

## Appendix A1: Revenue Projected Budget Variances by Service Area 2023/24

1. The projected outturn for each directorate is shown in the tables and narrative below:

### Wellbeing

2. The Wellbeing directorate includes adult social care, public health services, commissioning teams for adults and corporate procurement, plus housing and community transferred in from Operations in quarter two. A £5.6m surplus is projected at quarter three as detailed in the table below:

Q2 Report Variance £000's	Service	Working budget £000's	Forecast £000's	Q3 Report Variance £000's
	<b>Adult Social Care</b>			
7,708	Care – Long Term Conditions	92,871	103,090	<b>10,219</b>
(713)	Care – Learning Disabilities & Mental Health	70,858	65,920	<b>(4,938)</b>
(181)	Employees	24,491	24,194	<b>(297)</b>
(2,994)	Client Contributions	(24,634)	(29,618)	<b>(4,984)</b>
(512)	CHC, Joint Funding & Sec 117 Mental Health	(12,574)	(13,850)	<b>(1,276)</b>
(3,366)	Section 256 NHS funding	0	(3,162)	<b>(3,162)</b>
(477)	Other Funding: grants, other authorities, Health.	(23,585)	(23,552)	<b>33</b>
(56)	Other services: training, running costs, etc.	550	543	<b>(7)</b>
<b>(591)</b>	<b>Total Adult Social Care Net budget:</b>	<b>127,977</b>	<b>123,565</b>	<b>(4,412)</b>
	<b>Commissioning</b>			
9	ASC: Care and contracts (incl. LATC)	26,405	26,691	<b>286</b>
19	ASC: Employees	2,490	2,698	<b>208</b>
(55)	ASC: Client contributions	(1,624)	(1,557)	<b>67</b>
(24)	ASC: Income from Health (Sec 256)	(4,392)	(5,674)	<b>(1,282)</b>
(38)	ASC: Specific grants & Gov. funding	(27,924)	(27,962)	<b>(38)</b>
2	ASC: Other services, voluntary sector, projects.	410	951	<b>541</b>
(162)	Corporate Procurement	1,218	982	<b>(236)</b>
<b>(249)</b>	<b>Total Commissioning Net budget:</b>	<b>(3,417)</b>	<b>(3,871)</b>	<b>(454)</b>
	<b>Housing</b>			
(913)	Housing Options and Partnerships	5,493	5,486	<b>(7)</b>
0	Neighbourhood Services	(2,215)	(2,531)	<b>(316)</b>
(24)	Risk and Improvement	363	281	<b>(82)</b>
(937)	Housing Total	3,641	3,236	<b>(405)</b>
	<b>Communities</b>			
(337)	Community Engagement	685	364	<b>(321)</b>
20	Regulatory Services	2,801	2,821	<b>20</b>
18	Safer Communities	835	874	<b>39</b>
0	Service Management	318	318	<b>0</b>
(22)	Strategic Community Safety	575	553	<b>(22)</b>
(321)	Communities Total	5,214	4,930	<b>(284)</b>
<b>(1,258)</b>	<b>Housing &amp; Communities Total</b>	<b>8,855</b>	<b>8,166</b>	<b>(689)</b>
0	<b>Public Health (fully funded by government grant)</b>	<b>0</b>		
<b>(2,094)</b>	<b>Wellbeing Total</b>	<b>133,415</b>	<b>127,860</b>	<b>(5,555)</b>

## **Adult Social Care and Commissioning**

3. Care cost pressures for people with long term conditions continued to increase in the third quarter of 2023/24. £1.5m above budget is due to complex packages fully funded from additional one-off Section 256 transfers from Health, for people discharged from hospital prior to their Care Act assessment. Demand for care home placements averaged at 1066 beds per week during quarter 3 (7% above budget) and the average weekly fee of £1,113 was 4% above budget. The demand for home care packages averaged 19,000 hours per week (14% above budget), although this pressure is partially mitigated by lower take up of direct payments.
4. The cost of care for people with Learning Disabilities and Mental Health shows an underspend due to a combination of delayed demand (64 people) lower needs than previously anticipated and delays with mental health hospital discharges.
5. Employees savings is due to ongoing vacancies because of expenditure control measures and some recruiting difficulties.
6. Additional client contributions above budget are expected due the additional caseload for people with long term conditions. However, we recognise that a proportion can be considered ongoing and therefore the 2024/25 budget will be increased accordingly. Deferred payments income forecast is £1.4m above budget, this too can be partially considered as ongoing income and the 24/25 budget has also been increased accordingly.
7. Additional income from the NHS for continuing health care (CHC) eligibility. Again, a proportion is expected in line with the additional caseload for people with long term conditions, but there is also a recognition that a proportion can be considered as ongoing additional recoupment therefore the 2024/25 budget will be increased accordingly.
8. The Council is intending to make use of transfers from Health under Section 256 agreements to fund legacy and ongoing pressures as a direct result of hospital discharge and new ways to assess, noting that this is temporary one-off funding and hospital discharge arrangements and funding will be looked at afresh for the new financial year.
9. The Commissioning Directorate is experiencing variances of a smaller order with the largest variance being health funding from continuing health care eligibility recoupment and use of one-off Section 256 transfers for care arrangements commissioned in block that also benefit Health. Corporate Procurement is anticipated to deliver employee savings due to vacancy drag and corporate stationery savings.
10. There are risks associated with the continuing increase cost of residential care homes fees, capacity in the home care market and demand for care from both hospital discharges and the community over the next months of this financial year. The current projections reflect known factors as at quarter two.
11. There are further financial risks due to Section 117 (6) Mental Health Act 1983 Accommodation Plus as noted in Appendix 10, Section 25 of the Budget 2024/25 and MTFP report on the February 2024 Cabinet Agenda.
12. The Department of Health and Social Care (DHSC) has launched the accelerating reform fund (ARF). The aim of the ARF is to address barriers to adopting innovative practices and build capacity and capability in adult social care. In order to participate, local authorities need to form consortia with other local authorities in their integrated care system (ICS) geography. The total provisional allocation for the Dorset ICS consortia is £732,000 with £369,000 for BCP Council and £363,000 for Dorset Council. The first tranche will be paid in March 2024 with the amount not yet known and given the short notice of the allocation, the majority will be carried forward in reserves at the year end.

13. The council will receive the supplemental substance misuse treatment and recovery grant and the inpatient detoxification grant for the third year of the improvement plan. The allocation of the supplemental grant for BCP in 2024/25 will increase by £558,476 to £1,429,548. The detoxification grant will remain fixed at £76,246. The rough sleepers drug and alcohol treatment grant allocation for the third year will remain at £971,197 and the drug and alcohol housing support grant will remain at £594,300. As in previous years, the eligibility of the four grants above is dependent on maintaining existing investment from the public health grant and will be confirmed following submission of spending plans.

### **Housing & Communities**

14. The housing options & partnerships variance identified at quarter two has almost been eliminated following a reduction in the funding projection for the Homes for Ukraine grant with amounts applied towards staffing, management, and overhead costs reduced.
15. The challenges around balancing the cost of bed & breakfast and temporary accommodation with the increased demands on the service continue. The in-year homelessness prevention grant (HPG) will be fully utilised this year but the impact on the reserve balance is being mitigated by use of other grants where permitted, and by continually reviewing the committed spend. It is expected a balance of £1.7m will be retained to carry forward into 2024/25 to allow plans for alternative accommodation options to progress.
16. Within neighbourhood services further savings have been identified since last quarter leading to a £0.3m favourable position. Additional income from photovoltaic (PV) panels was previously unknown due to a delay in information and the risk and improvement staffing costs have reduced due to vacant positions held.
17. Community engagement sees minimal change on the second quarter. There has been unbudgeted grant income from the homes for Ukraine scheme, and reduced expenditure due to delay in finalising new contracts.

### **Children's Services**

18. The services within the Children's are projecting a £3.1m overspend at quarter three as detailed below:

<b>Q2 Report Variance £000's</b>	<b>Service</b>	<b>Working budget £000's</b>	<b>Forecast £000's</b>	<b>Q3 Report Variance £000's</b>
(4,424)	Management & Commissioning	7,789	2,294	(5,495)
0	Grant Income	(6,063)	(6,063)	0
2,586	Safeguarding & Early Help	13,429	16,728	3,299
4,182	Corporate Parenting & Permanence	45,204	50,869	5,664
301	Quality, Performance Improvement & Governance	4,483	4,883	401
(592)	Education & Skills	20,883	20,153	(730)
0	Partnerships	2,195	2,195	0
<b>2,054</b>	<b>Children's General Fund Total</b>	<b>87,920</b>	<b>91,059</b>	<b>3,139</b>

19. Children's Services management incorporates various budgets including the overall service agency budget. This is held centrally as the agency use within individual service units fluctuates based on demand and vacant positions. The forecast variance is directly offsetting the staffing overspends shown in all other directorates as described below.

20. Safeguarding & early help has the highest use of agency as the front door teams (multi-agency safeguarding hub (MASH)/assessment/children & families first) are predominately the most challenging social worker posts to fill permanently. The variance has increased since quarter two due to the recruitment of several ASYE (additional supported year of employment) newly qualified social worker posts which have required a full agency member of staff to support as ASYE's are unable to hold full caseloads. The long-term benefit is to have our own resource of social workers working up and through the system rather than the high reliance on agency social workers, commonly referred to 'grow your own'.
21. The agency use within corporate parenting & permanence relates to the children in care teams. The service continues to work to reduce the level of over-established agency social workers. The agency were above establishment levels to stabilise the service and support quality assurance activities.
22. Staffing pressure within quality, performance improvement & governance relates to additional independent reviewing officer (IRO) posts required to manage the increased level of case work. In addition to the additional IRO posts there has been a necessity to extend the term of the agency IRO workers, so they are now expected to be in the team until the end of March 24.
23. The improved position within the education and skills directorate reflects continued vacancies within some teams. The net variance continues to include pressure from the educational psychology service due to difficulties recruiting.
24. Considerable work has been undertaken to review the forecast cost of all children in care (CiC) placements. The pressure is shown within corporate parenting & permanence directorate. There has been a further increase in the number of CiC since quarter two, with the number rising from 535 to 550. A high number of these additional placements are residential based settings, with an average annual cost of £0.347 million.
25. A demand and mitigation programme has been developed with specific reference to seeking efficiencies within various workstreams relating to care placements. Specifically looking at all placements for those aged over 18 and those with residential placements over 16 and under 12 plus all unregistered placements. An assumption of reduced in year spend was included in the quarter two forecast variance but due to increased demand the net effect of any mitigations is not seen, and the forecast cost of placements has increased.
26. The services are continuity reviewing the use of agency staff and with the ongoing recruitment campaign to attract and retain qualified social workers, there is an aspiration to further reduce the cost incurred from high agency premium.

## **Operations**

27. On 1 April 2023 Operations restructured to provide a focus on commercialisation, place-shaping and consolidation of services. In September 2023 following the Cabinet decision to bring the work of FuturePlaces in house a new directorate was formed in Operations called investment and development. The finance structure, accounts and budgeting needed to be updated to reflect all these changes with some work still in progress at the end of quarter three.
28. The services are projecting a budget deficit of £4.8m at quarter three as detailed in the table below:

Q2 Report Variance £000's	Service	Working budget £000's	Forecast £000's	Q3 Report Variance £000's
	<b>Commercial Operations</b>			
221	Leisure Centres	(168)	(251)	(83)
(557)	Seafront	(5,349)	(6,032)	(683)
(134)	Tourism & Events	1,470	1,336	(134)
2,468	Parking	(17,767)	(15,195)	2,572
<b>1,998</b>	<b>Commercial Operations Total</b>	<b>(21,814)</b>	<b>(20,142)</b>	<b>1,672</b>
	<b>Environment</b>			
159	Highways Delivery	1,756	1,830	75
102	Waste & Cleansing – green waste	8,675	8,557	(119)
91	Parks Operations	5,733	6,107	374
473	Bereavement	(1,124)	49	1,173
116	Coroners & Mortuary Service	1,195	1,193	(2)
0	Service Management	805	780	(25)
191	Strategic Waste	15,829	15,844	15
0	Greenspace & Conservation	729	729	-
(420)	Transport & Operating Centres	5,445	4,825	(620)
0	Passenger Transport	196	(90)	(286)
<b>712</b>	<b>Environment Total</b>	<b>39,242</b>	<b>39,827</b>	<b>585</b>
	<b>Planning &amp; Destination</b>			
(45)	Planning Policy	369	431	62
1,469	Development Management	(979)	1,070	2,049
0	Planning Enforcement	488	434	(54)
62	Design & Heritage	392	330	(63)
108	Planning Arboriculture/Landscape	346	405	59
0	Planning Research, GIS, & Info	150	90	(60)
(67)	Smart Places	118	2	(116)
(8)	Economic Development	630	537	(93)
	Destination	143	143	0
	Service leadership	339	151	(188)
<b>1,518</b>	<b>Planning &amp; Destination Total</b>	<b>1,999</b>	<b>3,594</b>	<b>1,595</b>
	<b>Infrastructure</b>			
(7)	Building Control	173	421	248
(124)	Asset Engineering	4,178	4,145	(32)
32	Flood & Coastal	858	922	63
161	Network Management	1,690	1,621	(70)
154	Sustainable Travel	8,888	8,718	(170)
73	Transport Development	690	690	0
0	Transport Improvement	30	30	0
0	Transport Management	206	206	0
(41)	Engineering	1,319	1,739	420
	Service Leadership	215	215	0
<b>248</b>	<b>Infrastructure Total</b>	<b>18,246</b>	<b>18,705</b>	<b>459</b>
	<b>Investment and Development</b>			
(131)	Housing Delivery	304	238	(66)
636	Regeneration activity brought in-house	0	636	636
0	Regeneration Delivery	700	700	0
<b>505</b>	<b>Investment and Development Total</b>	<b>1004</b>	<b>1,574</b>	<b>570</b>

Q2 Report Variance £000's	Service	Working budget £000's	Forecast £000's	Q3 Report Variance £000's
	<b>Customer, Arts, &amp; Property</b>			
(3)	Libraries	6,575	6,572	(3)
0	Customer Services	2,789	2,686	(103)
(29)	Out of Hours / Telecare	215	186	(29)
(167)	Poole Museum	710	543	(167)
0	Russell Cotes Museum	537	535	(2)
(2)	Arts Development	416	414	(2)
(1)	Cultural Partners / Compact	972	971	(1)
286	Facilities Management	6,475	6,828	353
0	Public Toilets	439	529	90
(700)	Construction works and other income	(1,175)	(1,875)	(700)
200	Business Support	7,140	7,473	333
<b>(413)</b>	<b>Customer, Arts, &amp; Property Total</b>	<b>25,094</b>	<b>24,862</b>	<b>(232)</b>
<b>120</b>	<b>Operations Strategy</b>	<b>(22)</b>	<b>121</b>	<b>143</b>
<b>4,688</b>	<b>Operations Services</b>	<b>637,750</b>	<b>68,642</b>	<b>4,793</b>

### Commercial Operations

29. Commercial income has remained slightly below expectations due to poor weather conditions during summer 2023. A partial recovery was experienced during September when the weather improved. However, the income target of roughly £1m per week will prove challenging if the poor weather is experienced again in early spring.
30. Significant work has been carried out by teams to reduce costs, such as altering operational hours of facilities as well as bringing in increased fees and charges, where possible ahead of the 2024/25 financial year to support the in-year budget position as well as taking decisions early to bring forward financial savings.
31. Car parking income is on track to meet targets for pay and display parking, this has high costs associated with it and mitigations have been put in place to reduce this in the short term with longer terms strategies being developed.
32. The income forecast for leisure centres and park concessions remains below budget, including contract income from BH Live leisure centres. This has been mitigated by savings in discretionary expenditure, mainly equipment and repairs and maintenance.
33. The seafront trading income projection remains lower than forecast and this has been offset with reduced expenditure in areas such as repairs and maintenance.
34. The tourism and events variance due to previously undelivered festival savings noted at quarter one, has been mitigated through generating additional external funding for the Christmas lights and savings in delivering other festival and events.

### Environment

35. The overspend for environment services identified last quarter has been reduced from £0.7m to £0.6m overall at quarter three.
36. The waste and cleansing net underspend £0.1m is from pressures on materials, external services, and overtime incurred to support the summer season, offset by additional green waste income due to 2024 fee increase from January benefitting the final quarter.
37. Parks operations is forecasting a pressure of £0.4m due to pressure on the arboriculture budget following recent severe weather events necessitating additional statutory safety measures and repairs outside of the services control.

38. Staffing costs are ahead of budget as positions are unable to be left vacant to achieve the salary vacancy drag corporately allocated to all salary budgets.
39. Bereavement services continues to experience pressure on income due to cremation and memorial numbers dropping. This is linked to neighbouring private operators of similar services, as well as national ones for direct cremation. An income shortfall of £1.2m is now projected representing a continuation of the unexpected £0.5m reduction in quarter four of 2022/23 plus a further reduction of £0.7m now forecast based on the level of bookings in the second half of the year. The projection had previously anticipated the normal winter seasonal increases, but these have not materialised.
40. The transport and operating centres are projecting an underspend of £0.6m. This positive outcome can be primarily attributed to significant fuel savings, as the rates have consistently remained below budget. Moreover, demand is lower than expected for vehicle hire and workshop income is ahead of budget.
41. The underspend of £0.3m in passenger transport is due to maintaining vacancies and reduced operational running costs. This can be attributed to the ongoing recovery from the effects of Covid, the service restructure in social care and implementation of the expenditure freeze.

### **Planning & Destination**

42. The planning service is projecting a net pressure of £1.6m.
43. £0.4m of this is projected costs to be incurred due to a planning appeal received in quarter three.
44. £1.6m is due to agency staff spend. A restructure of this service has been implemented and will lead to recruitment to permanent posts. The service is investigating all options to reduce agency spend without degrading the service.
45. Additional income has been achieved this quarter from planning performance agreements and pre-application advice.

### **Infrastructure**

46. The £0.4m overspend is caused by cost increases in design, materials, added legal costs and other inflationary rises.
47. Building control is showing a downturn due to market forces and a competitive market position.
48. Further significant recharge of engineering work and officer time is still expected during the final quarter which will help to reduce the current pressure as will control in quarter four spend across the whole of the infrastructure directorate.
49. Heads of service are working with teams to identify further spend restrictions to improve the outturn position.

### **50. Investment and Development**

51. The formation of the new investment and development (I&D) directorate brings together the housing delivery team, regeneration commissioning & delivery team and staff members of the former FuturePlaces (FP) company. A restructure is proposed that will fully integrate the FP team into BCP in terms of reporting structures and terms and conditions. Temporary reporting arrangements pending the restructure have however been working successfully. The on-going TUPE arrangements will come to an end on completion of the restructure.

52. The new I&D directorate provides an opportunity to co-locate groups of staff members with similar and complementary skills sets and professional disciplines adding value to the housing delivery programme and the key regeneration priority projects at Holes Bay, Dolphin Leisure Centre and Bournemouth International Centre. The closure of FuturePlaces brings a planned pressure of £0.6m into the new I&D directorate for the period from 1 November 2023.

### **Customer, Arts, & Property**

53. There is a surplus overall for customer, arts and property of £0.2m at quarter three but lower than that reported at quarter two.
54. Customer services have achieved savings of £0.2m from holding vacancies, and reduced costs from the expenditure control.
55. Poole Museum is closed for major refurbishment resulting in £0.2m of savings across its budget lines including business rates and supplies and services.
56. There are significant pressures within facilities management of £0.5m from the delay in disposing of the former civic centre buildings and with general running costs still being incurred. This has increased more than expected in quarter three due to general inflationary pressures. It may be possible to reduce the pressure by £0.1m through capitalising costs of replacement equipment.
57. A surplus is projected within construction and the repairs and maintenance teams of £0.5 million to reflect additional work undertaken for capital schemes and BCP homes (HRA), and a further dividend of £0.2m has been agreed by the board of Bournemouth Building and Maintenance Ltd.
58. Business support had an ambitious staff saving target which has been difficult to achieve due to lower staff turnover than expected. There has been a hold on recruitment and there are many vacancies across the business support teams which has mitigated the impact to an overspend of £0.3m.

### **Executive & Resources**

59. The Resources directorate has been refocused on professional support services in 2023/24 with a range of services, such as facilities management, regeneration activity, customer and business support moving to Operations. The projection at quarter three is a surplus of £0.7m.

<b>Q2 Report Variance £000's</b>	<b>Service</b>	<b>Working budget £000's</b>	<b>Forecast £000's</b>	<b>Q3 Report Variance £000's</b>
72	Executive	953	1,046	93
<b>72</b>	<b>Executive Total</b>	<b>953</b>	<b>1,046</b>	<b>93</b>
437	Law and Governance	4,548	5,034	486
(57)	Marketing, Comms and Policy	2,741	2,093	(648)
0	People and Culture	2,117	2,118	1
(816)	Finance	14,965	14,404	(561)
(82)	IT and Programmes	13,685	13,625	(60)
<b>(518)</b>	<b>Resources Total</b>	<b>38,056</b>	<b>37,274</b>	<b>(782)</b>
<b>(446)</b>	<b>Executive &amp; Resources Total</b>	<b>39,009</b>	<b>38,320</b>	<b>(689)</b>

60. Executive have carried some vacancies for part of the year, but this has been offset by agency costs and associated recruitment expenditure resulting in an overall overspend.
61. Law & governance remains relatively unchanged from the second quarter. Democratic services have been able to create savings from the expenditure control and in year savings identified. The cost of the legal team's locums remains a pressure at £0.2m compounded by the vacancy factor as the workload demands means the service are unable to carry any unfilled positions. There is an assumption some locum contracts will cease prior to year-end. If this does not materialise there is a risk the overspend could increase.
62. A significant factor in the £0.4m overspend overall is the downturn in income in the service. The registrars' service continues to experience challenges in achieving its income target as the service has not grown as envisaged to fund additional staff costs. The pressure on land charges continues to rise currently forecast at a £0.1m shortfall due to the ongoing stagnation in the property market.
63. The underspend within marketing, communications & policy has arisen in part from vacancies in the communications and climate teams of £0.3m where recruitment was planned but it has been difficult to appoint. The climate budget has been underutilised this year realising a saving of £0.26m as a result of expenditure controls in place and projects not progressing due to lack of staff resource. There has been additional grant income from the transforming cities fund and homes for Ukraine as well as advertising income achieving £0.1m of unbudgeted income.
64. The underspend previously reported within finance has reduced due to less grant funding being allocated than previously anticipated. Overall, there has been some variations on staffing across the departments, but savings have been achieved and the expenditure controls in place have contributed to this.
65. IT and programmes have remained consistent since last reporting quarter. There have been fluctuations across the service overall, but the reduction of the staffing cost pressure has been maintained within the projects team by carrying vacant positions and recharging some costs to services for specific projects.

### **Corporate Budgets**

66. Corporate budget variances and one-off items that impact on the outturn for 2023/24 are shown in the table below with a surplus of £4.9m projected at quarter three.
67. The position has improved over quarter three from the almost balanced position reported last time due largely to changes in provisions made for debt repayments as agreed through the updated treasury management policy. There is some offset for new pressures recognised, the most significant being a lower transfer of staff costs to the transformation programme than previously envisaged.
68. The table below provides a summary of the main variances:

Q2 Report Variance	Service	Working budget	Forecast	Q3 Report Variance
£000's		£000's	£000's	£000's
	<b>Ongoing variances</b>			
4,800	Pay award 2023/24	3,987	8,497	<b>4,510</b>
(2,501)	Utilities (Electricity / Gas) price movement	0	(2,501)	<b>(2,501)</b>
(1,009)	Business rates adjustment	(49,825)	(50,834)	<b>(1,009)</b>
(207)	Capital direction repayment (avoided)	207	0	<b>(207)</b>
(99)	Public Health Grant (additional supporting services)	0	(99)	<b>(99)</b>
	Revenue transfer to transformation	(3,200)	(835)	<b>2,365</b>
	<b>One off variances</b>			
(2,225)	Budget Contingency	2,225	0	<b>(2,225)</b>
(1,552)	Redundancy costs (non-transformation)	2,070	518	<b>(1,552)</b>
(730)	Treasury management interest income	(2,525)	(3,175)	<b>(650)</b>
(628)	VAT rebate	0	(628)	<b>(628)</b>
(806)	Pay & grading project	991	185	<b>(806)</b>
(347)	Provisions release	0	(1,360)	<b>(1,360)</b>
(86)	Other one-off items	0	(86)	<b>(86)</b>
200	Website improvements	0	200	<b>200</b>
6,671	Unidentified transformation savings non-delivery	0	6,671	<b>6,671</b>
0	Orderly closure of FuturePlaces Ltd	0	525	<b>525</b>
(1,400)	Prudential Borrowing Repayment	4,290	2,890	<b>(1,400)</b>
0	Minimum Revenue Provision	9,199	0	<b>(9,199)</b>
0	Voluntary Revenue Provision	0	2,963	<b>2,963</b>
0	Investment Properties	(5,034)	(5,034)	<b>0</b>
0	Council Tax Income	(243,798)	(243,798)	<b>0</b>
0	Other Corporate Items	(42,679)	(42,679)	<b>0</b>
<b>81</b>	<b>Corporate Total</b>	<b>(324,092)</b>	<b>(328,580)</b>	<b>(4,488)</b>

69. Estimated pay award is more than allowed in the original 2023/24 budget by £4.5m based on the latest offer to the unions, which has now been accepted and was paid in November 2023.
70. Utilities are budgeted within services with these budgets reduced by £2.5m and the saving taken centrally to reflect price adjustments since the budget was set in February.
71. Business rates payable to government is projected with a favourable adjustment of £1m, which will apply until the central calculation method is reset.
72. The capital direction expected to be drawn down when the budget was set was avoided as the outturn for 2022/23 was better than expected. The related borrowing costs of £0.2m have therefore been avoided.
73. The budget contingency of £2.2m is used to offset the anticipated net pressures.
74. Redundancy costs that cannot be charged to the transformation programme (where only statutory amounts can be included) are expected to be 75% lower than budgeted at £1.6m based on the experience in 2022/23. This was likely impacted by the high level of vacancies across services which is on-going.

75. Treasury management income is projected to be higher than budget by £0.7m as the returns on investments is linked to base rate movements and these are higher than anticipated.
76. A VAT rebate of £0.6m has been received following a recent national case for VAT charged on leisure services provided by local authorities.
77. The pay and grading project budgeted to conclude during 2023/24 with a net increase in the council's pay bill has been delayed. Agreement with the trade unions was not concluded according to the planned timescale with implementation of harmonised pay across the council not now expected this financial year. The additional salary costs allowed in the budget of £0.8m will not now be incurred but project staff will need to continue working on the activity during the year.
78. The £0.3m remaining in the dilapidation provision for the end of the Newfields lease can now be released. In addition, an additional £1m provision can be released in regard to potential property liabilities which have now been agreed.
79. Budget virements were processed in quarter one to remove budgets from services permanently based on a review of unexpected variances in the fourth quarter of 2022/23. Further reductions were made following budget challenge sessions in October. This has enabled the unidentified transformation savings included in the budget to be reduced from £10.7m to £6.7m with the quarter three projection assuming these will remain undelivered.
80. Following a review of the orderly closure of FuturePlaces Ltd we have calculated an additional £525k is required to purchase the documents, including reports and advice, the council will use to continue its regeneration priorities.
81. A review of the council's minimum revenue provision has been carried out which identified a saving of £9.2m. This is offset by a voluntary revenue provision assumed of £3.5m. Full details of the change can be found on agenda item 7 of the Audit and Governance Committee held on the 11th of January 2024. In addition, a reprofiling of fleet expenditure has identified borrowing costs savings of £1.4m.