

Families, Children & Learning

Revenue Budget Summary

Forecast Variance Month 9 £'000	Service	2017/18 Budget Month 12 £'000	Actual Outturn Month 12 £'000	Actual Variance Month 12 £'000	Actual Variance Month 12 %	2017/18 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
(105)	Director of Families, Children & Learning	262	74	(188)	-71.8%	0	0	0
1,050	Health, SEN & Disability Services	36,281	37,165	884	2.4%	1,731	1,132	775
74	Education & Skills	5,151	5,041	(110)	-2.1%	1,710	1,923	0
2,222	Children's Safeguarding & Care	38,897	40,997	2,100	5.4%	2,039	536	1,678
(63)	Quality Assurance & Performance	1,429	1,329	(100)	-7.0%	0	0	0
3,178	Total Families, Children & Learning	82,020	84,606	2,586	3.2%	5,480	3,591	2,453
(569)	Financial Recovery Measures (Month 9 only)	-	-	-	-	-	-	-
2,609	Position After Financial Recovery Measures	82,020	84,606	2,586	3.2%	5,480	3,591	2,453

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		
(84)	Troubled Families	Mainly due to greater achievement of payment by results income for the Troubled Families programme than originally anticipated in the budget.
(100)	Modernisation Funding	Revised allocation of Modernisation Funding for Directorate-wide support re the Service Development Manager and Customer Insight Support Officer.
(4)	Other	
Health, SEN & Disability Services		
318	Children's Disability 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.
690	Demand Led - Learning	There has been an increase in the level of clients presenting with greater complexity of

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Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
	Disability Adults - Community Care	need. This has resulted in an increase in the average unit costs for Learning Disability Care packages. The overspend predominantly relates to Supported Accommodation and Day Services which have shown a significant increase in activity since April 2015. Following a CCG review of clients' health needs, some have been assessed as no longer being eligible for continuing health care funding.
331	Learning Disability Adults - In house provider services	There has been a significant cost assigned to the in-house provider services as a result of the backdated sleep-in allowances. This covers a 6 year period and is estimated at £0.146m.
(93)	Children's Disability Agency Placements	The increased use of in-house residential and respite services for children with disabilities has meant fewer than anticipated agency placements have been made
(114)	Learning Disability Adults - Assessment teams	Temporary vacancies across the service that were not recruited to in financial year.
(57)	Ex-health homes maintenance	
(191)	Other	Other budgets net to an underspend of £0.191m. These are mainly comprised of underspends in staffing budgets across SEN and Children's Disabilities and the application of council modernisation funding.
Education & Skills		
(210)	Early Years, Youth & Family Support	This is comprised of council nurseries, children's centres, youth provision and the integrated team for families. There is an overspend on the council nurseries budget caused by pressures as a result of the cost of maternity cover and staff sickness, apprentices, costs of agency staff to maintain statutory ratios, and the reduction in income due to the introduction of 30 hours free childcare. The overspend was less than forecast because of an increase in occupancy and a reduction in the use of agency staff. The restructure of the Integrated Team for Families took account of the savings needed for 2018/19 and has achieved these savings in 2017/18. The underspends in all areas increased because of vacancy controls including not appointing to administrative posts, not covering maternity leave cover and delays in the recruitment to new posts.
54	Home To School Transport	The overspend is due to additional recoupment travel costs and increased costs in 16-19 travel.
162	Supported Employment	Due to underachievement of income targets in Able and Willing.
(116)	Other	
Children's Safeguarding & Care		
1,599	Demand-Led - Residential Agency Placements	The number of residential placements in 2017/18 (39.42 FTE) is broken down as 35.09 FTE social care residential placements (children's homes), 4.33 FTE schools placements

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Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
		and 0.00 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 both residential and boarding school placements. However, the number of children placed is 10.02 FTE above the budgeted level resulting in the overspend of £1.599m.
683	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 final number of placements in 2017/18 was 118.68 FTE, a reduction of 10.2%. The budget for IFA placements included significant levels of savings and was set at 101.00 FTE. The numbers being higher than the budget by 17.68 FTE results in a projected overspend of £0.683m.
(197)	Demand-Led - Secure Accommodation	During 2017/18 there were 1.01 FTE secure (welfare) placements and 0.44 FTE secure (justice) placements. The budget allowed for 1.45 FTE welfare and 1.15 FTE justice placements during the year. As at 31st March there were no children in a secure (welfare) placement and one in a secure (criminal) placement resulting in a projected underspend of £0.197m.
686	Demand-Led - Semi-independent/Supported placements	The number of semi-independent and supported living placements was 34.93 FTE in 17/18 and this is 5.93 FTE above the budgeted level. However, the average unit cost of these placements has increased considerably recently and is now £197.43 per week higher than the budget and this results in an overspend of £0.686m.
(812)	Demand-Led - In-House Fostering	As at the 31st March 2018 there were 150 children placed with 'in-house' foster carers and 151.25 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 underspend of £0.812m.
188	Demand-Led - Family & Friends placements, Child Arrangement Orders and Special Guardianship Orders	The budget allows for 282.00 FTE placements of these types. In 2017/18 there were 309.33 FTE children in these placements and this results in the overspend of £0.188m.
9	Demand-Led - Care Leavers	The final number of care leaver placements in 2017/18 was 105.16 FTE. The budget allowed for 93.90 FTE placements. The increase in numbers of unaccompanied asylum seeking children in recent years has resulted in a rise in the number of ex-asylum seeking care leavers. This has now passed the threshold to be eligible for the grant and £0.099m grant funding will be received for 2017/18. This together with lower than anticipated unit

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Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
		costs has off-set the increasing numbers and results in the overspend of £0.009m.
147	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 is funded by a grant from the Home Office, however a number of asylum seekers have now left care (see above) and there has been an increase in other, non accommodation costs resulting in the overspend of £0.147m.
(154)	Social Work teams	Use of agency social workers continued into 2017/18 but at a significantly lower level than 2016/17. Spend to year end was £0.418m. The Social Work agency budget was £0.139m and was reduced by £0.092m as one-off funding in 2016/17 was not available in 2017/18. At outturn there are no agency workers employed resulting in a full year spend of £0.418m so an overspend against the agency budget of £0.279m. The underspend against permanent staffing budgets was £0.393m and non-staff costs underspent by £0.040m. It should be noted that a contributory factor to the overall underspend in social work cost was the level of Teaching Practice income (£0.066m) - (£0.040m) Trailblazer funding and the recoding of Care Leaver staff to the UASC budget.
311	Legal Fees	<p>High levels of legal costs continue throughout 2017/18 resulting in a year end overspend of £0.311m. The number of care proceedings has increased and the overspend relates, predominantly, to the high costs of court and counsel fees attributable to these cases. The following measures were initiated with the aim of better controlling spend against these areas:</p> <ul style="list-style-type: none"> • Review of all budget codes to identify and areas for savings in short and long term and establish oversight of large budget commitments and monitoring; • Establish policy of approval levels for expenditure; • Increasing staff hours to provide more in house advocacy capacity; • Streamlining work processes with expectation that lawyers undertake own advocacy on minimum of 10 hearings each per year; • Review of level of Counsel instructed when out sourcing required; • Case supervision of lawyers prior to hearings to ensure that evidence is scheduled on time and level of evidence required for care plan is met; • Training for Pod Managers re evidential threshold and filing process to support social workers in meeting evidential and court timescales;

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Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
		<ul style="list-style-type: none"> • Expert reports – Head of Service to agree all expert reports commissioned; • Legal services to push back other party request for expert assessments; • Any expert assessment requested that is not supported as evidentially required by legal services to be raised with Assistant Director for decision. <p>It should be noted that spend in 2017/18 is relatively consistent with levels experienced in 2016/17 equating roughly to 100 cases with an average of five court hearings per case.</p>
159	Adoption Payments	A number of additional Inter-Agency adoption placements were agreed in January and February. There is a one-off cost when children are placed with adoptive families that have been recruited by other agencies, however, long term savings are accrued to the fostering budget in subsequent years.
(136)	Fostering and Adoption Teams	Following the restructure of the Fostering and Family & Friends teams an underspend of £0.136m is reported as a result of vacant posts being held throughout the review process.
(125)	Youth Offending Service	A number of vacant posts were held by the Head of Service throughout the review and restructure of the YOS and Extended Adolescent Service. Additionally, there was turnover against the Operational Manager post and further underspend against a number of non-staffing budgets in 2017/18.
(115)	Specialist Assessment & Domestic Violence	Staff turnover, maternity leave and a permanent reduction in the number of Psychiatric assessments chargeable to this budget have resulted in a year end underspend of £0.115m against the three services within this area (LWV, Clermont and Therapeutic Services).
(143)	Other	
Quality Assurance & Performance		
(88)	Independent Reviewing Officer/Safeguarding Team	Early achievement of 2018/19 budget savings and staff turnover.
(12)	Other	

Health & Adult Social Care (HASC)

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Forecast Variance Month 9 £'000	Service	2017/18 Budget Month 12 £'000	Actual Outturn Month 12 £'000	Actual Variance Month 12 £'000	Actual Variance Month 12 %	2017/18 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
167	Adult Social Care	31,459	31,853	394	1.3%	2,285	1,317	968
(96)	Integrated Commissioning	3,453	3,001	(452)	-13.1%	147	147	0
233	S75 Sussex Partnership Foundation Trust (SPFT)	12,844	13,063	219	1.7%	293	187	106
0	Public Health	575	575	0	0.0%	2,148	2,148	0
304	Total Health & Adult Social Care	48,331	48,492	161	0.3%	4,873	3,799	1,074

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		
(26)	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 £0.026m.
1,301	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 partly met by the Improved Better Care fund for 2017/18.
90	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 £0.090m.
128	In house residential provision - Older people	This is due to increased agency spend within the in house residential units
(847)	Assessment teams	This is due to a number of vacancies across the Assessment teams.

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Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
(467)	In house home care provision	The homecare service has experienced severe difficulty with recruiting to vacant posts. Due to this, the service has been in a position where it has had to close some care runs while recruitment takes place. A new redesigned recruitment advertising process is imminent and will assist with recruitment.
199	Community Equipment Store	The Community Equipment Store has reported an overspend of £0.275m to the Better Care Board. The £0.199m overspend reflects the capped risk share with the CCG.
Integrated Commissioning		
(175)	Commissioning Support Team	Due to temporary vacancies within the Commissioning teams.
(229)	Contracts	This underspend is due to the delays in development of the Homes & Communities Agency (HCA) funded supported accommodation service.
S75 Sussex Partnership Foundation Trust (SPFT)		
187	Demand-Led - Memory Cognition Support	There are higher numbers of care packages than are provided for in the budget; the unit costs are also higher than had been anticipated resulting in the overspend of £0.187m. This is due to a current lack of affordable residential and nursing home placements within the city.
34	Demand-Led - Mental Health Support	There is an increasing need and complexity within this client group and this results in the overspend of £0.034m.
(2)	Demand-Led - Staff teams	

Economy, Environment & Culture

Revenue Budget Summary

Forecast Variance Month 9 £'000	Service	2017/18 Budget Month 12 £'000	Actual Outturn Month 12 £'000	Actual Variance Month 12 £'000	Actual Variance Month 12 %	2017/18 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
(1,641)	Transport	(8,119)	(10,043)	(1,924)	-23.7%	1,238	1,238	0
377	City Environmental Management	21,513	22,511	998	4.6%	1,025	521	504
22	City Development & Regeneration	2,698	2,719	21	0.8%	420	420	0
(144)	Culture	4,238	4,079	(159)	-3.8%	335	335	0
176	Property	713	724	11	1.5%	1,668	1,668	0
(1,210)	Total Economy, Environment & Culture	21,043	19,990	(1,053)	-5.0%	4,686	4,182	504

Explanation of Key Variances

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
(1,582)	Parking Services	<p>An over-achievement of permit fee income of £0.987m and pay & display fee income of £0.129m due to 5 new parking schemes starting in October 2017 and one new scheme starting in March 2018 which was brought forward at committee. Additional income has been received from Areas M & N by changing under-utilised shared bays. Area C (Queens Park) and the seafront in particular have also been exceeding income expectations. The former may be due to a number of residents purchasing resident and visitor permits following the introduction of the larger schemes around the Hanover area (less unrestricted roads). Extra income of £0.384m has also been received from contractors for 'parking suspensions' due to a number of major developments in the city.</p> <p>There is also an underspend on bank charges and contract costs of £0.416m due to reduced card processing transaction fees as the result of a new contract which started during the 2017/18 financial year. The cost per transaction has reduced significantly under the new contract.</p> <p>There is an underspend of £0.292m on unsupported borrowing costs due to the delayed Pay & Display machine replacement programme and repayment of borrowing in 2016/17.</p>

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Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
		<p>These are offset by Direct Revenue Funding (DRF) of £0.745m of new scheme capital costs which includes the installation of new CCTV cameras and the introduction of new parking schemes. This includes implementation costs for the West Hove parking schemes and should be seen as offsetting some of the additional permit fee income above. Use of DRF significantly reduces ongoing revenue costs.</p> <p>Other net variances totalling an underspend of £0.055m.</p> <p>The outturn variance represents 5.46% of the parking income budget.</p>
(417)	Traffic Management	<p>An overachievement of income from skips & scaffold, tables and chairs, hoardings and A boards of £0.226m. The hoarding income (£0.191m) reflecting increased development activity in the City.</p> <p>An overachievement of income of £0.088m from Section 74 fines from street-works and £0.064m from Trench Inspection Fees.</p> <p>An overachievement of income from Temporary Traffic Regulation Orders of £0.061m.</p> <p>These are offset by Safety Maintenance - Traffic Signals and Traffic Information Systems exceeding budget by £0.044m.</p>
(100)	Transport Policy & Strategy	<p>Transport Policy and Strategy resource costs were £0.119m less than budgeted. This is due to slower progress with recruitment to a number of posts within the group than originally anticipated.</p>
178	Transport Projects and Engineering	<p>Bus Shelter income shortfall of £0.049m due to the tender for bus shelter advertising being delayed, where revised tenders were not compliant.</p> <p>An overspend of £0.077m on legal fees for the supported buses service contract.</p> <p>Reactive Safety Maintenance of the public highways exceeded budget by £0.094m due to the severe winter weather experienced in the latter part of the financial year</p>
(3)	Other Variances	
City Environmental Management		
718	Cityclean Operations	<p>An overspend on staff costs of £0.342m due to an additional worked bank holiday, higher level of agency staff costs due to covering sickness absence & vacancies and increased resource for special events.</p> <p>An overspend on vehicle repairs and maintenance of £0.243m and other vehicle costs of £0.229m.</p> <p>These are partly offset by reduced expenditure on materials and equipment such as bin replacements £0.129m.</p>
209	Fleet & Maintenance	<p>Unachieved external income for vehicle repairs and maintenance of £0.377m due to staff vacancies for workshop fitters.</p>

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Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
		<p>An underspend on staff salary costs of £0.074m also due to difficulty recruiting workshop fitters.</p> <p>An overspend on vehicle parts and external repairs and maintenance costs of £0.234m.</p> <p>An overspend on vehicle contract hire costs of £0.059m.</p> <p>Lower unsupported borrowing costs than budgeted due to delayed vehicle purchases in previous years (£0.354m).</p>
236	Strategy & Projects	<p>An overspend on the Public Conveniences cleaning contract of £0.052m.</p> <p>For commercial waste, an overachievement of the income target of £0.168m offset by overspends on waste disposal costs £0.131m, staff costs £0.100m and bins purchases £0.089m resulting in unachieved savings of £0.170m overall.</p>
(165)	Other variances	
City Development & Regeneration		
288	Applications	<p>An underachievement of building control income of £0.140m partly offset by salary underspends.</p> <p>An underachievement of development control income due to projects continuing into 2018/19 partly offset by salary underspends and advertising costs.</p> <p>Other minor variances of £0.032m.</p>
(171)	Planning Policy & Major Projects	<p>Staffing underspend due to continuing vacancies of £0.016m.</p> <p>Underspends on third party fees of £0.078m.</p> <p>An overachievement of income of £0.060m.</p> <p>An underspend on supplies and services of £0.027m.</p>
(96)	Other Variances	
Culture		
(101)	Venues	<p>An overspend on staff costs of £0.032m predominantly due to a contingent liability.</p> <p>An overachievement of income for shows at the Brighton Centre including War Horse and Holiday on Ice.</p>
(58)	Other Variances	
Property		
221	Rents	<p>There was a shortfall in rental income mainly associated with the Contracted Property Portfolio (CPP) such as New England House.</p> <p>Although there was an overachievement of rental income at Hove Town Hall the building was revalued, resulting in a much increased NNDR bill.</p> <p>There is an ongoing CPP budget pressure due to the variance between the year on year inflated rental income figure compared to the income actually received from the council's</p>

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Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
		<p>property advisors Cluttons. Also included within this is the £0.050m saving applied to the CPP budget. The pressure was partly offset by the Clutton's Contract fees for the year being lower than anticipated.</p>
(210)	Property Services	<p>Property Services had additional pressures of £0.080m following the loss of a security contract and additional security provision at some sites. For 2018/19 the Security Budget pressure has been realised in the budget. The pressures were offset by various underspends including Corporate Landlord utilities and responsive repairs (£0.182m). Only £0.108m of the £0.210m Carbon Reduction Commitment Funding was allocated during 2017/18 leaving an additional underspend of £0.119m.</p>

Neighbourhood, Communities & Housing

Revenue Budget Summary

Forecast Variance Month 9 £'000	Service	2017/18 Budget Month 12 £'000	Actual Outturn Month 12 £'000	Actual Variance Month 12 £'000	Actual Variance Month 12 %	2017/18 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
200	Housing General Fund	3,371	3,369	(2)	-0.1%	1,689	1,466	223
0	Libraries	3,285	3,015	(270)	-8.2%	142	142	0
0	Communities, Equalities & Third Sector	2,717	2,725	8	0.3%	480	480	0
(80)	Regulatory Services	1,553	1,376	(177)	-11.4%	220	220	0
(0)	Community Safety	1,140	1,124	(16)	-1.4%	71	71	0
0	Digital First	53	53	0	0.0%	0	0	0
120	Total Neighbourhood, Communities & Housing	12,119	11,662	(457)	-20.8%	2,602	2,379	223
(200)	Financial Recovery Measures (Month 9 only)	-	0	0	-	-	-	-
(80)	Position After Financial Recovery Measures	12,119	11,662	(457)	-3.8%	2,602	2,379	223

Explanation of Key Variances

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
Housing General Fund		
222	Head of Housing (General Fund)	This overspend relates to the unmet savings during 2017/18. This was originally going to be funded in-year by the Flexible Homelessness Support Grant but has instead been offset by other underspends within the Housing service.
(220)	Housing Options	The underspend is due to high staff turnover and difficulty in filling vacancies.

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Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
125	Seaside Community Homes	There is an overspend driven substantially by the insurance costs which have in the past been mitigated by underspends on voids and maintenance budgets. However, this has not been possible this year. This is an unavoidable cost as a direct result of the terms of the council's contractual arrangement with Seaside Community Homes approved by the former Cabinet in September 2011.
123	Temporary Accommodation	The net overspend is lower than forecast due to a range of factors including lower than forecast spot purchasing costs. As reported during the year, the overspend is driven by, for example, the ongoing pressure of voids and repairs costs (the result of more households moving into permanent accommodation via the new allocations policy).
(195)	Travellers	There is higher than forecast income for the permanent travellers site and lower than forecast costs (mainly waste collection and clearance). There have been a reduced number of unauthorised encampments.
Libraries		
(270)	Libraries	Libraries underspent in-year (salaries, buildings and IT costs) in order to keep funds available to fund the renewal of public library self-service facilities via a carry forward of budget to 2018/19. However, this work will now be funded in 2018/19 from the Modernisation Fund enabling the underspend to contribute the directorate's overall position.
Regulatory Services		
(177)	Regulatory Services	The underspend is the result of posts which have been held vacant ahead of an in-year directorate restructure/service reconfiguration.

Finance & Resources

Revenue Budget Summary

Forecast Variance Month 9 £'000	Service	2017/18 Budget Month 12 £'000	Actual Outturn Month 12 £'000	Actual Variance Month 12 £'000	Actual Variance Month 12 %	2017/18 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
(35)	Finance	10,444	10,594	150	1.4%	1,102	1,102	0
(294)	Housing Benefit Subsidy	(835)	(1,291)	(456)	-54.6%	120	120	0
(42)	HR & Organisational Development	2,794	2,686	(108)	-3.9%	354	304	50
70	IT&D	7,795	7,923	128	1.6%	657	319	338
(301)	Total Finance & Resources	20,198	19,912	(286)	-1.4%	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 shortfall in court costs income of £0.215m arising from Enforcement Officer vacancies. Additional grant income offsets this by £0.110m, and further staff vacancies account for another £0.060m. There are overspends on non-staffing budgets of £0.015m.
120	Finance Services	The overspend in Finance relates primarily to cost pressures on corporate system licenses managed by the Business Operations team resulting from essential maintenance and security upgrades. This is offset by a small underspend of £0.035m in Internal Audit relating to staffing vacancies.
Housing Benefit Subsidy		
(456)	Housing Benefit Subsidy	There is an expected surplus of £0.225m in the recovery of overpaid council tax benefits, based on receipts to date. On the main subsidy budgets there is currently a forecast surplus of £0.069m which is a reduction of £0.231m from a previous forecast due to lower recovery of overpayments (especially of rent rebates) and increased costs relating to a specific type of benefit payment to vulnerable tenants which is not subsidised at 100%.

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Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
HR & Organisational Development		
(108)	HR & Organisational Development	The service underspent by £0.108m. There was an underspend against corporate and adult social care training costs and an overachievement on non-attendance fees which resulted in a combined underspend of £0.088m. Health and Safety service also underspent by £0.032m due to an over-achievement of training income and additional support provided internally, and other service areas had a small overspend of £0.012m. Throughout the year there was an on-going pressure from union facilities time but this was covered through vacancies.
IT&D		
128	IT & Digital	IT&D have had budget pressures in some areas, particularly ICT contracts, the Microsoft Enterprise contract and ICT income targets. Some funding was identified to minimise this pressure including appropriate use of the IT&D Reserve and capitalisation of legitimate costs. However, available funding towards the Hove Town Hall server room upgrade was lower than anticipated. This led to a final outturn position of £0.128m

Strategy, Governance & Law

Revenue Budget Summary

Forecast Variance Month 9 £'000	Service	2017/18 Budget Month 12 £'000	Actual Outturn Month 12 £'000	Actual Variance Month 12 £'000	Actual Variance Month 12 %	2017/18 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
(10)	Corporate Policy	664	628	(36)	-5.4%	60	60	0
(70)	Legal Services	1,364	1,288	(76)	-5.6%	120	120	0
(14)	Democratic & Civic Office Services	1,691	1,637	(54)	-3.2%	87	87	0
(29)	Life Events	(218)	(215)	3	1.4%	251	237	14
(15)	Performance, Improvement & Programmes	1,319	1,304	(15)	-1.1%	113	113	0
(12)	Communications	712	646	(66)	-9.3%	76	76	0
(150)	Total Strategy, Governance & Law	5,532	5,288	(244)	-4.4%	707	693	14

Explanation of Key Variances

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
Corporate Policy		
(36)	Policy & Partnerships	Underspends due to vacancies (£0.025m), other net underspends (£0.011m).
Legal Services		
(76)	Legal Services	Overachievement of income.
Democratic & Civic Office Services		
(54)		A result of vacancy management pending the conclusion of a restructuring of the team which has finally been completed and a reduction on print costs with the distribution of electronic papers for officers and the cost-effective use of casual staff for civic engagements.
Life Events		
90	Bereavement & Registration Services	£0.290m income shortfall due to falling numbers of service users, including burials and cremations, and Registration Service customers. This is partially offset by vacancy management savings of £0.076m, supplies and services underspends of £0.038m within

Appendix 3 – Revenue Budget Performance

Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
		the Coroner's service, reduced maintenance costs of £0.034m and various other underspends of £0.052m. The service has implemented a training programme for Bereavement managers and to improve business management and will continue to look at on-going service redesign which is hoped, amongst other things, to improve marketing of the service and increase customer numbers.
18	Local Land Charges	Underachievement of Land Charge fee income.
(105)	Elections	The underspend was caused by a surplus of Individual Electoral Registration (IER) funding and underspending in casual staff costs.
Performance, Improvement & Programmes		
(15)	Performance Team	Minor underspends.
Communications		
(66)	Communications	Vacancy savings of £0.090m offset by supplies and services overspends of £0.024m.

Corporately-held Budgets

Revenue Budget Summary

Forecast Variance Month 9 £'000	Service	2017/18 Budget Month 12 £'000	Actual Outturn Month 12 £'000	Actual Variance Month 12 £'000	Actual Variance Month 12 %	2017/18 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
0	Bulk Insurance Premia	0	(2)	(2)	0.0%	0	0	0
(140)	Concessionary Fares	10,931	10,757	(174)	-1.6%	250	250	0
(222)	Capital Financing Costs	6,543	6,263	(280)	-4.3%	0	0	0
0	Levies & Precepts	205	204	(1)	-0.5%	0	0	0
0	Unallocated Contingency & Risk Provisions	1,386	0	(1,386)	-100.0%	0	0	0
(392)	Unringfenced Grants	(16,540)	(16,920)	(380)	-2.3%	0	0	0
10	Other Corporate Items	826	950	124	15.0%	195	123	100
(744)	Total Corporate Budgets	3,351	1,252	(2,099)	-62.6%	445	373	100

Explanation of Key Variances

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
Concessionary Fares		
(174)	Concessionary Fares	Forecast trip numbers and reimbursements are lower than previously anticipated in part due to a colder winter this year.
Capital Financing Costs		
(280)	Investment Income	A combination of increases in cash balances and increases in short term investment rates as a result of an increase in Base Rate.
Unallocated Contingency & Risk Provisions		
(1,385)	Risk Provision	This relates to the release of the unused corporate risk provision.
Unringfenced Grants		

Appendix 3 – Revenue Budget Performance

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
(372)	Section 31 grant for Small Business Rate Relief	The basis of allocation for Section 31 grant on small business rates relief threshold changes was announced in December and this results in an additional allocation to that allowed for at the time the budget was set.
Other Corporate Items		
128	Vacancy management savings	There is a £0.128m overspend due to vacancy management savings not having been identified as specifically being allocated against this corporate budget saving relating to review of executive and personal assistant support to Chief Officers, Corporate Management Team and potentially lower management tiers.
140	Provision for Holiday Pay	A provision of £0.140m was made to cover holiday back-pay for staff who have worked additional hours or non-contracted overtime but have not yet received pro-rata holiday pay.
(59)	Corporate Bad Debt provision	Reduction in the corporate bad debt provision needed at 31/3/18. This is based on an aged debt analysis of outstanding debts managed by different services across the council.
(58)	Corporate pension costs	£0.030m underspend relating to overpayments identified in respect of 2016/17 and £0.028m in respect of an in year reduction.
(30)	Out of date cheques	Written back out of date cheques.

Housing Revenue Account (HRA)

Revenue Budget Summary

Forecast Variance Month 9 £'000	Service	2017/18 Budget Month 12 £'000	Actual Outturn Month 12 £'000	Actual Variance Month 12 £'000	Actual Variance Month 12 %	2017/18 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
(50)	Capital Financing	32,021	31,971	(50)	-0.2%	0	0	0
0	Head of Housing HRA	3,568	3,692	124	3.5%	106	106	0
(50)	Head of City Development & Regeneration	309	184	(125)	-40.5%	0	0	0
(80)	Housing Strategy	751	651	(100)	-13.3%	0	0	0
(250)	Income Involvement Improvement	(46,204)	(46,512)	(308)	-0.7%	181	181	0
0	Property & Investment	7,874	7,872	(2)	0.0%	570	570	0
(0)	Tenancy Services	1,681	1,498	(183)	-10.9%	75	75	0
(430)	Total Housing Revenue Account	0	(644)	(644)	0.0%	932	932	0

Explanation of Key Variances

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
Capital Financing		
(50)	Financing costs	Actual borrowing costs were slightly less than budgeted.
Head of Housing HRA		
124	Employees costs	The net overspend is the result of higher than anticipated actuarial pension costs offset by underspends on training and legal costs for the HRA. Note that actuarial pension costs could have been charged to the HRA's Restructure & Redundancy Reserve but the level of underspend in 2017/18 means that costs can be met from in-year revenues as is usual. This means that the Restructure & Redundancy Reserve can be preserved at its current level to meet future potential restructuring costs.
Head of City Development & Regeneration		
(102)	Staffing and supplies and services costs	Increase in capitalisation of salaries (£0.079m) compared to budget as well as reduced employee costs and underspends against supplies and services.

Appendix 3 – Revenue Budget Performance

Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
Housing Strategy		
(98)	Transfer Incentive Scheme	Lower than budgeted spending on this scheme, as reported previously. This scheme aims to incentivise tenants to move in order to free up high demand accommodation and to incentivise those who are subject to the under-occupancy charge to downsize. This process can take many months.
Income Involvement Improvement		
(225)	Contribution to bad debt provision	Later than planned implementation of Universal Credit means that this budget is underspent.
(247)	Employees costs	The underspend is due to staffing vacancies, mainly within the income management and customer services teams where the service has had difficulties recruiting.
144	Rents & Service Charges	Actual income was slightly less than budget assumptions. This is offset by other underspends.
Property & Investment		
417	Responsive Repairs and Empty Property works	<p>At Month 2, budget of £0.600m was transferred to provide increased investment in the HRA capital programme. This was in recognition of the ongoing reduced spend on responsive repairs, owing to the significant capital investment in major and planned works and whilst losing homes to RTB, homes that are coming into management are new build.</p> <p>In-year issues, including poor weather conditions, have resulted in spend being higher than forecast at Month 2. However, spend was lower than the original budget allocated and the average job value is largely unchanged.</p> <p>The permanent reduction in budget for 2018/19 has been reviewed and amended to reflect this.</p>
(129)	Supplies and Services	Lower than budgeted spending on service contracts (for example, the gas servicing contract).
(135)	Employees costs	Underspend pending agreement of options around the re-procurement of the repairs contract.
(90)	Leaseholder Service Charges	Actual income was slighter more than budget assumptions.
(67)	Right to Buy Administration	Administration costs income from Right to Buy sales.
Tenancy Services		
(89)	Utility costs	An underspend of £0.089m for electricity and gas costs.
(94)	Other running costs	Lower than budgeted costs against supplies and services, premises and transport across the service.

Appendix 3 – Revenue Budget Performance

Dedicated Schools Grant (DSG)

Revenue Budget Summary

Forecast Variance Month 9 £'000	Service	2017/18 Budget Month 12 £'000	Actual Outturn Month 12 £'000	Actual Variance Month 12 £'000	Actual Variance Month 12 %
0	Individual Schools Budget (ISB)	124,583	124,583	0	0.0%
(531)	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>	12,548	12,036	(512)	-4.1%
302	High Needs Block (excluding delegated to Schools)	19,372	19,663	291	1.5%
(32)	Exceptions and Growth Fund	3,846	3,866	20	0.5%
0	Grant Income	(159,764)	(159,764)	0	0.0%
(261)	Total Dedicated Schools Grant (DSG)	585	384	(201)	-34.4%

Explanation of Key Variances

Key Variances £'000	Service Area	Variance Description
Early Years Block (including delegated to Schools)		
(639)	Payments for 2,3 & 4 year olds	Underspend is based on the Autumn Term census. All of the underspend will need to be carried forward to 2018/19 as the DfE will recoup the funding based on the January 2018 census.
108	Additional Support Funding for 2,3 & 4 year olds	Significant increase in the number of children receiving additional support funding in the Summer term and impact of increased free entitlement available to working parents from September 2017.
19	Other	Balance of variances on other cost centres.

Appendix 3 – Revenue Budget Performance

Key Variances		
£'000	Service Area	Variance Description
High Needs Block (excluding delegated to Schools)		
159	High Needs top-up for Special Schools	Additional support packages for several pupils to avoid more expensive agency placements.
114	High Needs top-up for mainstream Schools	Additional costs for Primary of £0.123m and Secondary of £0.008m.
160	Inclusion Support Service	Loss of exception funding previously received for the Behaviour & Inclusive Learning Team (BILT).
17	Other	Balance of variances on other cost centres.
(30)	Educational Agency Placements	Fewer cases than anticipated.
(42)	SEN support Services	Underspends in SEN support services supporting schools
(87)	FE Colleges High Needs payments	Changes in legislation leading to increased costs.
Exceptions and Growth Fund		
54	Staff Suspension	Payments to Primary & Secondary schools for suspended staff
31	Historic pension costs	Historic pension liabilities.
(21)	Other	Balance of variances on other cost centres.
(44)	Access to Education	Increase in fines income.

