

London Borough of Hammersmith & Fulham

Report to: Cabinet

Date: 06/11/2023

Subject: Revenue Budget Review 2023/24 - Month 4 (July 2023)

Report of: Councillor Rowan Ree, Cabinet Member for Finance and Reform

Responsible Director: Sukvinder Kalsi, Strategic Director of Finance

SUMMARY

This is the second financial review of 2023/24 (further reports will follow at months 6 and 9). The outcomes of this review reflect the challenging macro-economic conditions and is based on a prudent view. A pressure of £5.8m (or 2.8% of the net budget) is forecast prior to any mitigations and use of contingencies. Mitigations and recovery action plans could reduce the forecast to £3.8m and this will be monitored during the year.

The strategic operating environment for the Council and across the economy remains challenging, with high inflation and interest rates. This is reflected in increasing demand on public services, adding costs to our service delivery, and reducing the income that is collected for services.

The budget for 2023/24 was based on:

- preserving front line services valued by residents/businesses/visitors.
- ensuring the delivery of key Council priorities (e.g. free home care, council tax support scheme and weekly collection of waste)
- increasing investment in services including fly-tipping, food waste collection, homelessness, free school breakfasts, care packages for disabled children and family hubs
- maintaining financial resilience of the Council

The approved General Fund budget was also based on pay and price allowances of 5%, investment in services of almost £10.7m (plus a £1m fund for cost-of-living programmes) and savings of £2.9m.

RECOMMENDATIONS

1. To note the General Fund financial forecast at month 4.
2. To note that the position on the Housing Revenue Account (HRA) as set out in paragraph 15.
3. To note the in-year Dedicated Schools Grant High Needs Block forecasted surplus of £0.401m (thereby reducing the cumulative deficit).

4. To approve General Fund budget changes totalling £0.342m as detailed in Appendix 10. This is being funded using on-going and one-off contingencies (£0.120m) and one-off use of earmarked reserves (£0.222m).

Wards Affected: All

H&F values	Summary of how this report aligns to the H&F Priorities
Being ruthlessly financially efficient	We need to always confirm that spend fits our council's priorities; challenge how much needs to be spent; and achieve results within agreed budgets. Finance is everyone's business, and every penny counts.
Creating a compassionate council	As the Council's resources have been reduced, we have protected the services on which the most vulnerable residents rely. This budget continues all our previous policies to support residents and proposes new spending on care packages for disabled children and additional resources to help residents through the cost-of-living crisis.
Building shared prosperity	A significant proportion of services are delivered in partnership with local and national companies, and this will continue to promote all business sectors to the benefit of residents. In addition, there will be increased investment in the Industrial Strategy Delivery and the development and promotion of the STEAM sector strategy.
Doing things with residents, not to them	The use of co-production across the Council is embedded and all service matters are developed with the engagement of residents. The Council is continuing the REAP (Resident Experience and Access Programme) Programme to improve residents' access to the services.
Taking pride in H&F	The budget includes significant investment in public realm services especially waste collection, street cleaning and open/park spaces. Our new waste contract includes provisions to tackle fly-tipping and collection of food waste.
Rising to the challenge of the climate and ecological emergency	The Council has established a Climate Change Team and the team has developed a Climate and Ecology Strategy (and is making a significant contribution to the international and national policy debates). It is also securing grants from national programmes to help with improvements of

	the thermal efficiency of Council properties and homes).
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Financial Impact

All the financial issues are set out in this report.

Andre Mark, Head of Finance (Strategic planning and investment), 21 September 2023 and verified by Sukvinder Kalsi, Director of Finance, 21 September 2023.

Legal Implications

The Council has a statutory duty under s151 of the Local Government Act 1972 to arrange for the proper administration of its financial affairs as well as a common law fiduciary duty to taxpayers with regards to its use of and accounting for public monies. This report assists in the discharge of those duties.

There are no other legal implications for this report.

Verified by Jade Monroe, Chief Solicitor, Legal Services, 15th September 2023

Background Papers Used in Preparing This Report

None

DETAILED ANALYSIS

GENERAL FUND

1. Full Council approved the current General Fund revenue budget in February 2023 of £201.6m. The budget across all services including investment of £10.9m and savings of £2.9m.
2. The General Fund forecast at Month 4 (end of July 2023) is a forecast pressure of £5.787m. Table 1 sets out an analysis by Department and Table 2 an analysis by subjective type of expenditure.

Table 1 – Month 4 (July 2023): General Fund forecast (underspends in brackets)

Department	Revised Budget Month 4	Forecast Outturn Variance Month 4	Forecast Outturn Variance Month 2	Variance movement since previous month
	£m	£m	£m	£m
Social Care	66.507	4.917	4.571	0.346
Children's Services	57.109	1.678	1.013	0.665
The Economy Department	10.291	1.201	0.491	0.710
The Environment Department	55.873	1.088	1.030	0.058
Controlled Parking Account	(32.264)	1.237	1.223	0.014
Corporate Services	16.730	0.488	0.643	(0.155)
Finance	1.369	(0.076)	0.101	(0.177)
Centrally Managed Budgets	26.765	(4.746)	0	(4.746)
Total	202.380	5.787	9.072	(3.285)

Table 2 – Month 4 (July 2023): General Fund subjective forecast (underspends in brackets)

Subjective	Revised budget Month 4	Forecast Outturn Variance Month 4	Forecast Outturn Variance Month 2	Variance movement since previous month
	£m	£m	£m	£m
Employees	127.082	0.306	2.333	(2.027)
Premises-Related Expenditure	14.140	1.449	1.244	0.205
Transport-Related Expenditure	1.591	(0.007)	(0.063)	0.056
Supplies & Services	62.522	2.858	0.602	2.256
Third Party Payments	194.392	9.287	7.344	1.943
Transfer Payments	172.954	(1.930)	(1.882)	(0.048)
Support Services	17.959	(0.146)	0.059	(0.205)
Items Excluded from the Cost of Services	(108.435)	(1.177)	0.082	(1.259)
Income	(288.662)	(4.853)	(0.647)	(4.206)
Non-Controllable Expenditure	8.837	0.000	0	0
Total	202.380	5.787	9.072	(3.285)

- Across the Council, inflation is now a significant financial risk. The continuing national economic conditions of high inflation and interest rates present many significant challenges to the Council, increasing costs for delivering services, reducing our income from residents/businesses/visitors, making investment plans more expensive and is increasing the demand for public services. In its Spring Budget of March 2023, the government predicted that inflation, as measured by the Consumer Price Index (CPI) would have fallen to 6.9% by the second quarter, and to 2.9% by the end of the year. CPI inflation measured at the end of July was

6.8% but there are still significant concerns that it is not falling as quickly as it should, and inflationary pressures for food remain stubbornly elevated.

4. The 2023/24 Hammersmith & Fulham budget included a £13.6m provision for inflation. This assumed:
 - Contract inflation of £7.6m (5%) which has been distributed within departmental base budgets.
 - £6m (5%) to fund the 2023/24 pay award. Chief Officer pay award was finalised in June 2023 and the remainder is retained corporately until other pay awards are confirmed.
5. Negotiations on the final pay award for 23/24 continue to take place for many affected staff. Trade Unions have rejected a “full and final pay offer” from national employers of £2,355 for Inner London councils and there is an increased risk of industrial action. If a revised pay offer were to be agreed at a higher value, this would need to be met from contingencies in 2023/24 and factored into the Council’s medium term financial planning.
6. Inflationary pressures are likely to exceed the sums set aside within the budget. The increase in costs does not just affect the General Fund but also the HRA, schools and the capital programme. Pressure on household incomes may also increase demand for Council services, such as homelessness or welfare support, and impact on council income streams (such as Council Tax collection rates).
7. Current interest rates are 5% (as of July 2023) and are likely to rise further in the coming months. This may impact both revenue and capital expenditure due to higher costs of borrowing and interest yields on cash balances. Any additional new borrowing that the council undertakes will be subject to the higher rate and this increase in costs will have to be factored into the council’s medium term financial plans.
8. Action is required to monitor and manage the inflationary and departmental risks. An unallocated contingency of £5.7m is held within the 2023/24 budget and will be used as financial mitigations where necessary. Departmental action plans of £1.942m have been identified and if delivered would decrease the overspend to £4.739 (see below).

Table 3: Summary of net forecast outturn variances after action plans and unallocated contingency

Department	Forecast Outturn Variance	Potential Value of Action Plan Mitigations	Forecast Outturn Variance after Mitigations
	£m	£m	£m
Social Care	4.917	(1.177)	3.740
Children’s Services	1.678	(0.765)	0.913

The Economy Department	1.201	0	1.201
The Environment Department	1.088	0	1.088
Controlled Parking Account	1.237	0	1.237
Corporate Services	0.488	0	0.488
Finance	(0.076)	0	(0.076)
Centrally Managed Budgets	(4.746)	0	(4.746)
Total	5.787	(1.942)	3.845
Balance of the uncommitted unallocated contingency	(5.700)	0	(5.700)
TOTAL	0.087	(1.942)	(1.855)

9. The main departmental variances are set out in Appendices 1 to 7. Additional information is provided on the delivery of planned savings and the type of expenditure (such as employees).

MTFS SAVINGS MONITORING

10. The MTFS savings target for 2023/24 is £2.9m. Progress against departmental targets is set out below in Table 4. A detailed schedule of savings is included in Appendix 11.

11. Forecast delivery against targets for the Council-wide employee management saving of £2.5m is reported within departmental variances.

Table 4: MTFS savings

Department	Target Savings Delivery	Delivery Risk Rating			Forecast Savings Delivery	Forecast Non-Delivery of Savings
		Low	Medium	High		
	£000's	£000's	£000's	£000's	£000's	£000's
Social Care and Public Health	(1,670)	(970)	(700)	0	(1,670)	0
Children's Services	(700)	(700)	0	0	(700)	0
The Economy	(14)	(14)	0	0	(14)	0
The Environment	(520)	(520)	0	0	(520)	0
Corporate Services	(20)	(0)	0	(20)	(0)	(20)
Total	(2,924)	(2,204)	(700)	(20)	(2,904)	(20)
Employee Budget Efficiencies (2%)	(2,500)	0	(2,500)	0	(2,500)	0

HOUSING REVENUE ACCOUNT

12. The strategic operating environment of the Housing Revenue Account continues to be challenging (as the General Fund) with high inflation and interest rates. There are additional national regulatory building obligations (e.g. damp & mould and disrepair). The overall assessment is that an additional call from reserves will be necessary (for example to undertake additional repairs and the position is summarised in Table 5 below (and detailed in Appendix 8).

Table 5: Housing Revenue Account forecast outturn.

Housing Revenue Account (General Reserve)	£m
Balance as of 31 March 2023	(10.023)
Less: Budgeted appropriation from balances (base deficit of £1.4m and one-off temporary use of reserves)	3.630
Balance as of 31st March 2024	(6.393)

13. The details of the financial performance of the HRA are set out in Appendix 8. It is usual to project emerging pressures at this stage of the financial year and work is in progress to identify mitigations. It is intended that the balances on the HRA will be a minimum of £5m at the end of March 2024. This level of general balances is considered reasonable given the overall levels of income and expenditure on the HRA.

DEDICATED SCHOOLS GRANT (DSG)

14. DSG is paid in support of local authority schools' and is the main source of income for the schools' budget. It is split between central expenditure and the individual schools' budget (ISB) in conjunction with the local schools' forum.
15. Funding for the High Needs Block (HNB) continues to be under pressure with the latest forecast set out in Table 6. For 2023/24, a DSG HNB surplus of £0.401m is forecast which will go towards reducing the cumulative deficit, along with safety valve funding of £1.500m. The overall cumulative deficit is forecast to reduce to £2.849m by year end. The additional Government funding forecast is subject to the council managing its DSG recovery plan as part of the grant conditions and close monitoring by the DfE (Department for Education).
16. The council holds earmarked reserves against the cumulative deficit which is released as the deficit is managed down.

Table 6: Dedicated Schools Grant – High Needs Block deficit

	£m
Cumulative deficit brought forward	4.749
In-year forecast surplus	(0.401)
Safety valve funding	(1.500)

	£m
Cumulative deficit carried forward	2.848

GENERAL FUND RESERVES

17. An update on the reserves strategy and action plan will be completed and reported at month 6. The current year forecast overspend will reduce forecast reserves.

VIREMENT AND WRITE OFF REQUESTS

18. General Fund virements of £0.342m are proposed as detailed in Appendix 10.

REASONS FOR DECISION

19. To report the revenue expenditure forecast and comply with Financial Regulations.

EQUALITIES IMPLICATIONS

20. As required by Section 149 of the Equality Act 2010, the Council has considered its obligations regarding the Public-Sector Equality Duty and it is not anticipated that there will be any direct negative impact on groups with protected characteristics, as defined by the Act, from the adjustments to the budgets required because of this report.
21. If any such adjustments might lead to a service change and/or changes in staffing structures that could have a negative impact on groups with protected characteristics, then a full Equality Impact Assessment will need to be carried out.

RISK MANAGEMENT IMPLICATIONS

22. The Council has a statutory duty to arrange for the proper administration of its financial affairs and a fiduciary duty to taxpayers with regards to its use of and accounting for public monies. This report assists in the discharge of those duties.
23. The report recognises the significant external pressures which are expected to bear down on the Council's costs during 2023/24, including persistently high levels of inflation and increasing interest rates. Detailed risks are set out for departments in the appendices, and include areas overspends are being caused by increased demand for services (particularly social care) and the prospect that there is further will be further demand going forward, further increasing pressure on budgets. It is recognised that unallocated contingency has been held and will be applied to reduce the potential overspend for the year, however, this is a short-term mitigation only. Directorates and the central Finance team will need to continue to closely monitor expenditure to ensure it remains within budget and that planned savings are delivered in full or implement alternative mitigating actions to address forecast overspends or savings targets which cannot be delivered.

24. The report also recognises the significant pressures facing the HRA, with a significant reduction in the HRA General Reserve being noted for the end of the year. Officers must ensure that costs and income are closely monitored and controlled and that corrective actions to protect and maintain the financial stability of the HRA are agreed and embedded.

Implications completed by: David Hughes, Director of Audit, Fraud, Risk, and Insurance, 2 26th September 2023

List of Appendices:

Appendix	Title
Appendix 1	Social Care
Appendix 2	Children's Services
Appendix 2a	Dedicated Schools Grant (DSG)
Appendix 3	The Economy Department
Appendix 4	The Environment Department
Appendix 4a	Controlled Parking Account
Appendix 5	Corporate Services
Appendix 6	Finance
Appendix 7	Centrally Managed Budgets
Appendix 8	Housing Revenue Account
Appendix 9	Action Plans
Appendix 10	Virement Requests
Appendix 11	MTFS Savings

**APPENDIX 1: SOCIAL CARE
BUDGET REVENUE MONITORING MONTH 4**

Table 1 - Forecast Variance by Subjective			
Subjective	Budget £000's	Variance Month 4 £000's	Variance Month 2 £000's
Employees	17,212	(179)	426
Premises-Related Expenditure	626	144	0
Transport-Related Expenditure	26	0	0
Supplies & Services	2,403	(12)	0
Third Party Payments	86,544	5,673	4,953
Transfer Payments	13,269	(173)	(328)
Support Services	7,894	0	0
Items Excluded from the Cost of Services	0	0	0
Income	(67,007)	(536)	(480)
Non-controllable expenditure	5,540	0	0
Total	66,507	4,917	4,571

Table 2 - Variance by Departmental Division			
Departmental Division	Revised Budget	Forecast Variance Month 4	Forecast Variance Month 2
	£000	£000	£000
Independent Living, Quality, Performance & Safeguarding	26,945	2,600	2,515
Specialist Support and Independent Living	27,181	2,704	2,267
Commissioning	6,206	(297)	(211)
Resources	5,731	(12)	0
Social Care Directorate	444	(78)	0
Public Health	0	0	0
TOTAL	66,507	4,917	4,571

Table 3 - Variance Analysis		
Departmental Division	Month 4 £000	Month 2 £000
Independent Living, Quality, Performance & Safeguarding		

<p>The forecast overspend across the division is due to:</p> <ul style="list-style-type: none"> - The full year net effect of 77 new residents with Home Care packages costing £1.959m. - A projected overspend of £1.388m in nursing and residential placements are due to increasing unit costs of 12% since last year and 10 additional new placements. - Adult Supported Living services forecasting overspends of £0.277m due to combination of 3 new placements and increasing unit costs. <p>There are forecast underspends across the rest of the service of (£0.387m) in the direct payment service due to a reduction in residents' numbers and a review of packages, an underspend of (£0.536m) due to additional income from nursing care contributions and funded nursing care and a projected underspend of £0.101m in staffing.</p> <p>There is a significant risk of more residents yet to be assessed and transferring to Social Care. Mitigation plans are in place to partly address this overspend.</p>	2,600	2,515
Independent Living, Quality, Performance & Safeguarding Total	2,600	2,515
Specialist Support and Independent Living		
<p>The main pressures remain in Learning Disability (LD) services is due to a full year cost effect of new or returning residents commencing from 2022-23 and higher market costs.</p> <p>The projected overspend comprises of:</p> <ul style="list-style-type: none"> - £1.335m for Adult Supported Living with 11 new residents since 2022/23 and average costs increases of 18% over the last year. - £0.450m for Homecare. - £0.214m for Direct Payments and £0.175m for Day Care due to 3 new transitions residents. - An increase in rent and service charges for the Parkview centre of £0.144m. <p>Following a contractual review of the Individual Service Fund (ISF) there are proposed contractual reductions of (£0.468m) and further mitigation plans are in place to partly address the LD overspend.</p> <p>The Mental Health service is forecasting an overspend as detailed below.</p> <ul style="list-style-type: none"> - £0.442m for Adult Supported Living due to one very high-cost placement. - £0.251m for Home Care due to the full year cost effect of new residents entering the service in 2022/23. <p>There are other small overspends in nursing and residential</p>	2,704	2,267

placements of £0.160m. - Following a contractual review of the Individual Service Fund (ISF) there are proposed contractual reductions of £0.468m, and further mitigation plans are in place to partly address the LD overspend.		
Specialist Support and Independent Living Total	2,704	2,267
Commissioning		
A projected underspend on a range of Commissioned variable contracts in supporting people and carers services (£0.072m), Meals reduced volumes (£0.075m) and within the third sector community programme (£0.137m).	(297)	(211)
Commissioning Total	(297)	(211)
Resources		
Minor underspend variance	(12)	0
Resources Total	(12)	0
Social Care Directorate		
Vacancies held across the service pending recruitment	(78)	0
Social Care Directorate Total	(78)	0
Public Health		0
The PH grant will continue to be subject to conditions, including a ring-fenced requiring LAs to use the grant for Public Health activity only. The PH grant for 2023/24 is £24.016m (an increase of £0.759m from 22/23) and equates to £124.3 per head of population. The additional grant is to meet agenda for change responsibilities and the programme is fully committed.	0	0
Public Health Total	0	0
TOTAL VARIANCE	4,917	4,571

Table 5 - Key Risks - Detail Items Over £250,000		
Risk Description	Risk At Month 4 £000	Risk At Month 2 £000
Ongoing review of care packages with residents to determine if previously assessed care needs are still required. By month 4 this review has been completed and included in the forecasted spend.	0	418
LD services - There are 5 health funded residents no longer eligible for continuing health care. The service are discussing with Health partners on the assessment.	380	479

LD Transitions – 14 residents currently in Children’s Services and awaiting Care Act assessment.		
Increase in Parkview rent and service charges by the landlord for 2023/24 from £0.517m to £0.806m. The April to September increase is included in the variance analysis. Charges related to the October to March period are included here as a risk whilst the service are reviewing options.	144	288
TOTAL RISKS MANAGED	524	1,185

Supplementary Monitoring Information
<p>The month 4 forecast is caveated with increasing risk and cost pressures. These include:</p> <ul style="list-style-type: none"> - The continued impact of the hospital discharges placed by NHS and requiring reassessment of care is increasing social care costs. - The continued impact of cost of living pressures on the care market providers. As part of the Social Care reforms for the fair cost of care, the department is paying higher unit costs to reflect the cost of provision. - The delivery of the budgeted 2023/24 savings of (£1.67m). <p>Mitigation plans are in place to partly address this overspend.</p> <p>The departmental forecast assumes full expenditure of the Discharge Support grant of £1.1m. This funding is ringfenced and covers post hospital discharge social care costs for 40 days. However most care assessed needs are much longer therefore this arises to an additional budgetary pressure to the council.</p>

**APPENDIX 2: CHILDREN'S SERVICES
BUDGET REVENUE MONITORING MONTH 4**

Table 1 - Forecast variance by subjective			
Subjective	Revised budget £000	Variance month 4 £000	Variance month 2 £000
Employees	28,804	443	469
Premises-related expenditure	560	57	209
Transport-related expenditure	163	(55)	(67)
Supplies & services	5,413	(101)	(1,171)
Third party payments	56,618	4,369	2,918
Transfer payments (e.g. housing benefits, schools funding transfers)	69,547	(1,757)	(1,554)
Support services (internal trading services)	1,633	(152)	76
Income	(114,275)	(1,130)	134
Items excluded from the cost of services (debt management and capital charges)	0	0	0
Non-controllable expenditure (technical accounting adjustments e.g. overhead redistribution)	8,647	0	0
Total	57,109	1,678	1,013

Table 2 - Variance by Departmental Division			
Departmental Division	Revised Budget	Forecast Variance Month 4	Forecast Variance Month 2
	£000	£000	£000
Children and Young People's Services	31,901	571	(474)
Education	14,699	886	1,066
Children's Commissioning	6,544	(179)	(263)
Children's Performance & Improvement	2,822	(209)	76
CHS Departmental Budgets	1,143	609	608
School Funding	0	0	0
Total	57,109	1,678	1,013

Table 3 - Variance Analysis		
Departmental Division	Month 4 £000	Month 2 £000
Children and Young People's Services		

<p>Placements & Client related</p> <p>The forecast overspend for placement and client related expenditure is £0.590m across the service and is largely driven by transport costs and parental assessment pressures. The movement from the previous period is largely a result of the following:</p> <p>There have been several lower cost placements who have moved into more intensive and expensive placements, particularly high cost residential placements.</p> <p>Additionally, there are increased placements in remand adding £0.456m to the forecast, offset in part by an increase in Youth Justice Board income.</p> <p>The above are offset by various favourable movements within placements including contingency adjustments.</p> <p>Staffing</p> <p>£0.033m favourable variance. This has moved adversely by £0.232m since CRM02. The movement is due to an increased use of agency staff across the service.</p> <p>Other small minor variances of £0.014m.</p>	571	(474)
Children and Young People's Services Total	571	(474)
Education		
<p>Travel care and Support</p> <p>There is an overspend of £1.030m in Travel Care and Support for Children and Young with Education and Health Care Plans. This is made up of the following:</p> <ul style="list-style-type: none"> - Demand led pressure of £0.827m - Cost pressures of £0.233m due to inflationary pressure more than the 5% provision in the current year budget. 	886	1,066
Education Total	886	1,066
Children's Commissioning		
<p>£0.086m underspend on early intervention and family contracted budgets.</p> <p>£0.093m – Underspends on staffing across the service</p>	(179)	(263)
Children's Commissioning Total	(179)	(263)
Children's Performance & Improvement		
<p>£0.209m favourable variance due to a number of vacant posts being held across the service.</p>	(209)	76
Children's Performance & Improvement Total	(209)	76
CHS Departmental Budgets		

£0.625m employee management target has been loaded here pending delivery - offset by staffing underspends in other directorates pending budget savings allocation to service budgets.	609	608
CHS Departmental Budgets Total	609	608
School Funding		
	0	0
School Funding Total	0	0
Total Variance	1,678	1,013

Table 3 - Key Risks - Detail Items Over £250,000		
Risk Description	Risk At Month 4 £000	Risk At Month 2 £000
		0
Total Risks Managed	0	0

Supplementary Monitoring Information
For Travel Care and Support an actual inflationary increase has been applied of 7.9%, in line with the indexation clauses built into the contract to support market stability. The market remains incredibly fragile as evidenced through recent major provider failure.

APPENDIX 2a: DEDICATED SCHOOLS GRANT (DSG)
BUDGET REVENUE MONITORING MONTH 4

Table 1 - Variance by Departmental Division			
Departmental Division	Revised Budget	Forecast Variance Month 4	Forecast Variance Month 2
	£000	£000	£000
High Needs Block Expenditure	32,813	(401)	401
Early Years Block Expenditure	15,475	0	0
Schools Block Expenditure	38,405	0	0
Central School Services Block Expenditure	2,422	0	0
DSG Income	(89,115)	401	(401)
TOTAL	0	0	0

Table 2 High Needs Block (HNB) Deficit	£000
High Needs Block DSG deficit brought forward from prior years	4,749
In-year HNB forecast surplus	(401)
2022-23 HNB Safety Valve funding (to be confirmed)	(1,500)
Forecast High Needs deficit after Safety Valve funding	2,848

Table 3 - Variance Analysis		
Departmental Division	Month 4 £000	Month 2 £000
High Needs Block (<i>High Needs funding supports provision for children and young people with special educational needs from their early years to age 25 and in addition the Alternative Provision</i>)		
Forecast underspend on the high needs block after block transfer support is £0.4m favourable. A further £1.5m High Needs Safety Valve Funding for 2023/24 is profiled.		
There is significant risk to the expenditure forecast from continuing inflationary pressures in the economy which are impacting on the cost of Special Educational Needs placements.	(401)	401
High Needs Block Total	(401)	401
Early Years Block (<i>Funding for Early Years including Two Year Old funding and Early Years Pupil Premium</i>)		
	0	0
Early Years Block Total	0	0
Schools Block (<i>Core funding for mainstream maintained schools</i>)		
The Schools Block DSG accounted for by the Local Authority relates to the delegated budgets for maintained mainstream schools.	0	0

<p>Schools can elect that a proportion of their funding is delegated back to the local authority for day to day management. Use of funds are monitored by schools via The Schools Forum. All grant is expected to be expended in 2023/24 financial year including retained balances of £0.315m held from 2022/23 financial year on behalf of schools.</p> <p>There is a top slice of £0.262m in 2023/24 to contribute to the statutory functions undertaken by the local authority on behalf of schools. This includes finance, asset management, asbestos management and surveys and statutory functions provided by Business Intelligence.</p>		
Schools Block Total	0	0
Central School Services Block (<i>Funding for the Local Authorities ongoing responsibilities</i>)		
Central Services Block funds core services undertaken for all schools. In addition, there is some budget for historic functions that is winding down over the medium term. For 2023/24 there is £0.908m budgeted contribution to support the High Needs Block from the historic funding element.	0	0
Central School Services Block Total	0	0
TOTAL VARIANCE	(401)	401

Table 4 - Key Risks - Detail Items Over £250,000

Risk Description	Risk At Month 4 £000	Risk At Month 2 £000
<p>Key risk is with respect to inflationary cost pressures and demand with respect to Education and Healthcare Plans for young people with special educational needs. This will be monitored closely through 2023/24.</p> <p>The final £3m funding through the Safety Valve agreement to 2024/25 requires the elimination of the High Needs deficit by 2025/26.</p>		

Supplementary Monitoring Information

None to report

APPENDIX 3: THE ECONOMY DEPARTMENT
BUDGET REVENUE MONITORING MONTH 4

Table 1 - Forecast Variance by Subjective			
Subjective	Budget £000's	Variance Month 4 £000's	Variance Month 2 £000's
Employees	18,511	(28)	268
Premises-Related Expenditure	5,591	743	543
Transport-Related Expenditure	10	(0)	(0)
Supplies & Services	3,827	467	168
Third Party Payments	25,029	373	79
Transfer Payments	98	0	0
Support Services	301	21	0
Items Excluded from the Cost of Services	0	0	0
Income	(37,004)	(375)	(568)
Non-Controllable Expenditure	(6,071)	0	0
Total	10,292	1,201	491

Table 2 - Variance by Departmental Division			
Departmental Division	Revised Budget	Forecast Variance Month 4	Forecast Variance Month 2
	£000	£000	£000
Housing Solutions	10,614	445	223
Economic Development, Skills Service	718	0	0
Planning	1,809	641	0
Property and Asset Strategy	(3,013)	121	268
Place	52	0	0
Regeneration & Development	111	(6)	0
TOTAL	10,292	1,201	491

Table 3 - Variance Analysis		
Departmental Division	Month 4 £000	Month 2 £000
Housing Solutions		
This is mainly due to the placement of a small number of Bed and Breakfast clients into commercial hotels. In addition, out of hours (OOH) placements and pre-booked accommodation numbers have been higher than planned (from a budget of 6 to an actual of 17 per day on average to the end of Jul) and the placement of clients into B&B annexes (24 at end of July 2023)	545	223

The average number of Private Sector Leasing units (1,025) is forecast to be greater than the budgeted number (1,020). However an underspend is forecast due to the lower than expected costs of accommodation for these units	(100)	0
Housing Solutions Total	445	223
Economic Development & Skills Service		
	0	0
Economic Development & Skills Service Total	0	0
Planning		
Income from applications and pre-applications has fluctuated in recent years. The latest activity indicates that this risk is crystallising, and the division is currently predicting an income shortfall of £647,000, offset by other minor favourable variances.	641	0
Planning Total	641	0
Property and Asset Strategy		
Relates to lower than budgeted income from corporate buildings (Ravenscourt Stores) and unbudgeted property repairs cost within Asset Strategy.	121	268
Property Total	121	268
Place		
	0	0
Place Total	0	0
Regeneration & Development		
Small staffing variance	(6)	0
Regeneration & Development Total	(6)	0
TOTAL VARIANCE	1,201	491

Table 4 - Key Risks - Detail Items Over £250,000		
Risk Description	Risk At Month 4 £000	Risk At Month 2 £000
Housing Solutions - Overall Benefit Cap (OBC) & DHP	69	87

Housing Solutions - Cost of Living Crisis and Ending of eviction ban - an increase in court proceedings against tenants may result in an increased net cost due to an increase in households in temporary accommodation.	147	184
Housing Solutions - Increase in bad debt provision on Temporary Accommodation (Bed & Breakfast and Private Sector Leasing) rent arrears because of reductions in personal income due to Cost of Living Crisis	189	237
Housing Solutions - There is a risk of a further increase in the number of households in Temporary Accommodation - based on an additional 100 households this year above the current forecast	389	487
Housing Solutions - Inflationary pressures on Temporary Accommodation landlord costs, based on an extra 1.5% rental inflation above the current forecast	193	241
Housing Solutions - There is a risk of large families being accommodated in B&B	93	116
Housing Solutions - Domestic Abuse Act - increase in households in temporary accommodation - extra 70 households this year above the current forecast	272	340
Planning - income from Planning applications and pre-applications in recent years has fluctuated and may be as low as £2.5m	250	1,200
Planning - Based on previous year outcome, there is a risk that income from Licencing Fees may drop	50	0
Planning - potential unbudgeted costs associated with judicial reviews and major planning appeals.	200	200
Facilities Management & Corporate Buildings - there are risks relating to repairs and maintenance costs, energy prices and historic debts.	415	415
TOTAL RISKS MANAGED	2,267	3,507

Supplementary Monitoring Information

Supplementary Monitoring Information

Housing Solutions

In June 2023, we saw 283 homeless approaches, with 130 new homelessness applications made.

In July 2023, we saw 278 homeless approaches, with 70 new homelessness applications made.

Compared to the previous year, in June 2023 we saw a 32% increase in homeless approaches and in July 2023, we saw a 35% increase.

Increasing interest rates is having a significant impact on mortgages, forcing landlords to sell their rented properties, which has impacted on homelessness approaches in the last 2 months.

An increase in homelessness as Homes for Ukraine sponsorship placements and initial accommodation arrangements made by Ukrainians arriving on the family visa scheme break down continues to be a risk. Sustained difficulty procuring private rented is impacting our ability to prevent and relieve homelessness. Fewer private rented properties are affordable to households on benefits.

Planning income

In recent years, income has increased from £2.2m (2020/21), £3.1m (2021/22), £3.1m in (2022/23) and is currently budgeted to reach £3.7m in 2023/24. There is a risk that that Planning income may reach only £2.5m in 2023/24. This will continue to be monitored and updates will be reported here. The inherent volatility of planning income means it is difficult to predict future income expectations due to several factors including:

- Possible further Planning reforms
- Ukraine war, inflation and recession impact on wider economy and on delays in construction projects)
- Potential developer response to wider stakeholder engagement rationalising or delaying projects
- Changes to the statutory charging schedule
- Economic factors such as the concerns about economic recession on developer/investor confidence and planning activity
- Changes in legislation e.g. permitted development rights, Planning Performance Agreement regulation
- Changes to pre-application charging fees and Planning Performance Agreement templates
- Local and wider market conditions
- Availability of development sites in the borough
- Developers by-passing the pre-application process as it is not compulsory
- Reduced developer confidence in the service through reduced staffing - may be less likely to fund Planning Performance Agreements
- Government schemes to encourage house building, including grant schemes
- Developers' responding to current and pipeline housing supply in borough (they don't want to flood the local market)
- Adverse weather conditions and delays in supply chains, delaying construction pipeline

APPENDIX 4: THE ENVIRONMENT DEPARTMENT
BUDGET REVENUE MONITORING MONTH 4

Table 1 - Forecast variance by subjective			
Subjective	Revised budget	Variance Month 4	Variance month 2
	£000		£000
Employees	21,769	(363)	223
Premises-related expenditure	4,250	346	447
Transport-Related expenditure	1,224	45	5
Supplies & services	17,521	645	457
Third party payments	13,179	237	22
Transfer payments	116	0	0
Support Services	6,871	17	17
Items excluded from the Cost of Services	833	(30)	(30)
Income	(23,459)	192	(140)
Non-controllable expenditure	13,570	0	0
Total	55,873	1,088	1,030

Table 2 - Variance by departmental division			
Departmental division	Revised budget	Forecast variance month 4	Forecast variance month 2
	£'000	£'000	£'000
Climate Change and Transport	1,467	(14)	(33)
Public Protection	8,448	220	244
Public Realm	45,936	882	820
Executive and Support	21	0	0
Revised Variance	55,873	1,088	1,030

Table 3 - Variance analysis		
Departmental division	Month 4 £'000	Month 2 £'000
Climate Change and Transport		
Other net variances	(14)	(33)
Climate Change and Transport Total	(14)	(33)
Public Protection		
New Assistant Director of Housing Standards (funding now confirmed)	0	140
Private Sector Housing income less than budget	314	0
Other net variances	(94)	104
Public Protection Total	220	244
Public Realm		

Street Lighting energy overspend	216	284
Waste Contract budget pressure, mostly related to fuel costs	475	0
Parks and Leisure income shortfalls	128	0
Grounds maintenance contract inflation more than budget (funding now confirmed)	0	190
Unfunded Community events 2023/24 (funding now confirmed)	0	190
One off costs related to the relocation of the borough Archives (funding now confirmed)	0	50
Other net variances	63	106
Public Realm Total	882	820
TOTAL VARIANCE	1,088	1,030

Table 4 - Key risks - detail items over £250,000		
Risk Description	Risk at month 4 £000	Risk at month 2 £000
Workforce vacancy savings not delivered (some now forecast as pressures)	450	1,100
Income targets not met	250	500
Highway project recharges less than budget	700	400
Additional waste collection costs related to the diversion around Wandsworth Bridge	TBC	TBC
TOTAL RISKS BEING MANAGED	1,400	2,000

Supplementary Monitoring Information
The department continues to maximise external income and manage and mitigate risk as far as possible, with the aim of delivering an outturn within budget. The new workforce savings will be challenging to deliver in full and may require alternative mitigation in year. This will be kept under close review as the year progresses.

**APPENDIX 4A: CONTROLLED PARKING ACCOUNT
BUDGET REVENUE MONITORING MONTH 4**

Table 1 - Forecast variance by subjective			
Subjective	Revised budget	Variance Month 4	Variance month 2
	£0	£0	£0
Employees	7,514	(70)	496
Premises-related expenditure	80	0	0
Transport-related expenditure	142	0	0
Supplies & services	1,153	327	0
Third Party payments	5,915	(751)	(162)
Transfer payments	0	0	0
Support services	214	0	0
Items excluded from the Cost of Services	0	0	0
Income	(49,472)	1,731	889
Non-controllable expenditure	2,190	0	0
Total	(32,264)	1,237	1,223

Table 2 - Variance by Departmental Division			
Departmental Division	Revised Budget	Forecast Variance Month 4	Forecast Variance Month 2
	£000	£000	£000
Controlled parking income	(49,472)	1,731	889
Controlled Parking Account expenditure	17,208	(494)	334
TOTAL	(32,264)	1,237	1,223

Table 3 - Variance Analysis		
Departmental Division	Month 4 £000	Month 2 £000
Controlled Parking Income		
Impact of the closure of Wandsworth Bridge from end of July until end of September	1,731	889
Controlled Parking Income Total	1,731	889
Controlled Parking Expenditure		
Underspend on project expenditure due to delayed implementations.	(494)	334
Controlled Parking Expenditure Total	(494)	334
TOTAL VARIANCE	1,237	1,223

Table 4 - Key Risks - Detail Items Over £250,000

Risk Description	Risk At Month 4 £000	Risk At Month 2 £000
TOTAL RISKS MANAGED	0	0

Supplementary Monitoring Information
None to report

APPENDIX 5: CORPORATE SERVICES
BUDGET REVENUE MONITORING MONTH 4

Table 1 - Forecast variance by subjective			
Subjective	Revised budget £000	Variance month 4 £000	Variance month 2 £000
Employees	21,259	856	812
Premises-Related Expenditure	238	23	18
Transport-Related Expenditure	4	0	0
Supplies & Services	10,621	636	602
Third Party Payments	6,748	(610)	(457)
Transfer Payments	0	0	0
Support Services	95	(34)	(42)
Items Excluded from the Cost of Services	6	(0)	(0)
Income	(8,394)	(385)	(291)
Non-Controllable Expenditure	(13,846)	0	0
Total	16,730	488	643

Table 2 - Variance by Departmental Division			
Departmental Division	Revised Budget	Forecast Variance Month 4	Forecast Variance Month 2
	£000	£000	£000
Communications and Communities	896	99	119
Democratic Services, Coroners & Mortuaries	2,614	(48)	(118)
Digital Services	12,661	(1)	(0)
Legal Services	(269)	(79)	(100)
Members Support	343	18	39
Resident Services	12,065	147	390
Corporate Services Directorate	(100)	351	313
Transformation, Talent, and Inclusion	2,368	(0)	(0)
Sub-Total	30,576	488	643
Departmental non-controllable budgets	(13,846)	0	0
Total	16,730	488	643

Table 3 - Variance Analysis		
Departmental Division	Month 4 £000	Month 2 £000
Communications and Communities		
Forecast for unfunded project work in line with 2022/23 outturn.	99	119

Communications and Communities Total	99	119
Democratic Services, Coroners & Mortuaries		
The Mortuary underspend of £80k relating to staffing vacancies, reported in CRM 2, is now offset by unbudgeted costs for the purchase and maintenance of mortuary equipment.	(2)	(80)
Balance of other variances including staffing vacancies in the registrars team as recruitment takes place.	(46)	(38)
Democratic Services, Coroners & Mortuaries Total	(48)	(118)
Digital Services		
	(1)	(0)
Digital Services Total	(1)	(0)
Legal Services		
Agency spend increased compared to CRM2 due to 3 new agency staff and increase in market rate.	(79)	(100)
Legal Services Total	(79)	(100)
Members Support		
	18	39
Members Support Total	18	39
Resident Services		
Business Rates and Council Tax enforcement income shortfall	347	454
Accessible Transport underspend due to temporary reduction in passenger numbers	(587)	(431)
Share of new workforce saving not yet delivered	213	345
Other smaller net overspends	174	22
Resident Services Total	147	390
Corporate Services Directorate		
Includes the department's share of the 2023/24 workforce saving (£302k - excluding the Residents Services element). The overspend is partly netted off by underspends from vacancies held and recorded across the department.	351	313
Corporate Services Directorate Total	351	313

Table 4 - Key Risks - Detail Items Over £250,000		
Risk Description	Risk At Month 4 £000	Risk At Month 2 £000
Business Rates and Council Tax enforcement income not achieved as forecast	150	150
Total Risks Managed	150	150

Supplementary Monitoring Information
None to report

APPENDIX 6: FINANCE
BUDGET REVENUE MONITORING MONTH 4

Table 1 - Forecast variance by subjective			
Subjective	Revised budget £000	Variance month 4 £000	Variance month 2 £000
Employees	8,045	(426)	(447)
Premises-Related Expenditure	0	0	0
Transport-Related Expenditure	1	(1)	(1)
Supplies & Services	2,610	176	199
Third Party Payments	241	(0)	(9)
Transfer Payments	0	0	0
Support Services	31	2	8
Items Excluded from the Cost of Services	0	0	0
Income	(4,101)	173	349
Non-Controllable Expenditure	(5,458)	(0)	(0)
Total	1,369	(76)	101

Table 2 - Variance by Departmental Division			
Departmental Division	Revised Budget	Forecast Variance Month 4	Forecast Variance Month 2
	£000	£000	£000
Assurance, Programmes & Analytics	1,441	(80)	(34)
Audit, Fraud, Risk and Insurance	1,086	(26)	(75)
Corporate Services	488	104	85
Finance	3,401	(3)	95
Managed Services	2,132	107	105
Corporate Procurement	605	(104)	(75)
Commercial Advertising	(2,325)	(74)	(0)
Sub-Total	6,826	(76)	101
Departmental non-controllable budgets	(5,458)	(0)	(0)
Total	1,369	(76)	101

Table 3 - Variance Analysis		
Departmental Division	Month 4 £000	Month 2 £000
Assurance, Programmes & Analytics		
Staffing underspend from vacant posts.	(80)	(34)
Assurance, Programmes & Analytics Total	(80)	(34)
Audit, Fraud, Risk and Insurance		
Minor staffing underspends.	(26)	(75)
Audit, Fraud, Risk and Insurance Total	(26)	(75)
Corporate Services		
Employee turnover saving of £152k reported here but fully offset by staffing underspends from vacant posts across the department.	104	85
Corporate Services Total	104	85
Finance		
	(3)	95
Finance Total	(3)	95
Managed Services		
Overspend forecast in anticipation of the 2023-24 pay award increasing the Council's share of costs beyond the current budget provision.	107	105
Managed Services Total	107	105
Corporate Procurement		
Staffing underspend from vacant posts whilst recruitment takes place.	(104)	(75)
Corporate Procurement Total	(104)	(75)
Commercial Advertising		
Income set to exceed target following June RPI based rental increase for digital advertising hoardings.	(74)	(0)
Commercial Advertising Total	(74)	(0)
Total Variance	(76)	101

Table 4 - Key Risks - Detail Items Over £250,000

Risk Description	Risk At Month 4 £000	Risk At Month 2 £000
None to report		
Total Risks Managed	0	0

Supplementary Monitoring Information
None to report

APPENDIX 7: CENTRALLY MANAGED BUDGETS
BUDGET REVENUE MONITORING MONTH 4

Table 1 - Forecast variance by CIPFA Subjective			
Subjective	Revised budget £000	Variance month 4 £000	Variance month 2 £000
Employees	3,968	68	81
Premises-Related Expenditure	2,795	136	(3)
Transport-Related Expenditure	21	0	0
Supplies & Services	18,975	720	347
Third Party Payments	118	(0)	0
Transfer Payments	89,925	0	0
Support Services	921	0	0
Items Excluded from the Cost of Services	5,001	(17)	113
Income	(99,225)	(5,653)	(539)
Non-Controllable Expenditure	4,265	0	0
Total	26,765	(4,746)	0

Table 2 - Variance by Departmental Division			
Departmental Division	Revised Budget	Forecast Variance Month 4	Forecast Variance Month 2
	£000	£000	£000
Corporate and Democratic Core	2,346	(53)	(53)
Housing Benefits	(328)	0	0
Levies	1,958	(48)	82
Net Cost of Borrowing	(345)	(5,000)	0
Treasury, Pensions and Insurance	5,151	354	(4)
Maternity and Redundancy	1,013	(0)	(0)
Other Corporate Items	16,969	0	(25)
Total	26,765	(4,746)	0

Table 3 - Variance Analysis		
Departmental Division	Month 4 £000	Month 2 £000
Corporate and Democratic Core		
Small underspend on budgeted bank charges based on current trend data.	(53)	(53)
Corporate and Democratic Core Total	(53)	(53)
Housing Benefits		
	0	0
Housing Benefits Total	0	0
Levies		
Minor variance on expected levy costs	(48)	82
Levies Total	(48)	82
Net Cost of Borrowing		
Forecast interest return from cash balances. This remains highly volatile and subject to external market conditions and internal cashflow assumptions.	(5,000)	0
Net Cost of Borrowing Total	(5,000)	0
Treasury, Pensions and Insurance		
£134k overspend on insurance premiums following cost increases, plus £220k estimated overspend on insurance claim settlements.	354	(4)
Treasury, Pensions and Insurance Total	354	(4)
Maternity and Redundancy Items		
	(0)	(0)
Maternity and Redundancy Total	0	0
Other Corporate Items		
Land Charges – now fully mitigated	0	120
Other small variances	0	(145)
Other Corporate Items Total	0	(25)

Table 4 - Key Risks - Detail Items Over £250,000		
Risk Description	Risk At Month 4 £000	Risk At Month 2 £000
None to report	0	0
Total Risks Managed	0	0

Supplementary Monitoring Information
None to report

APPENDIX 8: HOUSING REVENUE ACCOUNT
BUDGET REVENUE MONITORING MONTH 4

Table 1 - Forecast variance by subjective			
Subjective	Revised budget £000	Variance month 4 £000	Variance month 2 £000
Income	(97,147)	400	400
Premises-Related Expenditure	25,631	880	880
Employees	22,310	2,678	2,678
Supplies & Services	13,296	585	585
Support services (internal trading services)	1,577	0	0
Third Party Payments	2,237	434	434
Transport-Related Expenditure	28	0	0
Items excluded from the cost of services (debt management and capital charges)	11,499	(125)	(125)
Non-controllable expenditure (technical accounting adjustments e.g. overhead redistribution)	24,199	(214)	(214)
Appropriation From HRA General Reserve	3,630	4,638	4,638

Table 2 - Variance by Departmental Division			
Departmental Division	Revised Budget	Forecast Variance Month 4	Forecast Variance Month 2
	£000	£000	£000
Housing Income	(94,386)	400	400
Finance & Resources	11,368	85	85
Housing Management	7,722	385	385
Resident and Building Safety	9,824	0	0
Void & Repairs	12,509	1,716	1,716
H&F maintenance (DLO)	3,164	2,361	2,361
Safer Neighbourhoods	749	0	0
Housing Hub	6,322	0	0
Place	8,309	206	206
Regeneration & Development	766	(300)	(300)
Property & Asset Management	904	0	0
Capital Charges	29,159	(214)	(214)
Corporate Support Service Recharges	7,220	0	0
Appropriation From HRA General Reserve	3,630	4,639	4,639

Table 3 - Variance Analysis		
Departmental Division	Month 4 £000	Month 2 £000
Housing Income		
A forecast on dwelling rent and service charges income loss of £0.4m, mainly due to higher than budgeted void properties.	400	400
Housing Income Total	400	400
Finance & Resources		
Minor overspends mainly relating to forecast staffing costs	85	85
Finance & Resources Total	85	85
Housing Management		
A high level of decants is driving a forecast overspend in temporary accommodation and disturbance allowance costs.	385	385
Housing Management Total	385	385
Resident and Building Safety		
	0	0
Resident and Building Safety Total	0	0
Void & Repairs		
This is mainly due to high volumes of disrepair compensation claims (including the associated legal costs).	1,716	1,716
Void & Repairs Total	1,716	1,716
H&F maintenance (DLO)		
This mainly relates to additional staff and materials resources required as part of the Repairs Improvement Plan.	2,361	2,361
H&F maintenance (DLO) Total	2,361	2,361
Safer Neighbourhoods		
	0	0
Safer Neighbourhoods Total	0	0
Housing Hub		
No Variance Reported	0	0
Housing Hub Total	0	0
Place		

Overspends mainly relating to forecast staffing costs	206	206
Place Total	206	206
Regeneration & Development		
This mainly relates to a forecast underspend on feasibility costs for major development schemes.	(300)	(300)
Regeneration & Development Total	(300)	(300)
Property & Asset Management		
	0	0
Property & Asset Management Total	0	0
Capital Charges		
A change in the forecast average short term interest rate payable on net internal borrowing from 4.3% to 4.7% following recent Bank of England base rate increases offset by higher than budgeted cash balances and a lower than budgeted depreciation charge due to the stock valuation at the end of March 2023 being slightly lower than anticipated.	(214)	(214)
Capital Charges Total	(214)	(214)
Corporate Support Service Recharges		
	0	0
Corporate Support Service Recharges Total	0	0
Total Variance	4,639	4,639

Table 4 - Savings Delivery

		MTFS Target	On Track	Partially Deliverable	Undeliverable
		£000s	£000s	£000s	£000s
		1,130	1,130		
Schemes not on track	£000s	Reason			

Table 5 - Key Risks - Detail Items Over £250,000

Risk Description	Risk At Month 4 £000	Risk At Month 2 £000
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Capitalisation of Staffing - officers are completing regular and robust reviews of capitalisable staffing costs but there is a risk that these assumptions may need to be adjusted dependent on activities carried out by staff during the year.	850	850
Repairs capitalisation - officers are completing regular and robust reviews of repairs costs to identify those that are capital in nature. As the remainder of the year's costs are yet to be incurred and analysed, there remains a risk that a greater proportion of costs expected may fall to revenue.	unknown	unknown
Repairs and Maintenance costs - Presently work is underway to value the expected cost of the repairs and disrepairs backlog as well as estimating the value of expected repairs not yet highlighted.	unknown	unknown
Income collection - the current excellent performance on rental income collection may deteriorate as a result of the current economic pressures.	385	385
Repairs and disrepairs compensation for urgent repairs works and associated costs - at this early stage, there is a risk that the forecast understates the costs for this year.	unknown	unknown
Housing Regulator & Ombudsman - Additional costs associated with facilitating inspections may result in unbudgeted spend	unknown	unknown
Decants - at this early stage, there is a risk that the forecast understates the costs for this year.	unknown	unknown
Total Risks Managed	1,235	1,235

Supplementary Monitoring Information
None to report

APPENDIX 9 – ACTION PLANS – MONTH 4

ASC and PH Budget Overspend Action Plan				
Ref	Mitigating Action(s)	Proposed Mitigations £m	Responsible Officer	Deadline
1	Specialist Broker for Learning Disabilities (LD) employed from 1 April to review high-cost LD placements & supported living and reduce costs.	0.200	Julie Murray / Dan Addis	30/09/2023
2	Reduce package sizes for residents who regularly return Direct Payment surplus funds. Review packages for Continuing Health Care eligibility	0.147	Michelle Clarke	31/12/2023
3	Reduce double handed care packages	0.500	Michelle Clarke /Jayne White	30/09/2023
4	Increase occupancy levels in block contracted service provision	0.230	Michelle Clarke /Jayne White	31/03/2024
5	Review taxi provision and identify alternative travel arrangements	0.100	Nia Evans	31/03/2024
	Total	1.177		

CHS Overspend Action Plan

	Mitigating Action(s)	Proposed Mitigations £m	Responsible Officer	Deadline
1	<p>Education - Disabled Children's Placements and Short Breaks We will remind all case workers about the importance of packages being for assessed need only and amending the packages if the family's needs change either up or down.</p> <p>The panel are being more robust in questioning requests for financial agreement and cost effectiveness of providers.</p> <p>Direct Payments monitoring is underway to identify any underspends and using the existing policy to re-coup funds where appropriate.</p> <p>A new finance monitoring process is in place to ensure POs are accurate and spend is monitored to identify issues early.</p> <p>Work is starting to create a dashboard to assist non-statutory workers to monitor and complete timely reviews of package to ensure they are fit for purpose to meet needs.</p>	0.050	Becky Powell	31/10/2023
2	<p>Education - Disabled Children's Transport A review of all commitments for transport and escorts is underway. We are discussing with adult social care for young people transitioning to adulthood</p>	0.09	Becky Powell	31/10/2023

3	<p>All Services - Staffing Vacancy Factor Mitigations sought to deliver against baseline budget reduction for £0.625m vacancy target on staffing. Mitigations sought from staffing and non-staffing budgets.</p> <ul style="list-style-type: none"> - Children and Young Peoples Services £345k - offsetting savings to be identified - Performance and improvement £50k- staffing underspend from one off grant funding in 23/24 - Commissioning £80k has staffing vacancy held in 23/24 - Education £100k is working on delivery of share of vacancy target from existing budgets TBC 	0.625	Jacqui McShannon	31/07/2023
	Total	0.765		

APPENDIX 10 - VIREMENT REQUESTS – MONTH 4

The Environment

Details of Virement	Amount (£000)	Reserves One Off	Contingency On Going	Contingency One Off
Black History Museum Funding Contribution	60			60
Sub Total of requested virements	60			60

Children Service's

Details of Virement	Amount (£000)	Reserves One Off	Contingency On Going	Contingency One Off
Family hubs transformation project drawdown from reserve	222	222		
Sub Total of requested virements	222	222		

Corporate Services

Details of Virement	Amount (£000)	Reserves One Off	Contingency On Going	Contingency One Off
Recommence an annual Council Tax Single Person Discount review.	60			60
Sub Total of requested virements	60			60

The Economy

Details of Virement	Amount (£000's)	Reserves One Off	Contingency On Going	Contingency One Off
Sub Total of requested virements				
Total requested virements	342	222		120

APPENDIX 11 – MTFs SAVINGS – UPDATE AT MONTH 4 (JULY 2023)

MTFS Savings Tracker- 2023/24						
			Firm Savings proposals			
Department	MTFS Reference	Description	2023-24 Target Savings (£000's)	2023-24 Forecast Delivery (£000's)	RAG Rating	Comments
Social Care and Public Health						
Social Care and Public Health	Social Care and Public Health -1	Review care costs with NHS as people with extremely high needs are discharged from hospital.	(150)	(150)	Green	
Social Care and Public Health	Social Care and Public Health -2	Model to further support independent living	(250)	(250)	Green	
Social Care and Public Health	Social Care and Public Health -3	Further Increased take-up of Direct Payments for choice and control for residents and increasing wellbeing	(200)	(200)	Green	
Social Care and Public Health	Social Care and Public Health -4	Joint commissioning steering group with Economy department on implementing the Disabled People's Housing Strategy and reducing voids. This will be done through reviewing the Extra Care available for residents, ensuring new builds are co-produced with disabled residents and make good Housing Voids	(200)	(200)	Yellow	Further work to be undertaken to deliver the savings. (Currently forecast to achieve the savings)
Social Care and Public Health	Social Care and Public Health -5	Maximising adaptations in people's homes through use of Disabled Facilities Grant. This increases a person's independence and reduces the need for longer-term	(50)	(50)	Green	

		care, as appropriate.				
Social Care and Public Health	Social Care and Public Health -6	Reviews of care support for people with a sensory disability encouraging the use of equipment, as appropriate, to increase a person's independence.	(50)	(50)		
Social Care and Public Health	Social Care and Public Health -7	Improved support and information for residents and make better use of digital technologies (such as care cubed, use of resident portal, timely return of equipment) and review of Joint Equipment Low Item Ordering	(500)	(500)		Further work to be undertaken to deliver the savings. (Currently forecast to achieve the savings)
Social Care and Public Health	Social Care and Public Health -8	Smarter procurement for better outcomes for carers and review of supporting people services	(70)	(70)		
Social Care and Public Health	Social Care and Public Health -9	Delivery of agreed savings on 0-19 Public Health Nursing. Savings from year 2 through procurement of new health visiting and school nursing contract. Service quality has remained the same with savings achieved through improved service through procurement and contract monitoring.	(60)	(60)		
Social Care and Public Health	Social Care and Public Health -10	Re-tendering of Substance Misuse and Drugs contracts with efficiencies in commissioning and contracting with a plan to reduce overheads and to modernise in line with clinical standards.	(50)	(50)		

Social Care and Public Health	Social Care and Public Health -11	Review of community champion contracts and redesign into an outreach model	(50)	(50)		
Social Care and Public Health	Social Care and Public Health -12	Adult Weight Management- Targeted Operating Model working to improve the leisure offer for residents and linking with the Council's food strategy	(40)	(40)		
Children's Services						
Children's Services	Children's Services-1	A single commissioning process to ensure families receive the right service at the right time; to intervene early and prevent escalation. Targeting efficiencies from April 2023 at £0.7m. Subject to consultation process. This is in addition to £2.3m from Early Help and Prevention delivered to 2021/22.	(700)	(700)		
The Environment						
The Environment	The Environment -1	Continuation of the Resident Experience and Access Programme, driving further improvements in Council Tax, Housing Benefits, Accessible Transport and Contact Centre.	(237)	(237)		
The Environment	The Environmen-2	Sustained reductions in waste disposal tonnages, for both general waste and recycling. Waste disposal tonnages can be volatile, so there is some risk attached to this proposal	(150)	(150)		
The Environment	The Environmen-3	Bold increases in fees and charges (10-20%) that do not affect residents. The department has a fees and charges income target of £11m, with some existing	(133)	(133)		

		pressure against it due to the cost-of-living crisis and reversal of one-off growth from 2022/23.				
The Economy						
The Economy	The Economy-1	Staffing costs are largely funded from Section 106 and this adjustment follows a review of the staffing budgets charged to the General Fund.	(14)	(14)		
Corporate						
Corporate	Corporate-1	Realign services to provide greater efficiencies and support for member responsibilities	(20)	0		Saving no longer deliverable due to changes in service provision
	Overall Total		(2,924)	(2,904)		