

### Budget Variances 2022/23

Directorate / Service	Type	Description	Quarter 3 Total Variance	March Update	Quarter 4 Total Variance
			£000	£000	£000
<b>Adult Social Care</b>					
<b>Adult Social Care - Services</b>					
Cost of living	Third Party Payments	Care costs increase due to inflationary and market pressures	4,900	400	5,300
and other service pressures	Third Party Payments	Care costs for people with long term conditions	5,155	1,795	6,950
Savings, Efficiencies	Third Party Payments	Care Cost for people with Learning Disabilities and Mental Health	(3,707)	(1,414)	(5,121)
and Mitigations	Income	Health contributions for continuing health care eligible people and Section 117	(3,054)	(401)	(3,455)
	Income	Section 256 contributions and hospital discharge funding	(2,775)	985	(1,790)
	Income	Service user contributions	(1,656)	(272)	(1,928)
	Third Party Payments	Use of covid grants for residential and homecare	(257)	0	(257)
	Various	Other miscellaneous variances (each less than £100k)	24	(116)	(92)
	Employee costs	Directorate employee savings net of redundancy costs	(453)	(663)	(1,116)
	Income	Ordinary residence settlement from other councils	0	(382)	(382)
	Various	Training services	0	(131)	(131)
	Reserves	Utilisation of earmarked reserves specific to the service	(415)		(415)
	Use of earmarked reserves	Covid pressures	(113)		(113)
	Use of earmarked reserves	Various others each less than £100k	(235)	134	(101)
	Reserve created	Investment for 2023/24 debt recovery	107		107
<b>Adult Social Care - Services Total</b>			(2,479)	(65)	(2,544)
<b>Commissioning CoE - Adults</b>					
Cost of living	Third Party Payments	Tricuro contract impact of cost of living including energy	171		171
and other service pressures	Income	Service user contributions	226	(204)	22
	Third Party Payments	Home care fee increase		103	103
	Third Party Payments	Hospital discharge related expenditure		2,857	2,857
Savings, Efficiencies	Third Party Payments	Tricuro efficiencies to manage energy cost pressure	(171)		(171)
and Mitigations	Employee costs	Directorate unfilled vacancies	(136)	(84)	(220)
	Various	Other miscellaneous pressures (each less than £100k)	(46)	(22)	(68)
	Income	ASC hospital discharge funding		(2,935)	(2,935)
	Income	Health contributions for Continuing Health Care eligible people and Section 117		(237)	(237)
	Third Party Payments	Delayed transfer of care beds		(136)	(136)
<b>Commissioning Centre of Excellence - Adults Total</b>			44	(658)	(614)
<b>Commissioning CoE Children &amp; Procurement</b>					
Savings, Efficiencies and Mitigations	Various	Miscellaneous pressures (each less than £100k)		(115)	(115)
<b>Commissioning Centre of Excellence - Children and Procurement Total</b>			0	(115)	(115)
<b>Adult Social Care, Commissioning and Public Health Total</b>			(2,435)	(838)	(3,273)

Directorate / Service	Type	Description	Quarter 3 Total Variance	March Update	Quarter 4 Total Variance
			£000	£000	£000
<b>Children's Services</b>					
Cost of living and other service pressures	Third Party Contributions	Health contributions for care placements	1,483		1,483
	School Transport	Non-delivery of SEND transport savings	750		750
	School Transport	SEND / mainstream transport contract including fuel prices	1,350	250	1,600
	School Transport	Mainstream transport - other reasons	(300)	(90)	(390)
	Electricity/Gas costs	Cost inflation	182	(23)	159
	Staffing	Continued need for higher higher use of agency staff	760	198	958
	Staffing	Continued use of purchased team social work team	230	691	921
	Care	Residential care 16-18 savings not deliverable as project not taken forward	211		211
	Care	UASC - pressure of grant deficit for those aged over 18	708	(252)	456
	Care	Care demand pressures	1,810	(256)	1,554
	Reserve created	Investment for 2023/24 commissioning work	0	189	189
Savings, Efficiencies and Mitigations	Review of earmarked reserves	Public Health Partnership use of reserves	(935)	300	(635)
	Service saving	Various in-year service savings (each less than £100k)	(578)	(194)	(772)
	Service saving	Contracts / SLA's / other supplies & building costs		(303)	(303)
	Service saving	Workforce Development, training fees		(206)	(206)
	Employee costs	Existing (pre 1997) early retirement costs		(261)	(261)
<b>Children's Services Total</b>			<b>5,671</b>	<b>43</b>	<b>5,714</b>

Directorate / Service	Type	Description	Quarter 3 Total Variance	March Update	Quarter 4 Total Variance
			£000	£000	£000
<b>Operations</b>					
<b>Housing</b>					
Cost of living and other service pressures	Electricity/Gas costs	Price inflation	155	29	184
	Income pressure	Telecare reduction in income	250	104	354
	Expenditure pressure	Council new build housing acquisition strategy delay	98	72	170
	Expenditure pressure	Housing related support contracts inflationary clause	227	20	247
	Service pressures	Housing options & partnerships	154		154
	Service pressures	Housing benefit subsidy clawback	0	729	729
Savings, Efficiencies and Mitigations	Service saving	Additional one-off dividend from Bournemouth Building Maintenance Ltd	(200)		(200)
	Service saving	Harmonisation of recharges to the two HRA neighbourhood	(100)		(100)
	Service saving	Homelessness prevention grant used to cover costs	(100)		(100)
	Service saving	Risk & Improvement	(154)		(154)
	Service saving	Others miscellaneous savings (each less than £100k)	(393)	(84)	(477)
	Employee costs	Telecare vacancy management	0	(267)	(267)
	Employee costs	Unfilled vacancies across housing options	0	(212)	(212)
	Income	In-house team net income from HRA	0	(430)	(430)
<b>Housing Total</b>			(63)	(39)	(102)
<b>Environment</b>					
Cost of living and other service pressures	Income pressure	Crematorium income pressure	733	443	1,176
	Expenditure pressure	Hydrotreated Vegetable Oil (HVO) costs	196		196
	Expenditure pressure	Reduced volume of waste bin replacements	(280)		(280)
	Expenditure pressure	Waste disposal contract savings	(385)	235	(150)
	Expenditure pressure	Parks catering additional costs		302	302
Savings, Efficiencies and Mitigations	Income	Sales of recyclate material – value and volume	(2,466)	122	(2,344)
	Expenditure	Capitalisation of neighbourhood highways costs less associated borrowing costs	(930)	(47)	(977)
	Income	Sales of waste material from the household waste recycling	(47)	7	(40)
	Income	Green waste income	(378)	(37)	(415)
	Employees	Paused recruitment strategic lead climate change until April 2023	(306)	306	0
	Expenditure	Vehicle Parts	(100)	6	(94)
	Income	Additional commercial income	0	(636)	(636)
	Expenditure	Poole crematorium business rates reduction (backdated)		(194)	(194)
	Service saving	Parks contracts/Borough farms - rents & wayleaves		(177)	(177)
	Employees	Employee costs across Neighbourhood Services		(319)	(319)
	Service saving	Vehicle access		(185)	(185)
	Service saving	Grounds maintenance reduced net costs		(368)	(368)
<b>Environment Total</b>			(3,963)	(542)	(4,505)

Directorate / Service	Type	Description	Quarter 3 Total Variance	March Update	Quarter 4 Total Variance
			£000	£000	£000
<b>Destination &amp; Culture</b>					
Cost of living and other service pressures	Expenditure pressure	BH Live additional income	68	(166)	(98)
Savings, Efficiencies and Mitigations	Service saving	Cultural Compact	(44)	73	29
	Service saving	Festival Coast Live	(95)	(298)	(393)
	Service saving	Cultural development and networking	(100)		(100)
	Reserves	SLM (liesure centres) reserve use	(340)	41	(299)
	Income	Beach hut income		(504)	(504)
	Income	Concessions - change in bad debt provision		(229)	(229)
	Income	Contracts - turnover rents adjustments calculated in arrears		(464)	(464)
<b>Destination &amp; Culture Total</b>			(511)	(1,547)	(2,058)
<b>Coroners</b>					
Cost of living and other service pressures	Expenditure pressure	Increased / complex caseload	100	52	152
<b>Coroners Total</b>			100	52	152
<b>Transport &amp; Engineering</b>					
Cost of living and other service pressures	Expenditure pressure	Car parks, rates increases, card charges and other expenditure items (link with increased income)	650	12	662
Savings, Efficiencies and Mitigations	Income	Car park income faster recovery from covid	(1,081)	(80)	(1,161)
	Income	Beach car park tariffs increased	(359)	0	(359)
	Income	Remove seasonal concession for car parking	(150)		(150)
	Expenditure	Concessionary Fares	(804)	(148)	(952)
	Expenditure	Street lighting (excluding utility pressure)	(353)	189	(164)
	Income	Recharging to capital schemes and service areas	(340)	(176)	(516)
	Reserves	FCERM reserve used for Hamworthy sea wall defences	(260)	1	(259)
	Expenditure	Capitalisation of asset engineering	(125)		(125)
	Various	Various others savings each less than £100k	0		0
	Income	Additional income from capital recharges	(400)		(400)
	Employees	Staffing Establishment/Agency		(290)	(290)
	Expenditure	Routine Maintenance		(382)	(382)
<b>Transport &amp; Engineering Total</b>			(3,222)	(874)	(4,096)
<b>Communities</b>					
Savings, Efficiencies and Mitigations	Service saving	Stopping allocation to development of VRN	(150)		(150)
	Grant income	Recharge of community safety salaries to DA Grant	(25)		(25)
<b>Communities Total</b>			(325)	0	(325)

Directorate / Service	Type	Description	Quarter 3 Total Variance	March Update	Quarter 4 Total Variance
			£000	£000	£000
<b>Planning</b>					
Cost of living and other service pressures	Expenditure pressure	Cost of agency staff	390	8	398
<b>Planning Total</b>			390	8	398
<b>General Operations</b>					
Cost of living and other service pressures	Electricity/Gas costs	Assumed price variations	3,513	(408)	3,105
	Expenditure pressure	Other miscellaneous pressures (each less than £100k)	189	161	350
Savings, Efficiencies and Mitigations	Service saving	Other miscellaneous savings (each less than £100k)	(2,422)	(1,189)	(3,611)
	Expenditure	Cleaner, Greener, Safer	(248)	(396)	(644)
<b>Operations Directorate General Total</b>			1,032	(1,832)	(800)
<b>Operations Total</b>			(6,562)	(4,774)	(11,336)

Directorate / Service	Type	Description	Quarter 3 Total Variance	March Update	Quarter 4 Total Variance
			£000	£000	£000
<b>Resources &amp; Transformation</b>					
<b>Customer &amp; Service Delivery</b>					
Cost of living/service pressures/savings	Electricity/Gas costs	Facilities Management price variations	435	(43)	392
	Repairs & Maintenance	Corporate repairs & maintenance		207	207
	Office costs	Poole and Christchurch Civic Centres	527	(131)	396
	Employee costs	Business Support	0	312	312
	Employee costs	Customer Services - underspending against £1.5m allocation	(950)	(274)	(1,224)
	Expenditure	Library PFI Contract inflationary clause	150	(58)	92
	Service savings	Other less than £100k	(120)	(81)	(201)
Customer & Service Delivery Total			42	(68)	(26)
<b>Resources &amp; Transformation</b>					
Cost of living/service pressures/savings	Employee costs	Major projects team unfunded salaries	70	53	123
	Employee costs	Audit & Management Assurance	(232)	(7)	(239)
	Employee costs	Human Resources	(127)	38	(89)
	Employee costs	Regeneration - vacancies / unused contingency	(300)	(163)	(463)
	Employee costs	IT, Data & Analytics	(176)	15	(161)
	Third Party Payments	Software contracts inflationary clause - resources	157		157
	Third Party Payments	Software contracts inflationary clause - SVPP, dev, customer	14		14
	Reserve created	Development of Mosaic Care System after data migration	250		250
	Service pressures	Bank Charges	127	39	166
	Service pressures	External audit fees - additional audit work over several years		233	233
	Income pressure	Reduced Land Charges income	177	(29)	148
	Service pressures	Registrars additional employee costs not covered by higher income as planned	106	45	151
	Service savings	Other miscellaneous variances (each less than £100k)	(519)	(19)	(538)
	Expenditure	Housing benefit - reduction in bad debt provision and increase in housing benefit overpayment income	0	(1,133)	(1,133)
	Service saving	Stour Valley and Poole Partnership - share of underspend and vacancy management	(316)	(822)	(1,138)
	Service saving	Elections - separate corporate budget established	(155)	0	(155)
	Expenditure	IT saving - telephones / mobile phones and printing	0	(211)	(211)
	Expenditure	External legal expert advice	0	(127)	(127)
	Expenditure	Insurance premium	0	(180)	(180)
	Income	Additional insurance income	0	(173)	(173)
	Income	Additional legal income - charge to capital programme	0	(126)	(126)
	Transformation	Recharge to transformation funded from FUCR	3,500	500	4,000
	Transformation	Delay in incurring costs of new licenses due to judicious system implementation planning.	(1,000)	(45)	(1,045)
	Transformation	Shortfall against transformation target	1,595	0	1,595
Resources & Transformation General Total			3,171	(2,112)	1,059
<b>Resources &amp; Transformation Total</b>			<b>3,213</b>	<b>(2,180)</b>	<b>1,033</b>

Directorate / Service	Type	Description	Quarter 3 Total Variance	March Update	Quarter 4 Total Variance
			£000	£000	£000
<b>Central Budgets</b>					
Cost of living and other service pressures	Various	Other miscellaneous pressures (each less than £100k)	(34)	272	238
	Employee costs	Pay award above budget at £1,925 per FTE	4,139	0	4,139
	Employee costs	Transformation redundancy costs unable to be funded from the FUCR (new regulations from 1 April 2022)	889	0	889
	Investment Property	Increase in property-related provisions and impact of new rental agreements	0	1,039	1,039
Savings, Efficiencies and Mitigations	Income	Additional treasury management income due to higher interest rates and additional funding in advance of spend.	(1,930)	24	(1,906)
	Earmarked Reserve	Release transformation mitigation earmarked reserve not utilised as planned in 2021/22	(1,949)	0	(1,949)
	Grant Income	Contain outbreak management fund resources brought forward used for already planned expenditure	(1,851)	414	(1,437)
	Grant Income	Anticipation that the final reconciliation of the Covid 19 Sales, Fees and Charges grant claim will be approved	(1,402)	0	(1,402)
	Contingency	Contingency unused	(2,186)	0	(2,186)
	Income	Beach hut income restored from not taking forward the special purpose vehicle	(3,700)	0	(3,700)
	Corporate Provisions	Bournemouth Development Company (BDC) released portion of provision as developments are progressing	(1,000)	0	(1,000)
	Minimum Revenue Provision	Winter Gardens finance loan	(304)	0	(304)
	Employee costs	Government removal of 1.25% national insurance levy from November 2022	(583)	0	(583)
	Electricity/Gas costs	Utility cost variation from government support package	(100)	0	(100)
	Provisions	Provision to mitigate loan payments to BCP Future Places Ltd	0	4,000	4,000
	Provisions	Insurance provision increased following review of cases	0	2,000	2,000
	Income	Funding for 2022/23 in final government settlement for 2023/24	(458)	0	(458)
<b>Central Budgets Total</b>			<b>(10,469)</b>	<b>7,749</b>	<b>(2,720)</b>
<b>Grand Total</b>			<b>(10,582)</b>	<b>0</b>	<b>(10,582)</b>