

## PORTFOLIO VARIANCES

### ADULT SOCIAL CARE PORTFOLIO

#### KEY ISSUES – OUTTURN 2018/19

The Portfolio has **over spent** by **£4.28M** at year-end. The Portfolio outturn variance has moved **favourably** by **£0.41M** from the position reported at Quarter 3.

Note that figures may be rounded in this report.

Division / Service Activity	Outturn Variance £M	Forecast Variance Quarter 3 £M	Movement £M
Long Term	3.94 A	4.05 A	0.11 F
Safeguarding Adult Mental Health and Out of Hours	0.68 A	0.90 A	0.22 F
Provider Services	0.73 A	0.60 A	0.13 A
Reablement & Hospital Discharge	0.43 F	0.45 F	0.02 A
Integrated Commissioning Unit Provider Relationships	0.56 F	0.36 F	0.20 F
Integrated Commissioning Unit System Redesign	0.07 F	0.04 F	0.03 F
Other	0.02 F	0.02 F	0.00
<b>Total</b>	<b>4.27 A</b>	<b>4.68 A</b>	<b>0.41 F</b>

#### The **SIGNIFICANT** movements for the Portfolio are:

Service Area	Movement from Q3 2018/19 £M	Explanation
Safeguarding Adult Mental Health and Out of Hours	0.22 F	There has been a stabilisation in client numbers and a reduction in costs per client in Mental Health over the last quarter.
Integrated Commissioning Unit Provider Relationships	0.20 F	The movement since Quarter 3 is due to contract savings and additional income from MHCLG to fund management costs not known earlier in the year.

## ASPIRATION, SCHOOLS & LIFELONG LEARNING PORTFOLIO

### KEY ISSUES – OUTTURN 2018/19

The Portfolio has overspent by **£3.74M** at year-end. The Portfolio outturn variance has moved adversely by **£2.43M** from the position reported at Quarter 3.

<b>Division / Service Activity</b>	<b>Outturn Variance £M</b>	<b>Forecast Variance Quarter 3 £M</b>	<b>Movement £M</b>
Education - High Needs and Schools	0.97 A	0.24 A	0.73 A
Education - Early Years and Asset Mgt	2.01 A	1.07 A	0.94 A
<b>Total</b>	<b>2.98 A</b>	<b>1.31 A</b>	<b>1.67 A</b>
<b>Note:</b>			
DSG Dedicated Schools Grant (Central Expenditure)	0.76 A	0	0.76 A
<b>Total Portfolio and DSG</b>	<b>3.74 A</b>	<b>1.31 A</b>	<b>2.43 A</b>

#### The **SIGNIFICANT** movements for the Portfolio are:

Service Area	Movement from Q3 2018/19 £M	Explanation
Education – High Needs and Schools	0.73 A	The movement from quarter 3 is due to the Jigsaw Service which includes Disability Short Breaks/Respite and Direct Payments where demand has risen above budget and an increase in support to more complex needs requiring additional support has been seen.
Education – Early Years and Asset management	0.94 A	A higher demand from increasing numbers of children eligible for Home to School Transport and is greater than originally identified from data available leading to a movement of £0.63M from Quarter 3. The remainder of the movement is due to small overspends.

DSG Dedicated Schools Grant (Central Expenditure)	0.76 A	There is an overspend within the High Needs Block due to increased numbers of pupils with statements of £0.7M, Increase in MARP (Multiple Agency Resource Panel) education placements of £2.25M and increased numbers of special school pupils requiring top up funding of £1.02M. The overspends are partially offset by additional income received from: Transfer of 0.5% funding from the Schools Block to the High Needs block £0.68M, additional funding from the DFE for High Needs £0.53M and a transfer from Council resources of £2M.
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## **CHILDREN & FAMILIES PORTFOLIO**

### **KEY ISSUES – OUTTURN 2018/19**

The Portfolio has overspent by **£2.22M** at year-end. The Portfolio outturn variance has moved **favourably** by **£0.49M** from the position reported at Quarter 3.

<b>Division / Service Activity</b>	<b>Outturn Variance £M</b>	<b>Forecast Variance Quarter 3 £M</b>	<b>Movement  £M</b>
Divisional Management & Legal	0.05 F	0.02 F	0.03 F
Quality Assurance Business Unit	0.57 A	0.46 A	0.11 A
Multi Agency Safeguarding Hub & Children In Need	0.27 A	0.20 A	0.07 A
Specialist Core Services	0.70 F	0.66 F	0.04 F
Looked After Children	2.59 A	2.88 A	0.29 F
Integrated Commissioning Unit– Children’s Services	0.31 F	0	0.31 F
Early Help and Targeted & Restorative Services	0.15 F	0.15 F	0
<b>Total</b>	<b>2.22 A</b>	<b>2.71 A</b>	<b>0.49 F</b>

**The SIGNIFICANT movements for the Portfolio are:**

Service Area	Movement from Q3 2018/19 £M	Explanation
Looked After Children	0.29 F	The movement from Quarter 3 relates to unused Unaccompanied Asylum Seeking Children budget.
Integrated Commissioning Unit	0.31 F	The variance is due to contract savings, two contracts have ended and one for overnight short breaks packages has seen a significant reduction due to a decrease in the number of children requiring this service.

**COMMUNITY WELLBEING PORTFOLIO**

**KEY ISSUES – OUTTURN 2018/19**

The Portfolio has under spent by **£0.15M** at year-end. The Portfolio outturn variance has moved **favourably** by **£0.12M** from the position reported at Quarter 3.

<b>Division / Service Activity</b>	<b>Outturn Variance £M</b>	<b>Forecast Variance Quarter 3 £M</b>	<b>Movement £M</b>
Community Safety, Alcohol Related Crime, CCTV	0.14 F	0.02 F	0.12 F
Public Health	0.07 F	0.00	0.07 F
Prevention & Inclusion Service	0.01 A	0.08 F	0.09 A
Grants to Voluntary Organisations	0.08 A	0.08 A	0.00 F
Other	0.02 F	0.00 F	0.02 F
<b>Total</b>	<b>0.14 F</b>	<b>0.02 F</b>	<b>0.12 F</b>

## FINANCE & CUSTOMER EXPERIENCE PORTFOLIO

### KEY ISSUES – OUTTURN 2018/19

The Portfolio has over spent by **£0.95M** at year-end. The Portfolio outturn variance has moved **adversely** by **£0.17M** from the position reported at Quarter 3.

<b>Division / Service Activity</b>	<b>Outturn Variance £M</b>	<b>Forecast Variance Quarter 3 £M</b>	<b>Movement  £M</b>
IT Services	2.15 A	1.65 A	0.50 A
Accounts Payable & Accounts Rec	0.35 F	0.35 F	0.00
Capita Partnership Services	0.21 F	0.29 F	0.08 A
Business Support	0.28 F	0.17 F	0.11 F
Centrally Apportionable Overheads	0.07 A	0.00	0.07 A
Corporate Management	0.03 F	0.00	0.03 F
Finance & Commercialisation	0.04 F	0.06 F	0.02 A
Local Taxation & Redundancy Costs	0.38 F	0.00	0.38 F
Other	0.02 A	0.00	0.02 A
<b>Total</b>	<b>0.95 A</b>	<b>0.78 A</b>	<b>0.17 A</b>

#### The **SIGNIFICANT** movements for the Portfolio are:

Service Area	Movement from Q3 2018/19 £M	Explanation
IT Services	0.50 A	The variation of £0.50M is a result of:  The funding allocations agreed by Council in July 2018 for the Future Strategic Service Partnership and not included in the revised budget; previously agreed digital savings not delivered in 2017 and on-going; and IT spend in the last quarter increasing due to additional consumable costs

Local Taxation & Redundancy Costs	0.38 F	The favourable movement of £0.38M is due to grants of £0.30M more than budget, bad debt provision being £0.07M less than the budget and £0.01M other minor variances.
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### GREEN CITY PORTFOLIO

#### KEY ISSUES – OUTTURN 2018/19

The Portfolio has under spent by **£0.23M** at year-end. The Portfolio outturn variance has moved favourably by **£0.22M** from the position reported at Quarter 3.

<b>Division / Service Activity</b>	<b>Outturn Variance £M</b>	<b>Forecast Variance Quarter 3 £M</b>	<b>Movement £M</b>
Sustainability	0.14 F	0.01 F	0.13 F
Flood Risk Management	0.07 F	0.00 F	0.07 F
Other	0.01 F	0.00 F	0.01 F
<b>Total</b>	<b>0.23 F</b>	<b>0.01 F</b>	<b>0.22 F</b>

### HOMES & CULTURE PORTFOLIO

#### KEY ISSUES – OUTTURN 2018/19

The Portfolio has under spent by **£0.06M** at year-end. The Portfolio outturn variance has moved adversely by **£0.06M** from the position reported at Quarter 3.

<b>Division / Service Activity</b>	<b>Outturn Variance £M</b>	<b>Forecast Variance Quarter 3 £M</b>	<b>Movement £M</b>
Leisure Events	0.08 F	0.05 F	0.03 F
Others	0.02 A	0.07 F	0.09 A
<b>Total</b>	<b>0.06 F</b>	<b>0.12 F</b>	<b>0.06 A</b>

## LEADERS CLEAN GROWTH & DEVELOPMENT PORTFOLIO

### KEY ISSUES – OUTTURN 2018/19

The Portfolio has under spent by **£3.21M** at year-end. The Portfolio outturn variance has moved favourably by **£1.75M** from the position reported at Quarter 3.

<b>Division / Service Activity</b>	<b>Outturn Variance £M</b>	<b>Forecast Variance Quarter 3 £M</b>	<b>Movement  £M</b>
Capital Assets	1.64 F	0.85 F	0.79 F
Intelligence, Insight & Comm	0.44 F	0.20 F	0.24 F
Planning	0.46 F	0.17 F	0.29 F
Chief Executive	0.32 F	0.06 F	0.26 F
Legal & Governance	0.23 F	0.18 F	0.05 F
Others	0.13 F	0.00	0.13 F
<b>Total</b>	<b>3.22 F</b>	<b>1.46F</b>	<b>1.76 F</b>

#### The **SIGNIFICANT** movements for the Portfolio are:

Service Area	Movement from Q3 2018/19 £M	Explanation
Capital Assets	0.79 F	The movement in the final quarter of £0.79M is from an increase in the staffing underspend of £0.39M due to an anticipated round of recruitment prior to year-end not being progressed whilst the team determine essential posts based on strategic priorities. A number of planned repairs and maintenance projects have slipped into the new financial due to works being unable to be scheduled prior to the end of the financial year causing an increased underspend of £0.32M on the repairs

		and maintenance budget. In addition there was an increase in the investment property variance of £0.40M this was caused by reduced expenditure on and repairs and maintenance and an unutilised budget for disposal costs. Other offsetting movements include a transfer to reserve to cover underwritten planning costs for developments projects currently being undertaken with partner organisations.
Intelligence, Insight & Comm	0.24 F	The movement in the quarter is because of staffing underspends of £0.11M which is due to staff turnover, and additional income generated of £0.13M from design and Capita print recharges.
Planning	0.29 F	The movement from Quarter 3 was primarily caused by the additional planning fee income and the increased partnership working. For 2019/20 the planning income budgets have been increased to reflect the additional income the service is able to generate.
Chief Executive	0.26 F	The movement in the quarter of £0.26M is due to an underspend on the Leaders fund of £0.14M and other minor variances.



## TRANSPORT & PUBLIC REALM PORTFOLIO

### KEY ISSUES – OUTTURN 2018/19

The Portfolio has over spent by **£0.05M** at year-end. The Portfolio outturn variance has moved **adversely** by **£0.22M**, from the position reported at Quarter 3.

<b>Division / Service Activity</b>	<b>Outturn Variance £M</b>	<b>Forecast Variance Quarter 3 £M</b>	<b>Movement £M</b>
City Services – Open Spaces	0.61 A	0.18 A	0.43 A
City Services – Waste Management	0.54 F	0.05 A	0.59 F
Highways & Parking	0.19 F	0.11 F	0.08 F
Regulatory Services	1.19 A	0.52 A	0.67 A
Supplier Management	0.01 F	0.10 F	0.09 A
Trading Services	0.05 F	0.07 A	0.12 F
Transportation	0.99 F	0.79 F	0.20 F
Minor Variances	0.03 A	0.01 A	0.02 A
<b>Total</b>	<b>0.05 A</b>	<b>0.17 F</b>	<b>0.22 A</b>

#### The **SIGNIFICANT** movements for the Portfolio are:

Service Area	Movement from Q3 2018/19 £M	Explanation
City Services – Open Spaces	0.42 A	Variances in Quarter 4 relate to staffing and materials costs of £0.2M, additional fleet & fuel costs of £0.14M, increased pest control costs of £0.07M, and increased utility costs of £0.06M. These have been partially offset by additional internal income of £0.05M
City Services – Waste Management	0.59 F	Costs for domestic waste disposal reduced by a further £0.30M in Quarter 4 due to the tonnage for the period December to March 2019

		<p>being significantly less than the same period last year. A contract exemption was obtained in January 2019, enabling the use of an alternative supplier for disposals of commercial waste at a more favourable rate. This resulted in a favourable movement of £0.08M in Quarter 4. A favourable movement of £0.14M in Quarter 4 arises from Dry Mixed Recyclables income. This had been forecast to be adverse earlier in the year as a result of falling market rates and loss of markets for cardboard. Rates in Quarters 3 and 4 remained constant, rather than the expected fall earlier in the year. There were additional minor variances.</p>
Regulatory Services	0.67 A	<p>The Council has incurred significant costs following major trading standards investigations over the last two years. The costs incurred are partially recovered through contributions from National Trading Standards/Tri-Region Investigation Team, but also through recovery under the Proceeds Of Crime Act; as at the financial year end, recovery was not completed as expected and settlement will now be accounted for in the 2019/20 financial year. This accounts for the majority of the adverse movement in Quarter 4.</p>
Transportation	0.20 F	<p>There has been a favourable movement of £0.20M in Quarter 4 on the concessionary fares scheme. Actual journeys were lower than forecast in Quarter 4 meaning the reimbursements due to bus operators were reduced compared to forecast.</p>

## NON PORTFOLIO

### KEY ISSUES – OUTTURN 2018/19

Non Portfolio	Outturn Variance £M	<i>Forecast Variance Quarter 3 £M</i>	<i>Movement  £M</i>
Levies and Contributions	0.05 A	0.00	0.05 A
Capital Asset Management	7.97 F	0.00	7.97 F
Net Housing Benefit Payments	1.03 A	0.00	1.03 A
Transport and Public Realm Trading	0.05 F	0.00	0.05 F
Other Expenditure and Income	3.00 F	5.66 F	2.66 A

#### The SIGNIFICANT movements for the Non Portfolio are:

Area	Movement from Q3 2018/19  £M	Explanation
Capital and Asset Management	7.97 F	<p>Additional resource has been factored into this budget over more than one financial year in anticipation of higher future borrowing levels and costs for delivery of the capital programme and for previous forecasts interest rate rises. Slippage with the capital programme and the continued low interest rate environment, coupled with a prudent and careful approach of making use of internal borrowing has continued to place a downward pressure on costs, resulting in the major variance highlighted.</p> <p>The budget will be reviewed as part of the work for preparing the 2020/21 budget, taking account of the revised capital programme and adjusted if necessary</p>
Net Housing Benefit Payments	1.03 A	The position with housing benefit payments becomes clear at the year-end, following a return sent to Government. The shortfall is considered to be attributable to the

		impact from the switch to Universal Credit, with sums from the recovery of benefit overpayments being lower due to diminishing caseloads as a result of Universal Credit.
<u>Other Expenditure &amp; Income</u>	2.66 A	The adverse change from quarter three is primarily a reflection of the £2.92M transfer to reserves to carry-forward budget allocations into 2019/20. The transfer to reserves is made corporately to avoid distorting the portfolio outturn position.