

GENERAL REVENUE FUND FORECAST OUTTURN POSITION FOR 2024/25 AS AT SEPTEMBER 2024 (MONTH 6)

Directorate	Working Budget Month 6	Forecast Outturn Month 6	Forecast Variance Month 6	Variance Movement from Month 5
	£M	£M	£M	£M
Children & Learning	61.33	59.10	(2.21) F	(1.12) F
Community Wellbeing	95.11	93.51	(1.60) F	2.46 A
Enabling Services	26.13	25.59	(0.54) F	(0.35) F
Growth & Prosperity	37.67	36.16	(1.51) F	(1.43) F
Resident Services	26.32	26.30	(0.02) F	(0.21) F
Strategy & Performance	4.94	4.79	(0.16) F	0.00
Total Directorates	251.48	245.43	(6.05) F	(0.64) F
Levies & Contributions	0.10	0.10	0.00	0.00
Capital Asset Management	12.86	11.92	(0.94) F	0.00
Contribution to General Fund Balance	1.93	1.93	0.00	0.00
Other Expenditure & Income	12.22	6.09	(6.13) F	(3.75) F
Net Council Expenditure before EFS	278.60	265.47	(13.13) F	(4.39) F
Council Tax	(120.44)	(120.44)	0.00	0.00
Business Rates	(54.45)	(54.45)	0.00	0.00
Non-Specific Government Grants	(64.43)	(64.48)	(0.05) F	0.00
Total Centrally Held Funding	(239.32)	(239.37)	(0.05) F	0.00
Net Over/(Underspend) before EFS	39.28	26.10	(13.18) F	(4.39) F
Exceptional Financial Support (EFS)	(39.28)	(26.10)		
Net Over/(Underspend)	0.00	0.00		

Numbers are rounded. 'F' indicates as favourable variance, 'A' is an adverse variance

The variance movement from month 5 for Community Wellbeing is after transferring £3.75M of sustained favourable variances to contingency in month 6 (subject to full Council approval). The movement excluding this budget transfer is £1.29M favourable.

EXPLANATIONS BY DIRECTORATE

1. CHILDREN & LEARNING DIRECTORATE

COMMENTARY – 2024/25 FORECAST AS AT SEPTEMBER 2024

The directorate is currently forecast to have an underspend of **£2.21M**, which represents a percentage variance against budget of **3.61%**.

	Forecast Variance £M	% of budget
Directorate Forecast Outturn	(2.21) F	3.61%

A summary of the directorate forecast variance is shown in the table below:

Service Area	Budget £M	Forecast Outturn £M	Forecast Variance Month 6 £M	Variance Movement from Month 5 £M
Care Leavers	1.07	0.91	(0.16) F	(0.05) F
Children & Families First	3.68	3.73	0.05 A	0.00
Children Looked After	33.07	31.41	(1.66) F	(0.86) F
Divisional Management	2.18	2.03	(0.15) F	(0.15) F
Legal (Children's)	0.54	0.39	(0.15) F	(0.05) F
Quality Assurance Business Unit	2.65	2.61	(0.04) F	0.00
Safeguarding	6.40	6.34	(0.06) F	0.00
Education & Learning	0.82	0.82	0.00	(0.01) F
Education - High Needs	1.04	0.99	(0.05) F	0.00
Other	9.85	9.85	0.00	0.00
Total	61.31	59.10	(2.21) F	(1.12) F

The significant variances for the directorate are:

Service Area	Forecast Variance Month 6 £M	Explanation
Children Looked After	(1.66) F	<p>Children Looked After - as at Month 6 there is a £1.66M favourable variance due to:</p> <ul style="list-style-type: none"> • Children in Care Teams 1 & 2 - £0.36M - staff savings related • Residential Placements (i) - £0.14M - client care package related • Residential Placements (ii) - £0.40M - release of part of in year budget pressure which was put in place to cover the risk of the two new children's homes being staffed, without full occupancy, in effect paying for care twice whilst the homes are filled. Release of pressure due to opening being delayed to later in the financial year for one, whilst the other is due to open in 2025/26. • Independent Foster Carers - £0.08M - client care package related • Special Guardianship Order (SGO) and Adopter Allowances - £0.11M - client allowances related • SCC Foster Carers - £0.02M - client care package related • Unaccompanied Asylum Seeking Children (including over 18s) - £0.22M - client care package related • Adoption & Foster Care Teams - £0.19M - staffing savings related • Children in Care from Other Areas - £0.13M - client care package related • Placements Team - £0.01M - staffing savings related <p>The forecasts are based on current client projections and expected funding from the Integrated Care Board (ICB) and Education for appropriate clients. This also takes into account the potential for an element of new cases over the coming months once additional data is captured, plus a provision for a transfer of clients into the new residential home later in the financial year where external and internal costs cover the</p>

		<p>same period of time as part of the migration. There is also an element in the forecast which relates to areas where the budgets and forecasts have captured the risk of non-achievement of savings based on the 2023/24 outturn spend.</p> <p>A £1.06M budget reduction was made in month 5, with a sustainable saving being transferred to centrally held contingency as part of the overall budget management process.</p> <p>There has been a £0.86M favourable movement since month 5 due to £0.40M release of part of an in year budget pressure to cover the risk of the children's homes (see above for further narrative), £0.35M due to grant funding being used to offset existing forecast spend, and a £0.11M favourable movement relating to care packages.</p>
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2. COMMUNITY WELLBEING DIRECTORATE

COMMENTARY – 2024/25 FORECAST AS AT SEPTEMBER 2024

The directorate is currently forecast to have an underspend of **£1.60M**, which represents a percentage variance against budget of **1.7%**.

	Forecast Variance £M	% of budget
Directorate Forecast Outturn	(1.60) F	1.7%

A summary of the directorate forecast variance is shown in the table below:

Service Area	Budget £M	Forecast Outturn £M	Forecast Variance Month 6 £M	Variance Movement from Month 5 £M
ICU – Provider Relationships	15.88	15.65	(0.23) F	0.00
ICU – System Redesign	2.25	1.99	(0.27) F	(0.20) F
ASC – Living & Ageing Well – Cost of Care	21.39	21.04	(0.35) F	0.65 A
ASC – Quality, Assurance & Professional Development	(7.73)	(8.13)	(0.40) F	2.01 A
Grants to Voluntary Organisations	0.53	0.45	(0.08) F	0.00
ASC – Whole Life Pathways – Directly Delivered Services	2.40	2.52	0.13 A	0.00
ASC – Whole Life Pathways – Learning Disabilities Cost of Care	26.29	25.89	(0.40) F	(0.30) F
ASC – Whole Life Pathways – Other Cost of Care	7.36	7.37	0.00	0.30 A
Other Services	26.74	26.74	0.00	0.00
Total	95.11	93.51	(1.60) F	2.46 A

The variance movement from month 5 is after transferring £3.75M of sustained favourable variances to contingency in month 6 (subject to full Council approval). The movement excluding this budget transfer is £1.29M favourable.

The significant variances for the directorate are:

Service Area	Forecast Variance Month 6 £M	Explanation
ICU – Provider Relationships	(0.23) F	<p>ICU – Provider Relationships - as at Month 6 there is a £0.23M favourable variance arising from:</p> <ul style="list-style-type: none"> Improved income assumptions for increased bed occupancy and recovery of Funded Nursing Care (FNC). Some contract costs being funded by grant funding.
ICU – System Redesign	(0.27) F	<p>ICU – System Redesign - as at Month 6 there is a £0.27M favourable variance due to:</p> <ul style="list-style-type: none"> The estimated costs of the redesigned respite service being lower than anticipated and some slippage in the delivery of the scheme.
ASC – Living & Ageing Well – Cost of Care	(0.35) F	<p>ASC – Living & Ageing Well – Cost of Care - as at Month 6 there is a £0.35M favourable variance arising from:</p> <ul style="list-style-type: none"> Lower activity levels and inflationary pressures than were anticipated in the budget. <p>The forecasts are based on current client projections and the corresponding assumptions for contributions to care costs from clients and health. The forecast also reflects assumptions about further demand over the remainder of the financial year, including the impact of winter on activity levels.</p>
ASC – Quality, Assurance & Professional Development	(0.40) F	<p>ASC – Quality, Assurance & Professional Development - as at Month 6 there is a £0.40M favourable variance arising from:</p> <ul style="list-style-type: none"> The phase 2a restructure in ASC.
ASC – Whole Life Pathways – Directly Delivered Services	0.13 A	<p>ASC – Whole Life Pathways – Directly Delivered Services - as at Month 6 there is a £0.13M adverse variance due to:</p> <ul style="list-style-type: none"> Use of overtime and agency to support additional 1:1 support and cover staff sickness.

ASC – Whole Life Pathways – Learning Disabilities Cost of Care	(0.40) F	ASC – Whole Life Pathways – LD Cost of Care - as at Month 6 there is a £0.40M favourable variance due to: <ul style="list-style-type: none">• Transformation work undertaken by the team to manage demand and reduce care costs. This would include, stepping down care packages where appropriate, reviewing levels of 1:1 support, exploring all opportunities to identify the most cost effective care to meet the person’s needs whilst maximising their independence and building on their strengths.
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3. ENABLING SERVICES DIRECTORATE

COMMENTARY – 2024/25 FORECAST AS AT SEPTEMBER 2024

The directorate is currently forecast to have an underspend of **£0.54M**, which represents a percentage variance against budget of **2.1%**.

	Forecast Variance £M	% of budget
Directorate Forecast Outturn	(0.54) F	2.1 %

A summary of the directorate forecast variance is shown in the table below:

Service Area	Budget £M	Forecast Outturn £M	Forecast Variance Month 6 £M	Variance Movement from Month 5 £M
Accounts Payable	0.70	0.78	0.08 A	0.04 A
Corporate Finance	2.28	2.33	0.06 A	0.04 A
Democratic Representation & Management	2.30	2.26	(0.05) F	(0.05) F
Digital Services	11.30	10.97	(0.33) F	(0.25) F
HR Services	3.33	3.23	(0.10) F	(0.10) F
Local Taxation & Benefits Services	2.84	2.70	(0.14) F	(0.07) F
Supplier Management Services	1.44	1.33	(0.11) F	0.00
Other	1.95	1.99	0.04 A	0.04 A
Total	26.13	25.59	(0.54) F	(0.35) F

The significant variances for the directorate are:

Service Area	Forecast Variance Month 6 £M	Explanation
Digital Services	(0.33) F	The favourable variance of £0.33M relates to:

		<ul style="list-style-type: none">- £0.11M of forecast salary underspends due to vacancies- £0.14M underspend from the stopping of 3 software licences which can be linked to transformation- £0.05M of surplus expenses budgets- £0.03M of budget surplus for the revenue maintenance of Care Director <p>The favourable movement of £0.25M since month 5 relates to the underspends from licences and expenses budgets plus further salary underspends of £0.06M.</p>
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4. GROWTH & PROSPERITY DIRECTORATE

COMMENTARY – 2024/25 FORECAST AS AT SEPTEMBER 2024

The directorate is currently forecast to have an underspend of **£1.51M**, which represents a percentage variance against budget of **4.01%**.

	Forecast Variance £M	% of budget
Directorate Forecast Outturn	(1.51) F	4.01%

A summary of the directorate forecast variance is shown in the table below:

Service Area	Budget £M	Forecast Outturn £M	Forecast Variance Month 6 £M	Variance Movement from Month 5 £M
Corporate Estate & Assets	5.15	5.11	(0.04) F	0.01 A
Culture & Tourism	3.66	3.63	(0.03) F	(0.01) F
Economic Development & Regeneration	1.35	1.30	(0.05) F	0.00
Transport & Planning	27.28	25.89	(1.39) F	(1.43) F
Directorate Management	0.22	0.22	0	0
Total	37.67	36.16	(1.51) F	(1.43) F

The significant variances for the directorate are:

Service Area	Forecast Variance Month 6 £M	Explanation
Transport & Planning	(1.39) F	The favourable variance in Transport and Planning is predominantly due to the increase in traffic management income of £0.26M and the capitalisation of highway costs of £0.45M from revenue to capital. There also has been a £0.73M increase in transformation savings from the School Travel Service, delivered through route

		optimisation improvements and an introduction of a dynamic purchasing system.
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5. RESIDENT SERVICES DIRECTORATE

COMMENTARY – 2024/25 FORECAST AS AT SEPTEMBER 2024

The directorate is currently forecast to have an underspend of **£0.02M**, which represents a percentage variance against budget of **0.1%**.

	Forecast Variance £M	% of budget
Directorate Forecast Outturn	(0.02) F	0.1%

A summary of the directorate forecast variance is shown in the table below:

Service Area	Budget £M	Forecast Outturn £M	Forecast Variance Month 6 £M	Variance Movement from Month 5 £M
City Services – District Operating Areas	5.27	5.27	0.00	(0.37) F
Bereavement Services	0.59	0.59	0.00	(0.44) F
Landscapes Trading Area	0.09	0.22	0.14 A	(0.07) F
Environmental Services	1.64	1.48	(0.16) F	0.00
City Services - Waste Operations	16.23	16.19	(0.05) F	0.01 A
Parking & Itchen Bridge	(10.43)	(10.43)	0.00	0.47 A
Other Environment	0.91	1.01	0.10 A	0.21 A
Customer & Leisure	6.72	6.67	(0.05) F	(0.02) F
Housing (General Fund)	5.30	5.30	0.00	0.00
Total	26.32	26.30	(0.02) F	(0.21) F

The significant variances for the directorate are:

Service Area	Forecast Variance Month 6 £M	Explanation
City Services – District Operating Areas	0.00	Favourable movement of £0.37M at month 6 due to the implementation of the Resident Services deficit recovery plan which utilised favourable variances on Parking & Itchen Bridge and Port Health income based on forecast performance, along with removal of vacant posts in District Operations Teams.
Bereavement Services	0.00	Favourable movement of £0.44M at month 6 due to the implementation of the Resident Services deficit recovery plan which utilised favourable variances on Parking & Itchen Bridge and Port Health income based on forecast performance, along with removal of vacant posts in District Operations Teams.
Parking & Itchen Bridge	0.00	Adverse movement of £0.47M at month 6 due to the implementation of the Resident Services deficit recovery plan which utilised favourable variances on Parking & Itchen Bridge and Port Health income based on forecast performance, along with removal of vacant posts in District Operations Teams.
Other Environment	0.10 A	Adverse movement of £0.21M due to the implementation of the Resident Services deficit recovery plan which utilised favourable variances on Parking & Itchen Bridge and Port Health income based on forecast performance, along with removal of vacant posts in District Operations Teams.

6. STRATEGY & PERFORMANCE DIRECTORATE

COMMENTARY – 2024/25 FORECAST AS AT SEPTEMBER 2024

The directorate is currently forecast to have an underspend of **£0.16M**, which represents a percentage variance against budget of **3.2%**.

	Forecast Variance £M	% of budget
Directorate Forecast Outturn	(0.16) F	3.2 %

A summary of the directorate forecast variance is shown in the table below:

Service Area	Budget £M	Forecast Outturn £M	Forecast Variance Month 6 £M	Variance Movement from Month 5 £M
Corporate Communications	0.99	0.92	(0.07) F	0.00
Data & Intelligence	1.18	1.12	(0.06) F	0.00
Projects, Policy & Performance	1.42	1.42	0.00	0.00
Strategic Management of the Council	1.34	1.32	(0.03) F	0.00
Total	4.94	4.79	(0.16) F	0.00

The are no significant variances for the directorate.

7. CENTRALLY HELD BUDGETS

COMMENTARY – 2024/25 FORECAST AS AT SEPTEMBER 2024

Centrally held budgets are currently forecast to have an underspend of **£7.07M**, which represents a percentage variance against budget of **26.1%**.

	Forecast Variance £M	% of budget
Centrally Held Budgets Forecast Outturn	(7.07) F	26.1%

A summary of the forecast variance is shown in the table below:

Budget Area	Budget £M	Forecast Outturn £M	Forecast Variance Month 6 £M	Variance Movement from Month 5 £M
Levies & Contributions	0.10	0.10	0.00	0.00
Capital Asset Management	12.86	11.92	(0.94) F	0.00
Contribution to General Fund Balance	1.93	1.93	0.00	0.00
Other Expenditure & Income	12.22	6.09	(6.13) F	(3.75) F
Total	27.11	20.04	(7.07) F	(3.75) F

The significant variances are:

Budget Area	Forecast Variance Month 6 £M	Explanation
Capital Asset Management	(0.94) F	The favourable variance is due to no long-term borrowing being taken or externalisation of debt to date (£0.68M) and higher than expected investment balances (£0.26M).
Other Expenditure & Income	(6.13) F	£6.13M of sustainable savings have been transferred from directorates to contingency, of which £3.75M was transferred in month 6 (approved by Cabinet and pending ratification by full Council).