

OVERALL GENERAL REVENUE FUND FORECAST OUTTURN POSITION FOR
2021/22

A summary of the business as usual (BAU) forecast for quarter 3 2021/22 and movement since quarter 2 is shown in the following table:

Portfolio	Budget Qtr 3 £M	BAU Annual Forecast Qtr 3 £M	BAU Forecast Variance Qtr 3 £M	BAU Forecast Variance Qtr 2 £M	BAU Variance Movement from Qtr 2 £M
Children's Social Care	46.05	52.35	6.30 A	5.92 A	0.38 A
Communities, Culture & Heritage	12.55	12.25	0.30 F	0.12 F	0.18 F
Customer Service & Transformation	47.73	48.02	0.29 A	0.94 A	0.65 F
Education	10.77	12.38	1.60 A	0.04 A	1.56 A
Environment	1.56	1.49	0.07 F	0.12 F	0.05 A
Finance & Capital Assets	1.37	1.24	0.13 F	0.06 A	0.19 F
Growth	6.95	5.96	1.00 F	1.08 F	0.08 A
Health & Adult Social Care	82.89	83.98	1.09 A	1.46 A	0.37 F
Leader	5.00	4.95	0.05 F	0.01 F	0.04 F
Total Portfolios	214.88	222.62	7.75 A	7.11 A	0.64 A
Levies & Contributions	0.09	0.09	0.00	0.00	0.00
Capital Asset Management	7.95	7.35	0.60 F	0.00	0.60 F
Other Expenditure & Income	(49.06)	(48.46)	0.60 A	0.00	0.60 A
Net Revenue Expenditure	173.85	181.60	7.75 A	7.11 A	0.64 A
Council Tax	(103.68)	(103.68)	0.00	0.00	0.00
Business Rates	(26.56)	(26.56)	0.00	0.00	0.00
Non-Specific Government Grants	(43.61)	(43.88)	0.27 F	0.00	0.27 F
Total Financing	(173.85)	(174.12)	0.27 F	0.00	0.27 F
(SURPLUS) / DEFICIT	0.00	7.48	7.48 A	7.11 A	0.37 A

NB Numbers are rounded

The forecast variance due to COVID-19 as at quarter 3 2021/22 and movement since quarter 2 is shown in the table below:

Portfolio	COVID Forecast Variance Qtr 3 £M	COVID Forecast Variance Qtr 2 £M	COVID Variance Movement from Qtr 2 £M
Children's Social Care	0.30 F	0.30 F	0.00
Communities, Culture & Heritage	0.05 A	0.03 A	0.02 A
Customer Service & Transformation	0.03 A	0.21 A	0.18 F
Education	0.02 A	0.02 A	0.00
Environment	0.12 A	0.03 A	0.09 A
Finance & Capital Assets	0.90 A	1.06 A	0.16 F
Growth	1.37 A	0.77 A	0.60 A
Health & Adult Social Care	0.02 A	0.02 A	0.00
Leader	0.03 A	0.03 A	0.00
Total Portfolios	2.24 A	1.86 A	0.37 A
Levies & Contributions	0.00	0.00	0.00
Capital Asset Management	0.00	0.00	0.00
Other Expenditure & Income	0.00	0.00	0.00
Net Revenue Expenditure	2.24 A	1.86 A	0.37 A
Council Tax	0.00	0.00	0.00
Business Rates	0.00	0.00	0.00
Non-Specific Government Grants	1.51 F	1.50 F	0.01 F
Total Financing	1.51 F	1.50 F	0.01 F
(SURPLUS)/DEFICIT	0.72 A	0.36 A	0.36 A

NB Numbers are rounded

EXPLANATIONS BY PORTFOLIO

1. CHILDREN'S SOCIAL CARE PORTFOLIO

KEY REVENUE ISSUES – QUARTER 3 2021/22

The Portfolio is currently forecast to have a deficit of **£6.30M** for business as usual (BAU) activities, which represents a percentage variance against budget of 13.7%. The Portfolio forecast variance has moved adversely by **£0.38M** from the position reported at quarter 2.

In addition, there is a **£0.30M** surplus on the COVID-19 pandemic budget, no movement from the position reported at quarter 2.

	Forecast Variance Qtr 3 £M	Forecast Variance Qtr 2 £M	Movement from Qtr 2 £M	% of budget
Portfolio Outturn business as usual	6.30 A	5.92 A	0.38 A	13.7
COVID-19 Pandemic	0.30 F	0.30 F	0.00	
Total	6.00 A	5.62 A	0.38 A	

A summary of the Portfolio business as usual forecast variance and movement since quarter 2 is shown in the table below:

Service Area	BAU Forecast Variance Qtr 3 £M	BAU Forecast Variance Qtr 2 £M	BAU Variance Movement from Qtr 2 £M
Looked After Children	4.08 A	4.39 A	0.31 F
Multi Agency Safeguarding Hub & Children in Need	0.43 A	0.34 A	0.09 A
Prevention & Inclusion Service	0.18 A	0.18 A	0.00
Quality Assurance Business Unit	0.30 A	0.21 A	0.09 A
Specialist Core Services	1.16 A	0.87 A	0.29 A
Divisional Management & Legal	0.15 A	0.12 F	0.27 A
Other	0.00	0.05 A	0.05 F
Total	6.30 A	5.92 A	0.38 A

The SIGNIFICANT business as usual movements between quarter 2 and quarter 3 for the Portfolio are:

Service Area	Movement in BAU Forecast Variance Between Qtr 2 and Qtr 3 £M	Explanation:
Looked After Children	0.31 F	<p>There has been a management structure change and the JIGSAW service has been moved from the Children Social Care portfolio to the Education portfolio. This has resulted in a favourable variance movement of 1.56M within this service area.</p> <p>There has been an additional adverse movement in placement costs of £1.01M from increasing Children Looked After numbers as well as increased costs because of moves due to placement breakdown. The Children Social Care restructure as well as early intervention plans are currently being implemented to reduce this increasing placement spend.</p> <p>There is an adverse movement of £0.24M relating to additional staffing and agency required across the service to meet demand prior to the completion of the restructure of children social care that is currently underway.</p>
Specialist Core Services	0.29 A	<p>The adverse movement of £0.29M from quarter 2 relates to the extension of current agency staff to the year end as well as the recruitment of staff into permanent roles previously forecast as in year savings to manage the increased demand within this service.</p>
Divisional Management & Legal	0.27 A	<p>There is a forecast deficit movement of £0.27M relating to legal fees and court costs within the children's service. Additional staffing resources have been brought in to manage the increases in court work this year.</p>

A summary of the Portfolio COVID-19 forecast variance and movement since quarter 2 is shown in the table below:

Service Area	COVID Forecast Variance	COVID Forecast Variance	COVID Variance Movement from Qtr 2
	Qtr 3 £M	Qtr 2 £M	Qtr 2 £M
Looked After Children	0.30 F	0.30 F	0.00
Total	0.30 F	0.30 F	0.00

There are no **SIGNIFICANT COVID-19 variance movements** between quarter 2 and quarter 3 for the Portfolio.

2. COMMUNITIES, CULTURE & HERITAGE PORTFOLIO

KEY REVENUE ISSUES – QUARTER 3 2021/22

The Portfolio is currently forecast to have a surplus of **£0.30M** for business as usual (BAU) activities, which represents a percentage variance against budget of 2.5%. The Portfolio forecast variance has moved favourably by **£0.18M** from the position reported at quarter 2.

In addition, there is a **£0.05M** deficit on the COVID-19 pandemic budget, an adverse movement of £0.02M from the position reported at quarter 2.

	Forecast Variance Qtr 3 £M	Forecast Variance Qtr 2 £M	Movement from Qtr 2 £M	% of budget
Portfolio Outturn business as usual	0.30 F	0.12 F	0.18 F	2.5%
COVID-19 Pandemic	0.05 A	0.03 A	0.02 A	
Total	0.25 F	0.09 F	0.16 F	

A summary of the Portfolio business as usual forecast variance and movement since Quarter 2 is shown in the table below:

Service Area	BAU Forecast Variance Qtr 3 £M	BAU Forecast Variance Qtr 2 £M	BAU Variance Movement from Qtr 2 £M
Cultural Services	0.09 A	0.10 A	0.01 F
Grants to Voluntary Organisations	0.08 F	0.08 F	0.00
Private Sector Housing	0.08 F	0.00	0.08 F
Social Fund	0.15 F	0.00	0.15 F
Stronger Communities	0.08 F	0.14 F	0.06 A
Total	0.30 F	0.12 F	0.18 F

There were no **SIGNIFICANT** business as usual movements between quarter 2 and quarter 3 for the Portfolio.

A summary of the Portfolio COVID-19 forecast variance and movement since Quarter 2 is shown in the table below:

Service Area	COVID Forecast Variance Qtr 3 £M	COVID Forecast Variance Qtr 2 £M	COVID Variance Movement from Qtr 2 £M
Private Sector Housing	0.10 A	0.06 A	0.04 A
Cultural Services	0.05 F	0.03 F	0.02 F
Total	0.05 A	0.03 F	0.02 A

There were no SIGNIFICANT COVID-19 variance movements between Quarter 2 and Quarter 3 for the Portfolio.

3. CUSTOMER SERVICE & TRANSFORMATION PORTFOLIO

KEY REVENUE ISSUES – QUARTER 3 2021/22

The Portfolio is currently forecast to have a deficit of **£0.29M** for business as usual (BAU) activities, which represents a percentage variance against budget of 0.01%. The Portfolio forecast variance has moved favourably by **£0.65M** from the position reported at quarter 2.

In addition, there is a **£0.03M** deficit on the COVID-19 pandemic budget, a favourable movement of £0.18M from the position reported at quarter 2.

	Forecast Variance Qtr 3 £M	Forecast Variance Qtr 2 £M	Movement from Qtr 2 £M	% of budget
Portfolio Outturn business as usual	0.29 A	0.94 A	0.65 F	0.01
COVID-19 Pandemic	0.03 A	0.21 A	0.18 F	
Total	0.32 A	1.15 A	0.83 F	

A summary of the Portfolio business as usual forecast variance and movement since quarter 2 is shown in the table below:

Service Area	BAU Forecast Variance Qtr 3 £M	BAU Forecast Variance Qtr 2 £M	BAU Variance Movement from Qtr 2 £M
Business Support	0.25 A	0.25 A	0.00
City Services – Commercial Services	0.15 A	0.10 A	0.05 A
City Services – District Teams	0.24 A	0.23 A	0.01 A
City Services – Trees & Oncology	0.15 A	0.00	0.15 A
City Services – Waste Operations	0.64 F	0.28 A	0.92 F
Customer Services	0.33 F	0.00	0.33 F
Green City & Place Trading	0.34 F	0.24 F	0.10 F
IT Services	0.44 A	0.30 A	0.14 A
Supplier Management	0.51 A	0.18 A	0.33 A

Registration of Electors & Elections Costs	0.12 F	0.13 F	0.01 A
Other	0.02 F	0.03 F	0.01 A
Total	0.29 A	0.94 A	0.65 F

The **SIGNIFICANT** business as usual movements between quarter 2 and quarter 3 for the Portfolio are:

Service Area	Movement in BAU Forecast Variance Between Qtr 2 and Qtr 3 £M	Explanation:
City Services – Waste Operations	0.92 F	The favourable movement is primarily made up of reduced forecasts on staffing of £0.54M and fleet costs of £0.40M. There are a number of vacant positions in the service that were previously forecast to be recruited to before the end of the year. Due to the current restructure it is no longer expected that these positions will be filled this financial year. Agency and overtime costs are expected to remain at current forecast levels for the remainder of the year. Fleet forecasts have also been reduced based on a review of current vehicles and charges. There are also favourable movements on income including chargeable waste services and other income including Dry Mixed Recyclables totalling £0.10M. These are off-set by adverse movements on disposal costs and other supplies of £0.12M.
Customer Services	0.33 F	The favourable variance of £0.33M year to date is due to additional income £0.40M being received from Solent University for work on saliva testing whereby the work is being managed mainly within current resources. Some of this work has been undertaken by staff funded by the SCC structure, maximising the income further.
Supplier Management	0.33 A	Following a recent service review of throughput of electricity and associated budgets from supplier industry data, it has been highlighted that electricity inflation costs including On Street Lighting have increased significantly, causing a forecast £0.51M pressure for this financial year, a movement of £0.33M.

A summary of the Portfolio COVID-19 forecast variance and movement since quarter 2 is shown in the table below:

Service Area	COVID Forecast Variance Qtr 3 £M	COVID Forecast Variance Qtr 2 £M	COVID Variance Movement from Qtr 2 £M
IT Services	0.06 A	0.17 A	0.11 F
City Services – Commercial Services	0.06 F	0.00	0.06 F
City Services – District Teams	0.07 A	0.07 A	0.00
City Services – Waste Operations	0.04 F	0.03 F	0.01 F
Total	0.03 A	0.21 A	0.18 F

There are no SIGNIFICANT COVID-19 variance movements between quarter 2 and quarter 3 for the Portfolio.

4. EDUCATION PORTFOLIO

KEY REVENUE ISSUES – QUARTER 3 2021/22

The Portfolio is currently forecast to have a deficit of **£1.60M** for business as usual (BAU) activities, which represents a percentage deficit against budget of 14.9%. The Portfolio forecast variance has moved adversely by **£1.56M** from the position reported at quarter 2.

In addition, there is a **£0.02M** deficit on the COVID-19 pandemic budget, no change from the position reported at quarter 2.

	Forecast Variance Qtr 3 £M	Forecast Variance Qtr 2 £M	Movement from Qtr 2 £M	% of budget
Portfolio Outturn business as usual	1.60 A	0.04 A	1.56 A	14.9
COVID-19 Pandemic	0.02 A	0.02 A	0.00	
Total	1.62 A	0.06 A	1.56 A	

A summary of the Portfolio business as usual forecast variance and movement since quarter 2 is shown in the table below:

Service Area	BAU Forecast Variance Qtr 3 £M	BAU Forecast Variance Qtr 2 £M	BAU Variance Movement from Qtr 2 £M
Education - Early Years and Asset Mgt	0.04 A	0.04 A	0.00
Education - High Needs and Schools	1.56 A	0.00	1.56 A
Total	1.60 A	0.04 A	1.56 A

The **SIGNIFICANT** business as usual movements between quarter 2 and quarter 3 for the Portfolio are:

Service Area	Movement in BAU Forecast Variance Between Qtr 2 and Qtr 3 £M	Explanation:
Education - High Needs and Schools	1.56 A	<p>Following the leadership transformation the Disability JIGSAW service has transferred to the Education portfolio from the Looked After Children service area in the Children Social Care portfolio to match the revised management structure.</p> <p>The adverse variance of £1.56M relates to the Disability JIGSAW service where there have been new residential cases and increases in current case costs, as well as unfunded service critical posts that are being corrected as part of the Destination 22 restructure.</p> <p>The forecast adverse variance for this service reported at Quarter 2 against Looked After Children was £1.31M. The increased forecast spend largely relates to an additional high cost case placement.</p> <p>The Children's Services restructure as well as early intervention plans are currently being implemented to reduce this increasing placement spend.</p>

A summary of the Portfolio COVID-19 forecast variance and movement since quarter 2 is shown in the table below:

Service Area	COVID Forecast Variance Qtr 3 £M	COVID Forecast Variance Qtr 2 £M	COVID Variance Movement from Qtr 2 £M
Education - High Needs and Schools	0.02 A	0.02 A	0.00
Total	0.02 A	0.02 A	0.00

There are no SIGNIFICANT COVID-19 variance movements between quarter 3 and quarter 2 for the Portfolio.

Dedicated Schools Grant (DSG) Note:

	£M
Balance brought forward from 2020/21	8.93
High Needs Pressures 2021/22	(0.23)
High Needs - Pupils with an EHC	1.00
Covid-19 Pressures	<u>0.15</u>
Deficit (Cumulative)	<u>9.85</u>

The Forecast outturn for the Dedicated Schools Grant (DSG) is an £9.85M cumulative deficit which includes £0.15M for Covid-19 related pressures. The DSG Grant is ring-fenced and the deficit will not impact on the General Fund and non-school services the council provides.

This deficit is being driven by significant annual increases in numbers and complexity of Education Health Care Plans (EHCPs). The variance includes a cumulative DSG deficit of £8.93M brought forward from 2020/21.

Pressures on the High Needs services is a nationally recognised issue with significant pressures reported in most local authorities. Southampton's deficit is average. The DfE are undertaking a SEN review which should report in the Summer of 2022.

High Needs funding will increase by about 11% in 2022-23 to £37M. The SEN team have an ongoing strategic review of the High Needs activity to manage demand for SEND services. In particular they have increased places in special schools for September 2021 by 60.

5. ENVIRONMENT PORTFOLIO

KEY REVENUE ISSUES – QUARTER 3 2021/22

The Portfolio is currently forecast to have a surplus of **£0.07M** for business as usual (BAU) activities, which represents a percentage variance against budget of 4.5%. The Portfolio forecast variance has moved adversely by **£0.05M** from the position reported at quarter 2.

In addition, there is a **£0.12M** deficit on the COVID-19 pandemic budget, an adverse movement of **£0.09M** from the position reported at quarter 2.

	Forecast Variance Qtr 3 £M	Forecast Variance Qtr 2 £M	Movement from Qtr 2 £M	% of budget
Portfolio Outturn business as usual	0.07 F	0.12 F	0.05 A	4.5%
COVID-19 Pandemic	0.12 A	0.03 A	0.09 A	
Total	0.05 A	0.09 F	0.14 A	

A summary of the Portfolio business as usual forecast variance and movement since quarter 2 is shown in the table below:

Service Area	BAU Forecast Variance Qtr 3 £M	BAU Forecast Variance Qtr 2 £M	BAU Variance Movement from Qtr 2 £M
Bereavement Services	0.02 A	0.02 A	0.00
Port Health & Trading Standards	0.09 F	0.16 F	0.07 A
Registration Services	0.02 A	0.04 A	0.02 F
Other	0.02 F	0.02 F	0.00
Total	0.07 F	0.12 F	0.05 A

There are no SIGNIFICANT business as usual movements between quarter 2 and quarter 3 for the Portfolio.

A summary of the Portfolio COVID-19 forecast variance and movement since quarter 2 is shown in the table below:

Service Area	COVID Forecast Variance	COVID Forecast Variance	COVID Variance Movement from
	Qtr 3 £M	Qtr 2 £M	Qtr 2 £M
Bereavement Services	0.19 A	0.10 A	0.09 A
Registration	0.09 F	0.08 F	0.01 F
Other	0.02 A	0.00	0.02 A
Total	0.12 A	0.03 A	0.09 A

There are no **SIGNIFICANT COVID-19** variance movements between quarter 2 and quarter 3 for the Portfolio.

6. FINANCE & CAPITAL ASSETS PORTFOLIO

KEY REVENUE ISSUES – QUARTER 3 2021/22

The Portfolio is currently forecast to have a surplus of **£0.13M** for business as usual (BAU) activities, which represents a percentage movement against budget of 9.4%. The Portfolio forecast variance has moved favourably by **£0.19M** from the position reported at quarter 2.

In addition, there is a **£0.90M** deficit on the COVID-19 pandemic budget, a favourable movement of **£0.16M** from the position reported at quarter 2.

	Forecast Variance Qtr 3 £M	Forecast Variance Qtr 2 £M	Movement from Qtr 2 £M	% of budget
Portfolio Outturn business as usual	0.13 F	0.06 A	0.19 F	9.4%
COVID-19 Pandemic	0.90 A	1.06 A	0.16 F	
Total	0.77 A	1.12 A	0.35 F	

A summary of the Portfolio business as usual forecast variance and movement since quarter 2 is shown in the table below:

Service Area	BAU Forecast Variance Qtr 3 £M	BAU Forecast Variance Qtr 2 £M	BAU Variance Movement from Qtr 2 £M
Accounts Receivable	0.04 F	0.00	0.04 F
Leisure Client	0.04 F	0.09 A	0.13 F
Property Portfolio Management	0.00	0.06 A	0.06 F
Risk Management	0.05 F	0.00	0.05 F
Other	0.00	0.09 F	0.09 A
Total	0.13 F	0.06 A	0.19 F

There are no SIGNIFICANT business as usual movements between quarter 2 and quarter 3 for the Portfolio.

A summary of the Portfolio COVID-19 forecast variance and movement since quarter 2 is shown in the table below:

Service Area	COVID Forecast Variance Qtr 3 £M	COVID Forecast Variance Qtr 2 £M	COVID Variance Movement from Qtr 2 £M
Local Taxation & Benefits Service	0.95 A	0.95 A	0.00
Other	0.05 F	0.11 A	0.16 F
Total	0.90 F	1.06 A	0.16 F

There are no SIGNIFICANT COVID-19 movements between quarter 2 and quarter 3 for the Portfolio.

7. GROWTH PORTFOLIO

KEY REVENUE ISSUES – QUARTER 3 2021/22

The Portfolio is currently forecast to have a surplus of **£1.00M** for business as usual (BAU) activities, which represents a percentage variance against budget of 14.4%. The Portfolio forecast variance has moved adversely by **£0.08M** from the position reported at quarter 2.

In addition, there is a **£1.37M** deficit on the COVID-19 pandemic budget, an adverse movement of **£0.60M** from the position reported at quarter 2.

	Forecast Variance Qtr 3 £M	Forecast Variance Qtr 2 £M	Movement from Qtr 2 £M	% of budget
Portfolio Outturn business as usual	1.00 F	1.08 F	0.08 A	14.4
COVID-19 Pandemic	1.37 A	0.77 A	0.60 A	
Total	0.37 A	0.31 F	0.68 A	

A summary of the Portfolio business as usual forecast variance and movement since quarter 2 is shown in the table below:

Service Area	BAU Forecast Variance Qtr 3 £M	BAU Forecast Variance Qtr 2 £M	BAU Variance Movement from Qtr 2 £M
Central Repairs & Maintenance	0.62 F	0.62 F	0.00
Parking & Itchen Bridge	0.06 F	0.06 F	0.00
Skills	0.10 F	0.10 F	0.00
Sustainability	0.09 F	0.10 F	0.01 A
Transportation	0.01 F	0.22 F	0.21 A
Flood Risk Management	0.18 F	0.02 F	0.16 F
Others	0.06 A	0.04 A	0.02 A
Total	1.00 F	1.08 F	0.08 A

The **SIGNIFICANT** business as usual movements between quarter 2 and quarter 3 for the Portfolio are:

Service Area	Movement in BAU Forecast Variance Between Qtr 2 and Qtr 3 £M	Explanation
Transportation	0.21 A	The movement in the forecast of £0.21M adverse represents the recognition of salary pressures within the service. Further work is being carried out to mitigate this pressure before the end of the financial year.

A summary of the Portfolio COVID-19 forecast variance and movement since quarter 2 is shown in the table below:

Service Area	COVID Forecast Variance	COVID Forecast Variance	COVID Variance Movement from Qtr 2
	Qtr 3 £M	Qtr 2 £M	Qtr 2 £M
Parking & Itchen Bridge	0.85 A	0.45 A	0.40 A
Planning	0.30 A	0.10 A	0.20 A
Economic Development	0.05 A	0.05 A	0.00
Transportation	0.17 A	0.17 A	0.00
Total	1.37 A	0.77 A	0.60 A

The **SIGNIFICANT** COVID-19 variance movements between quarter 2 and quarter 3 for the Portfolio are:

Service Area	Movement in COVID Forecast Variance Between Qtr 2 and Qtr 3 £M	Explanation
Parking & Itchen Bridge	0.40 A	The adverse movement relates to the continuing impact of the pandemic on Off Street Parking and the Itchen Bridge. The original expectation was that metered income would rise to 80% of pre covid levels by Quarter 3, but has stabilised at approximately 75% of pre covid levels. Additionally, the forecast included an expectation that season ticket income would increase after September commensurate with a gradual return to office working (although not to pre covid levels). However, there has been no growth in season ticket income since September.
Planning	0.20 A	Income from major scheme planning applications is lower than budget. These are usually small in number but high in value so even a small reduction can materially impact the overall position. There are likely to be a few major applications before the end of March but they are not expected to enable the full budgeted amounts to be reached.

8. HEALTH & ADULT SOCIAL CARE PORTFOLIO

KEY REVENUE ISSUES – QUARTER 3 2021/22

The Portfolio is currently forecast to have a deficit of **£1.09M** for business as usual (BAU) activities, which represents a percentage variance against budget of **1.3%**. The Portfolio forecast variance has moved favourably by **£0.37M** from the position reported at quarter 2.

In addition, there is a **£0.02M** deficit relating to the COVID-19 pandemic, with no movement from the position reported at quarter 2.

	Forecast Variance Qtr 3 £M	Forecast Variance Qtr 2 £M	Movement from Qtr 2 £M	% of budget
Portfolio Outturn business as usual	1.09 A	1.46 A	0.37 F	1.3
COVID-19 Pandemic	0.02 A	0.02 A	0.00	
Total	1.11 A	1.48 A	0.37 F	1.3

A summary of the Portfolio business as usual forecast variance and movement since quarter 2 is shown in the table below:

Service Area	BAU Forecast Variance Qtr 3 £M	BAU Forecast Variance Qtr 2 £M	BAU Variance Movement from Qtr 2 £M
Adults – Adult Services Management	0.11 A	0.12 A	0.01 F
Adults – Long Term	1.06 A	0.75 A	0.31 A
Adults – Provider Services	0.18 A	0.18 A	0.00
Adults - Reablement & Hospital Discharge	0.39 A	0.01 F	0.40 A
Adults – Safeguarding Adult Mental Health & Out of Hours	0.33 A	0.31 A	0.02 A
ICU – Provider Relationships	0.36 F	0.00	0.36 F
ICU – System Redesign	0.14 F	0.11 A	0.25 F
Public Health – Non-ringfenced	0.48 F	0.00	0.48 F
Total	1.09 A	1.46 A	0.37 F

The SIGNIFICANT business as usual movements between quarter 2 and quarter 3 for the Portfolio are:

Service Area	Movement in BAU Forecast Variance Between Qtr 2 and Qtr 3 £M	Explanation
Adults – Long Term	0.31 A	<p>At quarter 3 there has been a £0.31M adverse movement since quarter 2 mainly due to:</p> <ul style="list-style-type: none"> • A £0.45M adverse variance relating to an increase in older people and physical disability residential care package costs due to increased numbers of clients and complexity of care. • A £0.08M favourable variance relating to learning disability client costs due to increased numbers of clients and complexity of care. • A £0.06M favourable variance due to a release of Contain Outbreak Management Funding (COMF) to cover the cost of Care in this area.
Adults - Reablement & Hospital Discharge	0.40 A	<p>As at quarter 3 there is an overall £0.40M adverse movement partly due to a review of the hospital discharge process and the costs incurred as a consequence. This amounts to a £0.56M adverse variance. Further discussions are taking place to review this position and ascertain a further course of action. These costs are partially offset by a £0.08M release of COMF funding and a £0.05M release of Infection Control, Workforce Recruitment & Retention Fund, and Rapid Testing Grant allocations to the Urgent Response Service.</p>
ICU – Provider Relationships	0.36 F	<p>As at quarter 3 there is an overall £0.36M favourable movement partly due to a release of funding from the Public Health Grant for services relating to Public Health and a £0.05M movement relating to additional staff savings.</p>
ICU – System Redesign	0.25 F	<p>As at quarter 3 there is a £0.25M favourable movement mainly due to a £0.14M release of funding from the Public Health grant for services relating to Public Health and a £0.09M favourable variance relating to under usage bed nights at external respite provision for the current financial year</p>
Public Health – Non-ringfenced	0.48 F	<p>There is a favourable movement as at quarter 3 which relates to additional grant funding from the Contain the Outbreak Management Fund (COMF), which is paying for support relating to the Covid Pandemic across the authority.</p>

A summary of the Portfolio COVID-19 forecast variance and movement since quarter 2 is shown in the table below:

Service Area	COVID Forecast Variance Qtr 3 £M	COVID Forecast Variance Qtr 2 £M	COVID Variance Movement from Qtr 2 £M
Adults - Adult Services Management	0.02 A	0.02 A	0.00
Total	0.02 A	0.02 A	0.00

There are no **SIGNIFICANT COVID-19** variance movements between quarter 2 and quarter 3 for the Portfolio.

9. LEADER PORTFOLIO

KEY REVENUE ISSUES – QUARTER 3 2021/22

The Portfolio is currently forecast to have a surplus of **£0.05M** for business as usual (BAU) activities, which represents a percentage surplus against budget of 0.01%. The Portfolio forecast variance has moved favourably by **£0.04M** from the position reported at quarter 2.

In addition, there is a **£0.03M** deficit on the COVID-19 pandemic budget, with no movement from the position reported at quarter 2.

	Forecast Variance Qtr 3 £M	Forecast Variance Qtr 2 £M	Movement from Qtr 2 £M	% of budget
Portfolio Outturn business as usual	0.05 F	0.01 F	0.04 F	0.01
COVID-19 Pandemic	0.03 A	0.03 A	0.00	
Total	0.02 F	0.02 A	0.04 F	

A summary of the Portfolio business as usual forecast variance and movement since quarter 2 is shown in the table below:

Service Area	BAU Forecast Variance Qtr 3 £M	BAU Forecast Variance Qtr 2 £M	BAU Variance Movement from Qtr 2 £M
Corporate Communications	0.00	0.00	0.00
HR Services	0.05 F	0.01 F	0.04 F
Licensing	0.00	0.00	0.00
Strategic Management of the Council	0.00	0.00	0.00
Total	0.05 F	0.01 F	0.04 F

The are no SIGNIFICANT BAU variance movements between quarter 2 and quarter 3 for the Portfolio.

A summary of the Portfolio COVID-19 forecast variance and movement since quarter 2 is shown in the table below:

Service Area	COVID Forecast Variance Qtr 3 £M	COVID Forecast Variance Qtr 2 £M	COVID Variance Movement from Qtr 2 £M
Licensing	0.03 A	0.03 A	0.00
Total	0.03 A	0.03 A	0.00

The are no SIGNIFICANT COVID-19 variance movements between quarter 2 and quarter 3 for the Portfolio.

10. NON-PORTFOLIO EXPENDITURE & INCOME

KEY REVENUE ISSUES – QUARTER 3 2021/22

Non-Portfolio budgets are forecast to have a surplus of **£0.27M** for business as usual (BAU) activities. This is a favourable movement of **£0.27M** from the position reported at quarter 2. In addition, there is a **£1.51M** surplus on the COVID-19 pandemic budget, a favourable movement of **£0.01M** from the position reported at quarter 2.

	Forecast Variance Qtr 3 £M	Forecast Variance Qtr 2 £M	Movement from Qtr 2 £M	% of budget
Business as usual	0.27 F	0.00	0.27 F	N/A
COVID-19 Pandemic	1.51 F	1.50 F	0.01 F	
Total	1.78 F	1.50 F	0.28 F	

A summary of the Non-Portfolio business as usual forecast variance and movement since quarter 2 is shown in the table below:

Service Area	BAU Forecast Variance Qtr 3 £M	BAU Forecast Variance Qtr 2 £M	BAU Variance Movement from Qtr 2 £M
Capital Asset Management	0.60 F	0.00	0.60 F
Other Expenditure & Income	0.60 A	0.00	0.60 A
Non-Specific Government Grants & Other Funding	0.27 F	0.00	0.27 F
Total	0.27 F	0.00	0.27 F

The **SIGNIFICANT** business as usual issues are:

Service Area	Movement in BAU Forecast Variance Between Qtr 2 and Qtr 3 £M	Explanation
Capital Asset Management	0.60 F	A surplus is expected for capital financing due to rephasing and changes to the capital programme.
Other Expenditure & Income	0.60 A	The capital financing surplus for 2021/22 is being carried forward via reserves into 2022/23 to help meet budget pressures.
Non-Specific Government Grants & Other Funding	0.27 F	Grant allocations for housing benefit and council tax support administration and legacy funding for the Independent Living Fund are higher than budgeted for.

A summary of the Portfolio COVID-19 forecast variance and movement since quarter 2 is shown in the table below:

Service Area	COVID Forecast Variance	COVID Forecast Variance	COVID Variance Movement from Qtr 2
	Qtr 3 £M	Qtr 2 £M	Qtr 2 £M
Non-Specific Government Grants & Other Funding	1.51 F	1.50 F	0.01 F
Total	1.51 F	1.50 F	0.01 F

The are no SIGNIFICANT COVID-19 variance movements between quarter 2 and quarter 3.