

Families, Children & Learning

Revenue Budget Summary

2016/17 Outturn Variance £'000	Service	2017/18 Budget Month 2 £'000	Forecast Outturn Month 2 £'000	Forecast Variance Month 2 £'000	Forecast Variance Month 2 %	2016/17 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
(98)	Director of Families, Children & Learning	161	161	0	0.0%	0	0	0
2,291	Health, SEN & Disability Services	35,886	36,676	790	2.2%	1,731	1,681	50
43	Education & Skills	6,879	6,883	4	0.1%	1,710	1,710	0
1,761	Children's Safeguarding & Care	38,742	40,724	1,982	5.1%	2,039	528	1,511
(52)	Quality Assurance & Performance	1,502	1,502	0	0.0%	0	0	0
3,945	Total Families, Children & Learning	83,170	85,946	2,776	3.3%	5,480	3,919	1,561
0	Further Financial Recovery Measures (see below)	-	(1,119)	(1,119)	-	-	-	-
3,945	Residual Risk After Financial Recovery Measures	83,170	84,827	1,657	2.0%	5,480	3,919	1,561

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

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
(1,119)	Estimated impact of further Financial Recovery Measures	<p>The directorate has developed an over-arching Financial Recovery Plan to begin to address the pressures detailed below across the various service headings. The Financial Recovery Plan includes the following key measures:</p> <ul style="list-style-type: none"> • Extending the Move-on project in Adult learning Disability Services. • Targeted reviews of existing Adult Learning Disability provision. • Increasing the number of in-house foster carers. • Review of children's residential placements. • Reducing the number of agency social workers.

Appendix 2 – Revenue Budget Performance

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
		The recovery measures are clearly challenging areas and will need to be managed carefully being sure not to negatively impact on the day-to-day responsibilities of the service. Ongoing demand management of the budget will continue alongside these measures to attempt to improve the forecast position over coming weeks/months as part of normal financial management and controls.
Health, SEN & Disability Services		
100	In-house residential and respite services	Increasing use of overtime and agency staff providing residential and respite care for disabled children with complex needs. These services are however contributing to the reduced spending on Disability Agency Placements.
497	Demand Led - Learning Disability Adults - Community Care	There has been an increase in the level of clients presenting with greater complexity of need in recent months. This has resulted in an increase in the average unit costs for Learning Disability Care packages. The overspend mainly relates to Supported Accommodation and Day Services which have shown a significant increase in activity since April 2015.
229	Able and Willing	Due to underachievement of sales income targets.
(36)	Other variances	
Education & Skills		
100	Nurseries and Children's Centres	Cost of maternity and sickness cover i.e. agency staff to maintain ratios, as well as protected pay for staff that changed grades during the restructure. There has also been a reduction in numbers attending some nurseries.
(75)	Integrated Team for Families	The restructure of the Early Help provision and vacant posts factored into the establishment (pending potential 2018/19 budget savings and reduction in TF2 Grant) have resulted in this significant saving in 2017/18.
(21)	Other variances	
Children's Safeguarding & Care		
1,654	Demand-Led - Residential Agency Placements	The projected number of residential placements (39.21 FTE) is broken down as 34.93 FTE social care residential placements (children's homes), 4.00 FTE schools placements and 0.27 FTE family assessment placements. The budget allowed for 25.60 FTE social care residential care placements, 3.50 FTE schools placements and 0.30 FTE family assessment placements. The average unit cost of these placements is lower than the budgeted level for all placement types. However, The number of children's placements is 9.81 FTE above the budgeted level and despite the lower unit costs results in the overspend of £1.654m.

Appendix 2 – Revenue Budget Performance

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
841	Demand-Led - Independent Foster Agency (IFA) Placements	The number of children placed in Independent Foster Agency placements has decreased in recent years. During 2016/17 there were 132.14 FTE (compared with 158.06 FTE for 2015/16). The current projected number of placements in 2017/18 is 121.03 FTE, a reduction of 8.4%. The budget for IFA placements included significant levels of savings and was set at 101.00 FTE. The numbers being higher than the budget level by 20.03 FTE results in a projected overspend of £0.841m.
(45)	Demand-Led - Secure Accommodation	It is estimated that during 2017/18 there will be 1.32 FTE secure (welfare) placements and 0.92 FTE secure (justice) placements. The budget allowed for 1.45 FTE welfare and 1.15 FTE justice placements during the year. There is currently one child in a secure (welfare) placement and none in a secure (criminal) placement resulting in a projected underspend of £0.045m.
(11)	Demand-Led - Semi-independent/Supported placements	The number of semi-independent and supported living placements is projected to be 32.32 FTE and this is 3.32 FTE above the budgeted level. However, the average unit cost of these placements is £141.63 per week less than the budget and this results in an underspend of £0.011m.
(837)	Demand-Led - In-House Fostering	As at the 31st May 2017 there were 144 children placed with 'in-house' foster carers and 147.64 FTE for the year. The budget, based on an increasing trend over the last few years and the drive to increase recruitment of in-house carers, was set at 180.00 FTE placements. This has resulted in the current projected underspend of £0.837m. If the ongoing work to increase the number of in-house foster carers is successful, this should result in a net reduction in costs.
142	Demand-Led - Family & Friends placements, Child Arrangement Orders and Special Guardianship Orders	The budget allows for 282.00 FTE placements of these types. It is currently anticipated that there will be 310.13 FTE children in these placements during 2017/18 and this results in the overspend of £0.142m.
139	Demand-Led - Care Leavers	The projected number of care leaver placements in 2017/18 is 106.09 FTE. The budget allows for 93.90 FTE placements. The increase mainly relates to growing numbers of Staying Put placements (60.34 FTE in 2017/18). The average unit cost is lower than the budget but the high numbers result in an overall overspend of £0.139m.
(80)	Demand-Led Unaccompanied Asylum Seeking Children (UASC) Grant	The numbers of unaccompanied asylum seeking children has increased considerably in the last 12 months. The costs of looking after these children are funded by a grant from the home office and the grant is in access of the estimated value by £0.080m.
153	Social Work teams	Use of agency social workers is continuing into 2017/18 but at a planned significantly lower level than 2016-17. The Social Work agency budget has been reduced as £0.092m of one-

Appendix 2 – Revenue Budget Performance

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
		off funding for agency social workers will not be available in 2017/18. The current number of Agency workers is 16 and it is anticipated that this will reduce to 1 FTE by 01/12/17 and on this basis will result in a potential overspend against the agency budget of £0.312m. The underspend currently projected against permanent staffing budgets is £0.139m and non- staff costs are estimated to underspend by £0.020m.
104	Legal Fees	It is anticipated that increasing requirement for legal support will generate a pressure in this budget in 2017/18. There has been a significant increase in legal costs over the last couple of months and if this continues into 2017/18 it could result in an increased overspend. If there is a recurrence in the number of very high cost cases as seen in 2016/17 this overspend could increase significantly.
(78)	Other variances	

Appendix 2 – Revenue Budget Performance

Health & Adult Social Care (HASC)

Revenue Budget Summary

2016/17 Outturn Variance £'000	Service	2017/18 Budget Month 2 £'000	Forecast Outturn Month 2 £'000	Forecast Variance Month 2 £'000	Forecast Variance Month 2 %	2016/17 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
1,136	Adult Social Care	28,802	28,802	0	0.0%	2,285	2,285	0
(382)	Integrated Commissioning	8,343	8,343	0	0.0%	147	147	0
600	S75 Sussex Partnership Foundation Trust (SPFT)	12,282	12,282	0	0.0%	293	293	0
0	Public Health	963	963	0	0.0%	2,148	2,148	0
1,354	Total Health & Adult Social Care	50,390	50,390	0	0.0%	4,873	4,873	0

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

Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
Adult Social Care		
(62)	Demand-Led Community Care - No Recourse to Public Funds	The average unit cost is slightly lower than the budgeted unit cost and the number of clients being supported is less than budgeted resulting in the underspend of £0.062m.
0	Demand-Led Community Care - Physical & Sensory Support	There are increasing numbers of 'new' older people being discharged from hospital requiring social care services for the first time, as well as increased community demand. This additional financial pressure is being met by the Improved Better Care fund for 2017/18.
62	Demand-Led Community Care - Substance Misuse	There are relatively small numbers of clients within this service and this is in line with the expected demand. The average unit cost is higher than the budgeted unit cost resulting in the overspend of £0.062m.

Appendix 2 – Revenue Budget Performance

Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
0	Improved Better Care fund (IBCF)	The spending plan for the £5.093m iBCF has been jointly agreed with the Health & Adult Social Care Directorate and Brighton & Hove CCG as per the criteria of the DCLG grant. Following this agreement, the budgets need to be amended to reflect the agreed spending plan which allocates £3.959m to Adult Social Care, £0.544m to Integrated Commissioning and £0.140m to Public Health, within the HASC Directorate with the remaining £0.450m going to Health, SEN & Disability within Families, Children & Learning. Policy, Resources & Growth Committee approval is required for this in accordance with Financial Regulations as it involves budget transfers in excess of £0.250m.
S75 Sussex Partnership Foundation Trust (SPFT)		
132	Demand-Led - Memory Cognition Support	There are higher numbers of WTE care packages than are funded in the budget; the unit costs are also higher than had been anticipated resulting in the overspend of £0.132m. This is due to a current lack of affordable residential and nursing home placements within the city.
(127)	Demand-Led - Mental Health Support	Numbers of WTE clients are higher than the budget allocation but the average unit costs are lower than and this results in the underspend of £0.127m. There is increasing need and complexity within this client group.
(5)	Other variances	

Economy, Environment & Culture

Revenue Budget Summary

2016/17 Outturn Variance £'000	Service	2017/18 Budget Month 2 £'000	Forecast Outturn Month 2 £'000	Forecast Variance Month 2 £'000	Forecast Variance Month 2 %	2016/17 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
(1,296)	Transport	(7,434)	(7,455)	(21)	-0.3%	1,238	1,238	0
42	City Environmental Management	27,756	27,753	(3)	0.0%	1,025	950	75
(9)	City Development & Regeneration	2,781	2,897	116	4.2%	420	420	0
(378)	Culture	4,335	4,326	(9)	-0.2%	335	335	0
(244)	Property	1,111	1,360	249	22.4%	1,668	1,628	40
(1,885)	Total Economy, Environment & Culture	28,549	28,881	332	1.2%	4,686	4,571	115
0	Further Financial Recovery Measures (see below)	-	(57)	(57)	-	-	-	-
(1,885)	Residual Risk After Financial Recovery Measures	28,549	28,824	275	1.0%	4,686	4,571	115

Explanation of Key Variances

Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
Further Directorate Financial Recovery Measures		
(57)	Estimated impact of further Financial Recovery Measures	The directorate has developed an over-arching Financial Recovery Plan to address the pressures detailed below across the various service headings. The Financial Recovery Plan includes the following measures:
	City Development & Regeneration - Planning	An increase to planning fees of 20% which was due to be implemented in July 2017 but has been delayed to Autumn/Winter 2017 as a result of the recent election. Once implemented this will generate additional income of £0.170m per annum (£0.057m part-year) towards the financial pressures within the Planning service.

Appendix 2 – Revenue Budget Performance

Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
Transport		
(21)	Minor Variances	
City Environmental Management		
(3)	Minor Variances	
City Development & Regeneration		
68	Applications	An overspend of £0.040m due to legal advice and anticipated Public Inquiry costs in particular from appeals. Also other minor net variances of £0.028m in this service.
48	Other Variances	
Culture		
(9)	Minor Variances	
Property		
250	Rents	Currently there is a forecast shortfall in expected rental income mainly associated with the Contracted Property Portfolio (CPP), New England House and Hove Town Hall. Also included within this is the £0.050m saving applied to the CPP budget. The CPP budget pressure is the variance between the year on year inflated rental income figure compared to the forecast provided by the Council's property advisors Cluttons. The rent forecast is subject to close monthly monitoring and will be adjusted as new information is received through the year.
(1)	Other Variances	

Neighbourhood, Communities & Housing

Revenue Budget Summary

2016/17 Outturn Variance £'000	Service	2017/18 Budget Month 2 £'000	Forecast Outturn Month 2 £'000	Forecast Variance Month 2 £'000	Forecast Variance Month 2 %	2016/17 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
803	Housing General Fund	5,220	5,220	0	0.0%	1,689	1,689	0
(39)	Libraries	4,870	4,870	0	0.0%	142	142	0
1	Communities, Equalities & Third Sector	2,405	2,405	0	0.0%	480	437	43
(10)	Regulatory Services	1,507	1,507	0	0.0%	220	220	0
(31)	Community Safety	1,237	1,237	0	0.0%	71	71	0
724	Total Neighbourhood, Communities & Housing	15,239	15,239	0	0.0%	2,602	2,559	43

There are currently no variances to report within the Neighbourhood, Communities & Housing Directorate which is projecting break-even across all services.

Finance & Resources

Revenue Budget Summary

2016/17 Outturn Variance £'000	Service	2017/18 Budget Month 2 £'000	Forecast Outturn Month 2 £'000	Forecast Variance Month 2 £'000	Forecast Variance Month 2 %	2016/17 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
(280)	Finance	9,816	9,846	30	0.3%	1,102	1,102	0
(808)	Housing Benefit Subsidy	(835)	(1,335)	(500)	-59.9%	120	120	0
(51)	HR & Organisational Development	2,722	2,722	0	0.0%	354	304	50
260	ICT	6,382	6,382	0	0.0%	657	319	338
(879)	Total Finance & Resources	18,085	17,615	(470)	-2.6%	2,233	1,845	388

Explanation of Key Variances

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
Finance		
30	Revenues & Benefits	There is a forecast overspend of £0.030m across non staffing budgets.
Housing Benefit Subsidy		
(500)	Housing Benefit Subsidy	There is an expected surplus of £0.200m in the recovery of overpaid council tax benefits, based on receipts to date. On the main subsidy budgets there is insufficient data available to make a detailed forecast, but at present a prudential £0.300m surplus is forecast.

Strategy, Governance & Law

Revenue Budget Summary

2016/17 Outturn Variance £'000	Service	2017/18 Budget Month 2 £'000	Projected Outturn Month 2 £'000	Projected Variance Month 2 £'000	Projected Variance Month 2 %	2016/17 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
(89)	Corporate Policy	691	691	0	0.0%	60	60	0
(26)	Legal Services	1,304	1,304	0	0.0%	120	120	0
(51)	Democratic & Civic Office Services	1,702	1,702	0	0.0%	87	87	0
(26)	Life Events	(246)	(246)	0	0.0%	251	251	0
(30)	Performance, Improvement & Programmes	692	692	0	0.0%	113	113	0
(78)	Communications	652	652	0	0.0%	76	76	0
(300)	Total Strategy, Governance & Law	4,795	4,795	0	0.0%	707	707	0

There are currently no variances to report within the Strategy, Governance & Law Directorate which is projecting break-even across all services.

Corporate Services

Revenue Budget Summary

2016/17 Outturn Variance £'000	Service	2017/18 Budget Month 2 £'000	Projected Outturn Month 2 £'000	Projected Variance Month 2 £'000	Projected Variance Month 2 %	2016/17 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
(320)	Bulk Insurance Premia	0	0	0	0.0%	0	0	0
(40)	Concessionary Fares	11,197	11,197	0	0.0%	250	250	0
(478)	Capital Financing Costs	6,700	6,671	(29)	-0.4%	0	0	0
(1)	Levies & Precepts	205	205	0	0.0%	0	0	0
(2,950)	Unallocated Contingency & Risk Provisions	6,026	6,026	0	0.0%	0	0	0
(151)	Unringfenced Grants	(15,648)	(15,648)	0	0.0%	0	0	0
(369)	Other Corporate Items	258	200	(58)	-22.5%	195	223	0
(4,309)	Total Corporate Budgets	8,738	8,651	(87)	-1.0%	445	473	0

Explanation of Key Variances

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
0	Concessionary Fares	Fixed deal reimbursements reported to committee in May 2017 have resulted in a further saving of £0.250m. This has been allocated as shown in paragraph 3.27 of the main report.

Housing Revenue Account (HRA)

Revenue Budget Summary

2016/17 Outturn Variance £'000	Service	2017/18 Budget Month 2 £'000	Projected Outturn Month 2 £'000	Projected Variance Month 2 £'000	Projected Variance Month 2 %	2016/17 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
765	Capital Financing	32,335	32,335	0	0.0%	0	0	0
(34)	Head of Housing HRA	3,572	3,572	0	0.0%	106	106	0
(63)	Head of City Development & Regeneration	323	323	0	0.0%	0	0	0
(131)	Housing Strategy	750	750	0	0.0%	0	0	0
(796)	Income Involvement Improvement	(46,351)	(46,351)	0	0.0%	181	181	0
(1,573)	Property & Investment	7,537	7,537	0	0.0%	570	570	0
(374)	Tenancy Services	1,834	1,834	0	0.0%	75	75	0
(2,206)	Total Housing Revenue Account	0	0	0	0.0%	932	932	0

There are currently no variances to report within the Housing Revenue Account.

Dedicated Schools Grant (DSG)

Revenue Budget Summary

2016/17 Outturn Variance £'000	Service	2017/18 Budget Month 2 £'000	Projected Outturn Month 2 £'000	Projected Variance Month 2 £'000	Projected Variance Month 2 %
0	Individual Schools Budget (ISB)	123,399	123,399	0	0.0%
(675)	Early Years Block (including delegated to Schools) <i>(This includes Private Voluntary & Independent (PVI) Early Years 3 & 4 year old funding for the 15 hours free entitlement to early years education)</i>	14,105	14,224	119	0.8%
188	High Needs Block (excluding delegated to Schools)	19,396	19,541	145	0.7%
(98)	Exceptions and Growth Fund	3,838	3,816	(22)	-0.6%
0	Grant Income	(160,153)	(160,153)	0	0.0%
(585)	Total Dedicated Schools Grant (DSG)	585	827	242	41.4%

Explanation of Key Variances

Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
Early Years Block (including delegated to Schools)		
119	Additional Support Funding for 2,3 & 4 year olds	Significant increase in the number of children receiving additional support funding in the Summer term.
High Needs Block (excluding delegated to Schools)		
73	Integrated Support Service	Additional costs due to reorganisation in 2016/17.
50	High Needs top-up for Special Schools	Additional Support arrangements for several pupils.

Appendix 2 – Revenue Budget Performance

Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
50	FE Colleges High Needs payments	Changes in legislation leading to increased costs.
(28)	Other	Other minor underspends.
Exceptions and Growth Fund		
21	Historic pension costs	Historic pension liabilities.
(43)	Exception 1 - Union Duties and other reimbursement	Underspent in reimbursement to schools for Union Duties and Jury service.

