

Families, Children & Learning

Revenue Budget Summary

| Forecast Variance Month 2 £'000 | Service | 2022/23 Budget Month 5 £'000 | Forecast Outturn Month 5 £'000 | Forecast Variance Month 5 £'000 | Forecast Variance Month 5 % | 2022/23 Savings Proposed £'000 | Savings Achieved £'000 | Savings Unachieved £'000 |
|--|---|---------------------------------------|---|--|--------------------------------------|---|------------------------------|--------------------------------|
| 0 | Director of Families, Children & Learning | 248 | 243 | (5) | -2.0% | 0 | 0 | 0 |
| 1,621 | Health, SEN & Disability Services | 49,396 | 50,666 | 1,270 | 2.6% | 1,046 | 77 | 969 |
| 436 | Education & Skills | 9,691 | 10,505 | 814 | 8.4% | 13 | 13 | 0 |
| 1,665 | Children's Safeguarding & Care | 42,359 | 43,764 | 1,405 | 3.3% | 1,529 | 246 | 1,283 |
| 42 | Quality Assurance & Performance | 1,568 | 1,603 | 35 | 2.2% | 86 | 56 | 30 |
| 3,764 | Total Families, Children & Learning | 103,262 | 106,781 | 3,519 | 3.4% | 2,674 | 392 | 2,282 |
| (511) | Further Financial Recovery Measures (see below) | - | (284) | (284) | - | - | - | - |
| 3,253 | Residual Risk After Financial Recovery Measures | 103,262 | 106,497 | 3,235 | 3.1% | 2,674 | 392 | 2,282 |

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

| Key Variances £'000 | Service Area | Variance or Financial Recovery Measure Description |
|---|--|---|
| Further Directorate Financial Recovery Measures | | |
| (67) | Home to School Transport | Encouraging use of parental transport and reviewing single occupancy routes. |
| (217) | Children's Placements | Increasing the proportion of Children in Care in Foster Care. |
| Director of Families, Children & Learning | | |
| (5) | Other | |
| Health, SEN & Disability Services | | |
| 883 | Adults with Learning Disabilities - Community Care | The Adults LD community care budget forecast includes provision for additional fee uplifts to providers in recognition of the cost of living increase and minimum wage requirements. At this stage it is uncertain to what extent this will be required as representations are still being received and negotiated with individual providers. |
| (161) | Children's Disability Placements | The Children's Disability Placement Budget was further rebased in 2022-23 to accommodate growth in the number and cost of placements. A further high-cost |

Appendix 4 – Revenue Budget Performance

| Key Variances | | |
|---|--|--|
| £'000 | Service Area | Variance or Financial Recovery Measure Description |
| | | residential placement is now anticipated in October 2022 and is included in the budget forecast. |
| 248 | Adults with Learning Disabilities - in-house provider services | The overspend mainly relates to pressure in the residential respite budget due to ongoing levels of staff absence and the cost of emergency placements at Beach House. |
| 36 | Children's Disabilities - in-house provision | There is a pressure for respite provision for children with disabilities and a high use of agency / sessional staff but this has partly been offset by contributions from Health. |
| 99 | Commissioning and Brokerage | Corporate funding of team expires in 2022-23. Delays in recruitment has meant this function has not yet achieved savings anticipated and consequently a financial risk is being identified |
| 207 | Disability Section 17 Budget | Emergency high-cost in-home support provided during August and September from Children's Disability Section 17 budget |
| (42) | Other | Other variances relate to overspends on children's disability contracts and underspends on Extended Day budget and SEN team budget due to delay in implementation of new team structure |
| Education & Skills | | |
| 824 | Home to School Transport | Based on the current data held on Mobisoft the updated forecast overspend for Home to School Transport is £0.824m. This forecast takes account of the effect of the current contracted routes which assumes 433 5-16 pupils and 102 post 16 pupils for the remainder of the academic year. In addition, there is an overspend of £0.100m relating to increasing costs of 19 to 25 year olds previously charged to the DSG. The variance also includes an anticipated overspend of £0.073m relating to increasing numbers of bus passes being issued with the majority relating to allocated school places beyond the statutory distance. Costs have increased considerably from September and are related to a combination of the factors which include, demand, single occupancy journeys, out of city placements, inflation and returned routes. |
| (10) | Other | |
| Children's Safeguarding & Care | | |
| 1,706 | Demand-Led - Children's placements | The overspend is the result of a combination of several different factors. There are significant overspends in Residential Home and semi-Independent placements due to increasing difficulty in finding suitable foster carers due to sufficiency problems. This is partially off-set by underspends in the External Fostering budget. There are also significant overspends for Care Leaver costs as rising numbers of care leavers require financial support for accommodation. |

Appendix 4 – Revenue Budget Performance

| Key Variances | | |
|--|----------------------------------|---|
| £'000 | Service Area | Variance or Financial Recovery Measure Description |
| (148) | Social Work and Adolescent Teams | There are a number of vacant posts across the services resulting in significant underspends. This is now being partially off-set by the use of agency social workers. |
| (95) | Fostering & Adoption | The underspend is due to problems recruiting to vacant posts across the service. |
| (58) | Other | Minor variances. |
| Quality Assurance & Performance | | |
| 35 | Other | Minor variances. |

Health & Adult Social Care (HASC)

Revenue Budget Summary

| Forecast Variance Month 2 £'000 | Service | 2022/23 Budget Month 5 £'000 | Forecast Outturn Month 5 £'000 | Forecast Variance Month 5 £'000 | Forecast Variance Month 5 % | 2022/23 Savings Proposed £'000 | Savings Achieved £'000 | Savings Unachieved £'000 |
|------------------------------------|---|---------------------------------|-----------------------------------|------------------------------------|--------------------------------|-----------------------------------|---------------------------|-----------------------------|
| 1,227 | Adult Social Care | 45,835 | 46,999 | 1,164 | 2.5% | 1,465 | 581 | 884 |
| 235 | S75 Sussex Partnership Foundation Trust (SPFT) | 22,643 | 22,731 | 88 | 0.4% | 689 | 303 | 386 |
| 24 | Integrated Commissioning | 3,688 | 3,422 | (266) | -7.2% | 70 | 70 | 0 |
| 0 | Public Health | 2,846 | 2,846 | 0 | 0.0% | 0 | 0 | 0 |
| 1,486 | Total Health & Adult Social Care | 75,012 | 75,998 | 986 | 1.3% | 2,224 | 954 | 1,270 |
| (732) | Further Financial Recovery Measures (see below) | - | (239) | (239) | - | - | - | - |
| 754 | Residual Risk After Financial Recovery Measures | 75,012 | 75,759 | 747 | 1.0% | 2,224 | 954 | 1,270 |

Explanation of Key Variances

| Key Variances £'000 | Service Area | Variance or Financial Recovery Measure Description |
|---|--|---|
| Further Directorate Financial Recovery Measures | | |
| (239) | Further Financial Recovery Measures projection | The directorate has developed an over-arching Financial Recovery Plan to address the above pressures. The Recovery plan includes the following measures: - Front Door redesign - Health funding incl. Continuing Healthcare and joint funding |
| Adult Social Care | | |
| 1,343 | Demand-Led Community Care - Physical & Sensory Support | The forecast number of placements/packages is 2,053 WTE, which is below the budgeted level of 2,080 WTE placements. The average unit cost of a placements/package is higher than the budgeted level at £280 per week (£15 per week above budget per client). The combination of the number of adults placed being 27 WTE below the budgeted level and the increased unit costs result in the overspend of £1.343m. Therefore, the unit costs are 6% above budget however the overall activity is below budget. This is due to areas where |

Appendix 4 – Revenue Budget Performance

| Key Variances | | |
|---|--|--|
| £'000 | Service Area | Variance or Financial Recovery Measure Description |
| | | suitable provision is not currently accessible to meet identified need because of workforce pressures. |
| (271) | Demand-Led Community Care - Substance Misuse | There are relatively small numbers of clients within this service and the average unit cost is below the budgeted unit cost which is resulting in the projected underspend of £0.271m. |
| (46) | Assessment teams | This is due to a number of temporary vacancies across the Assessment teams and increased unit cost for equipment |
| 113 | In house services | There is an underlying budget pressure in in-house provision due to unachieved 2020/21 financial recovery plan targets, responsive repairs within in-house hostels and staffing costs above budget. |
| 25 | Other | |
| S75 Sussex Partnership Foundation Trust (SPFT) | | |
| 36 | Demand-Led - Memory Cognition Support | The unit cost is higher than budgeted which results in the overspend projection of £0.036m. The forecast number of placements/packages is 385 WTE which is below the budgeted level of 442 WTE placements. The average unit cost is above the budgeted level at £473 per week (£60 per week above budget). Therefore, the overall activity is 55 WTE below budget and the unit costs are 14% above budget. This is due to areas where suitable provision is not currently accessible to meet identified need because of workforce pressures and market conditions. |
| (113) | Demand-Led - Mental Health Support | The client number are below budget resulting in the underspend projection of £0.113m. There is an increasing need and complexity within this client group and the forecast number of placements/packages is 501 WTE, which is below the budgeted level of 554 WTE placements. The average unit cost of a placement/package is above the budgeted level at £371 per week (£31 per week above budget per client). This is due to an additional contribution to Section 117 from Health Partners and areas where suitable provision is not currently accessible to meet identified need because of workforce pressures. |
| 165 | Staffing teams | Due to savings at risk. |
| Integrated Commissioning | | |
| (262) | Commissioning | Projected Better Care Fund risk share 2022/23 and temporary vacancies. |
| (4) | Other | Minor variances. |

Economy, Environment & Culture

Revenue Budget Summary

| Forecast Variance Month 2 £'000 | Service | 2022/23 Budget Month 5 £'000 | Forecast Outturn Month 5 £'000 | Forecast Variance Month 5 £'000 | Forecast Variance Month 5 % | 2022/23 Savings Proposed £'000 | Savings Achieved £'000 | Savings Unachieved £'000 |
|--|---|---------------------------------------|---|--|--------------------------------------|---|------------------------------|--------------------------------|
| 190 | Transport | (6,129) | (5,994) | 135 | 2.2% | 1,777 | 283 | 1,494 |
| 720 | City Environmental Management | 37,190 | 38,109 | 919 | 2.5% | 229 | 159 | 70 |
| 481 | City Development & Regeneration | 4,377 | 4,674 | 297 | 6.8% | 182 | 122 | 60 |
| 93 | Culture, Tourism & Sport | 4,303 | 4,416 | 113 | 2.6% | 200 | 190 | 10 |
| 420 | Property | 2,294 | 2,633 | 339 | 14.8% | 342 | 232 | 110 |
| 1,904 | Total Economy, Environment & Culture | 42,035 | 43,838 | 1,803 | 4.3% | 2,730 | 986 | 1,744 |
| (315) | Further Financial Recovery Measures (see below) | - | (279) | (279) | - | - | - | - |
| 1,589 | Residual Risk After Financial Recovery Measures | 42,035 | 43,559 | 1,524 | 3.6% | 2,730 | 986 | 1,744 |

Explanation of Key Variances

| Key Variances £'000 | Service Area | Variance or Financial Recovery Measure Description |
|---|------------------|---|
| Further Directorate Financial Recovery Measures | | |
| (202) | Parking Services | All significant parking income and expenditure will continue to be forecast alongside finance officers to ensure ongoing robust forecasts are presented as part of the budget monitoring process. Minor variations in demand can result in significant financial implications. £0.202m represents 0.47% of the parking income budget. |
| (77) | Venues | Review of expenditure budgets and additional income potential within Venues to address the current overspend. |
| Transport | | |
| 202 | Parking Services | Overall Parking Services is forecasting an overspend of £0.202m (-0.47% of income targets) at Month 5 against a £27.446m net income budget. The service is forecasting a loss of income of £1.156m (9.31%) on parking permit income compared to a budget of £12.4m, most of which is due to the reduced demand in residents and visitor permits |

| Key Variances | | |
|-------------------------------|--------------------|---|
| £'000 | Service Area | Variance or Financial Recovery Measure Description |
| | | <p>across zones and the loss of parking capacity due to active travel proposals over the last 2 years. The number of permits themselves (36,000 resident permits, 15,000 other permits and 360,000 visitor permits per year) are not declining overall due to all the new parking schemes introduced, but there are more challenging income targets from increased prices. On-Street parking income is forecast to be £0.495m (3.56%) underachieved compared to a £13.9m budget and off-Street Parking is forecast to be £0.110m (1.26%) underachieved compared to a £8.7m Budget.</p> <p>The underachievement of resident permits and reduced forecasts within on-street parking is likely to be as a result of the significant estimated loss of income against budget of £0.979m as a result of the loss of permit and paid parking spaces due to active travel measures (e.g. Madeira Drive, Old Town, A259 – eastern section) introduced over the last 2 years. This will be exacerbated with the upcoming reductions in parking spaces for the A259 (western section), A23, Low traffic neighbourhood scheme, school streets, Valley Gardens phase 3, work on Madeira Terraces and the cycle hangers programme which will be discussed in future TBM review meetings and Transport Management Team meetings. This underachievement is offset by forecast surplus income for Parking Suspensions of £0.376m (46.21%) against a £0.813 budget as well as PCN income, net of bad debt provision, of £1.545m (23.09%) against a £6.7m budget.</p> <p>The budget does contain a pressure relating to the Traffic Control Centre Restructure of £0.522m which is being funded by additional enforcement activities started in 2022/23 within figure above (Wider bus stop enforcement, Cycle lane enforcement etc) as well in the future from further schemes from 2023/24 onwards. The pressure from parking income shortfalls is partly offset against underspends (some related to less paid parking income) in transactional and contract costs of (£0.205m).</p> |
| (67) | Traffic Management | Income over achievement forecast for Traffic Regulation Orders, Events and Sample Inspection Fees. |
| City Environmental Management | | |
| 930 | City Clean | Overspend of £0.630m is due to waste collection and street cleansing (operational) agency costs in response to vacancies across the service. Recruitment into vacant posts and managing of attendance should start to see these high agency costs reduce during the year. £0.300m overspend within Public Conveniences is due to greater than budgeted |

Appendix 4 – Revenue Budget Performance

| Key Variances | | |
|--|--|---|
| £'000 | Service Area | Variance or Financial Recovery Measure Description |
| | | utility costs, consumables and staffing required to keep public toilets open and to maintain cleaning levels. |
| (25) | Fleet & Maintenance | Surplus of £0.025m to fleet income activities. |
| 14 | Head of City Environmental Management | Additional supplies & services costs. |
| City Development & Regeneration | | |
| 375 | Development Planning | Underachievement of Planning and Building Control income of £0.588m as there is still some uncertainty over levels of service post-covid, although the income trend will become more apparent as the year progresses. However, there are underspends of £0.289m from several staffing vacancies in both services but with an overspend on goods/services of £0.076m mainly within consultants' fees. |
| (75) | Planning Policy and Major Projects | Underspend of £0.080m on professional and consultant fees offset by small underachievement of income £0.005m. |
| (22) | Sustainability & International | Small underspend on Initiatives budget of £0.010m plus reduction in hours on a post (£0.009m) and other various small underspends. |
| 32 | Economic Development | Overspend due to Coast to Capital LEP fee not reduced as much as anticipated. |
| (13) | Business Development and Customer Services | Underspend on vacancies of £0.055m plus various other underspends of £0.003m offset by overspend on agency costs to cover posts of £0.016m, computer software of £0.019m and underachieved fee income of £0.010m. |
| Culture, Tourism & Sport | | |
| (11) | Arts | Underspend due to vacancies during the year |
| 37 | Sport and Leisure | Outdoor Events are experiencing a pressure from the cancellation of a number of programmed events as a result of organisers experiencing significant cost increases and attendance reduction in the sector. Some other smaller events are moving to 2023 instead. Welcome Back Fund/Reopening High Street Fund did not cover all project expenditure as anticipated therefore leaving a small balance of £0.027m overspend. |
| 77 | Venues | A forecast overspend from utility price increases based on the April to July 2022 costs. The Brighton Centre is working closely with Property & Design to get accurate readings processed to facilitate future forecasts and will endeavour to address this overspend by either reducing expenditure on other budgets or increasing income levels. To assist this, an interim spending freeze on non-essential spend has now been introduced. |
| 10 | Tourism and Marketing | Small overspend on staffing and goods & services. |

Appendix 4 – Revenue Budget Performance

| Key Variances | | |
|----------------------|---------------------|--|
| £'000 | Service Area | Variance or Financial Recovery Measure Description |
| Property | | |
| 339 | Property and Design | <p>The pandemic legacy continues to affect the commercial portfolio rental position with some vacancies at Hove Technology Centre and Lyndean House resulting in £0.165m forecast underachievement of income.</p> <p>In-house printing continues to show a historic pressure due to the reduction in demand resulting in £0.074m forecast underachievement of costs recovered. The security budget is showing a forecast overspend of £0.200m due to higher contract costs following the re-tendering during 2021/22 and increases in demand for staff at Hove Town Hall Customer Service Centre to support the corporate Customer Experience Strategy. These costs are partly offset by (£0.100m) for vacancies held during the first part of the year.</p> |

Housing, Neighbourhoods & Communities

Revenue Budget Summary

| Forecast Variance Month 2 £'000 | Service | 2022/23 Budget Month 5 £'000 | Forecast Outturn Month 5 £'000 | Forecast Variance Month 5 £'000 | Forecast Variance Month 5 % | 2022/23 Savings Proposed £'000 | Savings Achieved £'000 | Savings Unachieved £'000 |
|--|---|---------------------------------------|---|--|--------------------------------------|---|------------------------------|--------------------------------|
| 1,777 | Housing General Fund | 14,178 | 15,643 | 1,465 | 10.3% | 1,780 | 1,300 | 480 |
| 0 | Libraries | 4,814 | 4,814 | 0 | 0.0% | 77 | 77 | 0 |
| 0 | Communities, Equalities & Third Sector | 3,198 | 3,161 | (37) | -1.2% | 40 | 40 | 0 |
| 0 | Safer Communities | 3,695 | 3,652 | (43) | -1.2% | 35 | 35 | 0 |
| 1,777 | Housing, Neighbourhoods & Communities | 25,885 | 27,270 | 1,385 | 8.0% | 1,932 | 1,452 | 480 |
| (472) | Further Financial Recovery Measures (see below) | - | (200) | (200) | - | - | - | - |
| 1,305 | Residual Risk After Financial Recovery Measures | 25,885 | 27,070 | 1,185 | 4.6% | 1,932 | 1,452 | 480 |

Explanation of Key Variances

| Key Variances £'000 | Service Area | Variance or Financial Recovery Measure Description |
|-------------------------------------|-------------------------|---|
| Further Financial Recovery Measures | | |
| (200) | Temporary Accommodation | The service continues to work on transforming the service to focus on homelessness prevention and to reduce the time spent in Temporary Accommodation (TA), thereby reducing costs further to meet the 2022/23 Budget savings target. This will be challenging given that there are now only six months of the year remaining and this forecast assumes that £0.075m of savings will not be met. |
| Housing General Fund | | |
| 1,716 | Temporary Accommodation | A provision for underlying Temporary Accommodation (TA) and Rough Sleeping pressures of over £1m was provided in the 2021/22 budget, which was expected to be supported by additional funding from the government's announcement of an additional £254m national funding. However, although core funding increased overall, it was insufficient to support the service pressure funding and the budget therefore remains as an overspend currently. Emergency accommodation is forecast to overspend of £0.273m, a reduction of £0.243m since Month 2, largely due to a reduction in the number of block-booked properties. |

Appendix 4 – Revenue Budget Performance

| Key Variances | | |
|---|---|---|
| £'000 | Service Area | Variance or Financial Recovery Measure Description |
| | | However, the costs of private sector leased properties for TA have continued to rise as contracts are renewed at higher rents and the forecast variance has increased by £0.196m as a result to an overspend of £0.021m. The current number of empty leased properties in TA has steadily reduced so far this year as the backlog of works is cleared. However, there are still more properties empty for longer than the current budget allows for and the budget for rent loss on voids is still overspending by £0.100m, although this is an improvement compared to the forecast at Month 2. Repairs costs have substantially increased and this budget is forecast to overspend by £0.476m, an increase of £0.264m on the Month 2 forecast. There is also a forecast overspend on the contribution to the bad debt provision of £0.189m and £0.050m on Housing Benefit Subsidy. These pressures are partially offset by a contribution of £0.417m from Homelessness Prevention Grant after other forecasts for prevention expenditure has been taken into account. |
| 0 | Commissioned Rough Sleeper and Housing related Support Services | The commissioned services budget for supported accommodation and rough sleepers is forecast to break even. |
| 187 | Additional emergency hotel accommodation | The costs of extra emergency hotels taken on during the pandemic is forecast to overspend by £0.187m as hotels are being decanted later than anticipated at budget setting time. The one remaining hotel is planned to be decanted by the end of July. |
| (700) | Housing Options | This budget is forecast to underspend by £0.700m due to an underspend on the one-off homelessness initiatives budget that was carried forward from 2021/22. |
| 320 | Seaside Homes | There is a forecast overspend of £0.320m because of the loss of rent on void properties and higher repairs costs. |
| (70) | Adaptations Service | Forecast underspend because of the Home Improvement Agency work being brought in house. |
| 12 | Travellers | Loss of income on the transit site and extra cleaning costs to the toilet and shower blocks. |
| Communities, Equalities & Third Sector | | |
| (37) | Communities, Equalities & Third Sector | Net underspend against staffing because of vacancies across the service. |
| Safer Communities | | |
| (43) | Safer Communities | Net underspend against staffing because of vacancies across the service. |

Governance, People & Resources

Revenue Budget Summary

| Forecast Variance Month 2 £'000 | Service | 2022/23 Budget Month 5 £'000 | Forecast Outturn Month 5 £'000 | Forecast Variance Month 5 £'000 | Forecast Variance Month 5 % | 2022/23 Savings Proposed £'000 | Savings Achieved £'000 | Savings Unachieved £'000 |
|--|--|---------------------------------------|---|--|--------------------------------------|---|------------------------------|--------------------------------|
| 0 | Chief Executive Monitoring Office | 266 | 279 | 13 | 4.9% | 76 | 28 | 48 |
| 139 | Policy & Communications | 1,552 | 1,592 | 40 | 2.6% | 0 | 0 | 0 |
| 122 | Legal & Democratic Services | 3,224 | 3,356 | 132 | 4.1% | 202 | 83 | 119 |
| 78 | Life Events | (83) | 34 | 117 | 141.0% | 163 | 86 | 77 |
| 0 | Customer Modernisation & Data | 1,408 | 1,388 | (20) | -1.4% | 33 | 33 | 0 |
| 0 | Finance (Mobo) | 1,472 | 1,272 | (200) | -13.6% | 150 | 150 | 0 |
| 0 | Procurement (Mobo) | (37) | (37) | 0 | 0.0% | 0 | 0 | 0 |
| 0 | HR & Organisational Development (Mobo) | 4,159 | 4,139 | (20) | -0.5% | 0 | 0 | 0 |
| 0 | IT&D (Mobo) | 9,280 | 9,280 | 0 | 0.0% | 0 | 0 | 0 |
| 0 | Welfare Revenue & Business Support | 7,796 | 7,796 | 0 | 0.0% | 0 | 0 | 0 |
| 1,115 | Contribution to Orbis | 1,556 | 3,214 | 1,658 | 106.6% | 0 | 0 | 0 |
| 1,454 | Total Governance, People & Resources | 30,593 | 32,313 | 1,720 | 5.6% | 624 | 380 | 244 |

Mobo = Specific budget items held by Orbis but **Managed on behalf** of the relevant partner i.e. they are sovereign, non-partnership budgets. Under or overspends on Mobo budgets fall directly to the relevant partner whereas Orbis Operational budget variances are shared in accordance with the Inter-Authority Agreement (IAA).

Explanation of Key Variances

| Key Variances £'000 | Service Area | Variance or Financial Recovery Measure Description |
|-----------------------------------|-------------------|--|
| Chief Executive Monitoring Office | | |
| 13 | Monitoring Office | There are expected staffing pressures this year of £0.013m. |
| Policy & Communications | | |
| 40 | Communications | The service is predicting a pressure this year of £0.040m. This relates to the Communications service pressures including restructuring costs (£0.036m) and expected pressures within the Graphic Design Team (£0.004m). |

Appendix 4 – Revenue Budget Performance

| Key Variances | | |
|---|---------------------------|--|
| £'000 | Service Area | Variance or Financial Recovery Measure Description |
| Legal & Democratic Services | | |
| 123 | Legal Services | In Legal Services there is a pressure of £0.123m. £0.060m of this relates to an expected loss of income relating to support of the LEP, £0.040m shortfall in funding for FCL related work on SEN tribunals/Education work and the balance of £0.023m relates to unplanned locum expenditure due to recruitment and retention challenges in the Service. |
| 9 | Democratic Services | In Democratic Services there are pressures of £0.035m relating to compulsory regrading costs of Political Assistants, which was a requirement of legislation. Elsewhere in the service there is a net underspend of £0.026m mostly arising from vacancies. |
| Life Events | | |
| 117 | Life Events | The revised income pressure is now £0.202m (Bereavement £0.084m, Land Charges £0.073m and Registrars £0.045m), offset by posts held vacant saving £0.128m. There are also pressures totalling £0.043m including government funding shortfall and equipment replacement costs in Electoral Services and web and sound system cost in Bereavement Services. |
| Customer Modernisation & Data | | |
| (20) | Customers and Performance | An underspend of £0.020m relating to vacancy management. |
| Finance (Mobo) | | |
| (200) | Finance | The service is projecting an underspend of £0.200m relating to vacancy management. |
| HR & Organisational Development (Mobo) | | |
| (20) | Human Resources | The service is declaring a £0.020m underspend at Month 5. This is comprised of a £0.045m underspend in the health and safety service and a £0.025m unions pressure relating to unfunded extra provision for facilities time and accommodation). Ongoing work to replace the Learning Gateway include financial proposals to address funding shortfalls. The service has developed proposals to deliver £0.133m savings in the new financial year. We are continuing to track the long-term impact of Covid on income in the service. This will inform future pressure funding requests and will include a request for £0.120m funding which ends in this financial year leaving a legacy salaries shortfall. Going forward any underspends in Workforce Development (grant funding and relates to social work service provision) and People Promise funding needs to be carried forward. |
| Contribution to Orbis | | |
| 1,658 | Contribution to Orbis | There is a forecast pressure of £1.658m relating to current and former Orbis services which is split as follows: £0.776m relates to the financial impact of disaggregating (withdrawing) various services including Business Operations (now part of WRBS), Finance, and HR. This relates both to |

Appendix 4 – Revenue Budget Performance

| Key Variances £'000 | Service Area | Variance or Financial Recovery Measure Description |
|---------------------------|--------------|---|
| | | <p>impact of reversing integrated roles and the associated loss of economies as well as the realisation of unachieved savings in Business Operations due to the divergence of the partners' business requirements and the impact on achieving integration of services. BHCC's contribution to the Partnership has also increased by £0.879m plus inflation in respect of continuing services. However, this cost primarily relates to IT&D and includes the revenue and capital financing costs of addressing infrastructure, digital and service requirements in BHCC for which it is required to contribute a higher contribution. The separate pressure relating to BHCC's share of an expected minor Orbis Partnership overspend in 2022/23 is currently £0.003m.</p> |

Corporately-held Budgets

Revenue Budget Summary

| Forecast Variance Month 2 £'000 | Service | 2022/23 Budget Month 5 £'000 | Forecast Outturn Month 5 £'000 | Forecast Variance Month 5 £'000 | Forecast Variance Month 5 % | 2022/23 Savings Proposed £'000 | Savings Achieved £'000 | Savings Unachieved £'000 |
|--|---|---------------------------------------|---|--|--------------------------------------|---|------------------------------|--------------------------------|
| 110 | Bulk Insurance Premia | 3,352 | 3,462 | 110 | 3.3% | 0 | 0 | 0 |
| 0 | Capital Financing Costs | 7,832 | 7,272 | (560) | -7.2% | 0 | 0 | 0 |
| 0 | Levies & Precepts | 219 | 219 | 0 | 0.0% | 0 | 0 | 0 |
| 0 | Unallocated Contingency & Risk Provisions | 2,453 | 2,453 | 0 | 0.0% | 0 | 0 | 0 |
| (79) | Unringfenced Grants | (49,047) | (49,126) | (79) | -0.2% | 0 | 0 | 0 |
| 444 | Housing Benefit Subsidy | (751) | 30 | 781 | 104.0% | 0 | 0 | 0 |
| (194) | Other Corporate Items | (24,589) | (20,138) | 4,451 | 18.1% | 325 | 325 | 0 |
| 281 | Total Corporately-held Budgets | (60,531) | (55,828) | 4,703 | 7.8% | 325 | 325 | 0 |

Explanation of Key Variances

| Key Variances £'000 | Service Area | Variance or Financial Recovery Measure Description |
|---|--|--|
| Bulk Insurance Premia | | |
| 110 | Commercial property building insurance | Premium credit adjustment to tenants leading to additional cost in 2022/23. |
| Capital Financing Costs | | |
| (560) | Financing Costs | Higher interest rates on balances. |
| Unallocated Contingency & Risk Provisions | | |
| Unringfenced Grants | | |
| (13) | Extended Rights to Free Travel | Announced in June 2022 at £0.099m which is £0.013m higher than budgeted. |
| (66) | Pressure funding released | Only the Local Reform Community Voice grant left to be announced and historically not confirmed until later in the year. Forecasting this grant will be the same level as 2021/22 which releases pressure funding. |
| Housing Benefit Subsidy | | |
| 781 | HB Subsidy | There is an estimated pressure of £0.781m. Of this £0.831m relates to the main subsidy budgets and is based on the mid-year estimate submitted to the DWP. Of this pressure, |

Appendix 4 – Revenue Budget Performance

| Key Variances | | |
|-----------------------|-------------------------|--|
| £'000 | Service Area | Variance or Financial Recovery Measure Description |
| | | £0.482m relates to a particular benefit type for vulnerable tenants which is not fully subsidised. This is being investigated to fully understand the reasons for the growth in this area. There is also a pressure of £0.349m on the net recovery of overpayments and other areas. The surplus on the recovery of overpaid former council Tax Benefit is currently forecast at £0.050m. |
| Other Corporate Items | | |
| (251) | Corporate pension costs | Overpayment from 2021/22 of £0.112m and an in year variance of £0.139m. |
| 7 | Death management | BHCC share of Sussex wide costs on mass fatalities work. |
| 150 | Academisation | Costs relating to compulsory academisation of Homewood House school where the council will be liable for the school's projected budget deficit at the point of transfer. |
| 4,545 | General Fund pay award | This reflects the employers' pay award offer of a £1,925 flat-rate increase for all NJC salaries. This is equivalent to a 6.3% increase on the payroll compared with the 2% increase included in the budget for 2022/23. This pressure is after allowing for the £1.260m remaining one-off provision for pay from the 2021/22 outturn. |

Housing Revenue Account (HRA)

Revenue Budget Summary

| Forecast Variance Month 2 £'000 | Service | 2022/23 Budget Month 5 £'000 | Forecast Outturn Month 5 £'000 | Forecast Variance Month 5 £'000 | Forecast Variance Month 5 % |
|---------------------------------|---------------------------------------|------------------------------|--------------------------------|---------------------------------|-----------------------------|
| 0 | Capital Financing | 25,553 | 25,837 | 284 | 1.1% |
| 53 | Housing Management & Support | 4,620 | 4,947 | 326 | 7.1% |
| (42) | Housing Strategy & Supply | 1,464 | 1,361 | (103) | -7.1% |
| 0 | Repairs & Maintenance | 14,061 | 14,061 | (0) | 0.0% |
| (46) | Housing Investment & Asset Management | 2,631 | 2,547 | (84) | -3.2% |
| 757 | Tenancy Services | (48,329) | (47,585) | 744 | 1.5% |
| 722 | Total Housing Revenue Account | 0 | 1,167 | 1,167 | 0.0% |

Explanation of Key Variances

| Key Variances £'000 | Subjective Area | Variance Description |
|------------------------------|-------------------------|---|
| Capital Financing | | |
| 284 | Capital Financing costs | £0.360m short term pressure in financing costs as a result of taking on PWLB borrowing earlier to take advantage of more favourable interest rates. Offset by an increase of £0.076m in interest received on cash balances. |
| Housing Management & Support | | |
| 85 | Employees | There is a forecast overspend of £0.135m on staffing costs relating to Homelessness. Underspends against Transfer Incentive scheme (£0.035m) and minor variances (£0.015m). |
| 213 | Premises | Backdated rent increase in relation to the Housing Centre of £0.107m. Forecast overspend against responsive repairs and empty properties of £0.087m and utility costs of £0.019m. |
| (106) | Supplies and services | Transfer Incentive scheme (£0.095m) and other minor variances (£0.011m). |
| 38 | Support services | Additional contribution to legal services in respect of disrepair claims. |
| 96 | Income | Overspend relating to rent loss due to a backlog of empty properties. A project group is in place to reduce the number void properties during the year. |

Appendix 4 – Revenue Budget Performance

| Key Variances | | |
|--|----------------------------|--|
| £'000 | Subjective Area | Variance Description |
| Housing Strategy & Supply | | |
| (103) | Employees | Forecast underspend against support service cost in delivery of new supply. |
| Repairs & Maintenance | | |
| (116) | Employees | Additional staffing costs of approximately £0.400m in respect of dealing with backlog works; this is offset by a forecast underspend against the base salary budget. |
| 1,129 | Premises | Forecast overspend against the base budget for subcontractor costs. |
| (4) | Supplies and Services | Forecast underspend against the base budget for material costs. |
| (35) | Transport | Minor variances. |
| (974) | Contribution from reserves | Financial risk relating to the post pandemic backlog of responsive repairs and empty property works is a significant financial issue for 2022/23 and the HRA budget report set aside a total of £1.5m to ensure one-off funding is available during the year to cope with this pressure. The assumption at Month 5 is that the net overspend identified above will be covered by this reserve. |
| Housing Investment & Asset Management | | |
| (294) | Employees | An underspend due to change in the timescales for recruiting additional staff to support the new arrangements for planned and major works. |
| 4 | Premises | A forecast overspend on Utility costs. |
| 206 | Supplies and Services | Pressure from disrepair claims, which by their nature are not possible to forecast easily. Instances and costs associated with each instance will be recorded separately within the HRA and the variance against budgets are regularly reviewed during the year. |
| Tenancy Services | | |
| 90 | Employees | A forecast overspend against the staffing budget. |
| 457 | Premises | £0.263m forecast overspend on utility costs. £0.101m overspend in council tax costs in respect of the higher number of empty council dwellings awaiting repairs. £0.053m additional grounds maintenance costs for first year of ash die back tree works. £0.040m minor variances. |
| 233 | Supplies and Services | £0.120m overspend on the use of temporary accommodation for council housing tenants, linked to the current policy for Temporary Accommodation across the authority and in some part to the number of voids held in the HRA. £0.100m overspend relating to the use of security guards in response to safeguarding vulnerable households and addressing Anti-Social Behaviour issues. £0.013m minor variances. |

Appendix 4 – Revenue Budget Performance

| Key Variances | | |
|----------------------|------------------------|--|
| £'000 | Subjective Area | Variance Description |
| (66) | Income | Forecast overachievement in rental income due to new supply of affordable housing offset by an overspend in voids rent loss. |
| 30 | Other | Minor variances. |

Appendix 4 – Revenue Budget Performance

Dedicated Schools Grant (DSG)

Revenue Budget Summary

| Forecast Variance Month 2 £'000 | Service | 2022/23 Budget Month 5 £'000 | Forecast Outturn Month 5 £'000 | Forecast Variance Month 5 £'000 | Forecast Variance Month 5 % |
|--|--|---------------------------------------|---|--|--------------------------------------|
| 0 | Individual Schools Budget (ISB) | 130,711 | 130,711 | 0 | 0.0% |
| 0 | 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> | 14,024 | 14,057 | 33 | 0.2% |
| 0 | High Needs Block | 34,473 | 34,728 | 255 | 0.7% |
| 0 | Exceptions and Growth Fund | 3,188 | 3,213 | 25 | 0.8% |
| 0 | Grant Income | (182,361) | (182,361) | 0 | 0.0% |
| 0 | Total Dedicated Schools Grant (DSG) | 35 | 348 | 313 | 894.3% |

Explanation of Key Variances

| Key Variances £'000 | Service Area | Variance Description |
|--|---|--|
| Early Years Block (including delegated to Schools) | | |
| 30 | Additional support funding for early years providers | Small overspend relating to additional support funding for early years providers to support children with additional needs. This area continues to see increasing demand. |
| 3 | Other | Minor variances. |
| High Needs Block (excluding delegated to Schools) | | |
| 426 | Agency - Independent non-maintained special schools | Increase in specialist placements to independent non-maintained special schools. This is being driven by increases in demand and complexity of need where suitable local provision does not exist. Placements are mainly linked to autism and social emotional mental health categories of need. The budget is currently forecasting 120 FTE placements compared to 89 FTE placements at the comparative time last year. |
| (93) | Balance of high needs block funding currently unallocated | Balance of funding currently unallocated within the high needs block following government increases in funding in 2022-23. Required to offset pressures in wider high needs block. |

Appendix 4 – Revenue Budget Performance

| Key Variances | | |
|-----------------------------------|--|--|
| £'000 | Service Area | Variance Description |
| (48) | Mainstream school top-up funding | Mainstream school top-up budget has been significantly rebased in 2022-23 to reflect increase in demand and cost. At this stage it is forecast there will be an underspend against the rebased budget. |
| (46) | Special Schools Support and Top-up funding | Budget rebased in 2022-23 to reflect increase in provision and additional support costs. At this stage it is forecast there will be an underspend against the rebased budget |
| 16 | Other | Other smaller compensating variances |
| Exceptions and Growth Fund | | |
| 38 | Premature Retirement Costs | Ongoing annual commitment where regulations do not permit local authorities to increase budget beyond historic levels. |
| (13) | Other | Minor variances. |

