

## Families, Children &amp; Learning (FCL)

## Revenue Budget Summary

Forecast Variance Month 7 £'000	Service	2024/25 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	Forecast Variance Month 9 %	2024/25 Savings Proposed £'000	Net Savings Achieved £'000	Net Savings At Risk £'000
0	Director of Families, Children & Learning	191	176	(15)	-7.9%	0	0	0
853	Health, SEN & Disability Services	10,389	11,011	622	6.0%	982	732	250
973	Education & Skills	12,821	13,889	1,068	8.3%	1,665	1,589	76
(2,188)	Children's Safeguarding & Care	41,052	38,584	(2,468)	-6.0%	2,241	2,218	23
(74)	Quality Assurance & Performance	1,718	1,585	(133)	-7.7%	0	0	0
(1)	Libraries & Information Services	3,662	3,647	(15)	-0.4%	132	132	0
(437)	Total Families, Children & Learning	69,833	68,892	(941)	-1.3%	5,020	4,671	349
(151)	Further Financial Recovery Measures (see below)	-	0	0	-	-	-	-
(588)	Residual Risk After Financial Recovery Measures	69,833	68,892	(941)	-1.3%	5,020	4,671	349

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

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
Director of Families, Children & Learning		
(15)	Other	
Health, SEN & Disability Services		
653	Children's Disability Agency Placements	Increase in both volume and cost of residential and foster agency placements compared to budgeted levels.
(51)	In-house Children's Disability Provision	Unachieved saving due to delay of re-provisioning in-house service to accommodate existing external placements offset by additional third party funding for use of BHCC in-house provision
220	Children's Disability Section 17	Anticipated ongoing care requirements for 3 young people.
(200)	Other	Other variances.

Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
Education & Skills		
730	Home to School Transport	<p>Based on the current data held on Mobisoft the updated forecast overspend for Home to School Transport is £0.730m. This forecast takes account of the current contracted routes and assumes average numbers of 522 5-16 pupils, 110 post 16 pupils and 49 post 19-25 for the remainder of the financial year but does not include the potential risk of an outstanding legal claim of £0.254m re petrol price uplift.</p> <p>There are several factors contributing to overspends in Home to School Transport. These include increased demand on the service (both at 5-16 ages, and 16 up until 19th birthday), increased numbers of children requiring single occupancy journeys, lack of local SEND school sufficiency, and increased numbers of routes required to accommodate individual post 16 learners' timetables.</p> <p>Market forces within SEND transport are also contributing to overspend in Home to School Transport. The service is being increasingly impacted by local driver, vehicle passenger assistant, vehicle shortages and increased running costs. There is also a lack of competition in the transport market, particularly minibuss providers, which is pushing up contract prices still further.</p> <p>There is increasingly less capacity in the local system to meet demand, not just in the numbers of children requiring transport but the nature of the transport requirements. There is an increase in solo routes being created, both to educational provisions where they are the only children attending and using HTST. Since September, we have created 12 more routes and 10 of those have been solo.</p>
170	PFI	Due to higher PFI contractor costs.
168	Other	
Children's Safeguarding & Care		
(2,238)	Demand-Led - Children's placements	<p>There are ongoing significant issues with sufficiency of foster carers and other placement types making placing children difficult and driving up unit costs. In addition the post pandemic period has seen children with increasingly complex needs coming into care. However, the significant success of ongoing initiatives and alternative service offers, attempting to reverse the trend of reducing foster carer numbers and address the complex needs of the children being referred, has meant that it is anticipated that placements for children in care and care leavers will remain well within budget in 2024/25.</p>
(170)	Section 17	Income received from ICB for children with ongoing mental health needs
(60)	Other	
Quality Assurance & Performance		

Appendix 4 – Revenue Budget Performance

Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
(133)	Other	Mainly relates to vacant posts in the independent Reviewing Team.
Libraries & Information Services		
(15)	Other	

Housing, Care & Wellbeing (HCW)

Revenue Budget Summary

Forecast Variance Month 7 £'000	Service	2024/25 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	Forecast Variance Month 9 %	2024/25 Savings Proposed £'000	Net Savings Achieved £'000	Net Savings At Risk £'000
593	Adult Social Care Operations	83,545	82,458	(1,087)	-1.3%	4,282	4,043	239
1,735	S75 Sussex Partnership Foundation Trust (SPFT)	20,492	22,014	1,522	7.4%	0	0	0
244	Commissioning & Partnerships	5,587	5,706	119	2.1%	259	259	0
183	Life Events	257	405	148	57.6%	0	0	0
0	Public Health	3,134	3,134	0	0.0%	171	171	0
2,514	Housing General Fund	13,123	15,241	2,118	16.1%	2,042	896	1,146
5,269	Total Housing, Care & Wellbeing	126,138	128,958	2,820	2.2%	6,754	5,369	1,385
(727)	Further Financial Recovery Measures (see below)	-	(316)	(316)	-	-	-	-
4,542	Residual Risk After Financial Recovery Measures	126,138	128,642	2,504	2.0%	6,754	5,369	1,385

Explanation of Key Variances

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
Further Directorate Financial Recovery Measures		
(266)	Adult Social care	The directorate has developed an over-arching Financial Recovery Plan to address the above pressures including the following measures: The total target was £5,954m and has increased to £6,254 with an additional £0.300m for a new savings project Reviewing Direct Payments. £5,403m of this total has been achieved and £0.266m left to be achieved as at month 9 while £0.585m is at risk.
		- Targeted reviews.
		- Reducing voids within block contracts.
		- Avoiding unnecessary long term residential admissions.

**Appendix 4 – Revenue Budget Performance**

<b>Key Variances</b>		
<b>£'000</b>	<b>Service Area</b>	<b>Variance or Financial Recovery Measure Description</b>
(50)	Housing General Fund	To pilot the procurement of the management element of block booked emergency accommodation with estimated cost reduction of £0.080m in 24/25. However negotiations are taking longer than expected and it is likely this will now commence in April 2025. The service is taking action to improve the turnaround times for empty properties to further reduce forecast costs by £0.050m this year. The measures to maximise opportunities within council owned stock to provide TA, where appropriate has commenced and is now incorporated in the main forecast.
<b>Adult Social Care Operations</b>		
789	Demand-Led Community Care - Physical & Sensory Support and Substance Misuse	An expensive Physical Community Care case has now been invoiced but is still being challenged. The commitment currently stands at £0.964m. £0.179m further balance has been moved from the Balance Sheet as there is no further claim. £0.290m of demand growth and an over accrual of £0.158m have also been deducted.
(675)	Assessment teams	This is due to a number of temporary vacancies and delayed recruitment which has now been frozen across the Assessment teams as well as an increase in forecast income.
885	In-house provision Adult LD	Overspends within in-house provision for adults with Learning Disabilities, Resource centres and Hostels is mainly due to the need to use agency and sessional staff in particular to cover long term and regular sickness. This has been partly offset by increased S117 income forecast at Wayfield Avenue.
(1,707)	Demand-Led Community Care - Adult LD	This underspend relates to a significant underutilisation of Direct Payments and a lower use of Day Care. This is offset in part by an increased use of Home Care services. There has been an adjustment to the transitions commitment of £0.481m and a use of £0.200m growth. There is a large West Sussex County Council (WSCC) case that brings a liability of £0.188m and a reduction relating to 2023/2024 over accrual of £0.209m.
(174)	Other	Extra income and recruitment freeze.
(100)	Community Equipment Store	The underspent relates to reduced usage affected by trends and cyber incidents. However, in months 7, 8 and 9 the overspend has reduced to the usage of more expensive equipment and backdated charges.
54	Resource Centres Older People	Significant forecast reduction created by delayed and now freeze on recruitment although still forecasting an overspend.
(159)	LD Assessment Teams	Vacancies - now frozen recruitment.
<b>S75 Sussex Partnership Foundation Trust (SPFT)</b>		
572	Demand-Led - Memory Cognition Support	The overspend is the result of high unit costs within the nursing care provision and Direct payments plus a single Supported Accommodation client. Small reduction for TBM09. £0.022m growth used. Over accrual reduction of £0.076m re year end 23/24.

**Appendix 4 – Revenue Budget Performance**

<b>Key Variances</b>		
<b>£'000</b>	<b>Service Area</b>	<b>Variance or Financial Recovery Measure Description</b>
751	Demand-Led - Mental Health Support	The overspend is the result of high unit costs and above budgeted number of clients in the nursing care provision. Reduction of £0.057m related to over accrual at year end 2023/2024.
199	Staffing teams	Due to Operations Managers that are not within the budgeted establishment and the AMHP post regrading. Increased cost of salary recharge from SPFT. Figures include £0.140m agreed contribution from SPFT to help with staffing pressure.
<b>Commissioning &amp; Partnerships</b>		
(20)	Commissioning	Internal recharges for legal costs have increased in recent years offset by vacancies with now frozen recruitment. Funding for two posts £0.077m.
139	Carers Support	Increased management fee. Some improvement in overspend due to payments to Crossroads and Direct Payments having slowed.
<b>Life Events</b>		
310	Bereavement services	Reduced number of cremations partly due to chapel closure for repairs affecting income. This has improved slightly due to expenditure being scrutinised.
(63)	Coroner	Negotiations with WSCC regarding Assistant Coroners. Slight improvement due to scrutiny of expenditure.
(99)	Registrars	Increased Statutory fee income and expenditure scrutinised.
<b>Housing General Fund</b>		
2,612	Temporary Accommodation	<p>The budget for Temporary Accommodation (TA) is forecasted to overspend by £2.612m for 2024/25.</p> <p>Emergency nightly accommodation (spot purchased) is forecast to overspend by £2.006m due to greater demand, increased costs, and the need to meet the continued decrease of TA leased properties. The budget was set at an average of 160 households per night for the year. However, since April, the council has supported an average of 316 households every night. Although the service is working hard to prevent homelessness, numbers remain high. In 2023/24, the number of households placed in spot purchase more than doubled, from 124 at the start of April 2023 to 256 at March 2024. As at 20/01/2025, there were 402 units of spot purchase accommodation in use. This forecast assumes that the number of households in spot purchased accommodation will be 415 by March 2025.</p> <p>The number of TA leased properties has steadily decreased year on year as landlords withdraw their properties from the rental market. This forecast assumes that the number of TA leased properties will reduce by 62 properties this year, from a total of 617 to 555</p>

Key Variances £'000 Service Area		Variance or Financial Recovery Measure Description
		homes. This is based on prior year trends but also the number of leases (over 50% of stock) coming to an end this financial year. The new leases are also commanding a higher rate and shorter terms. With these factors being considered, the forecast assumes an underspend of (£0.228m) this year.  Additionally, the council is facing large increases in contract costs of block booked emergency accommodation, which was factored into the budget. However, due to the demands on the service, there are 100 more block booked properties, on average, than allowed for at budget setting time. Therefore, the forecast estimates that this budget will overspend by £0.696m.  The temporary accommodation service is forecast to overspend on staff costs by £0.069m but this is offset by staffing underspends in the Housing options service.
0	Seaside Homes	This budget is forecast to break-even.
21	Private Sector Housing	Unachieved savings for fine income of £0.052m offset by a vacancy on the adaptations team.
(89)	Commissioned rough sleeper and housing related support services	This underspend relates an inflationary increase to part of this budget that was not required this year due to the scheduling of re-commissioning due 1/4/26.
22	Homemove	The overspend is attributed to delays in concluding the Home Connection service. The additional costs will not be invoiced to partners.
(420)	Housing Options	There are various underspends on staffing budgets, which are largely offset within the temporary accommodation staffing budgets. Additionally, there is a forecast underspend of £0.198 million on initiatives. Budget realignment is required following the restructure.
53	Travellers	The main reasons for the overspend is that security costs are still higher than budgets allow but will reduce later in the year and storage and removal costs for unauthorised encampments and van dwellers have increased.
(59)	Housing Strategy and Enabling	Vacancy in the empty property team.
28	Other	Minor net variance.

City Services

Revenue Budget Summary

Forecast Variance Month 7 £'000	Service	2024/25 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	Forecast Variance Month 9 %	2024/25 Savings Proposed £'000	Net Savings Achieved £'000	Net Savings At Risk £'000
229	City Transport	(6,931)	(8,348)	(1,417)	-20.4%	978	621	357
(242)	City Environment	33,977	34,246	269	0.8%	2,137	2,137	0
387	City Development & Regeneration	3,404	3,735	331	9.7%	950	650	300
10	Culture, Tourism & Sport	10,089	9,960	(129)	-1.3%	817	432	385
1,016	Property & Design	2,594	3,852	1,258	48.5%	1,919	1,599	320
(195)	Safer Communities	3,737	3,464	(273)	-7.3%	238	238	0
1,205	Total City Services	46,870	46,909	39	0.1%	7,039	5,677	1,362

Explanation of Key Variances

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
	City Transport	
(153)	Head of City Transport	Achieved through releasing of Consultancy and Initiative surplus budgets
(5)	Parking Services	<p>Parking Services are forecasting an almost break even position of £0.005m underspend against a £28.889m net income budget.</p> <p>Parking permits is predicting to be £1.436m (11.32%) underachieved compared to its budget of £12.696m. This forecast is reflecting changes in consumer demand for short term and cheaper products, contains continued reduction in demand in residents and visitor permits across zones and the loss of parking capacity due to active travel proposals along with many other factors.</p> <p>On-street paid parking is predicted to be £1.138m (7.67%) underachieved compared to its budget of £14.800m. £0.300m of which is driven by the removal of previously agreed zone changes last year, with a further £0.0700m a result of the free parking bay to paid parking bay proposals removed this year. Off-Street Parking is predicted to underachieve by £1.000m (10.87%). Leased Car parks have been reviewed and £0.339m pressure</p>



Appendix 4 – Revenue Budget Performance

839

Key Variances £'000 Service Area		Variance or Financial Recovery Measure Description
		<p>identified, this is driven by reduced activity, resulting in poor projected profits. The invoicing, accruals and forecasting for leased car parks has been led by Finance for some time by taking performance reports from NCP at certain times of the year. Due to this issue being identified outside of Parking Services' remit to control, discussions will consider the opportunity for these responsibilities to be led in Parking Services with support from Finance. There are also corrective adjustments for prior year activity which contributed £0.095m to this pressure.</p> <p>These underachievements are offset by predicted surplus income for Parking Suspensions of £0.463m (35.46%). In addition There is also a predicted underspend in Parking costs of £0.435m which is primarily driven by surplus in Unsupported borrowing budgets and reductions in Staffing costs £0.250m as a result of effect of vacancies held in year. PCN income is set to overachieve by £2.570m due to increased levels of payments particularly in relation to CCTV bus lane enforcement. This is representing the switch this year to better enforcement strategies and new traffic schemes. However, there are concerns around the team staff resource to collect on this debt, with increased costs in debt recovery and provisions for bad debt.</p>
365	Concessionary Bus Fares	Concessionary travel is forecasting £0.365m overspend this year which reflects fixed deals for the current year awaiting approval from cabinet. The fixed deals are in response to the increases in the Government Reimbursement Tool which would have seen an overspend of £0.648m if used.
(379)	Network Management	Road Works Permit income forecast is £0.158m less than budgeted target, though is comparable to previous year actual income which was supported by reserve that is now fully utilised. Other pressures are around Highway agreements which are reporting £0.290m below budgeted targets due to decreased activity for developments in the city. These pressures are offset by underspends of £0.250m from spending controls including lighting, highways and winter service. Additional underspends of £0.047m for vacancies held in year, £0.021m for Drainage underspends, £0.300m generated from increased hoarding income owing to new large hording licences being issued and other network management incomes above target of £0.224m.
(1,245)	Transport Projects and Engineering	Payments to Bus Operators for both base and enhanced services funded by the DfT Bus Service Improvement Plan grant where services are enhanced is releasing £0.870m underspend in year. A further £0.073m is being reported against Flood defences from held vacancies. £0.095m underspend is being reported against Coast Protection. Bus Shelter

**Appendix 4 – Revenue Budget Performance**

<b>Key Variances</b>		
<b>£'000</b>	<b>Service Area</b>	<b>Variance or Financial Recovery Measure Description</b>
		Advertising Net Income is forecast to achieve £0.078m surplus largely due to inflation. £0.060m underspend on unsupported borrowing in year due to S106 monies being applied against the principle last year for Cycle Hangars. £0.069m surplus on Transport Projects as a result of utilisation of grants.
<b>City Environment</b>		
(815)	City Clean	£0.200m deficit within Environment Enforcement income. This pressure is offset by £0.177m underspend in public conveniences and £0.505m underspend in collections as a result of held vacancies and spending controls. Deferring litter picking on the A27 and A23 is bringing the Street Cleansing Service into a break even position. There are forecast surpluses of £0.320m in commercial and green waste collections due to increased customers.
1,222	Fleet & Maintenance	Overspend on Refuse/Recycling collection vehicle hire of £0.609m in addition to ongoing maintenance charges and other vehicle costs in keeping an ageing fleet operational. Pressure of £0.150m for ensuring Hollingdean Depot remains operational due to the state of the site. An action plan is being developed to take longer term actions to address spend in this area and deliver a more resilient service for residents.
41	Head of City Environmental Management	Net forecast following interim director and organisational redesign.
(179)	Strategy & Projects	Underspends as a result of held vacancies and spending controls including waste composition analysis not taking place in year.
<b>City Development &amp; Regeneration</b>		
674	Development Planning	Underachievement of Planning and Building Control income of £1.096m as there is still uncertainty in the development and finance markets. Also, legal fee overspends of £0.180m relating to The Gasworks appeal. This is offset mostly by staffing underspends of £0.592m as part of spending controls.
(297)	Planning Policy Major Projects	Consultancy underspends and release in year of planning reform initiatives as part of spending controls.
(111)	Net Zero	Initiatives budgets and vacancies held as part of spending controls
8	Economic Development	Minor overspend from 1% turnover target greater than actual vacancies in year.
(76)	Business Development and Customer Services	Held vacancies in the service as part of spending controls.
133	Head of Regeneration	Increased Black Rock capital financing costs.

**Appendix 4 – Revenue Budget Performance**

<b>Key Variances</b>		
<b>£'000</b>	<b>Service Area</b>	<b>Variance or Financial Recovery Measure Description</b>
<b>Culture, Tourism &amp; Sport</b>		
600	RPMT	£0.600m potential pressure relating to cover for the NJC pay award under the terms of the agreement with the Royal Pavilion Museums Trust. This is a contractual obligation, the final figure is determined at the end of each calendar year and discussed with RPMT in regular meetings.
(381)	Sport and Leisure	Release of £0.050m initiatives budget in response to spending controls. £0.062m surplus within Outdoor Events. Underspends of £0.042m on Golf Course contracts, £0.160m underspend on sports facilities mostly around contract variation fees. £0.056m underspend within Seafront Services from surplus rents supporting the cost of the service.
3	Venues	Overspend from increased electricity costs and 1% turnover target greater than actual vacancies in year and surplus incomes.
(285)	City Parks	Underspends within Arboricultural services. Vacancies within wider city parks and use of S106 supporting management costs of projects releasing further underspends.
(66)	Tourism and Marketing	There is a net underspend forecast across the service, largely as result of staffing vacancies and surplus fees
<b>Property &amp; Design</b>		
(51)	Head of Property	There is a net underspend forecast across the service, largely as result of staffing vacancies.
726	Estates Management	Vacant Properties within both the In-house & Commercial portfolio's have caused pressures from the loss of rental income and the additional premises related costs until new tenants can be attracted resulting in forecast pressures of £0.363m. There are initial pressures of £0.340m regarding the letting of Barts House 3rd and 4th floors where current rents and anticipated occupational savings from vacating are not achieving the full savings target for this year, though this is under review to ensure savings can be delivered going forward.
326	Facilities & Building Services	£0.338m forecast overspend relating to essential only responsive repairs functions due to rising costs and conditions of facilities. Post room services contains forecast overspends of £0.051m due to additional surcharges from Royal Mail whilst the service is not barcode compliant, though work is underway to ensure the council is compliant to mitigate costs. These overspends are partly offset by forecast underspends in security costs of £0.074m within Facilities & Building Services.
65	Energy & Water Management	Overspend from increased electricity costs offset by underspends in forecast gas costs.
117	Architecture & Design	Shortfall on fee income as a result of a reduced capital programme.

**Appendix 4 – Revenue Budget Performance**

<b>Key Variances</b>		
<b>£'000</b>	<b>Service Area</b>	<b>Variance or Financial Recovery Measure Description</b>
94	Building Surveying & Maintenance	Shortfall on fee income as a result of a reduced capital programme.
(19)	Education Property Management	There is a net underspend forecast across the service, largely as result of staffing vacancies.
<b>Safer Communities</b>		
(273)	Safer Communities	There is a net underspend forecast across the service, largely as result of staffing vacancies.

## Corporate Services

## Revenue Budget Summary

Forecast Variance Month 7 £'000	Service	2024/25 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	Forecast Variance Month 9 %	2024/25 Savings Proposed £'000	Net Savings Achieved £'000	Net Savings At Risk £'000
159	Policy, Communications & Leadership Office	1,842	1,877	35	1.9%	24	24	0
51	Legal & Democratic Services	3,515	3,457	(58)	-1.7%	335	335	0
(132)	Elections & Land Charges	415	262	(153)	-36.9%	20	20	0
(52)	Customer, Modernisation & Performance Insight	1,440	1,274	(166)	-11.5%	35	35	0
370	Finance	2,189	2,494	305	13.9%	144	16	128
0	Procurement (Mobo)	(39)	(39)	0	0.0%	2	2	0
29	HR & Organisational Development	3,901	3,895	(6)	-0.2%	222	199	23
(120)	Information Technology & Digital	8,091	7,886	(205)	-2.5%	649	323	326
(197)	Welfare Revenue & Business Support	7,974	7,782	(192)	-2.4%	327	327	0
0	Communities, Equality & Third Sector	2,640	2,618	(22)	-0.8%	581	581	0
11	Contribution to Orbis	2,932	2,934	2	0.1%	0	0	0
119	Total Corporate Services	34,900	34,440	(460)	-1.3%	2,339	1,862	477

**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 any budget variance on 'Orbis Services' is shared in accordance with the Inter-Authority Agreement (IAA).

## Explanation of Key Variances

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
	Policy, Communications & Leadership Office	
(5)	Monitoring Officer	Vacancy savings.
62	CEO	A combination of recruitment cost, staff training and expected overspends on staffing cost.

Appendix 4 – Revenue Budget Performance

Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
(76)	Communications & Graphic design team	Staffing savings £0.089m and other small underspends offsetting overspends in subscriptions to organisations, graphic design and an inflationary increase in professional fees.
63	Policy development	Staffing overspends £0.097m and other small overspends offset by £0.0097m underspend in subscriptions to organisations.
25	External Funding Manager	Forecast overspends in staffing .
(23)	Brighton & Hove Strategic Partnership	Staffing and operational budgets underspends offset by unachieved income from project partners.
(14)	AD Policy and Comms	Vacancy Savings.
2	Leadership support	Small overspends in service.
<b>Legal &amp; Democratic Services</b>		
(160)	Legal team	Combination of vacancy contribution and external income generation.
(14)	Democratic Services	Staffing and other small savings in operational budgets.
92	Members allowance	Overspend in member allowance due to governance change plus a cabinet member cover.
26	Political assistants	Staffing overspends.
(1)	Member training	Small savings in service .
<b>Elections &amp; Land Charges</b>		
(141)	Local Land Charges	Increased income forecast as HMLR transfer not expected before Q4 2024/25 at the very earliest.
4	Canvassing	Overspends in postages due to increased outgoing postage costs for statutory annual canvass mailings.
(16)	Electoral registration	Staffing underspends and other income offset by overspends in operations budgets.
<b>Customer, Modernisation &amp; Performance Insight</b>		
(67)	Performance team	Underspends are due to staffing vacancies, reduction in development work, stoppage of overtime, reduction in consultant support and reduction in training and other costs.
(65)	Information rights team	
(34)	Customer Experience team	
<b>Finance</b>		
305	Financial Services	Overspend due to a substantial increase of £0.289m in the external audit fee, primarily due to the new 5-year nationally negotiated contract, together with the cost of maternity cover for a senior position of £0.25m and other minor net variances.
<b>HR &amp; Organisational Development</b>		
45	Policy and Initiatives	In HR budgets in Q3 there was a significant decline in the income for the recruitment team due to a corresponding decrease in recruitment activity and this has removed the

Appendix 4 – Revenue Budget Performance

Key Variances £'000 Service Area		Variance or Financial Recovery Measure Description
		previously projected underspend. The service also has an overspend on Occupational Health (OH) due to a significant increase in OH referrals from managers. Overall HR, OH and Recruitment cost centres would report a small underspend of about £0.021m but this is offset by the known and ongoing pressure in the union cost centres which results in a £0.045m overspend overall for this area.
13	Occupational Health and Safety	Health and Safety reporting an overspend driven by small overspend in staffing and reduced income from schools linked to academisation.
(64)	Organisational Development	For Learning and Organisational Development, a predicted forecast of £0.064m underspend. This is dependent on income continuing at current rates in Q4 and being delivered by recharging of staffing costs against social work grant income and LMS modernisation funding, ongoing effective budget management and additional measures following risk assessment process to cancel 'low risk' courses planned for February and March in response to tightening spending controls. Underspend could increase dependent on decisions taken in operational adult and children social care services against courses identified as 'medium risk' (decisions pending). Social work related cost centres will net out as balanced budget due to restrictions on spend of grant funding and any underspend will be carried forward to 2025/26 to meet commitments for funding.
Information Technology & Digital		
(205)	IT&D	At Month 9, IT & Digital are forecasting an underspend of £0.205m which is an improvement of £0.085m from Month 8. The service has reduced spend forecasts and delayed some planned work as much as possible in line with the new spending controls and are continuing to explore ways of reducing spend further by delaying work and capitalising costs in the hope they be able to improve the position further for month 10. IT&D had implemented a recruitment freeze within the whole of the service from 1 April 2024 to help mitigate the Traded Services saving target which has helped the position but is having a detrimental impact on the service provision, including chargeable work for Schools. Traded Services are also having to absorb additional costs relating to school closures and mergers although they are exploring whether some of these can be charged elsewhere. IT&D are expecting some in-year savings on telephony spend following the migration of services to a cloud platform, however, they are also experiencing continuing pressures with inflation increases on contracts and services which are mitigated as much as possible by reviewing licences and usage but are still seeing increased costs. There is also a new pressure of £0.046m for licences for the council's trial of Microsoft 365 co-pilot.
Welfare Revenue & Business Support		

**Appendix 4 – Revenue Budget Performance**

<b>Key Variances</b>		
<b>£'000</b>	<b>Service Area</b>	<b>Variance or Financial Recovery Measure Description</b>
(154)	HB, CTAX & NNDR Running Expenses incl Discretionary payments	Forecast staffing underspend of £0.116m and underspends mainly initiatives budgets and computer maintenance as well as carried over income from previous year £0.110m giving a total of £0.303m that has been offset by overspends in postage and designing £0.031m, underachievement of court cost recovery of £0.170m, overspends in Professional fees £0.064m and other small overspends in the service.
(48)	Social Fund & Welfare	Forecast staffing underspends.
(1)	WRBS Systems Teams	Net staffing underspends.
(94)	Corp Debt & Banking	Forecast staffing £0.062m, bank charges £0.038m offset by rebate income £0.120m, Software underspends £0.033m other overspends in the service.
84	Payroll & Pensions	Staffing overspends £0.078m and other small overspends in operational budgets
21	Management & Admin	Staffing overspends £0.082m offset partly by income and other small underspends in the service.
<b>Communities, Equality &amp; Third Sector</b>		
(22)	Community engagement	Staffing underspends.
<b>Contribution to Orbis</b>		
2	Orbis Partnership Budget	The Orbis forecast improved to an underspend of £0.167m on the overall partnership budget. This is due to underspends on Internal Audit, Finance and Treasury partially offset by an overspend in Insurance. The Council's share of this is £0.053m. The council's budget for the partnership is £2.932m but the projected full year cost is £2.934m leaving an overall forecast pressure of £0.002m despite the underspend forecast by the partnership.



## Centrally-held Budgets

## Revenue Budget Summary

Forecast Variance Month 7 £'000	Service	2024/25 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	Forecast Variance Month 9 %	2024/25 Savings Proposed £'000	Net Savings Achieved £'000	Net Savings At Risk £'000
700	Bulk Insurance Premia	3,822	4,522	700	18.3%	0	0	0
(710)	Capital Financing Costs	7,997	7,250	(747)	-9.3%	0	0	0
0	Levies & Precepts	242	242	0	0.0%	0	0	0
0	Unallocated Contingency & Risk Provisions	64	64	0	0.0%	0	0	0
0	Unringfenced Grants	(32,230)	(32,243)	(13)	0.0%	0	0	0
589	Housing Benefit Subsidy	399	1,438	1,039	260.4%	0	0	0
2,278	Other Corporate Items	(138)	1,051	1,189	861.6%	2,475	1,271	1,204
2,857	Total Centrally-held Budgets	(19,844)	(17,676)	2,168	10.9%	2,475	1,271	1,204
(1,327)	Further Financial Recovery Measures (see below)	-	0	0	-	-	-	-
1,530	Residual Risk After Financial Recovery Measures	(19,844)	(17,676)	2,168	10.9%	2,475	1,271	1,204

## Explanation of Key Variances

Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
Bulk Insurance Premia		
700	Insurance claims.	Settlement of insurance claims in the first five months is considerably higher than previous years and includes two claims costing £0.100m each. The annual budget has now been used meaning that future settlement of claims for the remainder of the year represents an overspend and it is currently forecast that this figure will be £0.700m.
Capital Financing Costs		
(400)	Investment income	Higher expected investment income due to higher balances and interest rate than forecast.
(347)	Interest on borrowing	Delay in long term borrowing until next year by using cash balances and short term borrowing.

**Appendix 4 – Revenue Budget Performance**

<b>Key Variances</b>		
<b>£'000</b>	<b>Service Area</b>	<b>Variance or Financial Recovery Measure Description</b>
<b>Unringfenced Grants</b>		
(13)	Transparency Code New Burdens	Expecting this grant in March 2025 as the provisional local government finance settlement announced this grant would be rolled into the Revenue Support Grant from next year.
<b>Housing Benefit Subsidy</b>		
1,039	Housing Benefit Subsidy	Based on the mid year estimate submitted to DWP there is now an estimated pressure of £1.039m. The main element of this is a pressure of £0.840m on a certain benefit type for vulnerable tenants which is not fully subsidised. This pressure has continued to rise since last year but is being investigated to assess what steps can be taken to reduce it. There is also a forecast pressure of £0.179m on the net position of the recovery of overpayments.
<b>Other Corporate Items</b>		
(130)	Corporate Pension Costs	An underspend of £0.090m relating to an overpayment on the 2023/24 unfunded pension costs budget. Over achievement of £0.040m on National Insurance savings on AVC scheme.
1,327	Organisational Redesign savings	A programme of work to undertake Phase 2 of the Organisational Redesign is underway alongside reviews of a number of functions to explore savings through functional alignment and other changes. Savings will be part-year in 2024/25 in most cases but the council will utilise unilateral spending and vacancy controls to ensure the saving is met this year in lieu of full-year savings being identified and realised in 2025/26. As a contribution towards this a 1% reduction has been applied on a one-off basis to salary budgets in 2024/25 which has generated an in year saving of £1.271m. Also includes £0.123m of residual unachieved 2022/23 savings.
1,365	2024/25 Pay Award	Estimated additional cost of 2024/25 pay award above amount provided for in budget.
(238)	Homes for the City of Brighton & Hove	An increase in the Homes for the City of Brighton & Hove LLP distributable profit recognised for the financial year ending 31 March 2024, following the final sign off of the Statement of Accounts for 2023/24.
(1,135)	General Reserves	Release of the £1 million risk provision held to mitigate risks within the overall savings package, particularly the Organisational Redesign savings target of £2.475m which was expected to have a longer lead-in time for delivery, together with the release of other unallocated items held in reserve.

Housing Revenue Account (HRA)

Revenue Budget Summary

Forecast Variance Month 7 £'000	Service	2024/25 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	Forecast Variance Month 9 %
(450)	Repairs & Maintenance	18,522	17,562	(960)	-5.2%
496	Tenancy Services	14,981	15,119	137	0.9%
313	Housing Management & Support	6,424	7,013	589	9.2%
115	Housing Investment & Asset Management	2,931	3,179	248	8.5%
(2)	Housing Strategy & Supply	1,579	1,523	(56)	-3.6%
85	Council-owned Temporary Accommodation	958	1,310	352	36.7%
(507)	Rent & Service Charges	(73,472)	(74,011)	(539)	-0.7%
50	Service Area Total	(28,076)	(28,305)	(229)	-0.8%
200	Capital Financing Costs	8,509	8,711	202	2.4%
(250)	Direct Revenue Funding	19,567	19,594	27	0.1%
(0)	Total Housing Revenue Account	0	0	0	0.0%

Explanation of Key Variances

Key Variances £'000	Subjective Area	Variance Description
Repairs & Maintenance		
(1,805)	Employees	Increased capitalisation of salary costs, largely in respect of the EICR programme (£1.3m), plus forecast underspend against the net staffing budget as a result of vacancies across the year. The underspend equates to approximately 21% of the net salary budget.
399	Premises	There is a forecast overspend against the subcontractor business as usual budget, based on spend to date. A proportion of this spend relates to the disrepair claims, these costs are difficult to forecast based on the volume and timing of claims being made. This continues to be a source of financial pressure for the HRA and will be closely monitored over the remainder of the financial year.

**Appendix 4 – Revenue Budget Performance**

<b>Key Variances</b>		
<b>£'000</b>	<b>Subjective Area</b>	<b>Variance Description</b>
457	Supplies and Services	The service continues to experience significant costs arising from disrepair claims. These by their very nature are difficult to forecast and will be closely monitored each month, this assumes that a new legal resource is in place to manage the claims early in the process, enabling better management of spend.
(11)	Other	Minor variance.
<b>Tenancy Services</b>		
82	Employees	There is a forecast overspend against staffing costs across the service, equating to just under 1.0% of the total salaries budget.
294	Premises	Forecast overspend of £0.083m within Sheltered services on cleaning costs. There are also overspends on tree maintenance costs of £0.050m and council tax costs of £0.050m. There is a net estimated overspend of £0.017m against utility cost budgets, based on information provided by the corporate energy team.
(247)	Supplies & Services	There is a one-off reduction in the planned contribution to the General Needs rent bad debt provision, following confirmation that the Leasehold bad debt provision is no longer required and will be transferred in-year.
8	Other	Minor net variance.
<b>Housing Management &amp; Support</b>		
245	Employees	There is a forecast net overspend on staffing costs, as a result of the recruitment of an Interim Programme Director of Housing Regulatory Response and an increase in support service charges based on latest costings.
70	Supplies & Services	There is a forecast overspend against professional fees, mainly due to increased costs in Housing Ombudsman Service membership subscription.
256	Support Services	The HRA has seen an increase in the housing buildings insurance premiums, due to a change in valuation methodology (which is being insisted on by our insurers).
18	Premises	Minor net variance.
<b>Housing Investment &amp; Asset Management</b>		
(77)	Employees	There is a forecast underspend against staffing costs, mainly due to a number of vacancies across the service.
322	Premises	Additional contractor capacity has been procured, via a waiver, to provide new water risk assessments. Re-tendering the water safety contract and separating risk assessment from completion of remediation actions, is being taken forward as a priority.
942	Large Panel Systems - revenue costs	Enhanced building safety measures for the eight Large Panel System blocks, with significant costs arising from the introduction of a 24-hour security service to help manage items being taken into the building and to support with floor walks and maintaining clear

**Appendix 4 – Revenue Budget Performance**

<b>Key Variances</b>		
£'000	Subjective Area	Variance Description
		egress and exits to the building. The current forecast includes the impact of introducing 24-hour CCTV provision, replacing the staffing costs for 24-hour security. It also includes the cost of a dedicated Fire Safety consultant, weekend floor-walks, temporary plant hire, rubbish clearance and additional temporary staffing resources.
(66)	Supplies & Services	In consultation with the leaseholder service manager there is no contribution to Leaseholder Bad Debt provision resulting in a saving of £0.152m.
(873)	Income	Leaseholder service charge income is £0.810m higher than budgeted, due to increased costs of insurance and repair costs being higher than estimated. There is also additional professional fee income in respect of Leasehold extension matters.
<b>Housing Strategy &amp; Supply</b>		
(92)	Employees	An increase in capitalised salaries for housing new supply is offset by a reduced level of capitalised salaries against ICT budgets. The delivery of new software is entering into a new phase which will require costs associated with business as usual to be met from revenue budgets.
36	Supplies & Services	An overspend against software costs, due to the change in providers. It is anticipated that in future years there will be a saving in relation to software costs.
<b>Council-owned Temporary Accommodation</b>		
354	Premises	Council-owned Temporary Accommodation can by its nature be volatile. There is a significant overspend in respect of empty properties and repairs costs, based on spend incurred to date.
(54)	Supplies and Services	There is a forecast underspend against the Transfer Incentive Scheme budget.
52	Employees	The recharge of staffing costs from the General Fund is slighter higher than budgeted.
<b>Rent &amp; Service Charges</b>		
(520)	Rents & Service Charges	Net overachievement in rents and service charge income, predominantly relating to new housing supply and fewer homes forecast to be sold under the Right to Buy scheme.
(37)	Empty Property rent loss	Regular meetings of the empty property action grouped has resulted in the average number of empty homes reducing. The forecast for 2024/25 is for there to be an average of 126 empty homes per month, down from 150 per month in 2023/24 a reduction of 19%.
18	Garages & Car Parks	At month 9 it is anticipated that income from garages, car parks and permits will be close to breakeven across the year, however this is offset by a greater level of rent loss than anticipated. Current forecasts show a total rent loss of £0.402m, an overspend against budget of £0.023m. Current rent loss budgets for garages and car parks equate to 23% of the income budget, with the forecast spend increasing this to 24% of rental income due.

**Appendix 4 – Revenue Budget Performance**

<b>Key Variances</b>		
<b>£'000</b>	<b>Subjective Area</b>	<b>Variance Description</b>
<b>Capital Financing Costs</b>		
202	Capital Financing costs	There is an anticipated increase in financing costs due to the projected increase in interest costs and assumed timing of borrowing being taken on by the HRA.
<b>Direct Revenue Funding</b>		
27	Contribution to Reserves	As per the 2024/25 budget paper, £3.266m is expected to be contributed to reserves to fund future years pressures. Any in-year budget variance will result in either an increase (in the case of an underspend) to assist with future years pressures or decrease in the contribution to reserves.

## Dedicated Schools Grant (DSG)

## Revenue Budget Summary

Forecast Variance Month 7 £'000	Service	2024/25 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	Forecast Variance Month 9 %
0	Individual Schools Budget (ISB)	135,863	135,863	0	0.0%
(164)	Early Years Block (excluding delegated to Schools) <i>(This includes Private Voluntary &amp; Independent (PVI) Early Years 3 &amp; 4 year old funding for the free entitlement to early years education)</i>	26,517	26,309	(208)	-0.8%
1,198	High Needs Block (excluding delegated to Schools)	39,643	41,094	1,451	3.7%
124	Exceptions and Central Services	3,483	3,516	33	0.9%
0	Grant Income	(204,232)	(204,232)	0	0.0%
1,158	Total Dedicated Schools Grant (DSG)	1,274	2,550	1,276	100.2%

## Explanation of Key Variances

Key Variances £'000	Service Area	Variance Description
Early Years Block (including delegated to Schools)		
(208)	Central Early Years Block	Predicted underspend on early years free entitlement budgets based on extrapolation of data from October headcount.
High Needs Block (excluding delegated to Schools)		
206	Post-16 High Needs	There has been a significant increase in the number of high needs learners accessing FE colleges in the last year and there has also been a movement of high needs learners moving into the city with responsibility for education falling to Brighton and Hove.
200	Children with Medical Needs	The Children with medical needs budget has been increased by a further £0.250m in 2024/25 but is still showing an expected overspend of £0.200m. There is a continued significant increase in the number of pupils receiving education through bespoke tuition due to their medical needs.
350	Independent non maintained school agency placements	The Independent non-maintained school agency placements budget continues to be under pressure due to increasing demand, higher unit costs and a lack of suitable local provision.

**Appendix 4 – Revenue Budget Performance**

<b>Key Variances</b>		
<b>£'000</b>	<b>Service Area</b>	<b>Variance Description</b>
247	Special School Placements	Placements in the city's special schools for new academic year in excess of commissioned numbers.
314	Mainstream School Top-up Funding	Increase in the unit costs and number of children with Education Health and Care plans in mainstream schools since April.
134	Other	Other variances.
<b>Exceptions and Growth Fund</b>		
33	Other	Other variances.