

Families, Children & Wellbeing (FCW)

Revenue Budget Summary

Forecast Variance Month 2 £'000	Service	TBM Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %	2025/26 Savings Proposed £'000	Net Savings Achieved £'000	Net Savings At Risk £'000
697	Commissioning & Communities	18,713	19,283	570	3.0%	783	672	111
663	Education & Learning	6,633	7,003	370	5.6%	112	27	4
2,368	Family Help & Protection	52,919	54,230	1,311	2.5%	1,563	10	1,143
0	Public Health	1,459	1,459	0	0.0%	1,002	1,002	0
3,728	Total Families, Children & Wellbeing	79,724	81,975	2,251	2.8%	3,460	1,711	1,258
(350)	Further Financial Recovery Measures (see below)	-	(320)	(320)	-	-	-	-
3,378	Residual Risk After Financial Recovery Measures	79,724	81,655	1,931	2.4%	3,460	1,711	1,258

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		
(250)	Agency placements	Ongoing management of high cost placement demand and cost pressures
(20)	Education Strategy	Potential for additional funding from S106 to part fund Senior School Organisational Officer
(50)	Schools PFI	Potential for in-year contractor charges to be lower than previously anticipated
Commissioning & Communities		
445	Home to School Transport	Based on data held on Mobisoft the forecast overspend for Home to School Transport is £0.445m. This takes account of the updated current contracted routes as at July and assumes 3% inflation from September. It also includes estimated pupil number increases of between 5% and 10% resulting in average numbers of 585 5-16 pupils, 133 post 16 pupils and 55 post 19-25 for the remainder of the financial year. There are several factors contributing to the overspend in Home to School Transport. These included increased demand on the service (both at 5-16 ages, and 16 up until 19th

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Key Variances £'000 Service Area			Variance or Financial Recovery Measure Description
			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.
125	Other		Minor variances.
Education & Learning			
265	Schools PFI		<p>The Schools' PFI (Private Finance Initiative) was set up in 2003 to improve the facilities at four schools within the city - Dorothy Stringer, COMART (now closed), Patcham High and Varndean – using private finance to fund the capital improvements. The scheme runs for 25 years and a Special Purpose Vehicle (a legal entity created to fulfil specific or temporary objectives) "Brighton & Hove City Schools Ltd" was set up as part of it. This is currently owned by SEMPERIAN. The scheme is funded partly by a DfE grant with schools paying an annual charge back to the council and partly via an annual drawdown of earmarked reserves. The annual charge is updated each March for the RPIX (RPI All Items Excluding Mortgage Interest) for the 12 months to February. Once the 25-year period is complete (31st March 2028) the contract with SEMPERIAN ends and the assets will be transferred back to the council.</p> <p>It is forecasted that by the end of the 2025/26 financial year the Schools' PFI contract will be overbudget by £0.265m, although this has been mitigated by £0.050m as a financial recovery plan measure at TBM5. Despite receiving pressure funding to compensate for the depletion of reserves in 2023/24, it is not predicted to be sufficient to cover the higher PFI contractor costs plus inflation. For prudence the forecasted inflation for 2025/26 and beyond has been assumed in the model at 3%, despite the Office for Budget Responsibility forecasting that it will average out at 2% between 2024 and 2028.</p>
200	School Closure Site Costs		Site costs of school buildings following school closures
(40)	Council Nurseries		Potential underspend due to increased income for free entitlement funding
(55)	Other		Minor variances
Family Help & Protection			
1,166	Demand-Led - Children's placements		The overspend is the result of a relatively small number of children with extremely high cost placements due to their complex needs and requirements for specialised care. In addition, the prevailing market conditions have made the current framework contracts unattractive to providers and have resulted in the necessity to make more placements outside of the framework contract at higher rates. A further compounding factor is the ongoing difficulty in

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Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
		recruiting foster carers. The shortage of foster carers makes it problematic to place children in family settings, whether in-house or with external providers, forcing the need for more expensive care options.
315	Family Support for children with disabilities	The Overspend is due to the known weekly costs for the children receiving support to prevent entry to care.
(170)	Other	Minor variances.

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Homes & Adult Social Care (HASC)

Revenue Budget Summary

Forecast Variance Month 2 £'000	Service	TBM Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %	2025/26 Savings Proposed £'000	Net Savings Achieved £'000	Net Savings At Risk £'000
1,771	Adult Social Care	85,181	87,093	1,912	2.2%	5,275	4,153	822
2,666	S75 Sussex Partnership Foundation Trust (SPFT)	21,443	23,824	2,381	11.1%	1,306	915	202
36	Commissioning & Partnerships	5,489	5,531	42	0.8%	155	64	91
6,749	Housing People Services	8,305	14,440	6,135	73.9%	2,520	(227)	1,275
(8)	Homes & Investment	913	903	(10)	-1.1%	0	0	0
11,214	Total Homes & Adult Social Care	121,331	131,791	10,460	8.6%	9,256	4,905	2,390
(1,856)	Further Financial Recovery Measures (see below)	-	(3,029)	(3,029)	-	-	-	-
9,358	Residual Risk After Financial Recovery Measures	121,331	128,762	7,431	6.1%	9,256	4,905	2,390

Explanation of Key Variances

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
Further Directorate Financial Recovery Measures		
(774)	Adult Social Care	The directorate has developed a Financial Recovery Plan to address the above pressures. The total target is £8.859m. £7.077m has been achieved with a further £0.774m to be achieved as at Month 5 while £1.007m is at risk. The savings include the following:
		- Targeted Reviews
		- Staffing Vacancies
		- Limited fee uplifts
		- Review of some in-house services
		- Increase in Carefirst fees

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Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
(2,255)	Temporary accommodation (TA)	<p>The service has introduced a Financial Recovery Plan to manage in-year budget pressures.</p> <p>Key savings measures include:</p> <ul style="list-style-type: none"> • improving the turnaround time of void Private Sector leased (PSL) and Seaside properties to minimise losses • restructuring the current staffing resources, • temporarily using Large Panel System (LPS) blocks as cost-effective accommodation in place of more expensive spot-purchased options. • In addition, renegotiating Block Booked (BB) contracts and expanding BB stock aim to further reduce reliance on spot purchasing.
Adult Social Care		
2,814	Physical & Sensory Support	<p>The number of clients for Physical and Sensory Support started the year at 2,072 has increased to 2,162 at Month 5.</p> <p>The average weekly unit cost was budgeted at £230 per week for Under 65s and £154 per week for Over 65s. The Month 5 position shows an increase to £248 per week and £192 per week respectively.</p> <p>The budgeted unit costs of Substance misuse is £716 per week and the forecast is currently £1,204 per week</p> <p>For Month 5 an increase in demand and cost is shown in Supported Living and Long Term Nursing Care for under 65s and Long Term Nursing and Residential care for over 65s partly offset by a reduction in Live-in Home care, Short term Nursing Care and Long Term Residential Care in under 65s.</p>
(50)	Assessment & SIT	Vacancies plus increased client income relating to financial assessments offset by a reduction in Carelink income and a review of salary forecasts
116	Resource Centres Older People	Increase in overtime and sessional workers in the in-house services which is partly offset by an increase in S117 forecast income at Wayfield Avenue
(176)	In House Community Reablement	Overall underspend relates to vacancies awaiting to be recruited to.
(913)	Adult LD Community Care	<p>The number of clients for Adult LD started the year at 1,069 and has increased to 1,081 for Month 5.</p> <p>The average weekly unit cost is budgeted at £603 per week and is currently forecast at £789 per week at Month 5.</p>

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Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
		Overall reductions can be seen in Supported Living, Respite Residential Care and Direct Payments offset by increase in Long Term Residential care.
238	In -House Adults LD Provision	Overall overspend relates to Agency, Overtime and Sessional workers covering vacancies, sickness and leave.
(128)	Learning Disabilities Assessment Teams	Overall underspend relates to vacancies being recruited to.
11	Other	Minor variances
S75 Sussex Partnership Foundation Trust (SPFT)		
2,233	Community Care - Mental Health, & Memory & Cognition	<p>The number of clients for Mental Health and Memory and Cognition started the year at 882 and has risen to 935 at Month 5.</p> <p>The average weekly unit cost was budgeted at £273 for Mental health increasing to £340 for Month 5 and from £427 to £562 for Memory & Cognition.</p> <p>Overall costs have increased for Supported Living and Long Term Nursing Care offset by a reduction in Long Term Residential care within the Mental Health area. Within Memory and Cognition decreases in Nursing both Long and Short Term, Long Term Residential and Direct Payments are partly offset by an increase in Short Term Residential provision.</p> <p>Income has increased due to increase in S117 clients and costs increasing the 50% share to be recharged.</p>
148	S75 Mental Health Staffing	Projected cost of SPFT staffing recharges over budget and salaries spend over budget
Commissioning & Partnerships		
42	Contracts	Carers support expenditure projected to be above budget
Housing People Services		
6,049	Temporary accommodation (TA)	<p>The budget for Temporary Accommodation (TA) was overspent by £6.049m for 2025/26.</p> <p>Nightly accommodation (spot purchased) was budgeted for an average of 132 households per night for the year. However, the forecast assumes that the average units per night will be 485. The service aims to reduce the average nightly cost wherever possible, but greater demand, increased costs, and the continuous decline of Temporary Accommodation leased properties pose significant challenges. Consequently, this budget has been overspent by £4.660m. The service is implementing additional measures to reduce the number of households accommodated as part of the financial recovery plan and future budget strategy.</p>

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Key Variances £'000 Service Area			Variance or Financial Recovery Measure Description
			<p>Block Booked - The service is facing significant pressures on the overall costs of Block Booked accommodation. The budget is set at 303 units per night during 2025/26, but due to increased demand, the forecast assumes 451 units. Additionally, the council is experiencing substantial increases in contract prices, resulting in an overspend of £1.233m.</p> <p>There are unbudgeted Support Accommodation costs amounting to £0.173m to secure 25 units at William Collier House for the next three years.</p> <p>Private Sector Leased TA is overspent by £0.345m. Despite lower numbers of leased properties being used for TA as landlords withdraw their properties from the rental market, the new leases are also commanding a higher rate and shorter terms. This is part of the reason for the increased numbers of Block Booked accommodation.</p> <p>Staffing costs were £0.189m underspend due to significant vacancies and recruitment challenges.</p>
0	Commissioned Rough Sleeper and Housing related Support Services		This budget is forecast to break-even.
61	Homemove		The overspend is due additional cost and loss of income whilst implementing a new system.
(66)	Housing Options		Underspend is due mainly saving on staff cost.
91	Travellers		The main reasons for the overspend is that security costs are still higher than budgets allow.
0	Seaside Homes		This budget is forecast to break-even.
Homes & Investment			
(10)	Housing Strategy and Enabling		Underspend is due mainly to lower than budgeted salary costs
(0)	Private Sector Housing		This budget is forecast to break-even.

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City Operations

Revenue Budget Summary

Forecast Variance Month 2 £'000	Service	TBM Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %	2025/26 Savings Proposed £'000	Net Savings Achieved £'000	Net Savings At Risk £'000
(2,327)	City Infrastructure	(3,014)	(5,028)	(2,014)	-66.8%	588	367	221
858	Environment & Culture	8,618	8,905	287	3.3%	388	295	93
498	Environmental Services	33,149	33,560	411	1.2%	303	303	0
347	Place	3,164	3,362	198	6.3%	393	393	0
(250)	Digital Innovation	8,833	8,308	(525)	-5.9%	110	30	80
(874)	Total City Operations	50,750	49,107	(1,643)	-3.2%	1,782	1,388	394
0	Further Financial Recovery Measures (see below)	-	(150)	(150)	-	-	-	-
(874)	Residual Risk After Financial Recovery Measures	50,750	48,957	(1,793)	-3.5%	1,782	1,388	394

Explanation of Key Variances

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
Further Directorate Financial Recovery Measures		
(50)	Commercial Waste	Marketing revenue generating programmes including Garden Waste and Graffiti removal
(100)	Print & Sign	Recovery of Print & Sign income by advertising the service and encouraging services to make use of the internal offering instead of entering contracts with external bodies.
City Infrastructure		
(1,603)	Parking Services	<p>Parking Services are forecasting a £0.874m over achievement against a £27.216m net income budget. The income budget was revised going into 2025/26 after pressure funding and rebalancing of income targets. As a result of this exercise:</p> <ul style="list-style-type: none"> On-street paid parking is predicted to over achieve by (£0.264m) against its income target. Permit income is also predicted to under achieve by £0.067m against its income target

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Key Variances £'000 Service Area			Variance or Financial Recovery Measure Description
			<ul style="list-style-type: none"> • Overall, Off-Street Parking is predicted to underachieve by £0.990m (10.6%). Within this the Leased Car parks budget is reporting a pressure of £0.191m which is being addressed while Barrier carpark income is showing a £0.779m pressure due to underperformance of London Road and Regency car parks • These underachievement's are offset by predicted surplus income for PCN income, which is set to overachieve by £0.085m under a new cash model forecast. This is driven by increased tickets issued in the first month of the year plus a significant collection on old debt, offset by increased contract costs relating to volume of tickets issued. • There is also a net predicted surplus of £0.827m which is primarily driven through unsupported borrowing and staffing surpluses. • A risk reserve of £0.730m has been included linked to the new PCN cash model forecast bringing the full surplus within parking to £1.603m.
10	Concessionary Bus Fares		Minor overspend
539	Network Management		Surpluses of £0.143m on streetlighting costs and £0.260m on traffic enforcement balancing out the pressures of £0.281m on Road Works Permits scheme and £0.128m on Section 278 development assessments. The primary pressure is £0.576m on Highway Maintenance. The directorate ceased repairs in February 2025 to meet 2024/25 budget controls but this has left a backlog of safety defects which has grown to £0.259m as of Month 5. This pressure is representative of what is required to address the backlog and prevent it growing further.
(882)	Transport Projects and Engineering		The main surplus is £0.900m in Public Transport because of Bus Service Improvement Plan (BSIP) funding received allowing management of costs. Bikeshare are reporting a £0.176m pressure against its unsupported borrowing which is offset in part by other smaller surpluses
(80)	Regulatory Services		Staffing vacancies within current structure. Regulatory services are currently going through a restructure. This will be revised once the restructure is filled
Environment & Culture			
(145)	Venues and Events		Forecasted surplus incomes to the Brighton Centre £0.183m. Offset by pressures on income targets for outdoor events of £0.037m.
(121)	Seafront Services		Surplus Seafront incomes and vacancies held.
495	Museum and Culture		Pressure relating to the NJC arrangements with the Royal Pavilion Museums Trust under a contractual obligation.

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Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
522	Bereavement	Income pressure in Bereavement services mostly related to forecasted cremations
(440)	Sport and Leisure	Underspends from surplus Leisure Management Fee incomes, switch funding from DRF to borrowing and Golf Course contracts
(24)	City Parks	£0.300m pressure relating to tree disease control and base clearance. Mostly offset by vacancies within wider city parks.
Environmental Services		
(1,504)	Environmental Services	£0.795m underspend due to vacancy controls within Collections service and Streets Cleansing. Further underspends of £0.295m resulting from difficult to fill vacancies in maintaining public conveniences and £0.414m surpluses in commercial and green waste collections due to increased customers.
2,134	Fleet & Maintenance	Overspend on Refuse/Recycling collection vehicle hire of £0.735m in addition to ongoing maintenance charges and other vehicle costs in keeping an ageing fleet operational. Pressure of £0.197m for ensuring Hollingdean Depot remains operational due to the state of the site. Forecasts of essential PPE to ensure service operates showing £0.287m overspend, though it is anticipated this will reduce during the year as the stores and vehicles parts project. Capital financing costs for fleet procurement is forecasted at £0.471m overspent and is caused by vehicle renewals in recent years and the additional costs from the transition to electric vehicles. An action plan has been developed to take longer term actions to address spend in this area and deliver a more resilient service for residents.
(219)	Strategy and Service Improvement	Underspends as a result of held vacancies and spending controls.
Place		
120	Director of City Operations	Overspend relating to prior year corporate savings yet to be allocated.
(172)	Development Planning	Underachievement of Building Control income of £0.559m due to uncertainty in the development and finance markets. Planning application income is currently forecast to overachieve by £0.234m. Also, anticipated legal fee and consultants overspends of £0.107m relating to "Business as Usual" activities greater than budget. Biodiversity Net Gain (BNG) grant award of £0.044m offsetting costs as well as further offsets from staffing underspends of £0.563m from held vacancies as part of spending controls.
96	Regeneration	Black Rock borrowing costs offset by rental incomes from the site
(13)	Net Zero	Minor underspends

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Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
167	Architecture & Design	Reduced Architects fees.
Digital Innovation		
(525)	Digital Innovation	At Month 5, Digital Innovation are forecasting an underspend of £0.525m which is an increase of £0.107m from Month 4. This increase in underspend is due to a new vacancy as well as existing vacancies remaining unfilled for longer than expected. There is also a reduction in expected contract spend. The overall estimated underspend for Digital Innovation is from salary budgets (continuing vacancies) and from contracts budgets, in particular, telephony which is funded from capital for the first year so creating an in-year saving. However, the service is also experiencing pressures on some contracts with inflationary increases and changes to licensing models. Vacancies are still having an impact on the service provision, particularly for the Traded Services team who have 5 vacant posts and are struggling to meet existing SLAs. This is causing well-being concerns as well as a risk of having to make refunds to Schools for missed visits.

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Central Hub

Revenue Budget Summary

Forecast Variance Month 2 £'000	Service	TBM Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %	2025/26 Savings Proposed £'000	Net Savings Achieved £'000	Net Savings At Risk £'000
0	Cabinet Office	1,647	1,478	(169)	-10.3%	100	0	100
21	Corporate Leadership Office	967	1,051	84	8.7%	0	0	0
1,994	Finance & Property	7,286	10,658	3,372	46.3%	655	0	25
(303)	Governance & Law	5,078	4,649	(429)	-8.4%	132	0	12
486	People & Innovation	15,278	15,206	(72)	-0.5%	289	0	0
0	Contribution to Orbis	2,924	2,991	67	2.3%	115	0	0
2,198	Total Central Hub	33,180	36,033	2,853	8.6%	1,291	0	137
0	Further Financial Recovery Measures (see below)	-	(1,500)	(1,500)	-	-	-	-
2,198	Residual Risk After Financial Recovery Measures	33,180	34,533	1,353	4.1%	1,291	0	137

Explanation of Key Variances

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
Further Directorate Financial Recovery Measures		
(600)	Finance & Property	Use of redistributed funds following the closure of the Coast to Capital LEP.
(500)	Finance & Property	Expected contract recovery costs
(400)	Finance & Property	Expected further improvements across the Finance & Property Directorate
Cabinet Office		
(169)	Cabinet Office	Underspend resulting from a combination of savings in subscriptions to other organisations (£0.102m), staffing and other small savings across the service.
Corporate Leadership Office		
84	Chief Executive's Office	The overspend is a combination of directors' recruitment costs and temporary staffing arrangements within Corporate Leadership following council wide restructuring in 2024/25.

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Key Variances £'000 Service Area			Variance or Financial Recovery Measure Description
Finance & Property			
(107)	Finance		The underspend is a combination of expected income from services to external bodies of £0.203m and Redmond Review audit grant of £0.098m offset by overspends in staffing due to temporary staffing arrangements.
1,096	WRBS		The pressure includes the re-procurement of HR system iTrent with an added module for data analytics of £0.369m. In addition, there is a staffing pressure of £0.500m which includes a forecast £0.200m agency spend for addressing Council Tax backlog as well as a reduction in income from schools £0.247m .
2,784	Estates Management		A combination of lost rental incomes from the decanting of New England House, void costs including NNDR and fire safety waking watch amounting to £1.610m pressure. £0.241m pressure from the Agricultural Estate. £0.200m income pressure on Bartholomew house where rental incomes are not meeting income targets yet, however leasing of 3rd and 4th floors has achieved savings where operating costs are with tenants. £0.270m pressure on Commercial Portfolio from voids and rent free periods of new tenants. £0.195m pressure at Phoenix house due to voids and rent free periods.
(377)	Building & Surveying		The service is forecast to make savings on planned maintenance and operational costs.
(23)	Education Property management		The service is forecasting a £0.023m underspend resulting from small savings and income across the service
Governance & Law			
(232)	Legal Services		Legal services is forecasting a £0.232m underspend resulting from a combination of income generation including a recovery of £0.166m from TruckCartel, staffing and other small savings across the service
(181)	Elections, Registrars and Local Land Charges (LLC)		<p>Services are forecasting an underspend of £0.181m, mainly driven by. Projected over achievement in LLC income due to delay in LLC income transferring to His Majesty Land Registry (HMLR) and pressure funding already in place. Move to HMLR is not expected until 2026/27. The forecast has been reviewed downwards by £0.006m – this is due to income falling when compared to July 24. Income had been consistent with 2024/25 until this point.</p> <p>A further £0.152m underspend is forecasted in Registration Services. This is a result of £0.050m overachievement on income, long-term acting up arrangements with no backfill and vacancies across officer level of structure. Staffing forecast allows for structural changes pending redesign in Q3 of 2025/26. These underspends are offset by a £0.078m</p>

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Key Variances £'000 Service Area			Variance or Financial Recovery Measure Description
			pressure in the Mortuary. This is a result of regularising long-term management acting up arrangement; costs of Coroner's Transfer Service transferring to Mortuary cost centre as Coroner Service merger with (West Sussex County Council) WSCC continues to be rationalised; Increased waste and electricity costs; and income target too high for capacity of the service and current level of post-mortems undertaken for East Sussex County Council (ESCC). A further £0.058m pressure in Coroner Service. This is a result of merge with WSCC in April 23 with no financial or governance agreements in place. A new financial agreement with WSCC is being negotiated and finalised without this the pressure would have been £0.100m higher, and a £0.004m pressure in Electoral Services due to running second by-election in financial year. £0.015m pressure is being managed within service.
(16)	Democratic Services		Service is forecasting a £0.016 underspend at Month 5 resulting from minor variances across the service. There is staffing budget pressure which the underspends are forecasted to mitigate within 2025/26.
People & Innovation			
85	Strategic communications		Strategic Communication and Engagement (SCE) is declaring a £0.085m overspend resulting from a staffing pressure of £0.052m and licensing cost for Hootsuite and Vuelo of £0.041m
(141)	Innovation Services		Service is declaring a £0.141m underspend from mainly vacancy savings and pausing all non-statutory improvement work at Month 5.
22	Health & Safety, Wellbeing, Facilities & Building Services (HSWFBS)		This overspend is mainly driven by forecast staffing spend savings from holding vacancies and income generation from corporate refuse collection and recycling contract £0.343m and a further £0.041m in corporate landlord facilities. In Facilities and Building Services, there is a £0.113m historical staffing budget pressure which has been grouped by various teams within the department. This has also been historically mitigated by underspends elsewhere in the service, however the ungrouping of the service together with the increasing pressures on Facilities and Building Services output requirements, including corporate offices, helpdesk function for corporate landlord portfolio, contractor management, statutory compliance needs aging corporate portfolio and significant underspend relating to the corporate landlord portfolio, has resulted in the need to flag the budget pressure.

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Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
		A further indicative £0.112m staffing budget pressure relating to new essential roles in the service, the roles will be filled after the service redesign is complete as well as a £0.253m operational budget pressure on facilities and postal services due to increased demand for the service. In health, safety and wellbeing services, £0.130m budget pressure split as £0.054m pressure for Security/Safety assessments and related preventative works required for members and staff covering cost. A £0.076m pressure on operating budgeting for Health, Safety and Wellbeing for costs relating to ongoing regulatory costs, health, safety and wellbeing reset, training, assurance and compliance works including Fire Safety and Building Safety, and associated costs. These overspends have been offset by income of £0.384m and other small underspends across the HSWFBS service.
(68)	HR Policy and Initiatives	The underspend is a combination of small savings in the savings including expected income from recruitment team.
30	Inclusion, Learning & Org Development	Service is forecasting an underspend of £0.030m subject to further interrogation of Equalities, Diversity and Inclusion (EDI) and Apprenticeships budgets. This is to understand income targets and loss of budget for EDI 'Business As Usual' expenditure following the disaggregation of Communities, Equalities and Third Sector.
Contribution to Orbis		
67	Orbis Partnership	Overspend in partnership operational budget and budget gap.

Centrally-held Budgets

Revenue Budget Summary

Forecast Variance Month 2 £'000	Service	TBM Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %	2025/26 Savings Proposed £'000	Net Savings Achieved £'000	Net Savings At Risk £'000
0	Bulk Insurance Premia	4,348	4,543	195	4.5%	0	0	0
(500)	Capital Financing Costs	12,628	10,413	(2,215)	-17.5%	0	0	0
0	Levies & Precepts	249	249	0	0.0%	0	0	0
0	Unallocated Contingency & Risk Provisions	2,147	2,147	0	0.0%	0	0	0
0	Unringfenced Grants	(28,688)	(28,688)	0	0.0%	0	0	0
600	Housing Benefit Subsidy	699	1,614	915	130.9%	0	0	0
1,326	Other Corporate Items	(335)	1,254	1,589	474.3%	0	0	0
1,426	Total Centrally-held Budgets	(8,952)	(8,468)	484	5.4%	0	0	0

Explanation of Key Variances

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
Bulk Insurance Premia		
195	Bulk Insurance Premia	The forecast for the settlement of insurance claims for the remainder of the year is higher than anticipated for 2025/26 due to a number of large value claims outstanding as at Month 5.
Capital Financing Costs		
(2,215)	Financing Costs	Previous year slippage and reprofile of the capital programme has reduced the in-year borrowing need resulting in an underspend in the current financial year. In addition, the council continues to maximise its internal reserves to meet its capital financing requirement, which while limiting investment returns, will delay the need to externally borrow during a time of elevated borrowing rates and reduce in year borrowing costs.
Housing Benefit Subsidy		
915	Housing Benefit Subsidy	Based on the mid-year estimate submitted to DWP there is now an estimated pressure of £0.915m. The main element of this is a pressure of £1.081m on a certain benefit type for

Appendix 4 – Revenue Budget Performance

Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
		vulnerable tenants which is not fully subsidised. The costs in this area have continued to rise since last year. A post has been created which will have the remit of investigating this pressure with the intention of maximising subsidy received. This pressure is partially offset by a surplus of £0.187m on the net position of the recovery of overpayments.
Other Corporate Items		
803	2024/25 Pay Award	Estimated additional cost of 2025/26 pay award above amount provided for in budget.
(283)	Corporate Pension Costs	An underspend of £0.085m on the unfunded pension costs budget. Of this, £0.085m relates to an overpayment in respect of 2024/25 and £0.092m is an in year underspend. Over achievement of £0.106m on National Insurance savings on AVC scheme.
974	Functional Alignment	At this stage £0.974m of the 2024/25 functional alignment saving is forecast to be at risk.
95	Other VFM Savings	Unachieved balance of savings from previous years.

Appendix 4 – Revenue Budget Performance

Housing Revenue Account (HRA)

Revenue Budget Summary

Forecast Variance Month 2 £'000	Service	TBM Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %
(218)	Repairs & Maintenance	19,256	19,000	(257)	-1.3%
(372)	Tenancy Services	16,241	15,999	(242)	-1.5%
(121)	Housing Management & Support	6,666	6,508	(158)	-2.4%
1,417	Housing Investment & Asset Management	3,371	5,655	2,283	67.7%
0	Housing Strategy & Supply	2,110	2,086	(24)	-1.1%
226	Council-owned Temporary Accommodation	1,071	1,274	203	18.9%
(248)	Rent & Service Charges	(76,979)	(77,358)	(379)	-0.5%
685	Service Area Total	(28,263)	(26,836)	1,427	5.0%
0	Capital Financing Costs	11,579	11,579	0	0.0%
(235)	Direct Revenue Funding	16,684	16,449	(235)	-1.4%
450	Total Housing Revenue Account	0	1,192	1,192	0.0%

Explanation of Key Variances

Key Variances £'000	Subjective Area	Variance Description
Repairs & Maintenance		
(740)	Employees	Increased capitalisation of salary costs, largely in respect of the Electrical Installation Condition Report (EICR) programme, plus forecast underspend against the net staffing budget because of vacancies across the service. The underspend equates to approximately 7% of the net salary budget.
562	Premises	Good progress continues to be made in clearing the backlog and the latest forecast assumes that this will be largely cleared by December. There is a forecast underspend against the subcontractor business as usual budget, based on spend to date. This will be closely monitored over the remainder of the financial year.

Appendix 4 – Revenue Budget Performance

Key Variances		
£'000	Subjective Area	Variance Description
1,926	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 action is taken to manage the claims early in the process, enabling better management of spend.
(2,005)	Contribution from earmarked reserves	Allocation from earmarked reserves of £1.000m for disrepair claims as set aside in the 2025/26 budget and £1.005m to be allocated from the repairs backlog reserve to cover the latest estimate costs.
Tenancy Services		
242	Employees	There is a net forecast overspend forecast against staffing costs, which is mainly driven by additional resources required for fire safety.
(220)	Premises	There is a forecast underspend of approximately £0.200m against utility costs, based on information supplied by the Energy and Water team.
(301)	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.
37	Third Party Payments	Minor net variance.
Housing Management & Support		
(133)	Employees	There is a net underspend forecast against staffing costs, mainly as a result of revised costs compared to budget setting assumptions.
(14)	Premises	Minor net variance.
(11)	Supplies and Services	Minor net variance.
Housing Investment & Asset Management		
(90)	Employees	Increased staffing resources required for the Building Safety case team and interim arrangements for the Fire Safety team. The part-year costs have been largely offset by a number of vacancies across the service at Month 5.
46	Premises	Minor net variance.
2,392	Supplies & Services	Enhanced building safety measures for a few of our blocks, with significant costs arising from a 24-hour security service to help manage items being taken into the building and to support with floor walks and maintaining clear egress and exits to the building.
(65)	Income	Increased income from leasehold extension matters, compared to budget assumptions.
Housing Strategy & Supply		
(42)	Employees	Minor net variance.

Appendix 4 – Revenue Budget Performance

Key Variances		
£'000	Subjective Area	Variance Description
18	Supplies and Services	Minor net variance.
Council-owned Temporary Accommodation		
49	Employees	Minor net variance.
248	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 and reflecting additional costs in respect of void costs for Large Panel Systems (LPS) units.
(94)	Supplies and Services	There is a forecast underspend against the Transfer Incentive Scheme budget
Rent & Service Charges		
(379)	Rents & Service Charges	The income budget is approximately £77.000m for the financial year and at Month 5 there is a minor over-achievement of £0.379m (equating to 0.5%) based on the first 5 months of data and assumptions made around level of voids and changes in number of properties across the year.
Direct Revenue Funding		
(235)	Depreciation	There is an anticipated underspend against the depreciation budget, based on latest assumptions.

Dedicated Schools Grant (DSG)

Revenue Budget Summary

Forecast Variance Month 2 £'000	Service	TBM Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %
0	Individual Schools Budget (ISB)	143,168	143,168	0	0.0%
10	Early Years Block (excluding delegated to Schools) <i>(This includes Private Voluntary & Independent (PVI) Early Years 3 & 4 year old funding for the free entitlement to early years education)</i>	39,687	39,663	(24)	-0.1%
1,333	High Needs Block (excluding delegated to Schools)	41,294	43,381	2,087	5.1%
94	Exceptions and Central Services	3,663	3,763	100	2.7%
0	Grant Income	(228,492)	(227,812)	680	0.3%
1,437	Total Dedicated Schools Grant (DSG)	(680)	2,163	2,843	418.1%

Explanation of Key Variances

Key Variances £'000	Service Area	Variance Description
Early Years Block (including delegated to Schools)		
15	Central Early Years Block	Minor variances.
High Needs Block (excluding delegated to Schools)		
793	Post-16 High Needs	There has been a significant increase in the number and cost of high needs learners accessing Further Education colleges and specialist post-19 provision 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.
465	High needs pupils in other LA schools	There is an overspend in the budget relating to high needs pupils being educated in schools in other LAs. This is partly due to the lack of specialist provision within the city and has also been impacted by the closure of Homewood College last year, which has meant specialist Social Emotional Mental Health placements are now being made in schools/academies in other LAs.

Appendix 4 – Revenue Budget Performance

Key Variances		
£'000	Service Area	Variance Description
720	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.
94	Brighton and Hove Special School Placements	Current placements in the city's special schools for in excess of commissioned numbers.
77	Other	Other variances.
Exceptions and Growth Fund		
100	Other	Unfunded pressure relating to school premature retirement costs in the Central Schools Services Block.
Grant Income		
680	DSG Grant	2024/25 central DSG overspend held in unusable reserve.