently come to light that there is dispute between local authorities and Public Health England in relation to prescribing costs. The ring-fenced transfer of £18.2m does not include provision for certain additional prescription costs and services but Public Health England are indicating that this is</p>	

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Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
		now the responsibility of local authorities. The potential financial risk to this council is circa £1.0m. Discussions are being held at a regional level to resolve this dispute.	
Community Safety			
0	Community Safety	Community Safety are forecasting a break-even position at Month 5.	
Civil Contingencies			
8	Civil Contingencies	There is a small pressure being reported due to slightly increased staff costs.	Non-pay budget areas will be closely reviewed and savings generated where possible to cover identified pressure.

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Resources & Finance and Law - Revenue Budget Summary

Month 2 Forecast Variance £'000	Service	2013/14 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %
0	City Services	13,424	12,987	(437)	-3.3%
0	Housing Benefit Subsidy	(569)	(569)	0	0.0%
0	HR & Organisational Development	4,253	4,253	0	0.0%
130	ICT	6,724	6,864	140	2.1%
0	Property & Design	5,864	5,646	(218)	-3.7%
0	Finance	6,479	6,404	(75)	-1.2%
0	Legal & Democratic Services	3,310	3,301	(9)	-0.3%
130	Total Revenue - Resources & Finance	39,485	38,886	(599)	-1.5%

Explanation of Key Variances

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
City Services			
(437)	City Services	Revenues and Benefits are forecasting significant underspends of £0.668m relating to payments from the Local Discretionary Social Fund (£0.457m) and Council Tax Relief (£0.245m) due to initial take up being lower than anticipated. However this is expected to increase over time and Discretionary Payments – forecast last month to underspend - are now expected to be on target. Other variances amount to a cost of £0.034m due mainly to supplies and services costs and some shortfalls in	

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Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
		<p>income recovery.</p> <p>Life Events are forecasting an overspend of £0.231m, a small improvement from last month's figure of £0.249m. Pressures from the crematorium, mostly due to the impact of the Mercury Abatement scheme, are forecast at £0.060m, with further income pressures at Woodland Valley Burial Site of £0.050m. The Registrars service is also expected to cause a pressure of £0.090m (due to projected salary overspends of £0.055m and unachieved income of £0.035m). There were other minor overspends elsewhere in the service amounting to £0.031m.</p>	<p>A financial recovery plan for Life Events has been drawn up within the service and it is hoped this will reduce the overspend further in due course.</p>
Housing Benefit Subsidy			
0	Corporate Critical - Housing Benefit Subsidy	Break-even position reported at Month 5.	
HR & Organisational Development			
0	HR & Organisational Development	Human Resources & Organisational Development continue to forecast an on-target position. Following an analysis of the service's budget to re-base staffing estimates and income targets, a pressure of £0.124m was identified. This pressure has now been partially dealt with for 2013/14 and it is expected that the service will be able to come in on target this year, and also agree a balanced budget for 2014/15.	
ICT			
140	ICT	Our forecast at Month 5 remains at an	The service is developing a financial recovery

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Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
		estimated overspend of £0.140m. We have continued to make savings through vacancy management however we still expect that there will be a shortfall on the anticipated VFM savings on the Microsoft Enterprise agreement and telephony contract. There are also pressures on our contracts budgets due to ongoing ICT security issues.	plan in the context of planning the delivery of the ICT Investment Plan and meeting new demands for increased information security following the government's recent announcement of a 'zero tolerance' approach.
Property & Design			
(218)	Property & Design	The commercial rent forecasts are being maintained despite the difficult economic climate for rental properties on the high street.	
Finance			
(75)	Finance	The underspend results partially from vacancies and partially from lower than anticipated implementation costs for service developments relating to banking, income and e-Budgeting.	
Legal & Democratic Services			
(9)	Legal & Democratic Services	Minor underspends.	

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Corporate Budgets - Revenue Budget Summary

Month 2 Forecast Variance £'000	Unit	2013/14 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %
0	Bulk Insurance Premia	3,167	3,017	(150)	-4.7%
0	Concessionary Fares	10,144	10,198	54	0.5%
0	Capital Financing Costs	9,721	9,696	(25)	-0.3%
0	Levies & Precepts	158	158	0	0.0%
1,085	Corporate VfM Savings	(1,258)	97	1,355	107.7%
0	Risk Provisions	4,761	4,761	0	0.0%
0	Other Corporate Items	(14,965)	(14,942)	23	0.2%
1,085	Total Revenue - Corporate Budgets	11,728	12,985	1,257	-10.7%

Explanation of Key Variances

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
Bulk Insurance Premia			
(150)	Bulk Insurance Premia	The underspend relates to a lower level of insurance claims expected to be paid during this year.	
Concessionary Fares			
54	Concessionary Fares	There is a projected overspend of £0.054m on concessionary bus fares. Of this, £0.029m relates to increased journey numbers and higher than estimated average fares on services between Brighton and destinations in Mid-Sussex, as well as the impact of an improved service from the end of May on a route to / from Crawley. The remaining £0.025m overspend relates	Underspends on other corporate budgets, notably bulk insurance premia, will be used to mitigate this pressure.

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Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
		to supported bus routes within the city boundaries where there has been a significant increase in journey numbers and slightly higher than anticipated average fares from April. In comparison with earlier years the increased journey numbers are likely to be linked to the good weather experienced over the summer.	
Capital Financing Costs			
(25)	Capital Financing Costs	There is a forecast £0.025m contribution to the Financing Costs Reserve due to higher than anticipated net cash flows for the year resulting in higher investment income and lower short term borrowing costs. This has been partly offset by lower than anticipated investment returns due to lower interest rates in the money markets.	
Corporate VFM Projects			
1,355	Corporate VFM Projects	Overspend relates to the level of uncertain savings resulting from Accelerated Service Redesign (voluntary severance (VSS) scheme) process and IT category spend outside of the ICT service. Details are provided in Appendix 2 (VFM Programme).	Please see Appendix 2 for information.
Risk Provisions			
0	Risk Provisions & contingency	<p>The risk provision budget includes the following main items:</p> <ul style="list-style-type: none"> ○ Pay and Pension provisions of £2.4m; ○ Risk provisions of £1.5m; ○ Contingency and other items, including energy inflation provisions 	

Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
		<p>of £0.86m.</p> <p>A break-even position is reported at Month 5 on this budget. This includes the use of £0.800m on a one-off basis to support investment at Hollingdean Depot as outlined in Appendix 3. The overall TBM position at Month 5 indicates a number of forecast risks which may result in a call on risk provisions if these cannot be mitigated by recovery actions. The use of risk provisions to support the overall position will be considered further at Month 7 alongside a Budget Update report to the December committee meeting.</p>	
Other Corporate Items			
23	Other Corporate Items	Variances on unringfenced grants.	

Appendix 1 – Revenue Budget Performance

Housing Revenue Account - Revenue Budget Summary

Month 2 Forecast Variance £'000	Housing Revenue Account	2013/14 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %
2	Employees	8,629	8,659	30	0.3%
0	Premises – Repair	11,028	10,991	(37)	-0.3%
0	Premises – Other	3,443	3,439	(4)	-0.1%
0	Transport & Supplies	2,201	2,240	39	1.8%
100	Support Services	1,979	2,071	92	4.6%
(5)	Third Party Payments	147	144	(3)	-2.0%
0	Revenue contribution to capital	20,774	20,774	-	0.0%
(250)	Capital Financing Costs	8,088	7,857	(231)	-2.9%
(153)	Net Expenditure	56,289	56,175	(114)	-0.2%
0	Dwelling Rents (net)	(49,235)	(49,218)	17	0.0%
0	Other rent	(1,269)	(1,333)	(64)	-5.0%
25	Service Charges	(4,932)	(4,908)	24	0.5%
0	Supporting People	(465)	(480)	(15)	-3.2%
5	Other recharges & interest	(388)	(386)	2	0.5%
30	Net Income	(56,289)	(56,325)	(36)	-0.1%
(123)	Total	-	(150)	(150)	

Appendix 1 – Revenue Budget Performance

Explanation of Key Variances

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
Housing Revenue Account			
92	Support Services	Additional Legal support, £0.070m and Human Resources, £0.030m, is required by Housing Services due to additional work requirements resulting from welfare reform, capital programme major projects and a review of various Housing management services. This has been offset by a small underspend in the charge for the community alarm service.	This is currently being managed within the service by underspends elsewhere in the HRA.
(231)	Capital Financing Costs	This forecast underspend is due to a reduction in interest costs as a result of lower levels of borrowing than budgeted.	
(64)	Rents-Other	This over-achievement of income relates to an increase in car park income from private users and more income from commercial rents due to rents being revised after the budget was set.	

Appendix 1 – Revenue Budget Performance

Dedicated Schools Grant - Revenue Budget Summary

Month 2 Forecast Variance £'000	Dedicated Schools Grant (DSG)	2013/14 Budget Month 5 £'000	Provisional Outturn Month 5 £'000	Provisional Variance Month 5 £'000	Provisional Variance Month 5 %
0	Individual Schools Budget (ISB) <i>(This does not include the £7.114m school balances brought forward from 2012/13)</i>	125,167	125,167	0	0.0%
0	Private Voluntary & Independent (PVI) <i>(Early Years 3 & 4 year old funding for the 15 hours free entitlement to early years education)</i>	8,857	8,857	0	0.0%
(208)	Central Schools Budget <i>(This includes £1.089m central underspend brought forward from 2012/13)</i>	20,874	20,565	(309)	-1.5%
0	Grant Income	(153,809)	(153,809)	0	0.0%
(208)	Net DSG Budget	1,089	780	(309)	-28.4%

Explanation of Key Variances

Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Mitigation Strategy (Overspends only)
Central Schools Budget			
(159)	Exceptions	This central budget is held to meet historical commitments, for example, schools' equal pay and combined services costs, together with other statutory items paid on behalf of schools. The allocation of the Exceptions budget is approved by the Schools Forum. This small underspend relates to currently unallocated exceptions budgets.	
(130)	Carbon Reduction Commitment (CRC)	£0.130m relates to the CRC underspend in 2013/14.	
(48)	Admissions &	Staff Savings	

Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Mitigation Strategy (Overspends only)
	Transport		
(18)	Education of Looked After Children	Costs in children's education agency placements being less than anticipated.	
46	Various	Other minor overspends	

Appendix 1 – Revenue Budget Performance

NHS Trust Managed S75 Budgets - Revenue Budget Summary

Month 2 Forecast Variance £'000	S75 Partnership	2013/14 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %
147	Sussex Partnership Foundation NHS Trust (SPFT)	11,430	11,658	228	2.0%
65	Sussex Community NHS Trust (SCT)	641	702	61	9.5%
212	Total Revenue - S75	12,071	12,360	289	2.4%

Explanation of Key Variances

Key Variances £'000	Service	Description (Note WTE = Whole Time Equivalent)	Mitigation Strategy (Overspends only)
Sussex Partnership Foundation NHS Trust			
228	SPFT	Sussex Partnership NHS Foundation Trust are reporting an overspend of £0.456m at Month 5 (an increase of £0.274m from Month 2), reflecting growth pressures and an increase in need and complexity in Adult Mental Health and forensic services within residential and supported accommodation. In line with the agreed risk-share arrangements for 2013/14 any overspend will be shared 50/50 between SPFT and BHCC and this has been reflected in the overspend of £0.228m reported here.	There is ongoing scrutiny at Panel and identification of appropriate funding streams. The BHT Start project has been extended. Move on activity will remain a key element of work for Transitions team and Recovery services.
Sussex Community NHS Trust			
61	SCT	The pressure of £0.061m against the Integrated Community Equipment Store (ICES) budget reflects the continued increased demand for equipment and is a continuation of the trends seen in last financial year.	Options on service models will be reported to Adult Care & Health Committee in September.