

Appendix 1 – Revenue Budget Performance

Children’s Services - Revenue Budget Summary

2013/14 Provisional Outturn £'000	Service	2014/15 Budget Month 2 £'000	Forecast Outturn Month 2 £'000	Forecast Variance Month 2 £'000	Forecast Variance Month 2 %
(6)	Director of Children's Services	118	118	0	0.0%
511	Education & Inclusion	3,835	3,845	10	0.3%
(412)	Disability & SEN	5,493	5,703	210	3.8%
(975)	Children's Health, Safeguarding and Care	29,468	29,572	104	0.4%
(794)	Stronger Families, Youth & Communities	18,715	20,326	1,611	8.6%
(1,676)	Total Revenue – Children’s Services	57,629	59,564	1,935	3.4%

Explanation of Key Variances

Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Mitigation Strategy
Education & Inclusion			
10	Home to School Transport	The overspend of £0.010m reflects the latest numbers of children being transported (476). A detailed analysis has been undertaken with the budget holder for each area of the budget and the latest position reflects the estimated outturn position.	Costs will be monitored closely over the year and efforts made to reduce costs or identify mitigating savings to bring these budgets back in balance where possible
Children’s Health, Safeguarding & Care			
(42)	Corporate Critical-In House Foster Payments	As part of the children’s VFM programme, there is an ongoing attempt to increase the recruitment of ‘in-house’ foster carers. This has not progressed as well as anticipated and currently there are 22.13 FTE less children placed than allowed in the budget. However, there are significantly more children placed with family and friends carers or under special guardianship orders than provided in the budget and the combination of these	

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Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Mitigation Strategy
		factors results in a projected underspend of £0.042m in in-house placements.	
186	Corporate Critical 16+Services	The budget for 16+ services is split across 4 client types - Care Leavers, Ex Asylum Seekers, Looked After Children and Preventive. Across these services the budget allows for 53.65 FTE young people and currently the projection is based on 64.04 FTE young people. This together with a slightly higher than budgeted average unit cost and overspends on non-accommodation costs result in an overall overspend of £0.186m	The new joint commissioning arrangements between children's services and Housing start in June and it is anticipated that the improved commissioning of placements, work on reducing the numbers of young people being accommodated and more rigorous monitoring of non-accommodation budgets will reduce the overspend.
(190)	Social Work Teams	The projected Social Work Teams underspend of £0.190m reflects a number of vacant posts within the Advice, Contact & Assessment service (ACAS) and Children in Need (CIN) teams. At this stage it is anticipated that the 2014-15 savings within the teams will be achieved pending completion of the current restructure and after taking into account the additional cost attached to the Multi Agency Safeguarding Hub (MASH) premises. We will continue to undertake detailed monthly analysis of these areas to ensure that we're aware at the earliest stage as to any movement from the projected underspend position.	
(100)	Contact Supervision	The underspend in this service is predominantly due to the use of sessional staff being considerably less than anticipated in the budget. In addition, there is a smaller underspend in the car mileage budget, which also reflects the more efficient use of resources than was anticipated in the budget.	
188	CIC- Children In Care	The overspend relates predominantly to the use of locum social workers. Due to the increase in the number of children in care, it was felt necessary, in order to maintain a safe level of service to increase the number of social workers in this team. As this was deemed a crisis and recruitment procedures were unable to	This overspend may be reduced following agreement of the social work restructure which increases the social work establishment in the Children In Care Team, enabling

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Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Mitigation Strategy
		meet the demand a number of locum social workers have been engaged.	additional recruitment which should result in the cessation of the use of locums.
50	Section 17 Preventive	This overspend of £0.050m relates to the increased costs of the housing recharge due to a higher number of homeless families.	Costs will be monitored closely over the year and efforts made to reduce costs or identify mitigating savings to bring these budgets back in balance where possible.
12	Other	Minor overspend variances.	
Disability & SEN			
130	Direct Payments	This early estimate based on expenditure in months 1 & 2 and taking into account the 2013-14 outturn indicates, for Direct Payments - Disabled Children, an overspend of approximately £0.130m. Cases are considered against certain criteria by an independent panel to assess entitlement to receive direct payments.	Costs will be monitored closely over the year and efforts made to reduce costs or identify mitigating savings to bring this budgets back in balance where possible.
72	Preventive Payments	This early estimate based on expenditure in months 1 & 2 and taking into account the 2013-14 outturn indicates, for Preventive Payments – Disabled Children, an overspend of approximately £0.072m. This area will need to be monitored closely on a monthly basis as it is subject to a significant element of variation dependent on identified need.	Finance will liaise with the budget holder with a view to ensuring that an up to date projection based on current agreed cases is provided monthly.
8	Other	Minor overspend variances	
Stronger Families, Youth & Communities			
1,646	Corporate Critical - Children's Agency Placements	The projected number of residential placements (29.38FTE) is broken down as 23.70FTE social care residential placements (children's homes), 4.92 FTE schools placements, 0.76 FTE family assessment placements and 0.00 FTE substance misuse rehabilitation placements. The budget allowed for 21.20 FTE social care residential care placements, 5.00 FTE schools placements, 1.25 FTE family assessment placements and 0.50 FTE substance misuse rehab placements. The average unit cost of these placements is £261.36 per week below the	The Children's Services Value for Money (VfM) programme has two workstreams: The VfM Early Help Workstream objective is to deliver, review and rationalise evidence based early help services to reduce the need for specialist interventions. Key initiatives

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Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Mitigation Strategy
		<p>budgeted level, with the most significant unit cost saving in residential homes. Overall the number of placements are 1.43 FTE above the budgeted level, and this combined with the unit cost savings described above results in an underspend of £0.181m.</p> <p>The numbers of children placed in independent foster agency (IFA) placements began to fall during 2012/13 and that trend continued in the early months of 2013/14, however, numbers have started to increase in recent weeks. During 2013/14 there were 165.76 FTE placements but the current projected number of placements in 2014/15 is 173.96 FTE, an increase of 4.9%. The budget for IFA placements was based on the falling trend of the previous two years and was set at 135.80 FTE which is being exceeded by 38.16 FTE placements resulting in an overspend of £1.107m.</p> <p>The anticipated number of disability placements is 18.71 FTE with an average unit cost of £2,039.52. The number of placements is 5.21 FTE above the budgeted level. The average weekly cost of these placements, however, is £223.06 lower than the budgeted level and the combination of these two factors together with the underspend of £0.019m on respite placements, results in an overspend of £0.378m.</p> <p>During 2014/15 it is estimated that there will be 2.80 FTE secure (welfare) placements and 2.13 FTE secure (justice) placements. The budget allowed for 1.00 FTE welfare and 0.75 FTE justice placements during the year. There are currently 2 children in a secure (welfare) placement and 2 in a secure (criminal) placement resulting in a projected overspend of £0.342m.</p>	<p>include:,</p> <ul style="list-style-type: none"> • developing an Early Help Hub to create a single integrated system for identification, referral, assessment, delivery and monitoring of effective early help interventions. • delivering evidence based interventions (such as family coaching by Stronger Families Stronger Communities, Functional Family Therapy, Family Nurse Partnership, Triple P). <p>The VfM Placement Workstream objective is to strengthen social work systems so that care plans for individual children can be delivered by lower cost interventions and placements and/or by reducing the time children require statutory interventions. Key initiatives include:</p> <ul style="list-style-type: none"> • developing the Multi Agency Safeguarding Hub to ensure appropriate and timely responses to safeguarding concerns; • strengthening the social work transformational programme including developing a clear practice model; • strengthening pre-proceedings work by social work/legal/

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Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Mitigation Strategy
			<p>Clermont Family Assessment Centre to prevent care proceedings.</p> <p>As part of both workstreams, changes in commissioning arrangements/ service redesign are being identified and implemented including working with partners in their approaches to commissioning for vulnerable adults who are parents.</p> <p>In addition, a task & finish group has been set up to review and strengthen Special Education Needs (SEN)/Disability services.</p>
(35)	Other	Minor underspend variances	

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Adult Services – Revenue Budget Summary

2013/14 Provisional Outturn £'000	Service	2014/15 Budget Month 2 £'000	Forecast Outturn Month 2 £'000	Forecast Variance Month 2 £'000	Forecast Variance Month 2 %
1,693	Adults Assessment	47,952	50,206	2,254	4.7%
1,113	Adults Provider	13,897	15,650	1,753	12.6%
(980)	Commissioning & Contracts	231	(7)	(238)	-103.0%
1,826	Total Revenue - Adult	62,080	65,849	3,769	6.1%

Explanation of Key Variances

Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Mitigation Strategy
		The key variances across Adult Social Care are as detailed below:	Further plans are being developed and mitigating action is being taken to reduce these forecast overspends.
Adults Assessment			
see below	Assessment Services	Assessment Services are showing an overspend of £2.254m (4.7% of net budget) at Month 2. There are increased levels of complexity and need being experienced across all client groups and the overspend is broken down as follows: -	
769	Corporate Critical - Community Care Budget (Learning Disabilities)	Learning Disabilities are reporting a pressure of £0.769m at Month 2 due largely to an anticipated shortfall of £0.558m against budget savings targets and projected commitments of approximately £0.400m for Ordinary Residence claims.	Increased scrutiny of all Learning Disability placements/care package requests has been put in place to assure value for money against eligible care needs across different types of placement.
832	Corporate Critical - Community	Under 65's are reporting a pressure of £0.832m at Month 2, due to a continuation of the cost pressures experienced during 2013-14 from increased complexity in need of clients.	Increased panel scrutiny of all complex or high cost care package requests to assure value for money

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Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Mitigation Strategy
	Care Budget (Physical & Sensory Support - Under 65's)		against eligible care needs. Where possible no placements will be made above the agreed local authority rates. The VfM Phase 4 programme includes a specific project focussing on high cost placements to reduce costs.
653	Corporate Critical - Community Care Budget (Physical & Sensory Support -Over 65's)	Over 65's are reporting a pressure of £0.653m, of which the majority relates to the balance of unacheivable previous year savings against Extra Care Housing.	As above, there will be increased scrutiny of complex or high cost care packages. An independent Extra Care business case has been commissioned to establish demand/need projections to enable ASC commissioners to work with their housing partners to identify the types of provision that will most appropriately meet the objective of reducing residential care costs.
Adults Provider			
1,753	Adults Provider	<p>Provider Services is reporting a pressure of £1.545m from under-achievement of savings targets (2014/15 targets and previous years targets in 2012/13 and 2013/14). The Policy & Resources Committee decision not to proceed with alternative service models results in the savings target of £0.500m not being deliverable. The recommendation in this report is that £0.500m recurrent risk provision is released to offset this saving which will not now be delivered. Achievement of other savings is dependent on the commissioning review of day options and the Learning Disabilities accommodation review. These are on-going but are now delayed.</p> <p>The overspend also includes staffing pressures against Respite Services of £0.152m reflecting increased occupancy levels and</p>	Vacancy control measures will be tightened and recruitment to posts made only where this is required to ensure CQC compliance, with the use of agency staff to be signed off by senior managers. This will have an impact on service delivery.

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Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Mitigation Strategy
		the complexity and compatability of service users.Other pressures across the service of £0.056m.	
Commissioning & Contracts			
(238)	Commissioning & Contracts	The underspend of £0.238m relates to the HIV Preventative contracts now being funded by the Public Health Grant.	

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Environment, Development & Housing - Revenue Budget Summary

2013/14 Provisional Outturn £'000	Service	2014/15 Budget Month 2 £'000	Forecast Outturn Month 2 £'000	Forecast Variance Month 2 £'000	Forecast Variance Month 2 %
101	Transport	(4,424)	(4,698)	(274)	6.2%
(5)	City Infrastructure	29,435	29,463	28	0.1%
(1)	City Regeneration	1,258	1,258	0	0.0%
3	Planning	1,965	1,965	0	0.0%
98	Total Non Housing Services	28,234	27,988	(246)	-0.9%
(785)	Housing	14,787	14,807	20	0.1%
(687)	Total Revenue - Environment, Development & Housing	43,021	42,795	(226)	-0.5%

Explanation of Key Variances:

Key Variances £'000	Service	Description	Mitigation strategy
Transport			
(370)	Corporate Critical – Parking Operations	<p>Overall the corporate critical parking budget is forecast to underspend by £0.370m. The main components of this are:</p> <ul style="list-style-type: none"> A £0.259m surplus from on-street parking income. This forecast incorporates new parking zones being introduced and a 2.5% increase in transactions in April and May compared to last financial year. Evidence from various major event organisers in the city, including the Brighton Festival/ Fringe and Brighton Marathon, have suggested increased 	<ul style="list-style-type: none"> Actual income is monitored and reported on a monthly basis as part of the TBM process. There are a range of factors that can impact on parking activity and therefore any significant variations to the forecast are reported and acted upon regularly. Minor percentage variations in activity could result in significant financial implications. An updated tariff model exercise will be developed for the off-street car parks using updated usage data and following some minor

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Key Variances £'000	Service	Description	Mitigation strategy
		and a pressure on professional fees for highways inspection which are not fully covered by the income received.	pressure as these costs are likely to be recoverable in the future under a proposed highways permit scheme. The service is exploring ways of reducing the current cost of this service.
City Infrastructure			
28	City Parks	Rottingdean mini golf course has been let at a peppercorn rent resulting in an income pressure of £0.023m and £0.005m additional costs of managing the site as a nature reserve.	Several attempts have been made to remarket the site with an appropriate use on a commercial basis but no viable commercial proposal has been forthcoming.
City Regeneration			
0	City Regeneration	Break even position forecast at Month 2.	
Planning			
0	Planning	Break even position forecast at Month 2.	
Housing			
(228)	Corporate Critical - Temporary Accommodation & Allocations	Current trends reflect an increase in the number of properties being returned to landlords due to contracts ending and at the landlord's request in view of the improving property market. This has led to an increase in voids and the use of alternative spot purchase accommodation and/or more expensive leased properties. It also impacts on the ability to collect housing benefit income. At this stage, increasing costs and pressures on income are currently being offset by service pressure funding of £0.500m from 2013/14 and £0.440m from 2014/15. This leaves approximately £0.200m currently un-utilised service pressure funding within this service area which is included in the forecast underspend.	New properties are being acquired as soon as possible to replace those being handed back in order to manage the number of more expensive spot purchase placements. There is a potential delay in the impact of Welfare Reform on this service as eligible clients are currently awarded Discretionary Housing Payments. Costs and income are continually under review and improvements to forecasting are being developed.
0	Travellers	This budget includes £0.100m 2014/15 service pressure funding. A break even position is forecast	Council Officers meet with police and other agencies to review operational management and

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Key Variances £'000	Service	Description	Mitigation strategy
		subject to periodic reviews of operational management.	service cost implications.
122	Supported Accommodation	This includes the 2014/15 savings target of £0.080m plus £0.060m budget pressure from delayed rent renegotiation for West Pier Hostel.	A number of efficiency measures have been identified and are being assessed in order to reduce the projected year end budget risk.
125	Private Sector Housing	The further expansion of the Private Sector Licensing Scheme was projected to achieve savings in 2014/15 of £0.125m. The timetable for introducing the scheme including public consultation and decision by Members has slipped.	The timetable for consultation and decision by Members is being reviewed by the Housing Leadership Team.

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Assistant Chief Executive - Revenue Budget Summary

2013/14 Provisional Outturn £'000	Service	2014/15 Budget Month 2 £'000	Forecast Outturn Month 2 £'000	Forecast Variance Month 2 £'000	Forecast Variance Month 2 %
8	Communications	790	792	2	0.3%
22	Royal Pavilion, Arts & Museums	3,680	3,717	37	1.0%
237	Tourism & Venues	1,581	1,661	80	5.1%
(10)	Libraries	5,295	5,295	0	0.0%
(89)	Corporate Policy & Communities	5,167	5,167	0	0.0%
(4)	Sport & Leisure	736	736	0	0.0%
164	Total Revenue - Assistant Chief Executive	17,249	17,368	119	0.7%

Explanation of Key Variances

Key Variances £'000	Service	Description	Mitigation Strategy
Communications			
2	Communications	Minor Overspend.	
Royal Pavilion, Arts & Museums			
37	Royal Pavilion, Arts & Museums	Royal Pavilion & Museums is reporting an overspend of £0.037m at Month 2, mainly due to a continuation of pressures against the achievement of retail income.	Measures have already been implemented to improve the performance of retail, including restructuring, new products and investment in the shop. These are reflected in the latest forecast.
Tourism & Venues			
80	Tourism & Venues	The closure of Hove Centre on 24 th December 2014 is forecast to result in a reduction in budgeted hire fees from both external and internal hirers of £0.129m. In addition, this is forecast to create a shortfall in catering commission of	All expenditure at Hove Centre is under review for the remaining 6 months. There may be savings in other areas of the service to help offset this shortfall but it is too early to forecast. A better assessment of the position will be

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Key Variances £'000	Service	Description	Mitigation Strategy
		£0.013m. Employee savings from the closure will however reduce the impact of this to £0.080m.	known at Month 5.
Libraries			
0	Libraries	Break-even position forecast at Month 2.	
Corporate Policy & Communities			
0	Corporate Policy & Communities	Break-even position forecast at Month 2.	
Sport & Leisure			
0	Sport & Leisure	Break-even position forecast at Month 2.	

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Public Health – Revenue Budget Summary

2013/14 Provisional Outturn £'000	Service	2014/15 Budget Month 2 £'000	Forecast Outturn Month 2 £'000	Forecast Variance Month 2 £'000	Forecast Variance Month 2 %
0	Public Health	607	607	0	0.0%
(10)	Community Safety	1,451	1,451	0	0.0%
(3)	Public Protection	2,329	2,376	47	2.0%
(8)	Civil Contingencies	180	180	0	0.0%
(21)	Total Revenue - Public Health	4,567	4,614	47	1.0%

Explanation of Key Variances

Key Variances £'000	Service	Description	Mitigation Strategy
Public Health			
0	Public Health	The ring-fenced Public Health grant is £18.695m for 2014-15 and the expectation is that these funds will be fully utilised in year. There was an underspend of £0.576m against the grant last year, mainly as a result of costs against Sexual Health Contracts being less than anticipated. In line with the grant conditions this was carried forward to 2014-15 and spending plans have been reformulated.	
Community Safety			
0	Community Safety	Break even position expected at Month 2.	
Public Protection			
47	Public Protection	Public Protection is forecasting a pressure of £0.038m against the staffing budget and £0.009m for one-off costs for the need to investigate potentially contaminated land.	Any vacancies arising during the remainder of the year will be closely managed on a case-by-case basis to help bring down the pressure.

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Key Variances £'000	Service	Description	Mitigation Strategy
Civil Contingencies			
0	Civil Contingencies	Break even position expected at Month 2.	

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Finance & Resources and Law - Revenue Budget Summary

2013/14 Provisional Outturn £'000	Service	2014/15 Budget Month 2 £'000	Forecast Outturn Month 2 £'000	Forecast Variance Month 2 £'000	Forecast Variance Month 2 %
(238)	City Services	7,678	7,783	105	1.4%
(137)	Housing Benefit Subsidy	(613)	(613)	0	0.0%
(1)	HR & Organisational Development	4,010	4,083	73	1.8%
326	ICT	6,443	6,443	0	0.0%
(520)	Property & Design	4,793	4,664	(129)	-2.7%
(172)	Finance	5,217	5,217	0	0.0%
(42)	Performance & Improvement	500	500	0	0.0%
(175)	Legal & Democratic Services	3,044	3,044	0	0.0%
(959)	Total Revenue - Resources & Finance	31,072	31,121	49	0.2%

Explanation of Key Variances

Key Variances £'000	Service	Description	Mitigation Strategy
City Services			
105	City Services	Revenues and Benefits is forecasting an underspend of £0.050m for 2014/15. The service is managing its staff budget and recruitment strategy very carefully because of the pending introduction of Universal Credit and the associated transfer of work. It is currently thought that this will result in an underspend of approx. £0.120m. There are likely to be further underspends in other areas, notably Council Tax discretionary discounts and exemptions (approx. £0.100m) and computer maintenance	

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Key Variances £'000	Service	Description	Mitigation Strategy
		<p>costs (£0.030m). These underspends are likely to be offset by reductions of approximately £0.200m in recovered income, largely brought about by a transitional period whilst new bailiff legislation takes effect. These are early forecasts, and the situation will be monitored regularly through the year.</p> <p>Life Events is forecasting an overall income shortfall of £0.155m. The cremation fees and burial fees are estimated to underachieve by £0.200m this year. The shortfalls in Bereavement Services income are somewhat offset by expected overachievements in Land Charges fee income (£0.020m) and an expected increase in income from nationality checking fees (£0.025m). The service has also made a contribution corporately through the launch of same-sex wedding ceremonies, resulting in an increase in bookings for these at the Royal Pavilion.</p>	<p>Work is on-going to address this income pressure, and a new plan of action is being drawn up within the service, with involvement and assistance from Finance. The measures include a staff time analysis similar to that undertaken for the Registrar's service, a review of fees and charges with a view to reporting to October P&R, and a number of small service delivery changes some of which have already been implemented. It is expected that these changes will take some time to have an effect, and the projected shortfalls will be re-calculated monthly through the TBM process.</p>
Housing Benefit Subsidy			
0	Corporate Critical - Housing Benefit Subsidy	Break even position forecast at Month 2.	
HR & Organisational Development			
73	HR & Organisational Development	A projected £0.073m overspend has been reported within the service, due to a gap between the cost of the current level of full time corporate release for union activities and the available budget.	
ICT			
0	ICT	Break even position forecast at Month 2.	

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Key Variances £'000	Service	Description	Mitigation Strategy
Property & Design			
(129)	Property & Design	The commercial rent forecasts within Property & Design are being maintained with income collection performing well for the rental properties on the high street.	
Finance			
0	Finance	Break even position forecast at Month 2.	
Performance & Improvement			
0	Performance & Improvement	Break even position forecast at Month 2.	
Legal & Democratic Services			
0	Legal & Democratic Services	Break even position forecast at Month 2.	

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Corporate Budgets - Revenue Budget Summary

2013/14 Provisional Outturn £'000	Service	2014/15 Budget Month 2 £'000	Forecast Outturn Month 2 £'000	Forecast Variance Month 2 £'000	Forecast Variance Month 2 %
(364)	Bulk Insurance Premia	0	0	0	0.0%
44	Concessionary Fares	10,615	10,515	(100)	-0.9%
0	Capital Financing Costs	8,904	8,904	0	0.0%
(1)	Levies & Precepts	161	161	0	0.0%
1,355	Corporate Vfm Savings	(250)	(250)	0	0.0%
(531)	Risk Provisions	4,720	4,720	0	0.0%
(340)	Other Corporate Items	(18,403)	(18,145)	258	1.4%
163	Total Revenue - Corporate Budgets	5,747	5,905	158	2.7%

Explanation of Key Variances

Key Variances £'000	Service	Description	Mitigation Strategy
Bulk Insurance Premia			
0	Bulk Insurance Premia	Break even position forecast at Month 2.	
Concessionary Fares			
(100)	Concessionary Fares	Underspend as a result of conclusion of negotiations on fixed deal arrangements with Brighton & Hove Buses and Stagecoach.	
Capital Financing Costs			
0	Capital Financing Costs	Break even position forecast at Month 2.	
Corporate VFM Projects			
0	Corporate VFM Projects	This savings associated with the Third Party Spend corporate VFM project are currently still being finalised and are expected to be	

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Key Variances £'000	Service	Description	Mitigation Strategy
		achieved through additional procurement/third party spend savings on contract renewals and renegotiations across a range of services.	
Risk Provisions			
0	Risk Provisions & contingency	<p>The risk provision budget includes the following main items:</p> <ul style="list-style-type: none"> • £2.500m risk provisions of which it is recommended that £0.500m be released recurrently to support Adult Social Care and £0.110m set aside centrally to cover the in-year additional costs of the new security carrier contract referred to elsewhere on this agenda which otherwise would be recharged across all users of the service; • £0.800m held centrally for social care reforms and temporary funding for ICT contract funding shortfalls (the use of £0.300m of this has been included within the ICT forecast); • £0.700m for Modernisation Funds which will be allocated throughout the year; • £0.720m for other contingency items. <p>A break-even position is reported at Month 2, however the Month 2 position indicates a number of forecast risks which may result in a call on risk provisions if these cannot be mitigated by recovery actions.</p>	

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Key Variances £'000	Service	Description	Mitigation Strategy
Other Corporate Items			
180	Pension Costs	This overspend relates to the budget for additional compensation payments to former employees of the Council or its predecessor authorities. The benefits are subject to annual increases in line with the September Retail Price Index (RPI) which is generally higher than our corporate inflation rates for pay costs. This had been expected to be offset by a reduction in the number of beneficiaries but this has remained fairly static. All related reserves that were being used to fund yearly fluctuations have now been exhausted.	
78	Unringfenced Grants	The shortfall relates to lower than anticipated income from the Education Services Grant.	

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Housing Revenue Account - Revenue Budget Summary

2013/14 Provisional Outturn £'000	Housing Revenue Account	2014/15 Budget Month 2 £'000	Forecast Outturn Month 2 £'000	Forecast Variance Month 2 £'000	Forecast Variance Month 2 %
8,591	Employees	8,610	8,608	(2)	0.0%
10,837	Premises – Repair	11,199	11,199	-	0.0%
3,066	Premises – Other	2,836	2,761	(75)	-2.6%
2,000	Transport & Supplies	2,524	2,572	48	1.9%
2,021	Support Services	2,740	2,740	-	0.0%
127	Third Party Payments	183	183	-	0.0%
23,203	Revenue contribution to capital	22,124	22,124	-	0.0%
5,720	Capital Financing Costs	8,564	8,564	-	0.0%
55,565	Net Expenditure	58,780	58,751	(29)	0.0%
(49,180)	Dwelling Rents (net)	(50,423)	(50,423)	-	0.0%
(1,387)	Other rent	(1,382)	(1,382)	-	0.0%
(5,358)	Service Charges	(6,583)	(6,583)	-	0.0%
(406)	Other recharges & interest	(392)	(392)	-	0.0%
(56,331)	Net Income	(58,780)	(58,780)	-	0.0%
(766)	Total	-	(29)	(29)	

Appendix 1 – Revenue Budget Performance

Explanation of Key Variances

Key Variances £'000	Service	Description	Mitigation Strategy
Housing Revenue Account			
(75)	Premises - Other	Forecast savings on electricity costs. Latest available consumption data suggests lower expenditure than originally calculated at budget setting time.	
48	Transport & Supplies	Invest-to-save engagement of external expertise to undertake a Lean Thinking Review to ensure that income collection can be maximised, £0.025m. Additional security sweeps around blocks night and day, £0.023m.	This is currently being managed within the service by underspends elsewhere in the HRA. Security costs are being monitored closely and this overspend could increase.

Appendix 1 – Revenue Budget Performance

Dedicated Schools Grant - Revenue Budget Summary

2013/14 Provisional Outturn £'000	Dedicated Schools Grant (DSG)	2014/15 Budget Outturn £'000	Forecast Outturn £'000	Forecast Variance Outturn £'000	Forecast Variance Outturn %
0	Individual School Budgets (ISB) <i>(This does not include the £7.219m school balances brought forward from 2013/14)</i>	119,971	119,971	0	0
59	Early Years Block (including allocations to schools); including; Private, Voluntary & Independent (PVI) (Early Years 3 & 4 year old funding for the 15 hours free entitlement and 40% of 2 year olds from September 2014) <i>(This includes £0.050m brought forward from 2013/14)</i>	11,934	11,934	0	0
(862)	High Needs Block (excluding delegated to schools); <i>(This includes £1.079m brought forward from 2013/14)</i>	19,043	19,043	0	0
(644)	Exceptions and Growth Fund; <i>(This includes £0.318m brought forward from 2013/14)</i>	5,836	5,843	7	0.1
0	Grant income	(155,337)	(155,337)	0	0
(1,447)	Total DSG	1,447	1,454	7	0.5

Explanation of Key Variances

Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Mitigation Strategy
High Needs Block			
91	Sick Children	Estimated overspend on staffing costs in the budget for educating children who are unable to attend school due to	Costs will be monitored closely over the year and efforts made to reduce costs

Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Mitigation Strategy
		illness and are taught in hospital.	or identify mitigating savings to bring these budgets back in balance where possible.
13	Education Other than at School (EOTAS)	The overspend on General EOTAS relates to Looked After Children's education costs in agency placements being £0.013m more than anticipated.	Costs will be monitored closely over the year and efforts made to reduce costs or identify mitigating savings to bring these budgets back in balance where possible.
(104)	Unspent balance brought forward from 2013/14	Unallocated balance brought forward used to cover identified overspends.	
Exceptions & Growth Fund			
		The total overspend of £0.007m in this area relates to items specifically approved by the Schools Forum.	
40	Schools central costs	Overspend mostly relates to premature retirement costs.	Costs will be monitored closely over the year and efforts made to reduce costs or identify mitigating savings to bring these budgets back in balance where possible.
(33)	Admissions & Transport	Staffing savings.	

Appendix 1 – Revenue Budget Performance

NHS Trust Managed S75 Budgets - Revenue Budget Summary

2013/14 Provisional Outturn £'000	S75 Partnership	2014/15 Budget Month 2 £'000	Forecast Outturn Month 2 £'000	Forecast Variance Month 2 £'000	Forecast Variance Month 2 %
117	Sussex Partnership Foundation NHS Trust (SPFT)	11,048	11,228	180	1.6%
(12)	Sussex Community NHS Trust (SCT)	647	647	-	0.0%
105	Total Revenue - S75	11,695	11,875	180	1.5%

Explanation of Key Variances

Key Variances £'000	Service	Description (Note WTE = Whole Time Equivalent)	Mitigation Strategy
Sussex Partnership Foundation NHS Trust			
180	SPFT	Sussex Partnership NHS Foundation Trust is reporting an overspend of £0.360m at Month 2. The overspend reflects continuing pressures from a lack of affordable residential and nursing placements across the board, potentially leading to increased use of high cost placements and waivers within Memory & Cognition Support. There continues to be a pressure from an increase in need and complexity in Mental Health and forensic services across residential and supported accommodation. In line with the agreed risk-share arrangements for 2014/15 any overspend will be shared 50/50 between SPFT and BHCC and this is reflected in the figure of £0.180m reported here.	As for Adult Social Care, there will be increased panel scrutiny of all complex or high cost placement requests to assure value for money against eligible care needs. Where possible, no placements will be made above the agreed local authority rates.
Sussex Community NHS Trust			
0	SCT	The Integrated Community Equipment Store (ICES) budget is reporting a break-even position at Month 2.	