

Families, Children & Learning

Revenue Budget Summary

Forecast Variance Month 7 £'000	Service	2023/24 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	Forecast Variance Month 9 %	2023/24 Savings Proposed £'000	Net Savings Achieved £'000	Net Savings Unachieved £'000
(5)	Director of Families, Children & Learning	179	169	(10)	-5.6%	0	0	0
922	Health, SEN & Disability Services	8,822	9,954	1,132	12.8%	460	10	450
(467)	Education & Skills	12,229	11,684	(545)	-4.5%	104	104	0
(1,781)	Children's Safeguarding & Care	41,571	39,432	(2,139)	-5.1%	1,302	1,302	0
0	Quality Assurance & Performance	1,669	1,667	(2)	-0.1%	0	0	0
(1,331)	Total Families, Children & Learning	64,470	62,906	(1,564)	-2.4%	1,866	1,416	450

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		
(10)	Other	
Health, SEN & Disability Services		
760	Demand-Led Disability Placements	There are three new residential disability placements taking effect from the start of the new academic year and the budget forecast allows for further growth equivalent to one additional placement from February 2024. The cost of one recent placement was significantly higher than anticipated. The forecast also allows for a reduction in the anticipated level of funding contributions from third parties.
106	Commissioning and Brokerage	Delays in recruitment have meant the commissioning and brokerage function has not yet achieved the level of savings required to make it self-financing. Corporate modernisation funding of this function ceased in 2023/24.
27	Children's Disability Section 17 Preventive Payments Budget	The Section 17 preventive payments budget has been required to provide additional support to young people where additional unforeseen costs have arisen.
239	Other	Other minor variances.

Appendix 4 – Revenue Budget Performance

Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
Education & Skills		
589	Home to School Transport	Based on the current data held on Mobisoft the updated forecast overspend for Home to School Transport is £0.589m. This forecast takes account of the updated contracted routes and assumptions re pupil numbers from December which assumes average numbers of 480 5-16 pupils, 102 post 16 pupils and 36 post 19-25 pupils for the remainder of the financial year. Costs have increased considerably and are related to a combination of factors which include 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. Market forces within SEND transport are also contributing to overspending. The service is being increasingly impacted by local driver, vehicle passenger assistant and vehicle shortages and increased running costs. There is also a lack of competition in the transport market, particularly minibus providers, which is pushing up contract prices still further. There is increasingly less capacity in the local system to meet increasing demand, not just in the numbers of children requiring transport but the nature of the transport requirements.
373	Schools PFI	A combination of low interest rates in recent years reducing the return on balances held in reserves and very high inflation impacting on costs has resulted in a shortfall in the schools PFI reserve in 2023/24.
(1,332)	Early Help	Contribution from the one-off Public Health reserve for the development of the Family Hub model of £1.316m in 2023/24.
(175)	Other	Other variances.
Children's Safeguarding & Care		
(1,968)	Demand-Led - Children's placements	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, there are several 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. Dependent on the relative success of these initiatives, it is anticipated that placements for children in care and care leavers will remain within budget in 2023/24.
241	Legal Fees	In recent years there has been a significant increase in the cost of both the in-house legal team and external counsel due to both demand and complexity of caseload. At this stage it is estimated that there will be an overspend on legal fees of £0.241m in 2023/24.

Appendix 4 – Revenue Budget Performance

Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
(159)	Contact Service	Reduced activity and increased efficiency within the contact service have resulted in an underspend in 2023/24.
(140)	Section 117	The forecast now assumes a 50:50 funding arrangement with Health partners for Section 117 aftercare.
(113)	Other	Other variances totalling £0.113m.
Quality Assurance & Performance		
(2)	Other	Minor variances.

Health & Adult Social Care (HASC)

Revenue Budget Summary

Forecast Variance Month 7 £'000	Service	2023/24 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	Forecast Variance Month 9 %	2023/24 Savings Proposed £'000	Net Savings Achieved £'000	Net Savings Unachieved £'000
1,467	Adult Social Care	79,158	79,613	455	0.6%	3,143	2,057	1,086
361	S75 Sussex Partnership Foundation Trust (SPFT)	18,832	18,673	(159)	-0.8%	987	744	243
(68)	Integrated Commissioning	5,378	5,303	(75)	-1.4%	173	149	24
70	Life Events	14	367	353	2521.4%	13	6	7
(171)	Public Health	4,022	3,852	(170)	-4.2%	0	0	0
1,659	Total Health & Adult Social Care	107,404	107,808	404	0.4%	4,316	2,956	1,360
(731)	Further Financial Recovery Measures (see below)	-	(35)	(35)	-	-	-	-
928	Residual Risk After Financial Recovery Measures	107,404	107,773	369	0.3%	4,316	2,956	1,360

Explanation of Key Variances

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
Further Directorate Financial Recovery Measures		
(35)	Further Financial Recovery Measures projection	The directorate has developed an over-arching Financial Recovery Plan to address the above pressures. The Recovery plan includes the following measures: - Targeted Reviews
Adult Social Care		
32	Demand-Led Community Care - Physical & Sensory Support	The forecast number of placements/packages is 2,012 WTE, which is below the budgeted level of 2,066 WTE placements. The average unit cost of a placements/package is higher than the budgeted level at £201 per week (£8 per week above budget per client). The combination of the number of adults placed being 84 WTE below the budgeted level and the increased unit costs result in the overspend of £0.032m. Therefore, the unit costs are 4% above budget however the overall activity is below budget. This is due to areas where

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Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
		suitable provision is not currently accessible to meet identified need as a result of workforce pressures.
(171)	Demand-Led Community Care - Substance Misuse	There are relatively small numbers of clients within this service and the average unit cost is below the budgeted unit cost which is resulting in the projected underspend of £0.171m.
(526)	Assessment teams	Additional legal fees offset by temporary vacancies across the Assessment teams.
708	In-house provision	Due to projected agency and overtime spend being above budget.
759	Demand-Led Community Care - Adult LD	The forecast number of placements/packages is 1,057WTE, which is below the budgeted level of 1,103 WTE placements. The average unit cost of a placement/package is higher than the budgeted level at £597 per week (£38 per week above budget per client). The combination of the number of adults placed being 46 WTE below the budgeted level and the increased unit costs result in the overspend of £0.759m. Therefore, the unit costs are 7% above budget however the overall activity is below budget.
(351)	Community Equipment Store	Forecast underspend due to lower equipment unit cost than budgeted. The underspend is prior to the Better Care fund risk share.
4	Other	Minor variances.
S75 Sussex Partnership Foundation Trust (SPFT)		
626	Demand-Led - Memory Cognition Support	The forecast unit costs are above budget which results in the overspend projection of £0.626m. The forecast number of placements/packages is 346 WTE which is below the budgeted level of 396 WTE placements. The average unit cost is above the budgeted level at £437 per week (£86 per week above budget). Therefore, the overall activity is 50 WTE below budget and the unit costs are 25% above budget. This is due to areas where suitable provision is not currently accessible to meet identified need as a result of workforce pressures and market conditions.
(1,155)	Demand-Led - Mental Health Support	The forecast now includes a 50:50 funding arrangement with Health partners for Section 117 which is contributing to the underspend projection of £1.115m. The forecast number of placements/packages is 492 WTE, which is below the budgeted level of 527 WTE placements. The average unit cost of a placement/package is below the budgeted level at £273 per week (£24 per week below budget per client). There is increasing need and complexity within this client group.
370	Staffing teams	Pressures on services, ongoing negotiations with NHS Sussex and current industrial relations issues mean that the service is unable to deliver in-year savings targets.
Integrated Commissioning		

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Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
(75)	Commissioning and Contracts	Forecast includes a Better Care Fund risk share adjustment, temporary vacancies and funding for a delayed service redesign.
Life Events		
353	Life Events	Life events services are forecasting a £0.353m overspend. The staffing underspend totals £0.208m due to temporary vacancies. This is offset by an income shortfall of £0.251m and the £0.300m additional cost of the Coroners Service. The latter is provided for in 2024/25 through service pressure funding.
Public Health		
(170)	Public Health	Eligible contracts previously funded through General Fund are now being resourced within the Public Health grant.

Economy, Environment & Culture

Revenue Budget Summary

Forecast Variance Month 7 £'000	Service	2023/24 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	Forecast Variance Month 9 %	2023/24 Savings Proposed £'000	Net Savings Achieved £'000	Net Savings Unachieved £'000
1,659	Transport	(7,526)	(5,851)	1,675	22.3%	2,765	1,524	1,241
(539)	City Environmental Management	39,075	37,823	(1,252)	-3.2%	498	498	0
277	City Development & Regeneration	3,730	4,071	341	9.1%	428	428	0
8	Culture, Tourism & Sport	5,010	4,826	(184)	-3.7%	563	463	100
1,254	Property	1,031	2,030	999	96.9%	473	275	198
2,659	Total Economy, Environment & Culture	41,320	42,899	1,579	3.8%	4,727	3,188	1,539

Explanation of Key Variances

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
1,961	Parking Services	<p>Overall Parking Services are forecasting an overspend of £1,961m (4.33% of expected income targets) against a £28.552m net income budget. Despite income increasing for parking permits from £10.500m in 2022/23 to a forecast £11.100m in 2023/24 the service is predicting to be £1.685m (13.17%) underachieved compared to its budget of £12.800m. This forecast contains continued reductions 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>Despite income increasing for on-street paid parking from £12.300m in 2022/23 to a forecast £12.900m in 2023/24 it is predicted to be £1.983m (13.51%) underachieved compared to its budget of £14.600m, £0.400m of which is driven by the removal of previously agreed zone changes and £0.500m is due to the removal of Parking spaces due to active travel measures. A further £0.300m is a result of the light touch to full scheme programme being altered with full consultation now being undertaken. The remainder of the shortfall is due to reduced demand in paid parking due to a combination of the following factors:</p>

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
		<ul style="list-style-type: none"> • Significant price rises in recent years; • the impact of Hybrid and home working which has changed parking patronage; • the £2 single bus fare encouraging bus travel over short car journeys; • concerns that motorists are risking receiving a Penalty Charge Notice in some areas (particularly high tariff areas) as the charge is almost the same rate as a PCN (£25 at discounted rate for a low level offence); • poor weather in 2023/24 particularly since June 2023; • the issues of not going ahead with recently approved changes to Area M (Medium tariff to High) & Area Y (parts Medium to High); • the seafront winter tariff increasing by 11%, and; • increased charges for 2023/24 only being introduced in early October with some only just being increased in January 2024 following the lengthy Traffic Regulation Order process and required IT changes and then further delays in respect of changes referred to above. <p>These underachievements are offset by predicted surplus income for Parking Suspensions of £0.074m (6.22%). In addition, Off-Street Parking is predicted to over-achieve by £0.293m (4.57%) due to increased income from the main barrier car parks in the City Centre. There is also a predicted reduction in Parking costs of £1.075m which is primarily driven by underspends in unsupported borrowing and other costs associated with the replacement of parking machines that is no longer going ahead. PCN income is set to overachieve by £0.321m despite a reduction in tickets issued compared to last year, particularly in relation to CCTV bus lane enforcement. This is an improvement of around £0.467m since Month 7 after a review of the system reporting.</p>
60	Traffic Management	<p>Additional forecast Highway Maintenance costs of £0.300m. The contract costs for the service have increased by 30% following the contract retender and a very wet and periodically cold winter has increased defects by 50% leading to an initial £0.900m spend largely mitigated by capitalising larger repairs and reviewing the scope of works required. Elsewhere, there is forecast additional income from Temporary Traffic Orders (£0.046m), whilst Events income (£0.032m) and Streetworks income (£0.088m) are partly countered by Direct Employee cost pressures of £0.010m. Streetworks Training of £0.017m, Software costs of £0.015m and staff transport costs of £0.013m are additional forecast pressures.</p>

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Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
		Also, additional Highway licensing income of £0.191m is partly offset by new Highway licensing software to improve service delivery £0.019m and additional staff costs for acting up of £0.010m, and replacement of non-compliant lit signs £0.029m. There is a new forecast for Consultants Fees of £0.020m for AI survey work and additional permit scheme software costs of £0.031m.
(346)	Transport Projects and Engineering	Mainly due to electricity forecast savings against budget of £0.400m. Bus Shelter advertising income increase due to inflation of £0.011m. Public Transport staff costs of £0.031m forecast to be recharged to Bus Service Improvement Programme (BSIP) offset by consultancy fees for Bus Priority Study of £0.012m. Road Safety Education costs exceeding funding by £0.089m.
City Environmental Management		
(221)	City Clean	<p>£0.205m overspend in Street Cleansing as a result of greater employer pension and NI costs than historically budgeted due to a large turnover of staff in recent years with more staff electing to remain in the LG pension scheme than choosing to opt out.</p> <p>£0.100m underspend within Waste Collections due to vacant posts held as part of expenditure controls. The underspend includes £0.109m overspend in staffing oncosts as a result of greater employer pension and NI costs than the historically budgeted allocation of £0.093m due to large turnover of staff in recent years with more staff remaining in the LG pension scheme than choosing to opt out.</p> <p>£0.182m overspend in CityClean Enforcement as income forecast is not achieving its targets. Use of the enforcement reserve of £0.147m will offset this pressure if income does not recover by the end of the year.</p> <p>These overspends are partially offset by a surplus in Commercial and Green Waste collections of £0.241m, and underspends in Public Toilets of £0.122m due to vacancies and spending controls in place.</p>
8	City Parks	£0.079m overspend as a result of the Level Cafe being vacant and other works, and £0.081m overspend in Sports Bookings income due to reduced demand and transfer some facilities to other organisations. These are offset by vacancies held within the service of £0.128m and underspends on supplies and services of £0.025m as part of spending controls.

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Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
229	Fleet & Maintenance	£0.051m overspend on Hollingdean Depot costs due to insufficient budget. Additional fuel and vehicle related costs anticipated of £0.057m as a result of rising costs for CEM Vehicles and additional hire costs due to delays in purchased vehicle replacements of £0.120m.
222	Head of City Environmental Management	The estimated costs of the independent special investigation of £0.222m are also included in this budget. This is a corporate council cost not under the direct control of the service.
(86)	Strategy & Projects	Forecast underspends of £0.057m from reduced Supplies & Services costs and £0.028m staffing underspends from vacancies as a result of spending controls.
(1,404)	Waste Disposal	Release of reconciliation payment for windfall electricity incomes in the Waste PFI. A review of the Waste PFI reserve has allowed this windfall to be released as an underspend to support wider overspends in other areas. Subject to energy prices continuing at current levels, further underspending (and therefore release of the reserve) by year-end is possible.
City Development & Regeneration		
724	Development Planning	Underachievement of Planning and Building Control income of £1.200m as there is still some uncertainty over levels of service post-covid. This is offset by staffing and supplies & services underspends of £0.477m. For 2024/25 government have enabled significant increases in Planning Fees which will partially mitigate the income pressure.
(117)	Planning Policy and Major Projects	Forecast underspends on consultants fees and salaries.
(166)	Sustainability & International	Delayed spend in Sustainability initiatives and underspend from a vacant International Officer post.
(100)	Business Development and Customer Services	Forecast staffing underspends from held vacancies as a result of spending controls.
Culture, Tourism & Sport		
63	Arts	Greater than budgeted costs for Brighton Dome & Brighton Festival funding of £0.078m assuming a fixed 2% contract uplift for 2 years. Offset by staff vacancies of £0.015m.
300	Heritage and Archives	Additional costs under the RPMT contract relating to salary pay awards.
(294)	Sport and Leisure	£0.100m pressure for maintaining the lifeguard service during the summer season at 2022/23 levels offset by forecast underspends on golf course contracts. There is also a £0.118m income surplus compared to budget relating to Freedom Leisure management fee income. Also, £0.144m forecast income surplus compared to budget relating to Seafront Properties and £0.015m underspend on Outdoor Events through expenditure controls.

Appendix 4 – Revenue Budget Performance

Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
(227)	Venues	Forecast utility overspends of £0.055m offset by underspends in Brighton Centre Security, Technical, running costs and surplus incomes of £0.281m.
(26)	Tourism and Marketing	Forecast underspends on supplies & services costs of £0.079m offset by income pressures of £0.054m.
Property		
999	Property and Design	<p>Vacant Properties within both the In-house & Commercial portfolios have caused pressures from the loss of rental income and the additional premises related costs until new tenants can be attracted resulting in a pressure of £1.354m. There have however, been some new leases agreed for New England house and an expected reduction in the current year's contract costs from the managing agents of £0.060m. The current rental climate demands rent free periods which leads to in-year pressures that will hopefully impact on the first year only. Some of these pressures are offset by in-year staff vacancies being held within Estates of £0.101m.</p> <p>Security costs have increased significantly by over £5 per hour due to BHCC agreeing to pay the higher rate Living Wage to contracted service providers, with the increase from 1st April resulting in pressures of £0.229m. In-house printing continues to show a historic pressure of £0.082m due to the reduction in demand resulting in underachievement of costs recovered.</p> <p>Technical Services are forecast to be £0.118m overspent due to shortfalls on Professional Fee income. This is being mitigated through planned underspends within the Planned Maintenance Budgets of £0.521m and Education Maintenance Budgets of £0.100m by only completing essential health & safety works and capitalising costs that are appropriate to the PMB Capital budgets.</p>

Housing, Neighbourhoods & Communities

Revenue Budget Summary

Forecast Variance Month 7 £'000	Service	2023/24 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	Forecast Variance Month 9 %	2023/24 Savings Proposed £'000	Net Savings Achieved £'000	Net Savings Unachieved £'000
1,420	Housing General Fund	12,407	13,458	1,051	8.5%	1,705	684	1,021
(19)	Libraries	3,570	3,669	99	2.8%	81	81	0
(116)	Communities, Equalities & Third Sector	3,021	2,905	(116)	-3.8%	44	44	0
(222)	Safer Communities	4,064	3,824	(240)	-5.9%	86	86	0
1,063	Total Housing, Neighbourhoods & Communities	23,062	23,856	794	1.5%	1,916	895	1,021
(150)	Further Financial Recovery Measures	-	-	-	-	-	-	-
913	Residual Risk After Financial Recovery Measures	23,062	23,856	794	3.4%	1,916	895	1,021

Explanation of Key Variances

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
Housing General Fund		
1,049	Temporary Accommodation	<p>The budget for Temporary Accommodation (TA) is forecast to overspend by £1.049m for 2023/24.</p> <p>Emergency nightly accommodation (spot purchased) was budgeted to be at an average of 52 households per night for the year. However, the service saw increasing numbers of applicants for emergency accommodation in the first quarter of 2023/24 with an average of 153 households every night. The summer saw a slight dip in numbers, however there were 193 households being housed as at mid-January. To add to this pressure, the cost of accommodation has also been increasing and the service is focused on reducing the average nightly cost wherever possible. Overall this budget is forecast to overspend by £1.163m. This forecast assumes that the number of households remains at 190 for the remainder of this year. However, the service is implementing further 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 – this part of the service is also facing significant pressures on the overall costs of block booked emergency accommodation. The budget assumed that there would be a reduction of 125 units of block booked accommodation during 2023/24. However, due to the demands on the service, there has only been a reduction of 16 units as one block has recently been handed back to the provider. Additionally, the council is facing large increases to contract prices and therefore it is estimated that this budget will overspend by £1.785m. This forecast overspend has reduced since Month 7 due to service improvements relating to void turnaround times of third party contracts and the recent hand backs.</p> <p>Leased TA - Leased TA is forecast to underspend by £0.188m. There is an improved forecast for the net costs of leased accommodation since Month 7, which is now forecast to underspend by £0.170m. This is partly driven by lower numbers of leased properties being used for TA as landlords request their return. There are 32 fewer properties now than in April 2023. This is part of the reason for the increased numbers of spot purchased accommodation. Linked to this, there is also an underspend on the cost of repairs of £0.105m offset with the extra cost of the loss of Housing Benefit Subsidy of £0.089m and other minor variances. The service has been working to improve empty property turnaround times and as a result has also seen an improvement in the void rent loss. The overall variance for TA has been offset by Homelessness Prevention Grant of £1.801m and an overspend on temporary accommodation staffing costs of £0.090m.</p>
(56)	Housing Options	Vacancies across this service and a reduction in the use of agency staff.
169	Seaside Homes	The repairs and maintenance budgets for these properties are forecast to overspend by £0.067m, an improvement from Month 7 as analysis has enabled more works to be reclassified as capital works. There is also an overspend on the management costs of this service of £0.257m and a net overspend of £0.117m on the rents budget due to the fact that the LHA rates have not increased in 2023/24. However this is offset by an underspend on the contribution to the bad debt provision of £0.195m and an underspend on the rent loss on void properties of £0.077m. The service is working to improve void turn-around times further in order to minimise void loss and further reduce costs.
(46)	Private Sector Housing	Unachieved savings for fine income of £0.045m offset by an underspend on employees costs of £0.041m and an underspend on the adaptations service as a result of further capitalisation of £0.050m.
41	Homemove	Extra IT costs due to system changes and a shortfall in income generated from other Local Authorities and Housing associations.

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Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
(155)	Commissioned Rough Sleeper and Housing Related Support Services	This service is forecast to underspend by £0.140m across the core commissioned services with a further £0.015m underspend on staffing costs due to vacancy management.
49	Travellers Service	Increased security costs £0.026m and the extra costs of water at the site offset by an underspend on staffing.
Libraries		
99	Libraries	Overspend on staffing £0.062m and increased security costs.
Communities, Equalities & Third Sector		
(47)	CETS	Staffing underspend.
(20)	Initiatives	Pause on 'Our Legacy' project and a reduction in number of advisory group meetings for anti-racism and accessible city work.
(49)	Community Grant Programme	Reduction of 3rd round of annual community grants programme due to spending controls.
Safer Communities		
(120)	Safer Communities	The underspend is primarily against staffing as a result of vacancies across the service and a review of non-pay budgets where spend can be stopped.
(120)	Domestic Violence and Violence against Women and Girls	Lower than expected costs against core budgets for Domestic Violence and Violence against Women and Girls.

Governance, People & Resources

Revenue Budget Summary

Forecast Variance Month 7 £'000	Service	2023/24 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	Forecast Variance Month 9 %	2023/24 Savings Proposed £'000	Net Savings Achieved £'000	Net Savings Unachieved £'000
0	Chief Executive Monitoring Office	554	554	0	0.0%	0	0	0
0	Policy & Communications	1,229	1,206	(23)	-1.9%	134	134	0
(88)	Legal & Democratic Services	3,673	3,567	(106)	-2.9%	167	147	20
223	Elections & Land Charges	539	743	204	37.8%	22	10	12
(10)	Customer Modernisation & Data	1,449	1,439	(10)	-0.7%	86	86	0
23	Finance (Mobo)	2,064	2,373	309	15.0%	67	67	0
0	Procurement (Mobo)	(37)	(54)	(17)	-45.9%	0	0	0
(5)	HR & Organisational Development	4,262	4,231	(31)	-0.7%	214	214	0
(410)	IT&D (Mobo)	8,278	7,753	(525)	-6.3%	350	350	0
(40)	Welfare Revenue & Business Support	7,482	7,454	(28)	-0.4%	146	146	0
0	Contribution to Orbis	2,883	2,883	0	0.0%	0	0	0
(307)	Total Governance, People & Resources	32,376	32,149	(227)	-0.7%	1,186	1,154	32

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		
16	Policy	Staffing overspends offset by underspends in Overview & Scrutiny.
(3)	AD Policy and Communications	Vacancy savings.
79	Brighton & Hove Strategic Partnership	Expected loss of partnership funding which remains unpaid.
(8)	Communications	Vacancy savings.

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Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
10	Digital Design	Staffing overspends offset by underspending in Overview & Scrutiny.
16	Leadership Support	Staffing overspends offset by underspending in Overview & Scrutiny.
(61)	Overview & Scrutiny	Underspends in staffing budgets.
(72)	Partnership fund	Underspend in initiatives budgets.
Legal & Democratic Services		
6	Civics Mayors Office	Increase in cost to support the Lord-Lieutenancy (Support officer).
6	Democratic Services	An expected increase in cost for the Modern.gov software and other small expenditures.
23	Members Allowances	Increased member's bus saver transport and member allowance cost.
(140)	Legal team	Vacancy savings and a reduction in forecast costs after a detailed review.
(1)	Leadership Support	Small underspends in services.
Elections & Land Charges		
204	Land Charges	Expected underachievement is due to expected slow housing market as highlighted by RICS, government and Savills. For 2024/25 this income pressure is recognised alongside a further pressure due to the expected transfer (loss of income) of the function to Land Registry.
Customer Modernisation & Data		
(10)	Customers and Performance	Vacancy Contribution.
Finance (Mobo)		
309	Finance	£0.290m overspend in respect of an increase in external audit fees following award of the new national 5-year contract. Unlike the previous increase following the Redmond Review, the government have not, to date, announced any new burdens funding for local authorities to meet the substantially increased cost of the new contract. Also, a £0.145m overspend on staffing due to maternity cover, further disaggregation of costs from Orbis, and historically unbudgeted costs of the Absence Management system (Goodshape), partially offset by income from the sector-wide card provider legal settlement of £0.120m.
Procurement (Mobo)		
(17)	Procurement	Unutilised computer hardware purchase budget.
HR & Organisational Development		
20	Policy and initiatives	Small overspend on Union budget due to unachieved income.
(51)	Organisational Development	Underspends in training.
IT&D (Mobo)		
(525)		At Month 9, IT&D are forecasting an underspend of £0.505m. This is a change of £0.115m from Month 7 mostly due to a reduction in expected spend on data lines due to a revision

Appendix 4 – Revenue Budget Performance

Key Variances £'000 Service Area		Variance or Financial Recovery Measure Description
		of our contribution to South East Grid (SEG) core shared costs. There is also a further reduction in the forecast for salaries spend due to recruitment controls. However, it should be noted that the vacancies are having a detrimental effect on the service's ability to effectively deliver services. Continuing inflationary pressures are expected on services' budgets, together with increased Microsoft licencing demands and uncertainties over costs for data services due to SEG migration delays. Traded Services are expecting a pressure with the income target for the DSG grant unlikely to be mitigated by increased income for services. The impact of the extended recruitment controls will continue to be assessed.
Welfare Revenue & Business Support		
(57)	HB, CTAX & NNDR Running Expenses incl Discretionary payments	Shortfall in court costs income of £0.215m offset by vacancy savings of £0.174m and underspends on Supplies & services of £0.059m.
155	Social Fund & Welfare	£0.050m contribution from Public Health partially offset by £0.170m staffing pressures.
(118)	WRBS Systems Teams	Lower contract costs of £0.066m and vacancy savings of £0.052m.
(155)	Corp Debt & Banking	Vacancy savings.
148	Payroll	Staffing overspend - three extra agency staff still required in the service to address demands and resolve ongoing pension fund data issues.

Appendix 4 – Revenue Budget Performance

Corporately-held Budgets

Revenue Budget Summary

Forecast Variance Month 7 £'000	Service	2023/24 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	Forecast Variance Month 9 %	2023/24 Savings Proposed £'000	Net Savings Achieved £'000	Net Savings Unachieved £'000
200	Bulk Insurance Premia	3,676	4,026	350	9.5%	0	0	0
(1,611)	Capital Financing Costs	6,645	4,361	(2,284)	-34.4%	0	0	0
0	Levies & Precepts	229	229	0	0.0%	0	0	0
(100)	Unallocated Contingency & Risk Provisions	294	194	(100)	-34.0%	0	0	0
0	Unringfenced Grants	(28,708)	(28,708)	0	0.0%	0	0	0
920	Housing Benefit Subsidy	(301)	619	920	305.6%	0	0	0
599	Other Corporate Items	(1,788)	(1,604)	184	10.3%	162	162	0
8	Total Corporately-held Budgets	(19,953)	(20,883)	(930)	-4.7%	162	162	0

Explanation of Key Variances

Key Variances £'000	Service Area	Variance or Financial Recovery Measure Description
Bulk Insurance Premia		
96	Premium costs	The majority of the insurance premiums increased by an average of 18% which is in excess of the amount budgeted.
254	Claims	There has been an increase in settlement of insurance claims this year.
Capital Financing Costs		
(1,192)	Investment Income	Increases in the Bank of England Base Rate has resulted in significantly improved investment income.
(298)	Minimum Revenue Provision (MRP)	Reprofiling of 2022/23 capital borrowing resulted in lower MRP needing to be set aside in 2023/24.
(794)	Interest Payable	Delaying long-term borrowing through maximising internal borrowing (using cash balances) has resulted in savings in borrowing costs.

Appendix 4 – Revenue Budget Performance

Key Variances		
£'000	Service Area	Variance or Financial Recovery Measure Description
Unallocated Contingency & Risk Provisions		
(100)	Contingency	Release of contingency set aside for the part-year effect of 2023/24 savings.
Housing Benefit Subsidy		
920	Housing Benefit Subsidy	There is an estimated net pressure of £0.920m. Within this £0.967m relates to the main subsidy budgets and is based on the latest subsidy data produced in 2023/24 . Of this pressure, £0.418m relates to a particular benefit type for vulnerable tenants which is not fully subsidised and which continues to grow despite service pressure funding of £0.450m provided in the 2023/24 budget. This continues to be investigated to fully understand the reasons for the ongoing and relatively recent growth in this area with some solutions beginning to be developed that may help mitigate losses in future years. There is also a pressure of £0.526m on the net recovery of overpayments mainly due to a required increase in the bad debt provision based on the forecast increase in debt outstanding. There are minor variances of £0.023m. The surplus on the recovery of overpaid former council Tax Benefit is currently forecast at £0.047m.
Other Corporate Items		
3,535	Pay award 2023/24	Additional cost of the 2023/24 pay award above the budgeted provision based on the final agreed award.
(74)	Corporate pension costs	Overpayment from 2022/23 of (£0.020m) and an in year variance of (£0.054m).
500	Provision for school organisation costs	Potential school organisational changes are anticipated to give rise to additional costs that would not be chargeable to the Dedicated Schools Grant. These are estimates at present and a prudential provision of £0.500m has been included to reflect potential costs. However, costs are likely to be significantly higher than provided for here and this will be addressed in the General Fund budget report to the February Strategy, Finance & City Regeneration Committee and Budget Council.
(176)	Back Pay Provision write back	Unrequired back-pay provision written back to revenue.
147	Bad Debt Provision	Net increase in bad debt provision due to pressures on debt collection due to a range of factors including difficult economic conditions for business and the cost of living situation impacting individuals.
(3,500)	JV profit Share	The 50:50 profit-share from the Housing Joint Venture with Hyde Housing has been confirmed following completion of a scheme and this provides a minimum of £3.500m one-off corporate resources.
(250)	Review of Provisions	Unrequired provisions released following review of provisions held.
2	Death management	BHCC share of Sussex wide costs on mass fatalities work.

Appendix 4 – Revenue Budget Performance

Housing Revenue Account (HRA)

Revenue Budget Summary

Forecast Variance Month 7 £'000	Service	2023/24 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	Forecast Variance Month 9 %	2023/24 Savings Proposed £'000	Net Savings Achieved £'000	Net Savings Unachieved £'000
(935)	Capital Financing	25,161	24,784	(377)	-1.5%	0	0	0
153	Housing Management & Support	5,132	5,508	376	7.3%	0	0	0
(65)	Housing Strategy & Supply	1,442	1,352	(89)	-6.2%	0	0	0
1,682	Repairs & Maintenance	16,425	17,717	1,292	7.9%	0	0	0
(227)	Housing Investment & Asset Management	2,940	2,669	(271)	-9.2%	0	0	0
(608)	Tenancy Services	(51,099)	(52,030)	(931)	-1.8%	0	0	0
(0)	Total Housing Revenue Account	0	0	0	0.0%	0	0	0

Explanation of Key Variances

Key Variances £'000	Subjective Area	Variance Description
Capital Financing		
360	Capital Financing costs	Change in assumption has resulted in an increase in financing costs of £0.488m; offset by interest on balances due for the HRA.
(737)	Direct Revenue funding	A reduced capital programme has resulted in less Direct Revenue Funding being required without increasing borrowing beyond that which had been forecast at Month 2. The use of Direct Revenue Funding balances off any net overspend on services within the HRA to ensure it balances to zero.
Housing Management & Support		
(1)	Employees	Minor variance.
228	Premises	Pressure from fuel costs at Manoj House of £0.111m. There is a forecast overspend of £0.110m against responsive repair and empty property costs. Other minor variances across the service, make up the difference.
173	Supplies and Services	Additional insurance costs of £0.203m from the procurement of insurer early in the financial year which cannot be recharged to leaseholders. Offset by an estimated

Appendix 4 – Revenue Budget Performance

Key Variances		
£'000	Subjective Area	Variance Description
		underspend on the Transfer Incentive scheme of £0.090m and other minor variances of £0.034m..
(24)	Income	Minor variance.
Housing Strategy & Supply		
(119)	Employees	Forecast underspend as a result of vacancies across the service.
30	Supplies and Services	Minor variances across the service.
Repairs & Maintenance		
(661)	Employees	There is a forecast underspend against the base salary budget due to vacancy management. This represents approximately 8% variance against the total salary budget.
1,463	Premises	Forecast overspend against the base budget for subcontractor costs.
432	Supplies and Services	Pressure from disrepair claims of approximately £0.550m, which by their nature are not possible to forecast with great accuracy. Costs associated with each instance will be recorded separately within the HRA and the variance against budgets regularly reviewed during the year. There is a forecast underspend against the materials budget across the service, which is in part offsetting the pressure outlined above.
58	Transport	Additional fuel and contract hire costs.
Housing Investment & Asset Management		
(125)	Employees	There are a number of vacancies across the service.
(115)	Premises	Reduced level of spend against the Environmental Improvements budget.
(31)	Supplies & Services	Minor variance.
Tenancy Services		
(129)	Employees	Forecast underspend as a result of vacancies across the service.
16	Premises	Forecast underspend on utility costs £0.156m, offset by overspends against council tax costs of £0.080m which is linked to the number of empty properties held in the HRA over the course of the financial year and £0.066m against rubbish clearance. Other minor variances totalling a £0.026m across the service make up the difference.
97	Supplies and Services	Increased contribution required to the bad debt provision of £0.057m and a forecast overspend on the use of temporary accommodation of £0.127m for council housing tenants, linked to the current policy for Temporary Accommodation across the authority and in some part to the number of empty properties held in the HRA.
36	Other	Minor variance.

Appendix 4 – Revenue Budget Performance

Key Variances		
£'000	Subjective Area	Variance Description
(951)	Income	Forecast overachievement in net rental income and service charges of £0.837m due to new supply of affordable housing. Other minor variances across the service, make up the difference.

Dedicated Schools Grant (DSG)

Revenue Budget Summary

Forecast Variance Month 7 £'000	Service	2023/24 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	Forecast Variance Month 9 %
0	Individual Schools Budget (ISB)	136,897	136,897	0	0.0%
(124)	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>	14,517	14,376	(141)	-1.0%
684	High Needs Block	37,483	37,769	286	0.8%
13	Exceptions and Central Services	3,178	3,131	(47)	-1.5%
0	Grant Income	(191,707)	(191,707)	0	0.0%
573	Total Dedicated Schools Grant (DSG)	368	466	98	26.6%

Explanation of Key Variances

Key Variances £'000	Service Area	Variance Description
Early Years Block (including delegated to Schools)		
(111)	Early Years Free Entitlements	Underspends relating to free entitlement funding for 2-year olds and 3 and 4-year olds due to a reduction in the number of early years children
(30)	Other	Minor variances.
High Needs Block (excluding delegated to Schools)		
73	Post-16 high needs placements	Predicted overspends for high needs students in FE colleges and post-19 specialist providers. There has been a significant increase in the number of high needs learners accessing FE colleges in the last year with a large number attending provision outside of the city.
144	Mainstream school top-up funding	There continues to be a predicted overspend on the mainstream top-up budget despite a further increase to the budget of £0.470m in 2023/24. This is linked to the continuing growth in the number of Education Health and Care plans being issued, particularly in primary schools

Appendix 4 – Revenue Budget Performance

Key Variances		
£'000	Service Area	Variance Description
(124)	Special school top-up funding	There is an increase of 62 places in the LA's special schools from September 2023 and budgets have been rebased accordingly. At this stage the amount of additional funding assigned is generally in line with forecast expenditure, with a small underspend being forecast as not all special schools are at full capacity from September.
100	Brighton and Hove Inclusion Support Services (BHISS)	Predicted overspend of £0.100m against the BHISS DSG budget areas. This is made up of £0.085m BHISS DSG core services and £0.015m against the Literacy support service. The most significant factor contributing to the predicted overspend is the level of the pay awards for 2022/23 and 2023/24 and insufficient resources in the high needs block to fully fund these pay awards.
240	Children with medical needs	The budget for Children with medical needs has seen a significant increase in the caseload including the educational provision of children who are placed in private hospitals, generally due to acute mental health needs.
(34)	Education Agency Schools	Placements in independent non maintained schools. Budget increased by £0.730m in 2023/24 and expected costs slightly below level of budget
(90)	Early Years Additional Support Funding	Lower than expected number of early years children with additional needs receiving additional support funding.
(23)	Other	Other variances.
Exceptions and Growth Fund		
(47)	Other	Other compensating variances of less than £0.050m each.