

## GENERAL FUND REVENUE ACCOUNT OUTTURN 2023/24

A summary of the overall outturn for the General Fund Revenue Account is shown in the table below. A commentary on the variances follows.

Directorate	Final Budget £M	Outturn £M	Outturn Variance £M
Children & Learning	51.43	52.84	1.41 A
Corporate Services	30.85	31.12	0.26 A
Place	42.87	45.30	2.43 A
Strategy & Performance	3.76	3.67	(0.09) F
Wellbeing & Housing	86.93	84.97	(1.96) F
<b>Total Directorates</b>	<b>215.85</b>	<b>217.90</b>	<b>2.05 A</b>
Levies & Contributions	0.09	0.09	0.00 A
Capital Asset Management	9.40	8.48	(0.92) F
Other Expenditure & Income	(22.64)	(21.64)	1.00 A
<b>Net Council Expenditure</b>	<b>202.69</b>	<b>204.83</b>	<b>2.14 A</b>
Council Tax	(115.51)	(115.51)	0.00 A
Business Rates	(49.14)	(49.15)	(0.01) F
Non-Specific Government Grants	(38.04)	(39.08)	(1.04) F
<b>Total Financing</b>	<b>(202.69)</b>	<b>(203.73)</b>	<b>(1.04) F</b>
<b>Deficit before transfer from reserves</b>	<b>0.00</b>	<b>1.10</b>	<b>1.10 A</b>
Transfer from Reserves – Year End Deficit		(1.10)	(1.10) F
<b>(Surplus)/Deficit</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

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

## EXPLANATIONS BY DIRECTORATE

### 1. CHILDREN & LEARNING DIRECTORATE

#### COMMENTARY – OUTTURN 2023/24

The directorate had a deficit of **£1.41M** at year-end, which is a variance against budget of 2.7%. The directorate outturn variance has moved favourably by **£0.34M** from the position reported as at the end of February 2024.

	<b>Final Budget</b>	<b>Outturn</b>	<b>Outturn Variance</b>	<b>% of Budget</b>
	<b>£M</b>	<b>£M</b>	<b>£M</b>	<b>%</b>
<b>Directorate Outturn</b>	<b>51.43</b>	<b>52.84</b>	<b>1.41 A</b>	<b>2.7</b>

A summary of the directorate outturn variance by Service Area is shown in the table below:

<b>Service Area</b>	<b>Final Budget</b>	<b>Outturn</b>	<b>Outturn Variance</b>
	<b>£M</b>	<b>£M</b>	<b>£M</b>
Divisional Management	(5.77)	(6.18)	(0.41) F
Legal (Children's)	0.60	0.29	(0.32) F
Quality Assurance Business Unit	2.40	2.10	(0.30) F
Safeguarding	9.96	9.26	(0.70) F
Children Looked After	29.43	32.62	3.19 A
Care Leavers	0.71	0.98	0.26 A
ICU - Children's Services	0.37	0.34	(0.03) F
Children & Families First	2.60	2.11	(0.49) F
Young Peoples Service	2.68	2.44	(0.24) F
Youth Offending	0.66	0.55	(0.11) F
Stronger Communities	0.02	0.07	0.06 A
Education & Learning	0.83	0.93	0.10 A
Education - Asset Management	0.92	1.39	0.47 A
Education - High Needs	6.09	6.02	(0.07) F

Dedicated Schools Grant	(0.06)	(0.06)	0.00
<b>Total</b>	<b>51.43</b>	<b>52.84</b>	<b>1.41 A</b>

The significant variations and explanations for the Directorate are:

<b>Service Area</b>	<b>Outturn Variance</b>	<b>Explanation:</b>
	<b>£M</b>	
Divisional Management	(0.41) F	<p>The outturn variance is £0.41M favourable. This is due to reduced project costs by focusing projects and change support on a smaller number of key projects as well as increased funding from Family Hub and Supported Families grants to offset staffing costs.</p> <p>The favourable movement of £0.13M from Period 11 relates to additional savings across areas such as staffing, translation costs and court costs.</p>
Legal (Children's)	(0.32) F	<p>The outturn variance is £0.32M favourable. This is following a review of current and future spend between the Service, Legal and Finance teams resulting in lower than expected spend. This spend is reviewed bi-monthly to ensure any potential fluctuations in spend are captured as soon as possible.</p>
Quality Assurance Business Unit	(0.30) F	<p>The outturn variance is £0.30M favourable. This is due to a review of in year non-essential spend around training and development amounting to a £0.25M favourable variance. There is also a £0.05M favourable variance due to a recovery of SCC contributions to the Local Safeguarding Children's Board. This position is net of a £0.23M carry forward of Family Safeguarding Grant.</p>
Safeguarding	(0.70) F	<p>The outturn variance is £0.70M favourable due to the implementation of improvements to reduce costs of expensive and intrusive social care interventions with families by providing efficient and cost effective support for families at the earliest opportunity. Additionally, there are staffing vacancies forecasted within the service teams.</p> <p>The favourable movement of £0.18M from period 11 mainly relates to additional agency and permanent staff savings.</p>
Children Looked After	3.19 A	<p>The outturn variance is £3.19M adverse and relates to several demand pressures within the Children Looked After Teams' placement spend. These adverse variances against budget are detailed below:</p> <p>Residential placements - £1.43M</p>

		<p>SCC Foster Carers - £0.66M</p> <p>Special Guardianship - £0.54M</p> <p>Unaccompanied Asylum Seeking Children costs - £0.23M</p> <p>Children in Care Teams - £0.47M</p> <p>Within the above variances there are savings unachieved of £0.37M in the Fostering and Residential Unit.</p> <p>This has been partially offset by a favourable variance of £0.22M due to staffing underspends in the Fostering, Adoption, Contact, Placements and Phoenix Teams as well as placements spend reduction in Independent Foster Carers. However, within the Foster Care Team there is also a grant carry forward included of £0.08M which reduces this offset to £0.14M.</p> <p>The spend in Children Looked After (CLA) and Pathways for 2023/24 (£32.62M) is significantly below the 2022/23 outturn of £35.29M.</p>
Care Leavers	0.26 A	The outturn variance is £0.26M adverse. This is due to the current number of clients. Mitigating this adverse position has been the use of the Staying Close grant that has been awarded to the service.
Children & Families First	(0.49) F	<p>The outturn variance is £0.49M favourable due to additional cost reductions following allocation of the Family Hubs Grant to the sum of £0.47M, a favourable variance of £0.29M due to a reduction of spend on care contracts in Families Matter and £0.04M in the Families First teams, partially offset by a £0.31M adverse variance for No Recourse to Public Funds spend.</p> <p>The adverse movement of £0.16M since Period 11 relates to a £0.13M adverse movement in No Recourse to Public Funds spend, plus £0.09M allocation of staffing funding elsewhere, partially offset by a £0.06M favourable movement due to an increase in allocation of Family Hub grant funding to offset in year spend.</p>
Young Peoples Service	(0.24) F	The outturn variance is £0.24M favourable due to a £0.49M favourable variance relating to staffing reductions in the Behaviour Resilience Service following cost reduction work between the service and the finance team. This is partially offset by an adverse variance of £0.25M relating to increases in permanent staffing and preventative spend in the Young Peoples Service team.

Education - Asset Management	0.47 A	The outturn variance is £0.47M adverse. Cost mitigations totalling £0.03M have been achieved. A provision of £0.50M has been set aside in reserves to meet expected costs arising from school academisation.
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## **2. CORPORATE SERVICES DIRECTORATE**

### **COMMENTARY – OUTTURN 2023/24**

The directorate has a deficit of **£0.26M** at year-end, which represents a variance of 0.9%. The directorate outturn variance has moved favourably by **£0.92M** from the position reported as at the end of February 2024.

	<b>Final Budget</b>	<b>Outturn</b>	<b>Outturn Variance</b>	<b>% of Budget</b>
	<b>£M</b>	<b>£M</b>	<b>£M</b>	<b>%</b>
<b>Directorate Outturn</b>	<b>30.85</b>	<b>31.12</b>	<b>0.26 A</b>	<b>0.9</b>

A summary of the directorate outturn variance by Service Area is shown in the table below:

<b>Service Area</b>	<b>Final Budget</b>	<b>Outturn</b>	<b>Outturn Variance</b>
	<b>£M</b>	<b>£M</b>	<b>£M</b>
Accounts Payable	0.26	0.51	0.25 A
Accounts Receivable	2.16	2.12	(0.04) F
Business Support	1.78	2.12	0.34 A
Centrally Apportionable Overheads	(7.67)	(7.64)	0.02 A
Corporate Finance	2.94	2.89	(0.05) F
Customer Services	2.20	2.11	(0.09) F
Democratic Representation & Management	2.64	2.61	(0.03) F
HR Services	3.34	3.29	(0.05) F
IT Services	9.35	9.75	0.41 A
Legal Services	1.93	1.62	(0.31) F
Local Taxation & Benefits Services	2.10	2.09	0.00
Pension & Redundancy Costs	5.82	5.55	(0.27) F
Risk Management	1.68	1.53	0.15 A
Supplier Management	1.59	1.37	(0.21) F
Other	0.75	1.19	0.44 A

<b>Total</b>	<b>30.85</b>	<b>31.12</b>	<b>0.26 A</b>
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The significant variations for the directorate are:

<b>Service Area</b>	<b>Outturn Variance</b>	<b>Explanation:</b>
	<b>£M</b>	
Accounts Payable	0.25 A	<p>The adverse variance of £0.25M relates to unachievable prior-year savings targets for charging for the appointeeship service £0.03M; IDEA income £0.05M; renegotiation of payment terms with suppliers £0.03M; greater use of purchase cards £0.11M; and savings for cost reduction of £0.03M. Plus staffing overspends of £0.02M and printing &amp; postage costs of £0.01M. This is offset by £0.03M of income for the recovery of duplicate payments in year.</p> <p>In 2024/25 this adverse position will be resolved by the budget rebasing exercise carried out in year.</p>
Business Support	0.34 A	<p>The adverse variance of £0.34M relates to non-achievement of efficiency targets for the current year of £0.23M, the unfunded pay inflation cost of £0.03M and further salary pressure due to non-achievement of the full vacancy management target of £0.09M.</p> <p>In 2024/25 this adverse position will be resolved through the new Service Centre structure which has been designed to achieve the prior year savings.</p>
IT Services	0.41 A	<p>The adverse variance of £0.41M relates to the unbudgeted cost of the full establishment of staff of £0.56M, a shortfall to budget for capital recharge income of £1.0M and a shortfall in the income from schools of £0.40M, and £0.08M for the unfunded pay award. This is offset by £0.12M for savings within the telecommunications budget and £0.35M for salaries from deleting posts. In addition, a review of licences has resulted in an underspend of £0.52M and after the offsetting costs the other expenses budget has a surplus of £0.64M.</p> <p>The favourable movement of £0.10M since month 11 relates to additional underspends from the review of licences.</p> <p>In 2024/25 this adverse position will be resolved by the budget rebasing exercise carried out in year.</p>

Legal Services	(0.31) F	<p>The favourable variance of £0.31M relates to savings from the removal of two posts of £0.08M; increases in S106 income of £0.04M, salary underspends of £0.13M due to vacancies plus £0.11M of additional income from partnership working; capital recharges and external grant funding. This is offset by £0.04M for the unfunded pay award and minor overspends on supplies and services of £0.01M.</p> <p>The favourable movement of £0.23M since month 11 relates to £0.13M of additional income and £0.10M of salary underspends.</p>
Pension & Redundancy Costs	(0.27) F	<p>The favourable variance of £0.27M relates to a saving from realigning the pensions budget for compensatory added years (CAY) to reflect future forecast expenditure more accurately.</p>
Supplier Management	(0.21) F	<p>The favourable variance of £0.21M is due to a favourable staffing variance and changes to the funding for some posts of £0.37M. Plus additional income of £0.03M from recharges to capital and some minor underspends of £0.02M. This is offset by £0.03M for the unfunded pay award and £0.18M of unachievable procurement savings.</p>



### 3. PLACE DIRECTORATE

#### COMMENTARY – OUTTURN 2023/24

The directorate has a deficit of **£2.43M** at year-end, which represents a variance of 5.7%. The directorate outturn variance has moved favourably by **£0.78M** from the position reported as at the end of February 2024.

	<b>Final Budget</b>	<b>Outturn</b>	<b>Outturn Variance</b>	<b>% of Budget</b>
	<b>£M</b>	<b>£M</b>	<b>£M</b>	<b>%</b>
<b>Directorate Outturn</b>	<b>42.87</b>	<b>45.30</b>	<b>2.43 A</b>	<b>5.7</b>

A summary of the directorate outturn variance by Service Area is shown in the table below:

<b>Service Area</b>	<b>Final Budget</b>	<b>Outturn</b>	<b>Outturn Variance</b>
	<b>£M</b>	<b>£M</b>	<b>£M</b>
Home to School Transport	5.58	8.94	3.36 A
City Services	20.94	21.17	0.24 A
Transport & Planning	13.29	13.71	0.42 A
Environment (excluding City Services)	(6.48)	(7.15)	(0.67) F
Corporate Assets & Estates	5.08	4.35	(0.73) F
Culture & Tourism	3.99	3.49	(0.51) F
Economic Development & Regen	0.58	0.55	(0.02) F
Others	(0.10)	0.23	0.33 A
<b>Total</b>	<b>42.87</b>	<b>45.30</b>	<b>2.43 A</b>

The significant variations for the directorate are:

Service Area	Outturn Variance	Explanation:
	£M	
Home to School Transport	3.36 A	<p>The £3.36M adverse outturn variance is driven by two factors. Firstly, an increase in the unit costs for transport that was experienced in 2022/23 which has increased the average cost of the routes. Secondly, an increase in the numbers of pupils with an Education, Health and Care Plan (EHCP) who are eligible for home to school transport. This factor leads to increased costs of school escorts as well as increased transport costs. There has been a favourable movement in the outturn from the initial forecast by £1.07M because of reducing the number of journeys through route optimisation and retendering journeys that use larger vehicles.</p> <p>The favourable movement since period 11 is due to further cost reductions of £0.51M for the taxi and minibus routes.</p> <p>Further route optimisation and the introduction of a new dynamic procurement system are planned for 2024/25 to mitigate the cost pressures in the service.</p>
City Services	0.24 A	<p>There are adverse positions in Fleet of £0.42M from reduced recharge income due to the change in policy for recharges for older vehicles. A pressure for this has been included in the 2024/25 budget. Landscapes of £0.28M as the service is budgeted to breakeven on the basis that the team would look to generate external customers to ensure overheads could be fully recovered but the service had a significant proportion of internal capital work and therefore unable to fully recover overheads. District Operating Areas of £0.36M from increased operating costs and unachieved savings and other net pressures of £0.10M including Trees team income which has also been included as a pressure in the 2024/25 budget.</p> <p>There is a favourable position in Waste of £0.91M from increased income, including the introduction of a new income stream for electricity generation in the Waste disposal contract, the Waste Improvement &amp; Transformation project intentionally being paused in year to generate a saving whilst waiting for guidance from central government, along with a reduction in forecast disposals costs based on the contract inflation for 2024 being lower than previously estimated.</p> <p>The adverse movement of £0.31M in period 11 is from lower income than estimated in Waste on Dry Mixed Recyclables which is often volatile as it is based on the rates achievable in the materials markets. Along with an adverse movement to reflect the position in Landscapes.</p>

Transport & Planning	0.42 A	<p>There is an adverse variance in Planning of £0.48M due to planning application income being below budget, along with the requirement to fund unbudgeted Local Plan activity undertaken in year. For 2024/25 there have been increases in the statutory planning fees set by government which should alleviate this pressure in the future. There is also an adverse position on Highways Contracts of £0.35M predominately from energy costs associated with Streetlighting. This has been included as a pressure in the 2024/25 budget.</p> <p>There are favourable positions in Transportation and Flood Risk Management of £0.40M from cost control measures implemented in year and Public Health grant funding ultimately covering some budgeted expenditure for active travel.</p> <p>The favourable movement of £0.26M in period 11 is from application of public health funding.</p>
Environment (excluding City Services)	(0.67) F	<p>There is a favourable variance of £0.87M in Parking &amp; Itchen Bridge from new tariffs in city centre car parks generating additional income, along with a wider increase in usage. There is also a favourable position in Environment Health of £0.29M from holding vacant positions and the application of grant funding to existing budgeted spend. Along with a favourable position in the Green Cities team of £0.10M due to staffing vacancies There are also other net favourable variances of £0.07M mainly from cost control measures implemented in year.</p> <p>There is an adverse position on Bereavement Services of £0.48M due to increased recharges from the Coroners service of £0.29M and £0.19M from income at the Crematorium being below budget. There is also an adverse variance of £0.18M on Port Health due to reduced income and a back dated business rate liability.</p> <p>The adverse movement of £0.10M in period 11 is predominately in Bereavement Services from increased recharges from the Coroner and lower than forecast income at the Crematorium.</p>
Corporate Assets & Estates	(0.73) F	<p>There is a favourable variance from in-year savings to remove vacant posts of £0.48M, along with other action of £0.56M to increase staffing recharges to capital and generate external income through Joint Working Arrangements with other authorities. There is a £0.66M favourable variance on corporate landlord energy costs through better rates. There are adverse variances on reactive repairs of £0.47M through increase demand, £0.41M on the investment portfolio mainly due to voids and one off legal costs and £0.15M on Facilities Management.</p>

Culture & Tourism	(0.51) F	<p>There is a favourable position on venues of £0.41M from a reduced business rates liability in relation to Tudor House and SeaCity, along with increased income. There are also favourable positions on Archaeology and Monuments of £0.06M from income generating work and controlling spend on repairs. Along with other cost control measures of £0.03M.</p> <p>The favourable movement of £0.35M from Period 11 included some pressures not being incurred in year, increased venues income and utilising Public Health Grant funding to cover previously reported pressures in Libraries.</p>
Others	0.33 A	<p>There is a historic unachievable directorate wide saving related to agency staff. This has previously been held centrally and applied to relevant services as part of the year end process. As part of budget planning this saving is being removed for 2024/25 and replaced by service specific proposals to ensure the overall cash limit is achieved.</p>

#### 4. STRATEGY & PERFORMANCE DIRECTORATE

##### COMMENTARY – OUTTURN 2023/24

The directorate has a surplus of **£0.09M** at year-end, which represents a variance of 2.5%. The directorate outturn variance has moved favourably by **£0.40M** from the position reported as at the end of February 2024.

	<b>Final Budget</b>	<b>Outturn</b>	<b>Outturn Variance</b>	<b>% of Budget</b>
	<b>£M</b>	<b>£M</b>	<b>£M</b>	<b>%</b>
<b>Directorate Outturn</b>	<b>3.76</b>	<b>3.67</b>	<b>(0.09) F</b>	<b>2.5</b>

A summary of the directorate outturn variance by Service Area is shown in the table below:

<b>Service Area</b>	<b>Final Budget</b>	<b>Outturn</b>	<b>Outturn Variance</b>
	<b>£M</b>	<b>£M</b>	<b>£M</b>
Business Development Management Team	0.20	0.07	(0.14) F
Corporate Communications	0.93	0.73	(0.20) F
Data & Intelligence	0.80	1.11	0.31 A
Projects, Policy & Performance	0.99	0.99	0.00
Strategic Management of the Council	0.84	0.78	(0.06) F
<b>Total</b>	<b>3.76</b>	<b>3.67</b>	<b>(0.09) F</b>

The significant variations for the directorate are:

<b>Service Area</b>	<b>Outturn Variance</b>	<b>Explanation:</b>
	<b>£M</b>	
Corporate Communications	(0.20) F	The favourable variance of £0.20M relates to vacant posts being held empty (pending restructuring) of £0.05M, reductions in advertising expenditure of £0.05M and additional income of £0.17M. This is offset by a pressure of £0.05M relating to salaries as a post within the team met by a recharge from the HRA has not been fully funded, plus £0.02M for the unfunded pay award inflation.

Data & Intelligence	0.31 A	The adverse variance of £0.31M relates to the non-achievement of prior year savings, £0.08M for a review of policy related roles across the organisation, plus unbudgeted staff costs identified following a detailed review of policy and data related roles of £0.23M, this includes unfunded pay award inflation of £0.01M.
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## 5. WELLBEING & HOUSING DIRECTORATE

### COMMENTARY – OUTTURN 2023/24

The directorate has a surplus of **£1.96M** at year-end, which represents a variance of 2.3%. The directorate outturn variance has moved favourably by **£2.11M** from the position reported as at the end of February 2024.

	<b>Final Budget</b>	<b>Outturn</b>	<b>Outturn Variance</b>	<b>% of Budget</b>
	<b>£M</b>	<b>£M</b>	<b>£M</b>	<b>%</b>
<b>Directorate Outturn</b>	<b>86.93</b>	<b>84.97</b>	<b>(1.96) F</b>	<b>2.3%</b>

A summary of the directorate outturn variance by Service Area is shown in the table below:

<b>Service Area</b>	<b>Final Budget</b>	<b>Outturn</b>	<b>Outturn Variance</b>
	<b>£M</b>	<b>£M</b>	<b>£M</b>
Adults - Adult Services Management	1.66	1.40	(0.26) F
Adults - Long Term	34.25	36.07	1.82 A
Adults - Provider Services	4.29	3.80	(0.49) F
Adults - Reablement & Hospital Discharge	8.80	7.81	(0.99) F
Adults - Safeguarding Adult Mental Health & Out of Hours	14.02	13.58	(0.44) F
Domestic Violence	0.56	0.29	(0.27) F
Housing Needs	2.96	3.56	0.60 A
ICU - Provider Relationships	14.69	14.03	(0.66) F
ICU - System Redesign	1.51	1.40	(0.11) F
Leisure Contracts and Leisure Strategy	2.52	1.89	(0.63) F
Public Health	0.19	0.19	0.00
Stronger Communities	0.52	0.23	(0.29) F
Other	0.97	0.73	(0.24) F
<b>Total</b>	<b>86.93</b>	<b>84.97</b>	<b>(1.96) F</b>

The significant variations for the directorate are:

<b>Service Area</b>	<b>Outturn Variance</b>	<b>Explanation:</b>
	<b>£M</b>	
Adult Services Management	(0.26) F	There is a £0.26M favourable variance due to a reallocation of staffing costs to the Ambitious Futures project.
Adults - Long Term	1.82 A	<p>There is a £1.05M adverse variance due to increased costs of care for clients with Learning Disabilities. Similarly, there is a £0.57M adverse variance in relation to care costs for people with Physical Support, Memory &amp; Cognition and Sensory support requirements. There is a £0.32M adverse variance for providing for potential bad debts due to increased levels of outstanding client contribution debt. There is a £0.13M favourable position due to staffing vacancies across the Social Wellbeing and LD operational teams. The overall adverse variance is partially offset by the receipt of central government grants - £1.69M for Market Sustainability and Improvement Fund, plus £0.30M for Urgent and Emergency Care pressures during winter. A sum of £2.00M of unused winter pressures budget was transferred to the Social Care Demand Risk Reserve at year end.</p> <p>There has been a favourable movement of £1.23M since month 11, due to care management costs during winter being less than anticipated and forecast costs not materialising.</p> <p>The 2024/25 budget includes an additional £4.0M for care costs and a further £4.0M for demographic pressures across the whole of the Adult Social Care budget.</p>
Adults – Provider Services	(0.49) F	The £0.49M favourable variance is due to a £0.56M favourable variance for Holcroft House on agency staff and vacancies, replacement of £0.03M funding to Employment Support with Public Health funding and £0.07M due to staff vacancies and purchases. This is partially offset by an adverse variance of £0.07M for the 2023/24 pay award and £0.10M at Kentish Rd respite centre due to additional agency costs to support additional 1:1 support and 2:1 support for complex clients.
Adults - Reablement & Hospital Discharge	(0.99) F	There is a £0.99M favourable variance due to £0.56M from staff vacancies and reductions in agency spend, and application of winter grant funding of £0.25M and Disabled Facilities Grant funding towards occupational therapists of £0.18M.



Adults - Safeguarding Adult Mental Health & Out of Hours	(0.44) F	There is a £0.44M favourable variance, which is made up of a £0.21M adverse variance on the cost of packages of care and a £0.04M adverse variance for the 2023/24 pay award, offset by a £0.69M favourable variance due to vacant posts and delays in recruitment for Deprivation of Liberty Safeguards (DOLS) and Best Interest Assessors (BIA).
Domestic Violence	(0.27) F	The £0.27M favourable variance is from additional grant funding for family safeguarding and is the main reason for a favourable movement of £0.28M from month 11.
Housing Needs	0.60 A	The adverse variance of £0.60M relates to additional homelessness costs over budget of £1.36M, partially offset by £0.18M Public Health funding towards homelessness prevention and £0.6M government funding for the Homes to Ukraine scheme. Homelessness levels continued to increase throughout 2023/24 and increases in Bed & Breakfast costs and private rented accommodation are reducing the level of housing benefit subsidy recovery, putting significant pressure on temporary accommodation costs and irrecoverable housing benefits expenditure.  The 2024/25 budget includes an additional £2.35M in recognition of the pressure on the Housing Needs budget.
ICU - Provider Relationships	(0.66) F	The £0.66M favourable variance is due to a £0.40M favourable variance on the Oak Lodge and Northlands Road BUPA homes because of the Integrated Care Board purchasing unused beds from the block contract, a £0.11M favourable variance as a result of unbudgeted Family Hubs grant funding and £0.15M favourable variance on the Joint Equipment Store contract.  The £0.31M improvement since month 11 is primarily due to the £0.15M favourable variance on the Joint Equipment Store and £0.16M reduction in staffing costs.
Leisure Contracts and Leisure Strategy	(0.63) F	The favourable variance of £0.63M is mostly due to pensions adjustments to contracts including a backdated adjustment for 2022/23 of £0.50M, plus a reduction in the contract values of £0.04M, unbudgeted income of £0.07M and other variances for leisure strategy totalling £0.02M.
Stronger Communities	(0.29) F	The favourable variance relates to vacancy savings within the team of £0.15M, Public Health grant funding of £0.12M and additional income of £0.02M.

## 6. CENTRALLY HELD BUDGETS AND FINANCING

### COMMENTARY – OUTTURN 2023/24

Centrally held budgets had a deficit of **£0.09M** at year-end and Financing budgets had a surplus of **£1.04M**.

	<b>Final Budget</b>	<b>Outturn</b>	<b>Outturn Variance</b>	<b>% of Budget</b>
	<b>£M</b>	<b>£M</b>	<b>£M</b>	<b>%</b>
Centrally Held Budgets	(13.16)	(13.07)	0.09 A	0.7%
Financing	(202.69)	(203.73)	(1.04) F	0.5%

A summary of the outturn variances by service area is shown in the table below:

<b>Service Area</b>	<b>Final Budget</b>	<b>Outturn</b>	<b>Outturn Variance</b>
	<b>£M</b>	<b>£M</b>	<b>£M</b>
Levies & Contributions	0.09	0.09	0.00 A
Capital Asset Management	9.40	8.48	(0.92) F
Other Expenditure & Income	(22.64)	(21.64)	1.00 A
<b>Centrally Held Budgets</b>	<b>(13.16)</b>	<b>(13.07)</b>	<b>0.09 A</b>
Council Tax	(115.51)	(115.51)	0.00 A
Business Rates	(49.14)	(49.15)	(0.01) F
Non-Specific Government Grants & Other Funding	(38.04)	(39.08)	(1.04) F
<b>Financing</b>	<b>(202.69)</b>	<b>(203.73)</b>	<b>(1.04) F</b>

The significant variations are:

<b>Service Area</b>	<b>Outturn Variance</b>	<b>Explanation:</b>
	<b>£M</b>	
Capital Asset Management	(0.92) F	The favourable variance is from reduced capital financing costs following a review of the capital programme and scheme slippage, and better than expected treasury management investment performance.
Other Expenditure & Income	1.00 A	The adverse variance reflects additional contributions to reserves to provide cover for risks and future costs, in line with the CIPFA recommendation to replenish reserves.

Non-Specific Government Grants & Other Funding	(1.04) F	Additional government grants were notified during the year including £0.46M Business Rates Levy Surplus, £0.43M Top-Up Grant adjustment relating to the 2023 Business Rates Revaluation and £0.14M Green Plant & Machinery business rates compensation.
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