

Families, Children & Learning

Revenue Budget Summary

2016/17 Month 2 Variance £'000	Service	2016/17 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %	2016/17 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
0	Director of Families, Children & Learning	292	292	0	0.0%	100	100	0
(227)	Health & Disability Services	5,574	5,422	(152)	-2.7%	1,105	1,191	0
208	Education & Skills	7,919	8,234	315	4.0%	786	677	129
1,096	Children's Safeguarding & Care	37,856	38,711	855	2.3%	2,971	1,773	1,228
0	Children's Safeguarding & Quality Assurance	1,427	1,427	0	0.0%	0	0	0
1,077	Total Families, Children & Learning	53,068	54,086	1,018	1.9%	4,962	3,741	1,357

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

Key Variances			
£'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
Health & Disability Services			
(123)	Demand-Led - Disability Agency Placements	It is currently forecast that there will be 11.87 FTE disability agency placements during 2016/17. The budget allows for 14.00 FTE and this has resulted in the underspend of £0.123m.	

Appendix 2 – Revenue Budget Performance

Key Variances			
£'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
Education & Skills			
246	Home to School Transport	<p>The overspend is due to:</p> <ul style="list-style-type: none"> • Additional costs of the new contract introduced last year following the retendering exercise; • Less impact of Independent Travel Training than anticipated; • Increased costs in 16-19 travel; • Additional recoupment costs. <p>The overspend reflects the latest number of children (346) being transported. An analysis has been undertaken with the budget holder for each area of the budget and the latest position reflects the estimated outturn position based on current information.</p>	Further work is taking place to understand the increased costs of transport and identify mitigations.
69	Youth Service	An element of the 2016/17 budget savings strategy for the youth service was based on reducing the costs for premises following a review of buildings. At this stage it is unlikely that these savings will materialise, resulting in an overspend of £0.045m. A further overspend of £0.024m is due to a reduction in Aspire software system users which has led to a greater proportion of cost being borne by the Youth Service.	Negotiations are currently underway with third sector providers to increase delivery from the Youth Service buildings. It is expected that an initial one year licence will be agreed for one building and will be in place by July 2016 which will produce a significant contribution towards this this pressure. Other negotiations are continuing.
(45)	Behaviour and Attendance	The underspend relates to additional income received from parents taking children out of school in term time and reductions in expenditure.	

Appendix 2 – Revenue Budget Performance

Key Variances			
£'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
100	Nurseries	There is a projected overspend of £0.100m associated with the council-run nurseries. The most significant component within this is Roundabout Nursery where there has been a reduction in the number of funded two-year olds. There is also a high number of staff on maternity leave increasing the cost of supply cover. The proposed savings of £0.060m have not been pursued following withdrawal of member support.	The restructure of the nurseries is progressing and some savings are expected but at a lower level; at this stage is difficult to quantify the level of the savings due to uncertainties around voluntary severance and protected pay.
Children's Safeguarding & Care			
15	Demand-Led - Residential Agency Placements	The projected number of residential placements (30.25 FTE) is broken down as 26.99 FTE social care residential placements (children's homes), 3.00 FTE schools placements and 0.27 FTE family assessment placements. The budget allowed for 27.70 FTE social care residential care placements, 3.90 FTE schools placements and 0.40 FTE family assessment placements. The average unit costs of these placements is, however, higher than the budgeted level, particularly for residential home placements. The number of children's placements is 1.75 FTE below the budgeted level but the overall average unit cost pressure of £181.27 per week results in an overspend of £0.015m.	Regular reviews of any placement in a residential setting are being undertaken and there are plans for a number of children to move them to alternative placements in the community where this is appropriate.

Appendix 2 – Revenue Budget Performance

Key Variances			
£'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
897	Demand-Led - Independent Foster Agency (IFA) Placements	The number of children placed in Independent Foster Agency placements has decreased in recent years. During 2015/16 there were 158.06 FTE. The current projected number of placements in 2016/17 is 137.07 FTE, a reduction of 13.3%. The budget for IFA placements included significant levels of savings and was set at 121.00 FTE. The numbers being higher than the budget by 16.07 FTE results in a projected overspend of £0.897m.	This project is working well and with a reduction in children in Care (CIC) is enabling the service to achieve an improved financial outcome. If both factors continue, it should be possible to achieve greater savings. It is, however, anticipated that the recruitment of new in-house foster carers will reduce the overspend by £0.200m.
69	Demand-Led - Secure Accommodation	It is estimated that during 2016/17 there will be 1.47 FTE secure (welfare) placements and 0.76 FTE secure (justice) placements. The budget allowed for 1.00 FTE welfare and 1.00 FTE justice placements during the year. There are currently two children in a secure (welfare) placement and none in a secure (criminal) placement resulting in a projected overspend of £0.069m.	Secure placements are only used as a last resort. They are used when deprivation of a young person's liberty is the only solution which will enable work to start to keep them safe on exit from the unit. The Adolescent Service is being successful in reducing the risk and stepping down needs and it is planned that the service will be able to impact on the number of young people requiring secure placements.
212	Demand-Led - Semi-independent/Supported placements	The number of semi-independent and supported living placements is projected to be 20.65 FTE and this is 2.15 FTE above the budgeted level. In addition, the average unit cost of these placements is £109.74 per week higher than the budget and this results in an overspend of £0.212m.	It will be difficult to achieve any savings in this area due to pressures elsewhere in the system.

Appendix 2 – Revenue Budget Performance

Key Variances			
£'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
(189)	Demand-Led - In-House Fostering	As at the 31st August 2016 there were 151 children placed with 'in-house' foster carers. The budget was based on an increasing trend over the last few years and was set at 156.50 FTE placements. This has resulted in the current projected underspend of £0.189m. There is currently work ongoing to increase the number of in-house foster carers and this should result in a net reduction in costs.	The project will try to increase the number of in house foster carers by more than predicted.
(105)	Demand-Led - Family & Friends placements, Child Arrangement Orders and Special Guardianship Orders	The budget allows for 310.00 FTE placements of these types. It is currently anticipated that there will be 294.51 FTE children in these placements during 2016/17 and this results in the underspend of £0.105m.	
305	Demand-Led - Care Leavers	The projected number of care leaver placements in 2016/17 is 77.51 FTE. The budget allows for 58.10 FTE placements. The increase mainly relates to growing numbers of Staying Put placements (46.35 FTE in 2016/17). In addition, the average unit cost is also higher than the budget resulting in an overall overspend of £0.305m.	The right of 18 year olds to decide to 'Stay Put' with their foster carers is a requirement on the service and one which we are tasked to encourage as in the best interests of young people. We do not anticipate this spend reducing. The current Social Work Bill is likely to lead to increased pressure in this area.

Appendix 2 – Revenue Budget Performance

Key Variances			
£'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
276	Social Work Teams	The overspend within the social work teams relates predominantly to use of agency staff. This is a result of a large number of vacant posts across the social work teams at present and a difficulty in retaining experienced staff. There are currently 26 locum social workers employed within the social work service resulting in additional costs of £1.825m. It is anticipated that the new measures designed to improve recruitment and retention of social workers will reduce this overspend.	The new model for social work adopted in Brighton & Hove has attracted a lot of interest from social workers from other areas and those employed as agency staff currently. With the potential agreement to a market supplement payment, it is hoped that it will be possible to achieve further reductions in agency spend.
(413)	Adoption	Following changes to adoption regulations and a re-basing of the inter-agency budget, it is anticipated that there will be an underspend in 2016/17. This is based on estimated income from other agencies which was considerably higher last year than in previous years. In addition, it includes income from the new Inter Agency Adoption Fee Grant.	
(82)	Fostering and Adoption teams	There are currently a number of vacant posts across the fostering and adoption teams.	

Health & Adult Social Care

Revenue Budget Summary

2016/17 Month 2 Variance £'000	Service	2016/17 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %	2016/17 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
3,198	Adult Social Care	46,272	49,917	3,645	7.9%	4,385	4,185	200
125	Provider Services	12,091	12,333	242	2.0%	1,369	1,071	298
(100)	Integrated Commissioning	8,687	8,545	(142)	-1.6%	159	159	0
236	S75 Sussex Partnership Foundation Trust (SPFT)	11,634	11,866	232	2.0%	246	246	0
0	Public Health	1,242	1,167	(75)	-6.0%	1,096	1,096	0
3,459	Total Health & Adult Social Care	79,926	83,828	3,902	4.9%	7,255	6,757	498

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

Key Variances £'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
2,233	Demand-Led Community Care - Learning Disability	<p>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 Direct Payments which have shown a significant increase in activity since April 2015.</p> <p>The variance assumes a £0.257m realignment of the budget allocated for the increase in Care Home Fees, to the</p>	<p>Continued review of care packages to ensure provision of services is effective, appropriate and value for money. Making the best use of in-house resources is also critical. Continued exploration of ways to reduce the need for high cost care and admissions into residential homes.</p> <p>Also, talking to NHS colleagues regarding the impact of the transforming care programme.</p>

Appendix 2 – Revenue Budget Performance

Key Variances			
£'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
		Physical Support Community Care budget. Policy, Resources & Growth Committee approval is required for this virement as it is in excess of £0.250m.	
709	Demand-Led Community Care - Physical & Sensory Support	The number of WTE care packages is significantly greater than the budgeted level. This is partly the result of increasing numbers of 'new' older people being discharged from hospital requiring social care services for the first time, as well as increased community demand.	Numbers of clients requiring social care services have been higher than anticipated and work is ongoing to look at reducing admissions to nursing and residential homes. There is a need to work with all partners both NHS and independent sector to promote well being and reablement.
44	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 costs however are slightly higher than anticipated and this accounts for the small overspend.	
660	Deprivation of Liberty Safeguarding (DOLS)	The level of new referrals increased significantly in the last half of 2015/16, rising from 122 in October 2015 to 190 in April 2016. It is estimated that referrals will increase by 25% in 2016/17 to just fewer than 3,100 for new and repeat referrals.	This is a key pressure area for which additional resources will be required and in future years will need to be mitigated by either additional resources (e.g. Adult Social Care precepts) or by savings elsewhere.
(82)	Carers Support	More efficient use of Better Care Fund resources will result in an underspend in the carers support budget.	
Provider Services			
137	Older people resource centres	The overspend relates to use of Care Crew agency staffing pressures across the resource centres.	Reviewing staffing levels and the use of Care Crew.

Appendix 2 – Revenue Budget Performance

Key Variances			
£'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
197	Supported employment	The income target for supported employment has risen significantly in the last few years to £0.490m. The level of sales being generated however is considerably below the required rate and it is anticipated that there will be a shortfall of £0.197m in 2016/17.	Review of the service and exploring ways to maximise income revenue streams.
46	Respite Services	There are increasing staff costs within this service to manage emergency placements at Beach House for clients with high needs.	
Integrated Commissioning			
(118)	Carers Support	More efficient use of Better Care Fund resources will result in an underspend in the Carers Support budget.	
(57)	Contracts	A review of contracts across the service has identified savings of £0.057m mainly within community meals.	
S75 Sussex Partnership Foundation Trust (SPFT)			
299	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 £0.299m. This is due to a current lack of affordable residential and nursing home placements within the city.	Increased scrutiny of all complex or high cost care packages to ensure value for money against eligible care needs. Where possible, no placements are made above the agreed Local Authority rates. The Clinical Commissioning Group (CCG) have agreed additional funding of £0.850m to offset the risks on the Community Care budget. The Risk Share arrangement with SPFT assumes a 50:50 split of any remaining overspend. A Continuing Health Care Taskforce is in place to ensure that all appropriate funding

Appendix 2 – Revenue Budget Performance

Key Variances			
£'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
265	Demand-Led - Mental Health Support	Numbers of WTE clients are lower than the budget allocation but the average unit costs are significantly higher due to the increasing need and complexity of this client group and it is this that results in the overspend of £0.265m.	sources are identified.
(100)	Staff teams	Underspends resulting from vacancies and turnover.	
(232)	Demand-Led - SPFT risk share	The risk share arrangements with SPFT have been agreed for two years. The risk will be shared 50/50 with a cap at £0.250m, the breaching of which would trigger further negotiations with the CCG.	
Public Health			
(89)	Staffing	There are a number of vacant posts across Public Health (including that of the Director) resulting in an in year saving of £0.089m	

Economy, Environment & Culture

Revenue Budget Summary

2016/17 Month 2 Variance £'000	Service	2016/17 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %	2016/17 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
(175)	Transport	(6,181)	(6,613)	(432)	-7.0%	980	813	167
(44)	City Environmental Management	28,365	28,373	8	0.0%	1,330	1,330	0
147	City Development & Regeneration	2,787	2,946	159	5.7%	226	216	10
25	Culture	4,403	4,330	(73)	-1.7%	572	469	103
74	Property	4,021	4,090	69	1.7%	789	769	20
27	Total Economy, Environment & Culture	33,395	33,126	(269)	-0.8%	3,897	3,597	300

Explanation of Key Variances

Key Variances £'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
189	Head of Transport	The implementation of the service redesign is now anticipated later than originally planned resulting in a savings risk of £0.167m. There is also a £0.022m variance for the planned recruitment of a Commercial Manager post to support actions identified in the service and financial plans.	Various vacancies are being held across the Transport service area pending the service redesign.

Key Variances			
£'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
(356)	Parking & Network Operations	Forecast over-achievement of permit fee income of £0.503m due to continued uptake, particularly relating to traders and visitors permit parking, is partly offset by a salary variance of £0.102m to meet demands for parking permits and clear back log of Penalty Charge Notice challenges. Forecast under-achievement on other parking income of £0.156m where there has been a shift to more permitted parking. Net underspending on car park expenditure of £0.111m is largely due to reduced borrowing costs of historic refurbishment schemes.	
(225)	Transport Projects	Various underspend variances include reduced borrowing and other public transport related costs (£0.076m), one-off contractual income from the bus shelter contract (£0.072m), and reduced contribution to the Sussex Safer Roads Partnership (£0.051m) in addition to the saving proposal following a change to partnership funding.	
City Development & Regeneration			
234	Applications	Forecast under achievement on Development Planning and Building Control fee income of £0.143m based on current demand forecasts and delays to implementing pre-planning application advice charges. Net salary overspend forecast of £0.091m to support the improvement of service performance and meet government set timescales to respond to planning applications.	Income levels are demand led and dependant on the number of applications and major developments in the City. The service plans to introduce charges for minor and other pre-planning advice in January 2017. Potential mitigating actions are not currently possible due to pressure on the service to meet government set timescales for respond to planning applications.

Appendix 2 – Revenue Budget Performance

Key Variances			
£'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
54	Head of City Development & Regeneration	Interim management services provided by external agency to support service modernisation and transformation.	
(86)	Planning Policy and Major Projects	Underspends in salary costs due to vacancies being held during a service restructure.	
Culture			
24	Royal Pavilion and Museums	An overspend of £0.040m in relation to the savings at risk, due to the delay in the implementation of the extension of cultural exemption to other sites. Unachievable one off savings of £0.063m relating to sinking fund contributions for The Keep.	Overspends will be partially offset by one-off grant income of £0.056m and managed within other expenditure budgets within the service.
(63)	Tourism	Vacancy management underspend of £0.052m to allow for business planning and service delivery review, and increased Conference Commission income of £0.011m	
Property			
202	Estates	Despite a slight improvement in the rental forecast on New England House and Contracted Property portfolio currently other net rent income pressures still total £0.134m. This includes £0.020m of savings at risk which are subject to economic and market conditions. Also, additional business rate bills for Corporate Landlord properties have led to a £0.068m pressure on the estates budget.	Rent income forecasts are monitored and reported on a monthly basis as part of the TBM process. The managing agents acting on behalf of the council seek to maximise the level of rental income from the commercial portfolio.

Appendix 2 – Revenue Budget Performance

Key Variances £'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
(133)	Property Services	There are underspends within the Energy Management service of £0.017m, £0.036m Utility savings under Corporate Landlord and other services adding a further underspends of £0.080m	

Neighbourhood, Communities & Housing

Revenue Budget Summary

2016/17 Month 2 Variance £'000	Service	2016/17 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %	2016/17 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
152	Housing General Fund	4,499	4,663	164	3.6%	582	582	0
0	Libraries	4,968	4,968	0	0.0%	309	309	0
100	Communities, Equalities & Third Sector	2,985	3,075	90	3.0%	208	108	100
(4)	Regulatory Services	1,983	1,979	(4)	-0.2%	154	154	0
0	Community Safety	1,260	1,260	0	0.0%	133	133	0
248	Total Neighbourhood, Communities & Housing	15,695	15,945	250	1.6%	1,386	1,286	100

Explanation of Key Variances

Key Variances £'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
Housing General Fund			
277	Demand-Led - Temporary Accommodation and Allocations	This service is currently forecasting to overspend by £0.820m due to the lack of accommodation to move people on to because of the short supply of affordable alternative accommodation. Therefore a Financial Recovery Plan has been developed which aims to bring the spend within budget, However, approximately £0.277m is at risk of not being achieved and is therefore forecast as an overspend risk at this time.	Currently the service is forecast to overspend by £0.820m but a financial recovery plan has been developed including the use of reserves, use of DCLG money for early prevention work, vacancy management, and a change in the allocation of supported beds by Adult Social Care which aims to keep costs within budget. There are other compensating underspends within Housing which will alleviate some of this overspend and other means of mitigating this overspend are being considered.

Appendix 2 – Revenue Budget Performance

Key Variances			
£'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
(74)	Private Sector Housing	This underspend is the result of vacancies within the Private Sector Housing team and an increase in the recharge of salaries to capital for the adaptations service	
(39)	Housing Strategy	This relates to the service redesign taking place earlier than originally planned leading to reduced employee costs in 2016/17.	
Communities, Equalities & Third Sector			
90	Communities, Equalities & Third Sector	The projected variance reflects the cross-cutting saving (£0.200m) from the proposed merger with Community Safety in Public Health of which £0.100m is currently at risk. £0.110m is currently being managed through vacancy management.	The service is currently considering ways to mitigate this overspend.

Finance & Resources

Revenue Budget Summary

2016/17 Month 2 Variance £'000	Service	2016/17 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %	2016/17 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
(242)	Finance	10,996	10,987	(9)	-0.1%	810	810	0
(250)	Housing Benefit Subsidy	(676)	(1,026)	(350)	-51.8%	0	0	0
42	HR & Organisational Development	3,084	3,126	42	1.4%	335	335	0
0	ICT	7,253	7,253	0	0.0%	434	434	0
(450)	Total Finance & Resources	20,657	20,340	(317)	-1.5%	1,579	1,579	0

Explanation of Key Variances

Key Variances £'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
(350)	Housing Benefit Subsidy	£0.200m (previously £0.100m) relates to the recovery of former Council Tax Benefit overpayments. There is not sufficient data available yet to make a detailed forecast on the main subsidy budgets, but based on last year's outturn a surplus of £0.150m can be forecast.	

Strategy, Governance & Law

Revenue Budget Summary

2016/17 Month 2 Variance £'000	Service	2016/17 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %	2016/17 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
0	Corporate Policy	917	887	(30)	-3.3%	167	167	0
(6)	Legal Services	1,574	1,574	0	0.0%	105	105	0
0	Democratic & Civic Office Services	1,575	1,564	(11)	-0.7%	85	85	0
48	Life Events	27	128	101	374.1%	212	152	60
0	Performance, Improvement & Programmes	881	881	0	0.0%	46	46	0
0	Communications	669	679	10	1.5%	140	140	0
42	Total Strategy, Governance & Law	5,643	5,713	70	1.2%	755	695	60

Explanation of Key Variances

Key Variances £'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
Life Events			
81	Registrars	Staffing cost pressures within the Registrars Service.	The Head of Life Events and Registrations Manager are progressing a service redesign in this area.
13	Elections	Staffing cost pressures within Elections Service.	A review of the costs and funding for the Elections Service will be undertaken following the EU referendum.
7	Bereavement Services	Cremation fee income pressure £0.100m, Vacancy management of £0.062m, maintenance underspends £0.020m, other underspends £0.011m	There is to be a further review of fees and charges

Corporate Services

Revenue Budget Summary

2016/17 Month 2 Variance £'000	Service	2016/17 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %	2016/17 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
(250)	Bulk Insurance Premia	0	(250)	(250)	0.0%	0	0	0
(44)	Concessionary Fares	10,933	10,903	(30)	-0.3%	240	240	0
0	Capital Financing Costs	6,705	6,611	(94)	-1.4%	0	0	0
(1)	Levies & Precepts	172	171	(1)	-0.6%	0	0	0
0	Unallocated Contingency & Risk Provisions	3,516	3,516	0	0.0%	0	0	0
(146)	Unringfenced Grants	(15,495)	(15,641)	(146)	-0.9%	0	0	0
(217)	Other Corporate Items	1,618	1,401	(217)	-13.4%	270	270	0
(658)	Total Corporate Budgets	7,449	6,711	(738)	-9.9%	510	510	0

Explanation of Key Variances

Key Variances £'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
Bulk Insurance Premia			
(250)	Bulk Insurance Premia	Expenditure on the settlement of claims is forecast to be lower than budgeted.	
Concessionary Fares			
(30)	Concessionary Bus Fares	Lower than anticipated reimbursements for concessionary trips.	

Appendix 2 – Revenue Budget Performance

Key Variances			
£'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
Capital Financing Costs			
(94)	Capital Financing Costs	Additional net borrowing costs of £0.147m will be incurred as a result of bringing forward borrowing to take advantage of historically low borrowing rates (this is expected to make permanent savings of £0.085m per year). This is offset by an increase in forecast investment income as a result of higher forecast investment balances than previously expected. There is also a budgeted contribution to Trusts of £0.080m that is accounted for in another budget line and is no longer required.	Overspending is offset by an increase in forecast investment income (see below).
Unringfenced Grants			
(146)	Unringfenced Grants	Council Tax Support Admin Subsidy Grant announced in March 2016 is higher than forecast (£0.078m). Local Reform & Community Voices grant announced in April 2016 is higher than forecast (£0.068m).	
Other Corporate Items			
(217)	Unfunded Pension Payments	There is a £0.123m underspend relating to overpayments identified in respect of previous years and £0.094m in respect of an in year reduction.	

Housing Revenue Account (HRA)

Revenue Budget Summary

2016/17 Month 2 Variance £'000	Service	2016/17 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %	2016/17 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
0	Capital Financing	31,916	31,791	(125)	-0.4%	0	0	0
(0)	Head of Housing HRA	3,197	3,190	(7)	-0.2%	385	385	0
(27)	Head of City Development & Regeneration	264	225	(39)	-14.8%	37	37	0
0	Housing Strategy	664	659	(5)	-0.8%	0	0	0
(12)	Income Involvement Improvement	(49,449)	(49,481)	(32)	-0.1%	239	239	0
(274)	Property & Investment	11,557	10,963	(594)	-5.1%	348	348	0
43	Tenancy Services	1,851	1,789	(62)	-3.3%	384	384	0
(270)	Total Housing Revenue Account	0	(864)	(864)	0.0%	1,393	1,393	0

Explanation of Key Variances

Key Variances £'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
(125)	Capital Financing	Significant reprofiling of HRA capital expenditure from 2015/16 into 2016/17 impacts on the timing of when borrowing is required to be undertaken to fund the expenditure. This has resulted in lower interest charges being incurred during 2016/17 compared to the original budget forecast.	

Appendix 2 – Revenue Budget Performance

Key Variances			
£'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
Property & Investment			
(120)	Responsive Repairs	This underspend relates to a reduction in responsive repairs expenditure due to the increased capital investment in council dwellings over recent years as well as reducing stock numbers from Right to Buy sales and stock transfer to Seaside Homes.	
(450)	Gas servicing and maintenance	Estimated contract efficiency savings relating to new gas contract which commenced on 1 April 2016.	
Tenancy Services			
(62)	Tenancy Management Property Costs	Forecast underspend of £0.105m for gas and electricity charges which has been offset by various minor variations across Tenancy Services.	

Dedicated Schools Grant (DSG)

Revenue Budget Summary

2016/17 Month 2 Variance £'000	Service	2016/17 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %
0	Individual Schools Budget (ISB)	123,389	123,389	0	0.0%
0	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>	10,605	10,565	(40)	-0.4%
119	High Needs Block (excluding delegated to Schools)	18,403	18,471	68	0.4%
(22)	Exceptions and Growth Fund	5,298	5,261	(37)	-0.7%
0	Grant Income	(157,263)	(157,263)	0	0.0%
97	Total Dedicated Schools Grant (DSG)	432	423	(9)	-2.1%

Explanation of Key Variances

Key Variances £'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
Early Years Block (including delegated to Schools)			
(40)	2 year old funding	Latest estimate of 2 year old payments for EYFE based on summer 2016.	
High Needs Block (excluding delegated to Schools)			
232	Maintained schools top up funding	High Needs top up to maintained schools (mainstream and special) is higher than budgeted.	A review of top up funding to primary and secondary schools will take place and a report will be prepared for DMT incorporating a number of proposals to address the ongoing pressure.

Appendix 2 – Revenue Budget Performance

Key Variances			
£'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
50	DSG contributions	Unanticipated DSG contribution to meet General Fund pressures.	
(49)	Other	Unallocated 2015/16 budget brought forward.	
(44)	Other	Savings from Learning Support Service review	
(105)	One to One support	Budget now not allocated to support schools.	
Exceptions and Growth Fund			
(33)	Exception 1	Mainly school reimbursement for union duties, jury service and suspension.	
(17)	Exception 1	Additional charges to schools for Newly Qualified Teacher service	
13	Other	Miscellaneous minor overspends	