

Families, Children & Learning

Revenue Budget Summary

Forecast Variance Month 7 £'000	Service	2019/20 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	Forecast Variance Month 9 %	2019/20 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
0	Director of Families, Children & Learning	92	92	0	0.0%	116	116	0
776	Health, SEN & Disability Services	39,971	40,590	619	1.5%	1,007	953	54
675	Education & Skills	7,406	8,325	919	12.4%	318	261	57
(2,215)	Children's Safeguarding & Care	40,471	37,913	(2,558)	-6.3%	1,800	1,800	0
8	Quality Assurance & Performance	1,441	1,437	(4)	-0.3%	79	70	9
(756)	Total Families, Children & Learning	89,381	88,357	(1,024)	-1.1%	3,320	3,200	120

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

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
Health, SEN & Disability Services		
236	Demand Led - Children's Disability Placements	The projected number and unit costs of residential children's placements are both in excess of budgeted provision. This is due to the breakdown of several foster placements and the requirement to make additional high cost residential placements in 2019/20.
150	Adults LD - loss of continuing health care funding	The CCG is reviewing health needs of high cost clients and this is currently having an adverse impact of the Adults LD social care budget. Negotiations with the CCG are ongoing.
519	In-house disability services	There is an underlying pressure in both Children's and Adults in-house services. In particular, this relates to Drove Road and Beach House where services are being required to provide exceptionally high levels of support and accommodate emergency placements.
(163)	Adults LD - community care	The main Community Care budget is forecasting an underspend of £0.163m (0.5% of the net budget). The average unit cost is marginally below budget provision and client numbers are also slightly reduced in comparison to budget and anticipated growth.
193	Direct Payments	There continues to be a pressure on the direct payments budget as there is an increase in both the numbers and unit costs.
(195)	Disability Service redesign	High number of vacancies and significant turnover as part of the transition to a new disability services structure.

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Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
(121)	Other	This relates to various other underspends across the Health, SEN and Disability branch including children's disability contracts budgets, the SEN team due to staff turnover, the disability admin teams due to vacancies, and the Community Support Service.
Education & Skills		
969	Home to School Transport	For 2019/20, based on previous information, the latest position indicates a £0.969m overspend. The impact of operators returning routes at short notice and adjustments to arrangements due to difficulties with the implementation of new home to school transport routes has meant the estimated cost of provision has increased. The need to act quickly has meant additional costs and higher journey prices are being charged while the current issues are worked through for the longer term. Approximately 50 extra journeys are now being commissioned daily.
(50)	Other	This relates to an underspend of £0.063m in Skills and Employment and other small underspends, off-set by the non-achievement of PFI contract savings of £0.040m input for the contract review work originally planned for 2019/20. An underspend of £0.175m was previously reported in respect of the Troubled Families grant. For 2020/21, the allocation of this grant is reducing by £0.185m and therefore, to manage the transition and maintain this preventative service, the Committee's approval is sought to carry forward the unspent balance from 2019/20 as required by Financial Regulations. The forecast here assumes that the request is approved.
Children's Safeguarding & Care		
(1,027)	Demand-Led - Residential Agency Placements	The projected number of residential placements (27.78 FTE) is broken down as 24.78 FTE social care residential placements (children's homes) and 3.00 FTE schools placements. The budget allowed for 30.00 FTE social care residential care placements and 3.50 FTE schools placements. The average unit cost of residential placements is slightly higher than the budgeted level at £3,800.73 per week (£14.99 per week above budget). The combination of the number of children placed being 5.72 FTE below the budgeted level and the unit costs result in the underspend of £1.027m.
(41)	Demand-Led - Independent Foster Agency (IFA) Placements	The number of children placed in Independent Foster Agency placements has decreased in recent years. During 2018/19 there were 98.73 FTE (compared with 118.68 FTE for 2017/18). The current projected number of placements in 2019/20 is 87.81 FTE, a reduction of 11.1%. The budget for IFA placements included significant levels of savings and was set at 86.10 FTE. The average unit costs are lower than the budget by £25.77 and this, off-set by the numbers being slightly higher than the budget by 1.71 FTE results in a projected underspend of £0.041m.

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Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
9	Demand-Led - Secure Accommodation	It is estimated that during 2019/20 there will be 1.28 FTE secure (welfare) placements and 0.33 FTE secure (justice) placements. The budget allowed for 1.30 FTE welfare and 1.00 FTE justice placements during the year. There is currently one child in a secure (welfare) placement and none in a secure (justice) placement resulting in a projected overspend of £0.009m.
601	Demand-Led - Semi-independent/Supported placements	The number of semi-independent and supported living placements is projected to be 33.21 FTE and this is 8.61 FTE above the budgeted level. The average unit cost of these placements is currently below the budget. The higher forecast number of placements results in the overspend of £0.601m.
(328)	Demand-Led - In-House Fostering	As at the 31 December 2019 there were 148 children placed with 'in-house' foster carers and 145.33 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 153.60 FTE placements. This has resulted in the current projected underspend of £0.328m.
180	Demand-Led - Family & Friends placements, Child Arrangement Orders and Special Guardianship Orders	The budget allows for 332.90 FTE placements of these types. It is currently anticipated that there will be 336.57 FTE children in these placements during 2019/20 and this results in the overspend of £0.180m.
(745)	Demand-Led - Care Leavers	The projected number of care leaver placements in 2019/20 is 107.38 FTE. The budget allows for 160.10 FTE placements. The average unit cost of placements is also lower than budgeted and this has resulted in the underspend of £0.745m.
(378)	Demand-Led Unaccompanied Asylum Seeking Children (UASC) Teams, Living Expenses and Grant	The numbers of unaccompanied asylum seeking children has increased considerably in the last couple of years. The increase in the number of asylum seekers has required additional staffing and also an increase in other, non-accommodation living costs. The costs of looking after these children is funded by a grant from the Home Office and this has increased in 2019/20 by 25% resulting in the underspend on core funding of £0.378m.
77	Social Work Pods	The forecast variance accounts for current vacancies, the recruitment of newly qualified social workers in September and assumed staff turnover. An overspend of £0.202m is reported against the Partners in Change initiative as, the projected savings assumed in the Business plan are yet to be identified against the social work establishment and legal fees.
(253)	Preventive/S17	There is a significant underspend projected across the Preventive budgets. It is anticipated that, with continued scrutiny and current controls on spending, a year end underspend will be realised in 2019/20.
(351)	Adoptions	Based on current family finding activity and children looking for adoption the projected

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Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
		outturn on Interagency Adoptions is an underspend of £0.244m and there are other underspends of £0.130m. Based on the current schedule of supported cases Adoption allowances are forecast to overspend by £0.023m.
(30)	Legal fees	Underspend predominantly relates to forecast spend on court fees for the remainder of the year based on previous years trends.
(125)	Adolescent Service	The underspend relates to vacant posts and turnover.
(90)	Contact Service	The underspend reported assumes a full staffing establishment and a reduction in the use of sessional contact workers.
(65)	Specialist Assessment and Domestic Violence Service	Staff Turnover, a projected underspend against specialist assessment costs (DNA, Medical, Psychological etc.) and the reduction to 0.4 FTE of the Clinical Psychology commission indicate an underspend of £0.065m at Month 9.
8	Other	This relates to minor variances across the branch.
Quality Assurance & Performance		
(4)	Other	This relates to minor underspends across the branch.

Health & Adult Social Care (HASC)

Revenue Budget Summary

Forecast Variance Month 7 £'000	Service	2019/20 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	Forecast Variance Month 9 %	2019/20 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
3,920	Adult Social Care	32,924	36,966	4,042	12.3%	2,886	2,327	559
61	S75 Sussex Partnership Foundation Trust (SPFT)	16,362	16,225	(137)	-0.8%	699	626	73
702	Integrated Commissioning	9,275	9,960	685	7.4%	455	455	0
0	Public Health	399	399	0	0.0%	314	313	1
4,683	Total Health & Adult Social Care	58,960	63,550	4,590	7.8%	4,354	3,721	633
(534)	Further Financial Recovery Measures (see below)	-	(66)	(66)	-	-	-	-
4,149	Residual Risk After Financial Recovery Measures	58,960	63,484	4,524	7.7%	4,354	3,721	633

Explanation of Key Variances

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
Further Directorate Financial Recovery Measures		
(66)	Further Financial Recovery Measures projection	Recovery measures are primarily aimed at cost avoidance actions to try and contain pressures and restrict further growth in costs this year. However, modest potential cost reductions are expected to be achievable from ongoing targeted reviews and this is reflected here.
Adult Social Care		
3,989	Demand-Led Community Care - Physical & Sensory Support	There continue to be 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 Adult Care Support Grant and Improved Better Care fund for 2019/20. The forecast number of placements/packages is 2,344 WTE, which is 134 WTE above the budgeted level of 2,210 WTE placements. The average unit cost of a placement/package is also higher than the budgeted level at £196 per week (£29 per week above budget per

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Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
		<p>client). The combination of the number of adults placed being 134 WTE above the budgeted level and the increased unit costs result in the overspend of £4.429m. There has been a significant reduction in NHS Continuing Health Care (CHC) contributions over the last 3 financial years where in 2016/17 £0.602m was achieved (26 clients at £564 per week on average) but this reduced to £0.174m in 2017/18, £0.316m in 2018/19 and £0.175m to date in 2019/20 (13 clients at £347 per week). A risk provision of £0.300m has been included due to system control issues following the implementation of new software in April 2018, which have been identified and are being addressed. The provision relates to potential under-recovery of costs in home care services.</p>
204	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 £0.204m.
(556)	Assessment teams	This is due to a number of temporary vacancies across the Assessment teams.
440	Sustainable Social Care	£0.440m of the overall £1.000m corporate Sustainable Social Care savings target has been allocated to HASC.
(56)	In house services	Due to temporary staff vacancies.
21	Other	
S75 Sussex Partnership Foundation Trust (SPFT)		
(328)	Demand-Led - Memory Cognition Support	<p>The unit cost is lower than had been anticipated resulting in the underspend projection of £0.328m (before applying the agreed risk-share with Sussex Partnership Foundation Trust). The forecast number of placements/packages is 391 WTE which is below the budgeted level of 399 WTE placements. The average unit cost is lower than the budgeted level at £299 per week (£9 per week below budget).</p>
142	Demand-Led - Mental Health Support	<p>The number of forecast placements are higher than budgeted and this results in the overspend projection of £0.142m (before applying the agreed risk-share with Sussex Partnership Foundation Trust). There is an increasing need and complexity within this client group and the forecast number of placements/packages is 439 WTE, which is above the budgeted level of 418 WTE placements. The average unit cost of a placements/package is lower than the budgeted level at £300 per week (£8 per week less than the budget per client).</p>
49	Staffing Teams	This is due to an increase in overtime hours within the Approved mental Health Professional (AMHP) Service.

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Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
Integrated Commissioning		
800	External Funding	Brighton & Hove CCG made a recurrent reduction of £1.100m to Council services in 2018/19. At that time, council reinvestment funding of £0.300m was available to partially mitigate the reduction but ongoing pressures across the service mean that further mitigation within the service has not been possible, resulting in a net pressure of £0.800m.
(99)	Contracts	Due to delays in commissioning process for new service.
(16)	Other	

Economy, Environment & Culture

Revenue Budget Summary

Forecast Variance Month 7 £'000	Service	2019/20 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	Forecast Variance Month 9 %	2019/20 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
(1,025)	Transport	1,063	(559)	(1,622)	-152.6%	1,167	1,167	0
1,460	City Environmental Management	30,406	31,746	1,340	4.4%	96	96	0
174	City Development & Regeneration	2,969	3,113	144	4.9%	224	224	0
25	Culture, Tourism & Sport	3,982	3,974	(8)	-0.2%	316	316	0
66	Property	(626)	(1,139)	(513)	-81.9%	120	120	0
700	Total Economy, Environment & Culture	37,794	37,135	(659)	-1.7%	1,923	1,923	0
(715)	Further Financial Recovery Measures (see below)	-	0	0	-	-	-	-
(15)	Residual Risk After Financial Recovery Measures	37,794	37,135	(659)	-1.7%	1,923	1,923	0

Explanation of Key Variances

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
Further Directorate Financial Recovery Measures		
	Financial Recovery Plan	The financial recovery measures proposed at Month 7 and the impact of spending controls have now been fully reflected in the service forecasts.
Transport		
(1,350)	Parking Services	Forecasts based on parking income generated to date suggest a net overachievement of (£1.220m) in 2019/20. This is substantially due to higher than budgeted Penalty Charge Notice, on-street parking income and parking suspension income. It should be noted that parking income is demand led and difficult to predict and minor variations in demand can and do result in significant changes in income achieved. Forecasts are regularly reviewed throughout the year. The forecast includes £0.038m additional pressure following approval of the Independent Remuneration Panel's recommendation to retain Members parking permits at Norton Road and The Lanes car parks. Various other less significant favourable variances total approximately (£0.170m).

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Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
(150)	Concessionary Bus Fares	The Concessionary Bus Fares budget is forecast to underspend due to lower than budgeted agreed contract costs.
(272)	Traffic Management	A forecast overachievement of income from hoardings, tables and chairs and A boards of £0.216m and an overachievement of Temporary Traffic Regulation Orders of £0.120m are partially offset by planned improvements to George Street, Hove and encampment protections in King's Place of £0.061m, higher than budgeted highway licensing software costs of £0.020m and a contribution towards Pride transport measures at Brighton station of £0.010m.
150	Transport Projects and Engineering	Bus shelter advertising receipts are forecast to exceed budget by £0.145m and are more than offset payments to bus operators which are forecast to exceed budget by £0.110m and bus shelter building works of £0.173m.
City Environmental Management		
750	City Clean	The forecast overspend is substantially the result of higher than budgeted staff costs due to additional communal bin rounds/additional collection drivers and operatives; increased costs following the fire at the Hollingdean Waste Transfer Station; and operational support for City Parks. In addition, the latest forecast for commercial services (trade and garden waste) is to be on target.
550	Fleet & Maintenance	£1.050m over budget for vehicle costs/hire, staffing and other costs (including £0.100m for external consultants to meet statutory requirements) partly offset by higher than budgeted income of £0.200m) and lower than budgeted unsupported borrowing costs of (£0.300m). Vehicle costs are forecast to be lower than 2018/19 (with the exception of vehicle hire costs).
140	Strategy & Projects	An overspend is forecast on public conveniences cleaning contract costs £0.060m and underachievement of income against budget of £0.080m.
(100)	City Parks	City Parks is forecast to underspend against budget for 2019/20 largely due to vacancies and the result of spending controls.
City Development & Regeneration		
125	Developmental Planning	Additional expenditure required on agency staff and consultants to support the large number of major developments in the city.
60	Assistant Director - EEC	The forecast overspend of £0.060m is the agreed ongoing contribution to Legal Services for a permanent additional contracts lawyer to assist with EEC projects and contracts. The 2018/19 contribution was funded by a one-off allocation from capital funds. The ongoing contribution is unbudgeted and requires funding on a recurring basis.
(11)	Planning Policy and Major	Minor net variation.

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Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
	Projects	
(18)	Business Development and Customer Services	Minor net variation.
(12)	Sustainability & International	Minor net variation.
Culture, Tourism & Sport		
0	Arts	Forecast on budget.
(2)	Royal Pavilion and Museum	Minor net variation.
(27)	Sport and Leisure	Reduced expenditure due to controls in place.
0	Tourism and Marketing	Forecast on budget.
21	Venues	Minor net variation.
Property		
(513)	Property and Design	Unauthorised occupation of vacant buildings and managing tent encampments has put unforeseen and ongoing pressures on Premises Security budgets, plus the growing number of requests for emergency tree work is still putting pressure on the Maintenance budgets but there have been some significant changes and improvements in other areas to mitigate this. Following the latest quarterly review the estimated cost of Corporate Landlord Utilities has reduced by £0.100m and in-year staffing vacancies mean that the annual Planned Maintenance Budget is now expected to be underspent by £0.100m. The initial rental income pressures on Estates have also now been mitigated by the income generated from the purchase of Lyndean House and Phoenix House and recent favourable rent reviews on the commercial portfolio have led to unforeseen backdated rent income for several properties in excess of £0.400m.

Housing, Neighbourhoods and Communities

Revenue Budget Summary

Forecast Variance Month 7 £'000	Service	2019/20 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	Forecast Variance Month 9 %	2019/20 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
1,230	Housing General Fund	5,350	6,461	1,111	20.8%	143	143	0
(30)	Libraries	4,650	4,620	(30)	-0.6%	231	231	0
0	Communities, Equalities & Third Sector	2,872	2,872	0	0.0%	121	121	0
0	Safer Communities	2,518	2,418	(100)	-4.0%	458	458	0
1,200	Housing, Neighbourhoods & Communities	15,390	16,371	981	16.1%	953	953	0
(1,230)	Further Financial Recovery Measures (see below)	-	(1,164)	(1,164)	-	-	-	-
(30)	Residual Risk After Financial Recovery Measures	15,390	15,207	(183)	-1.2%	953	953	0

Explanation of Key Variances

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
Further Directorate Financial Recovery Measures		
(1,164)	Further Financial Recovery Measures projection	Housing General Fund services have a challenging savings target which is only partly met together with a forecast overspend in Temporary Accommodation. There are a range of ongoing measures being put in place in Temporary Accommodation to deliver a balanced and sustainable budget. However, if these measures are unsuccessful this year, the Flexible Homelessness Support Grant can be used as a last resort to mitigate any final in-year overspend.
Housing General Fund		
288	Housing General Fund savings	There are £0.250m of savings required of the Housing General Fund (some from 2017/18) to be identified and £0.038m administrative support savings unmet for the directorate.
864	Temporary Accommodation	The forecast overspend is the result of higher than budgeted volumes and costs of temporary accommodation due to continuing local pressures and bedding in the statutory requirements of the Housing Reduction Act. The number of households in temporary accommodation reduced by 208 to 1,495 by the end of 2018/19 but has not continued to

Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
		decrease to the expected levels. The service continues to work to reduce the volume of households in temporary accommodation by focusing on earlier prevention of homelessness and using available grant funding to transform the service. The service is on track to increase the number of households prevented from becoming homeless compared to 2018/19 and has also increased the number of households moving into private rented accommodation. Targeted moves to social housing are being achieved in relation to the Allocation Plan but numbers in temporary accommodation remain higher than anticipated. While leased accommodation was reduced in anticipation of a reduction in numbers of households, which did not reduce as quickly, the impact has been an increased use of spot purchase accommodation. Work is underway to increase leased accommodation to relieve pressure from the more expensive short term & emergency accommodation.
250	Seaside Homes	The forecast overspend is substantially the result of lower income collection following the impact of Universal Credit roll-out and tenancy turnover. The service are focusing on improving income collection, which will be more difficult as Universal Credit is rolled out, and improving void turnaround times. The council has agreed in principle with Seaside Homes to make changes to the agreement to offer fixed term tenancies and thereby discharge the Housing duty, enabling households to remain longer term (reducing churn or turnover). However, this will take a little more time to deliver as Seaside's lender needs to give consent and the change requires a variation to the Overarching Agreement. The service continues to discuss the position with the DWP and has committed additional resources to rent collection for the next three months.
(200)	Housing Options	Staff turnover remains high in this service and overall staff costs are currently forecast to underspend by £0.200m for 2019/20.
(102)	Travellers	The underspend includes an accrual for waste water costs of (£0.035m) which is no longer required. There were also underspends on rubbish clearance (£0.043m) and legal costs (£0.024m) due to fewer unauthorised encampments in the city during 2019/20.
22	Executive Director HNC	This overspend is due to extra non-staff employee costs such as the recruitment for a new executive director and management training costs not budgeted for.
(11)	Housing Strategy and Enabling	Variance less than £0.100m.
Libraries		
(30)	Various	Variance less than £0.100m.
Safer Communities		

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Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
(100)	Environmental Health & Licensing	Net underspend against staffing as a result of vacancies across the service. Current vacancies are either in the process of being recruited to or will be offered as part of the savings identified for 2020/21.

Finance & Resources

Revenue Budget Summary

Forecast Variance Month 7 £'000	Service	2019/20 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	Forecast Variance Month 9 %	2019/20 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
44	Finance (Mobo)	65	124	59	90.8%	30	30	0
55	HR & Organisational Development (Mobo)	1,061	1,116	55	5.2%	0	0	0
150	IT&D (Mobo)	5,915	6,030	115	1.9%	65	0	65
0	Procurement (Mobo)	(416)	(416)	0	0.0%	0	0	0
100	Business Operations (Mobo)	92	192	100	108.7%	0	0	0
0	Revenues & Benefits (Mobo)	5,004	4,954	(50)	-1.0%	192	192	0
(347)	Housing Benefit Subsidy	(901)	(1,221)	(320)	-35.5%	0	0	0
213	Contribution to Orbis	13,216	13,286	70	0.5%	735	735	0
215	Total Finance & Resources	24,036	24,065	29	0.1%	1,022	957	65

Mobo = Budgets held by Orbis and **Managed on behalf of** the relevant partner i.e. they are sovereign, non-partnership budgets.

Explanation of Key Variances

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
Finance (Mobo)		
59	Finance (including Audit)	The service is forecasting a pressure for the year of £0.059m, mainly due to higher than expected IT Systems costs following a number of mandatory upgrades, additional one-off external audit fees, and a reduced contribution from the Dedicated Schools Grant for Schools Forum support.
HR & Organisational Development (Mobo)		
55	HR & OD	At Month 9 the service is forecasting an overspend of £0.055m. As a result of the transfer of a union representative into the HR Union budget, but with no extra resources, there is a pressure of £0.050m against the funding of union facility time. There is also a pressure of £0.025m against internal income recovery, but it is expected to be partly offset by various minor underspends elsewhere in the service of £0.020m.

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Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
IT&D (Mobo)		
115	IT&D	<p>At Month 9, IT&D are forecasting a net pressure of £0.115m due to budget pressures in some areas, particularly IT contracts and savings targets. There has been a further reduction in the expected contract spend which has improved the position this month. Although there have been some individual contract savings, there is still a pressure in the contracts budget.</p> <p>To manage this in 2019/20 there has been a re-examination of funding within the Modernisation Fund including the substantial allocation agreed in February 2019. These allocations include two years contracts costs for Mendix and Dell Boomi, and also resources brought forward to support the Digital Organisation Plan. This funding has now been applied to offset the initial overspend of £1.050m.</p>
Business Operations (Mobo)		
100	Business Operations	<p>There is an expected overspend of £0.100m. There is an increase in system costs in respect of the iTrent HR/Payroll system, Civica Financials system and ICON income management system, which have arisen due to renegotiation of contracts. This is partially offset by an overachievement in recruitment advertising income.</p>
Revenues & Benefits (Mobo)		
(50)	Revenues & Benefits	<p>The service is forecast to underspend by £0.050m compared to a breakeven position at Month 9 and the main reason for this is further staff vacancies of £0.050m, further grant income £0.046m offset in part by increased shortfall in court costs income of £0.037m, and an increase of £0.010m in awards of Discretionary Housing Payments. There is also a forecast overspend on awards through the Discretionary Social Fund of £0.030m although this has been funded by using the residual funding available from the Welfare Reform reserve. Overall, the total variances for the service are underspends on staffing of £0.188m and additional grant income of £0.062m which are offsetting underachievement in court costs income of £0.143m and an overspend on bank charges of £0.056m.</p>
Housing Benefit Subsidy		
(320)	HB Subsidy	<p>The overall forecast is an underspend of £0.320m which is a worsening of £0.027m from Month 7. The deterioration all relates to the forecast surplus on the recovery of overpaid Council Tax Benefit which now stands at £0.158m. The main subsidy budgets show a surplus of £0.162m which is unchanged from Month 7. Within this the forecast subsidy loss on a particular type of benefit for vulnerable tenants, which is not fully subsidised by government, is £0.279m worse than budget but most significantly the forecast position on the net recovery of overpayments is £0.465m better than budget. There are other minor</p>

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Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
		adverse variances of £0.024m.
F&R Contribution to ORBIS		
70		The Orbis forecast for Month 9 of £0.320m comprises staffing pressures of £0.331m, other costs of £0.528m and expected income overachievements of £0.539m. This overspend would lead to a higher contribution cost to BHCC of £0.070m based on currently agreed contribution ratios.

Strategy, Governance & Law

Revenue Budget Summary

Forecast Variance Month 7 £'000	Service	2019/20 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	Forecast Variance Month 9 %	2019/20 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
0	Corporate Policy	697	697	0	0.0%	24	24	0
(20)	Legal Services	1,331	1,256	(75)	-5.6%	93	93	0
(20)	Democratic & Civic Office Services	1,740	1,695	(45)	-2.6%	78	78	0
331	Life Events	122	477	355	291.0%	316	155	161
(12)	Performance, Improvement & Programmes	645	633	(12)	-1.9%	46	46	0
0	Communications	1,036	994	(42)	-4.1%	51	51	0
279	Total Strategy, Governance & Law	5,571	5,752	181	3.2%	608	447	161

Explanation of Key Variances

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
Legal Services		
(75)	Legal Services	An underspend variance of £0.075m is reported, being a projected increase in external income.
Democratic & Civic Office Services		
(45)	Democratic Services	There is a forecast underspend of £0.045m due to vacancies of £0.035m and income overachievements of £0.010m.
Life Events		
355	Life Events	At Month 9 the declared pressure is £0.355m, compared to £0.331m last month. The Registrars Service had an extra £0.200m saving to deliver against statutory fees for certificates following the significant statutory price rise, however there has been a higher than expected drop in demand as a result of the price increase from £4 to £11. Additionally there is a drop in the numbers of marriage and civil partnership ceremonies being booked, partially attributed to the higher number of people having their ceremony overseas. Added to this, it is noticeable that where ceremony bookings are being taken in Brighton & Hove, customers are choosing lower priced options.

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
		<p>This has led to a pressure of £0.230m. In light of the pressure arising from the saving, it is expected that the shortfall will be partly offset by corporate risk provision funding of £0.050m as set aside in the budget approved by full Council. The service, liaising with Finance, will continue to re-examine this forecast through the year. Elsewhere in Registrars, the termination of services, in particular of nationality checking services, has led to a further pressure of £0.063m and there are other income pressures of £0.034m.</p> <p>Following the completion of the General Election, it has been possible to undertake a more thorough assessment of the Electoral Services budgets – this has shown an underspend of £0.068m due to staff vacancies carried throughout the year and reduced postage costs at the Annual Canvass. The underspend takes into account costs that will not be recovered from the Cabinet Office for the European Parliament and General Elections.</p> <p>Bereavement Services have also flagged up likely commitments for cemetery works, covering urgent repairs and maintenance for roadways and trees costing an estimated £0.100m. The service is also declaring an expected overspend of £0.027m, being income pressure of £0.060m (especially for Memorials and in the Mortuary), and offset by various underspends totalling £0.033m.</p> <p>In Local Land Charges, an increase in (cheaper) Private Searches has led to an expected income shortfall of £0.052m. There were vacancy savings in Registrars of £0.029m and other underspends of £0.004m.</p>
Performance, Improvement & Programmes		
(12)	Performance, Improvement & Programmes	Vacancies.
Communications		
(42)	Communications	At month 9 the service is reporting an underspend of £0.042m, being mainly reduced supplies and services costs (£0.031m) and vacancies (£0.011m).

Corporate Budgets

Revenue Budget Summary

Forecast Variance Month 7 £'000	Service	2019/20 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	Forecast Variance Month 9 %	2019/20 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
0	Bulk Insurance Premia	3,069	3,069	0	0.0%	0	0	0
0	Capital Financing Costs	5,663	5,663	0	0.0%	0	0	0
0	Levies & Precepts	207	207	0	0.0%	0	0	0
0	Unallocated Contingency & Risk Provisions	22	22	0	0.0%	0	0	0
(42)	Unringfenced Grants	(25,320)	(25,382)	(62)	-0.2%	0	0	0
174	Other Corporate Items	5,534	6,083	549	9.9%	56	22	34
132	Total Corporately-held Budgets	(10,825)	(10,338)	487	4.5%	56	22	34

Explanation of Key Variances

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
Capital Financing Costs		
170	Investment Income	Reduction in investment income as a result in lower than anticipated investment rates.
(170)	Contribution from Reserves	Planned use of Financing Cost reserves to offset the investment income pressure above.
Unringfenced Grants		
(62)	Releasing grant pressure funding	Releasing residual grant pressure funding of £0.062m for specific grants following announcement of the Department for Health - Local Reform and Community Voices Grant.
Other Corporate Items		
34	Pension Costs	Costs for 2019/20 not known at time of setting the budget are higher than anticipated.
560	Corporately held VFM Savings	A number of savings cross more than one service or may be council-wide, and are held corporately until allocated to specific services once their achievement is confirmed. This variance represents savings at risk, primarily relating to Sustainable Social Care savings measures. This is also reflected in the monitoring of savings at Appendix 5.
(45)	Other budgets	Minor net variances.

Housing Revenue Account (HRA)

Revenue Budget Summary

Forecast Variance Month 7 £'000	Service	2019/20 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	Forecast Variance Month 9 %	2019/20 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
(320)	Capital Financing	31,335	31,015	(320)	-1.0%	0	0	0
(230)	Housing Management & Support	4,521	4,291	(230)	-5.1%	80	80	0
(30)	Head of City Development & Regeneration	316	286	(30)	-9.5%	0	0	0
(520)	Income, Involvement & Improvement	(46,303)	(46,918)	(615)	-1.3%	50	50	0
800	Property & Investment	7,969	8,719	750	9.4%	100	100	0
100	Tenancy Services	2,162	2,312	150	6.9%	50	50	0
(200)	Total Housing Revenue Account	0	(295)	(295)	0.0%	280	280	0

Explanation of Key Variances

Key Variances £'000	Service Area	Variance Description
Capital Financing		
(320)	Financing costs	Significant reprofiling of HRA capital expenditure from 2018/19 into 2019/20 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 2019/20, compared to the original budget forecast, as at Month 2.
Housing Management & Support		
(100)	Rents	Projected income is more than the budget assumptions for Temporary Accommodation.
(30)	Employee costs	Projected underspend on agency staff budget.
(100)	Transfer Incentive Scheme	This service assists tenants to down-size or to move into more suitable or accessible accommodation. Each case takes time to complete and current expenditure levels indicate that this budget will be underspent by £0.100m.
Head of City Development & Regeneration		
(30)	Employee costs	Greater capitalisation of salaries than budgeted.
Income, Involvement & Improvement		
(410)	Rents	Reduced level of rent lost through voids and projected income is slightly more than budget

Appendix 4 – Revenue Budget Performance

Key Variances £'000	Service Area	Variance Description
		assumptions due to the increase in the number of homes purchased for affordable rent.
(250)	Employee costs	Forecast underspend due primarily to staff vacancies in the Income Management team and Performance and Improvement.
65	Contribution to bad debt provision	Rent arrears have increased significantly during 2019/20 largely due to tenants transferring to Universal Credit. Therefore it is likely that the HRA contribution to the bad debt provision will overspend by £0.065m.
(20)	Mutual Exchange support	An underspend of £0.020m is forecast against this budget line.
Property & Investment		
800	Leaseholder - Service Charges Major Works	A lower than expected level of leasehold service charge is being forecast for major works in 2019/20. Provision in the HRA budget allowed for billing of £1.8m, based on likely completion times for a large number of projects and the fact that previous years' estimates had been under the level of billing. Due to some projects taking longer to complete or reach final account, a lower level of £1m was actually billed in 2019/20 with the remainder forecast to be billed in 2020/21.
(50)	Mechanical & Engineering Service & maintenance contracts	The underspend against service and maintenance contracts is mainly due to works not being required as the year has progressed.
Tenancy Services		
(100)	Rents & Service Charges	Projected income is slightly more than budget assumptions for Seniors Housing.
90	Premises	Council Tax costs are higher than budgeted and there are additional costs for rubbish clearance, resulting from an increase in fly-tipping.
120	Employees costs	Projected overspend as a result of additional staff cover and regrading.
40	Supplies & Services	Small overspend across the service.

Dedicated Schools Grant (DSG)

Revenue Budget Summary

Forecast Variance Month 7 £'000	Service	2019/20 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	Forecast Variance Month 9 %
0	Individual Schools Budget (ISB)	127,539	127,539	0	0.0%
(341)	Early Years Block (excluding 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>	13,712	13,362	(350)	-2.6%
10	High Needs Block (excluding delegated to Special Schools)	20,471	20,392	(79)	-0.4%
34	Exceptions and Growth Fund	2,886	2,931	45	1.6%
0	Grant Income	(163,805)	(163,805)	0	0.0%
(297)	Total Dedicated Schools Grant (DSG)	803	419	(384)	-47.8%

Explanation of Key Variances

Key Variances £'000	Service Area	Variance Description
Early Years Block (including delegated to Schools)		
(22)	Additional Support Funding for 2, 3 & 4 year olds	Estimated underspend for 2 year olds.
(102)	Early years free entitlement	Anticipated retrospective adjustment made by DfE for 2018/19 provision.
(95)	Early years free entitlement 2 year olds	Estimated underspend for 2 year old payments to Private, Voluntary & Independent (PVI) providers.
(125)	Early years free entitlement 3 & 4 year olds	Estimated underspend for 3 & 4 year old payments to PVI providers.
(6)	Other	Balance of variances on other cost centres.
High Needs Block (excluding delegated to Schools)		
92	Inclusion Support Service	Impact of school traded service element for BHISS (£0.101m) and Literacy Support Service (£0.009m).

Appendix 4 – Revenue Budget Performance

Key Variances		
£'000	Service Area	Variance Description
(398)	FE and post-19 specialist provision	FE college and post-19 specialist provision - placements for 2019/20 academic year being finalised.
55	High needs pupils in other LAs	Increase in the number of high needs pupils being educated in other local authority provision.
126	High needs top-up funding	Projected overspend for provision within mainstream and special schools within the city.
104	Agency Placements	Projected overspend for new placements in the Autumn Term.
(55)	Unallocated HNB	Balance of 2018/19 carryforward to be allocated.
(3)	Other	Balance of variances on other cost centres.
Exceptions and Growth Fund		
35	Historic Pension costs	Historic pension liabilities.
10	Other	Balance of variances on other cost centres.

