

## **General Fund Revenue Budget Monitoring**

### **Quarter Two 2022-2023 Budget Performance**

#### **Summary**

On 2 March 2022, the Council approved the net budget requirement for 2022-2023 of £267.2 million for General Fund services.

Overall, the General Fund projected outturn for 2022-2023 is currently forecasting an overspend of £1.5 million, mainly due to the forecast in-year cost implication of the proposed pay award which is currently out for consultation. The Performance and Budget Monitoring Report presented Cabinet on 7 September 2022, reported that negotiations were ongoing in respect of the 2022-2023 pay award, and the current proposal, if accepted, was forecast to cost in the region of £9.0 million in year. The approved budget for 2022-2023 includes a provision of 2% amounting to £2.8 million, we therefore reported at quarter 1 that the forecast in year cost pressure was in the region of £6.2 million. On 1 November 2022, it was announced that the pay award has been accepted.

Work has been ongoing to identify in-year efficiency to mitigate against these costs. Since reporting to Cabinet in September, our focus has been identifying in-year underspends and efficiencies, including the review of budgets held corporately to support new initiatives aligned to corporate priorities. As a result of this review, the forecast overspend as at quarter 2 has reduced from £5.4 million to £1.5 million. However, it should be noted that some of the underspend across services, is in part, due to staff vacancies. A number of services are experiencing difficulties in recruiting to some positions, which is resulting in this one-off underspends. Delays in recruitment could also impact on service delivery and could present some risk if delays in recruitment continue.

Work will continue to identify efficiencies and underspends in order to manage these costs within the approved budget. As a last resort we will consider the use of reserves

The tables below provide an analysis by directorate and service.

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Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q2 Variance		Reason for Variance Q2
	£000	£000	£000	%	
<b>Adult Services</b>					
<p>Overall Adult Services is projecting a small underspend of £1.2 million (-1.48%). During the budget setting process for 2022-2023, significant cost pressures were forecast for Adult Social Care and, as a result, growth totalling £9.2 million was approved. Appendix 2 provides detail of current forecasts which indicate that, overall, the service is managing costs within the increased budget available. However, there continues to be uncertainty of the forecast position of Adult Services in 2022-2023 and over the medium term, as the service adjusts to the post-covid environment and also the recent increases in inflation. The redesign of Adult services has commenced and with the aim of addressing any longer term alignment of staffing resources, as well as establishing the care market.</p> <p>During the winter months each year, we see an increase in the cost of providing social care, referred to as 'Winter Pressures'. It was announced in September that the government would be making available a grant of £500 million to free up hospital beds and bolster the Social Care workforce, when the Council's allocation is known this will be used to fund additional services across Adult's through the remainder of 2022-2023. Current assumptions assume any additional costs will be fully funded from grant.</p> <p>Due to the uncertainty surrounding public sector spending, in particularly health and social care reforms it is not yet clear whether additional funding will still be made available in the next financial year for the fair cost of care implementation in which case CWC would have to fully fund any fee uplifts for providers in 2023-2024.</p> <p>The Strategic Risk Register incorporate this risk, in addition, it is also flagged as a risk in the General Fund Budget Risk 2022-2023 at Appendix 4. Further analysis is provided below.</p>					
Adults Assessment and Care Management	5,650	5,641	(9)	(0.16%)	
Adults Safeguarding	1,123	881	(242)	(21.55%)	The forecast underspend is mainly due to the delay in the introduction of new Deprivation of Liberty Safeguards legislation (Liberty Protection

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	£000	£000	£000	%	
					Safeguards) which will require the forecast staffing costs to meet the new statutory duties required of the local authority.
Carer Support	769	666	(103)	(13.39%)	The forecast underspend is mainly due to Carer Support care purchasing and also staffing underspend due to vacant posts. This is offset in part by the online carer support pilot.
Community Financial Support	1,629	1,613	(16)	(0.98%)	
Community Support	142	142	-	-	
Director of Adults services and Additional Monies	(6,878)	(6,878)	-		
Emergency Duty Team	-	-	-	-	
Independent Living Service	1,731	1,729	(2)	(0.12%)	
Learning Disabilities Care Purchasing	27,155	26,874	(281)	(1.03%)	This budget was allocated considerable growth for 2022-2023 (net uplift £2.5 million) to cover fee uplifts and increased demand, and to date is showing a small underspend against this growth.
Learning Disability Provider	4,984	4,903	(81)	(1.63%)	The forecast underspend is due to staffing.

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Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q2 Variance		Reason for Variance Q2
	£000	£000	£000	%	
Mental Health Assessment & Care Management	7,690	7,690	-	-	
Older People Care Purchasing	26,117	25,744	(373)	(1.43%)	This budget was allocated considerable growth for 2022-2023 (net increase £4.2 million), due to changes such as the fee review and ending of the government's Homefirst Discharge funding, as well as increased spot placement costs due to pressures related to inflation. To date it is forecast that this growth will be sufficient and will result in a small underspend. There is however risk around this position due to the continuing impacts of inflation, and the potential changes brought about by charging reform.
Older People Provider Services	3,866	3,791	(75)	(1.94%)	The forecast underspend is due to staffing vacancies.
Physical Disabilities Care Purchasing	5,647	5,647	-	-	
<b>Total Adult Services</b>	<b>79,625</b>	<b>78,443</b>	<b>(1,182)</b>	<b>(1.48%)</b>	

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Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q2 Variance		Reason for Variance Q2
	£000	£000	£000	%	
<b>Children's and Education Services</b>					
<p>Overall Children's and Education Services is projecting an underspend of £1.1million (-2.08%), due to strong financial management and transformative projects and programmes which have achieved significant and positive changes for children and young people living and learning in Wolverhampton. To date, Wolverhampton has not seen a significant increase in demand on children's social care as a result of the pandemic, however, as with adult services, there continues to be significant uncertainty over the impact of Covid-19 on this service over the short to medium term, and more recently the increased cost of living. Work will continue to model the potential financial effects of the pandemic and the impact of the increase in the cost of living on the service. Savings targets totalling £100,000 have been incorporated into the 2022-2023 budget for Children's and Education Services, these are currently projected to be delivered in full.</p> <p>There are currently no specific savings targets for this service area built into the Draft Budget and Medium Term Financial Strategy 2023-2024 to 2025-2026 which was reported to Cabinet on 19 October 2022, however, based on current projections it is forecast that the budget could be reduced in future years without impacting on service delivery. This will be kept under review and updates provided to Cabinet in future reports. Further analysis is provided below of the forecast in year position</p>					
Children & Young People In Care	31,600	31,473	(127)	(0.40%)	The forecast underspend is against placement budgets as a result of the robust oversight and management of demand across the service. The number of placements are continuing to reduce, however complexity of the mix has resulted in a number of higher cost placements. Children with disabilities demand has continued to increase year on year with a full review of the service to understand anticipated future demand progressing.

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Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q2 Variance		Reason for Variance Q2
	£000	£000	£000	%	
Director of Children's Services	614	528	(86)	-	The forecast underspend is mainly due to lower than anticipated support costs to be spent to support various projects across Children's Services.
Head of Children's Improvement	1,393	1,384	(9)	(0.67%)	
Headstart	-	-	-	-	
Regional Adoption Agency Consortium	-	-	-	-	
Safeguarding	297	290	(7)	(2.47%)	
Specialist Support	4,117	3,357	(760)	(18.47%)	The forecast underspend is mainly due to one-off, in year savings from the closure of Key to Inspiration. Cabinet (Resources) Panel on 6 July 2022, received a report on the strategy to develop two new Children's Homes within the City.
Strengthening Families	10,080	10,020	(60)	(0.59%)	The forecast underspend mainly relates to the one-off in year staff vacancies. This is offset in part by an increase in demand over the summer months for no recourse of public funds and an increase projected professional fees.
Youth Offending	1,167	1,159	(8)	(0.71%)	
Central Education	(740)	(740)	-	-	

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Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q2 Variance		Reason for Variance Q2
	£000	£000	£000	%	
Director of Education	153	153	-	-	
Early Years	315	315	-	-	
Inclusion Support	885	903	18	2.03%	
Schools	-	-	-	-	
Education Excellence	770	750	(20)	(2.60%)	
Special Educational Needs	(428)	(428)	-	-	
School Business and Support Services	456	463	7	1.54%	
<b>Total Children's and Education</b>	<b>50,679</b>	<b>49,627</b>	<b>(1,052)</b>	<b>(2.08%)</b>	

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Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q2 Variance		Reason for Variance Q2
	£000	£000	£000	%	
<b>City Assets</b>					
Overall, a net underspend of £117,000 (-1.09%) is projected for City Assets, mainly due to projected lower running costs for the Civic Centre and one-off staff vacancies. Further analysis is provided below.					
Catering	(117)	(62)	55	(47.01%)	This overspend is due to reduction income with regards to civic centre café and Tea Room (West Park).
Cleaning	1,268	1,254	(14)	(1.10%)	
Corporate Asset Management	9,353	9,368	15	0.16%	
Estates and Valuations	(4,884)	(4,870)	14	(0.29%)	
Facilities Management	1,497	1,282	(215)	(14.36%)	The forecast underspend is primarily due to the lower running costs for the Civic Centre, along and various staffing vacancies.
Project and Works Team – Capital Programmes	166	194	28	16.87%	
Project and Works Team – Maintenance Programme	3,426	3,426	-	-	
<b>Total City Assets</b>	<b>10,709</b>	<b>10,592</b>	<b>(117)</b>	<b>(1.09%)</b>	

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Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q2 Variance		Reason for Variance Q2
	£000	£000	£000	%	
<b>City Housing &amp; Environment</b>					
Overall, a net overspend of £371,000 (1.21%) is projected for City Housing and Environment. This forecast overspend is mainly as a result of pressures within Fleet Services, Transportation, Markets and Highways maintenance. This is being offset in part by underspends within Waste Services as a result of increased income, reduced costs of waste disposal, along with a reduction in costs within Street Lighting. City Housing and Environmental Services have a savings target of £250,000 for 2022-2023, of which based on the original plan, around £75,000 currently being reported to be at risk of delivery, this will be kept under review. Further analysis is provided below.					
Bereavement Services	(2,050)	(2,117)	(67)	(3.27%)	The forecast underspend is due to on cemeteries is due to staff vacancies and additional income. This is offset in part by a reduction in income from the crematorium.
Black Country Transport	-	-	-	-	
Coroners Service	364	395	31	8.52%	The forecast overspend is as a result of increased inflationary costs of the Coroners Service. This is offset in part by underspends on professional fees for Digital Autopsy services.
Director City Environment	284	236	(48)	(16.90%)	A forecast underspend has arisen mainly due to a vacant post awaiting recruitment.
Energy and Sustainability	200	200	-	-	

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Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q2 Variance		Reason for Variance Q2
	£000	£000	£000	%	
Environmental Services	6,772	6,709	(63)	(0.93%)	
Fleet Services	1,698	2,350	652	38.40%	The projected overspend is due to increase in cost of hire vehicles, and professional fees. This is offset in part by underspends due to staff vacancies, and additional income. There is a planned fleet replacement programme in delivery to mitigate increasing hire costs in the future.
Highways Maintenance	1,579	1,738	159	10.07%	An overspend is forecast due to an increase in value of contracts as a result of an increase in demand.
Housing	(379)	(383)	(4)	1.06%	
Landscaping	49	49	-	-	
Licensing	54	54	-	-	
Markets	(198)	(38)	160	(80.81%)	The forecast overspend is mainly due to an increase in interim staff incurred whilst implementing a restructure, covering staff sickness and an increase in waste costs.

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Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q2 Variance		Reason for Variance Q2
	£000	£000	£000	%	
Operation & Maintenance of Existing Network	844	685	(159)	(18.84%)	The forecast underspend is mainly as a result of vacancies held pending a restructure.
Private Sector Housing	543	535	(8)	(1.47%)	
Parking Services	(1,712)	(1,627)	85	4.96%	The forecast overspend is mainly due to additional costs for the Ringo system being higher than originally estimated.
Public Protection	1,884	1,932	48	2.55%	The forecast overspend is mainly as result of a reduction in income from fines within Environmental Crime, along with increase costs within Environmental Protection due to professional fees. This is offset in part by underspends due to staff n staff vacancies within Environmental Crime.
Street Lighting	3,109	2,982	(127)	(4.8%)	The forecast underspend is mainly due to the reduction in budgeted energy costs following the introduction of LED lighting.
Transportation	6,097	6,789	692	11.35%	The forecast overspend is mainly due to the pressure of increased demand on passenger transport services for client transport costs,

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Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q2 Variance		Reason for Variance Q2
	£000	£000	£000	%	
					agency costs and additional vehicle hire costs. This is offset in part by one-off savings due to staff vacancies.
Waste and Recycling	11,504	10,524	(980)	(8.52%)	The forecast underspend is due to increased income, reduced costs of waste disposal. This is offset in part by increased fuel costs due to rising inflation.
<b>Total City Housing and Environment</b>	<b>30,642</b>	<b>31,013</b>	<b>371</b>	<b>1.21%</b>	

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Service/Budget	Net Controllable Revised Budget 2022-2023 £000	Net Controllable Forecast 2022-2023 £000	Q2 Variance £000      %		Reason for Variance Q1
<p><b>Commissioning and Transformation</b>                      The previous Strategic Commissioning service was shown within Adult and Children’s services. The Deputy Director for Commissioning and Transformation has now been appointed. The Commissioning and Transformation directorate is currently forecasting a break- even position.</p>					
Commissioning and Transformation	3,161	3,161	-	-	
<b>Total Commissioning and Transformation</b>	<b>3,161</b>	<b>3,161</b>	-	-	

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Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q2 Variance		Reason for Variance Q2
	£000	£000	£000	%	
<b>Communications and Visitor Experience</b>					
Overall, Communications and Visitor Experience is forecast to breakeven position with the underspend on Arts and Cultural of £19,000 offset by an overspend of £19,000 in Communications.					
This service includes a saving target of £50,000 for 2022-2023, which is currently being forecast at risk of delivery based on the original plan. This will be kept under review.					
Further analysis is provided below					
Director of Communications and Visitor Experience	158	158	-	-	
City Events	641	641	-	-	
Arts and Culture	911	892	(19)	(2.09%)	
Communications	699	718	19	2.72%	
<b>Total Communications and Visitor Experience</b>	<b>2,409</b>	<b>2,409</b>	<b>-</b>	<b>-</b>	

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Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q2 Variance		Reason for Variance Q2
	£000	£000	£000	%	
<p><b>Finance</b></p> <p>Overall an underspend totalling £47,000 (-0.30%) is forecast for the year against Finance. This is as a result of forecast underspends within Audit Services due to staff vacancies, a reduction in enhanced pension costs within Central Corporate Budgets and additional income from recovery action within Revenues and Benefits. This is offset in part by overspends within Procurement due to the appointment of agency staff covering vacancies whilst recruitment is ongoing and increased pressures within Housing Benefit Payments &amp; Subsidy due to an increase in temporary accommodation.</p> <p>Finance includes a savings target of £150,000 for 2022-2023, which is on target to be delivered in full.</p> <p>Further analysis is provided below:</p>					
Audit Services	1,811	1,551	(260)	(14.36%)	The forecast underspend is as a result of in-year savings against staffing due to unfilled vacancies within internal audit and insurance services.
Central Corporate Budgets	3,055	2,794	(261)	(8.54%)	The forecast underspend is due to a reduction in enhanced pension costs, combined with other less underspends against a range of corporate budgets. This service includes a savings target of £150,000 for 2022-2023, which is on target for delivery.
Commercial Services	393	393	-	-	
Finance Director	167	167	-	-	

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Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q2 Variance		Reason for Variance Q2
	£000	£000	£000	%	
Procurement Services	857	1,182	325	37.92%	The forecast overspend is due to continued reliance on agency staff as the service experiences difficulties in recruiting to permanent posts. This challenge is faced by procurement teams across the region. The current forecast is based on a successful recruitment of four Procurement Manager vacancies which will be shortly advertised. If this campaign is unsuccessful the reliance on these current interims in post will continue and this could lead to an additional overspend by year end in the region £110,000. The budget position is kept under continuous review and assumptions updated regularly.
Housing Benefit Payments & Subsidy	1,498	1,892	394	26.30%	The forecast overspend is due to continued increase in temporary, supported and exempt accommodation where full subsidy grant is not received for this type of accommodation. This forecast overspend is after a virement of £750,000 was actioned at quarter 1.
Revenues & Benefits	2,900	2,660	(240)	(8.28%)	The forecast underspend is as a result of increased income from recovery action.
Strategic Finance	3,168	3,248	80	2.53%	The forecast overspend is due to the appointment of agency staff in vacancies

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Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q2 Variance		Reason for Variance Q2
					pending recruitment. Recruitment to vacant posts is currently ongoing.
The Hub	1,784	1,699	(85)	(4.76%)	The forecast underspend is due to being unable to fill several vacant positions, either through recruitment or use of agency. Although work is being done to optimise appointment to positions, it is unknown if the inability to fill vacant posts will be longer term or might be addressed short term, due to the nature of the current recruitment market. Therefore, the budget is forecasting that positions will not be filled immediately but will be filled within the next few months. This means the actual outturn might be higher or lower, dependent on appointment success. This position will be kept under review through regular budget monitoring.
<b>Total Finance</b>	<b>15,633</b>	<b>15,586</b>	<b>(47)</b>	<b>(0.30%)</b>	

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Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q2 Variance		Reason for Variance Q2
	£000	£000	£000	%	
<b>Governance</b>					
Overall a small underspend £6,000 (-0.04%) is forecast for the year against Governance. The Governance Directorate includes a saving target, this is currently being forecast to be on target for delivery from efficiencies across the directorate within 2022-2023. Further analysis is provided below					
Deputy Director of People and Change	133	133	-	-	
Chief Operating Officer	179	179	-	-	
Governance Services	3,282	3,282	-	-	A contribution of £123,000 towards an overall savings target of £393,000, predominantly delivered through one off vacancies that have emerged across a range of services through the year.
Health and Safety	266	251	(15)	(5.64%)	A contribution of £50,000 towards an overall savings target of £393,000, delivered through one off vacancies. There have been difficulties in recruiting to three vacancies. Interviews for two of the health and safety adviser positions are now taking place in November. The final posts funding has received approval to be used for funding two fixed term Level 3 apprenticeships within the

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Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q2 Variance		Reason for Variance Q2
	£000	£000	£000	%	
					team. Interviews for planned for December 2022, and the other in January 2023.
Human Resources	1,764	1,764	-	-	
Organisational Development	1,152	1,132	(20)	(1.74%)	A contribution of £47,000 towards an overall savings target of £393,00, delivered through one off vacancies and additional external income. Vacancies have arisen as graduate trainees have moved onto permanent positions prior to the end of their scheme. AYSE grant income received when the Council brings in year one social workers and incentive funds associated with apprenticeship recruitment are also offsetting expenditure, the former ringfenced to expenditure incurred in the provision of training for year one social workers.
Legal Services	1,898	1,955	57	3.00%	
Ward Funds	200	200	-	-	
Projects and Change	428	390	(38)	(8.88%)	
Equalities	170	180	10	5.88%	

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Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q2 Variance		Reason for Variance Q2
	£000	£000	£000	%	
Support Services	4,179	4,179	-	-	
Governance Savings Target	-	-	-	-	
<b>Total Governance</b>	<b>13,651</b>	<b>13,645</b>	<b>(6)</b>	<b>(0.04%)</b>	

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Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q2 Variance		Reason for Variance Q2
	£000	£000	£000	%	
<b>Public Health &amp; Wellbeing</b>					
Overall an overspend totalling £807,000 (14.87%) is projected for the year against Public Health & Wellbeing which is mainly due to an increase in the number of referrals for bed and breakfast accommodation and inflationary pressures within Leisure services. Further analysis is provided below.					
Business Continuity & Emergency Planning	8	8	-	-	
Commissioning	-	-	-	-	
Community Safety & Community Cohesion	697	698	1	0.14%	
Healthier Places Service	-	-	-	-	
Healthy Ageing	-	-	-	-	
Healthy Life Expectancy	-	-	-	-	

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Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q2 Variance		Reason for Variance Q2
	£000	£000	£000	%	
Homelessness and New Communities	1,792	2,365	573	31.98%	The forecast overspend is due to an increase in the number of referrals for bed and breakfast accommodation.
Leisure Services	1,430	1,655	225	15.73%	The forecast overspend as a result of a reduction in income from catering services at Bert Williams café. In addition, there are costs pressures on the Leisure PFI scheme due to increasing utilities costs. This is offset in part by vacancies in business support due to staff changes.
Public Health Business Management	-	-	-	-	
Starting and Developing Well	-	-	-	-	
Local Economy	1,501	1,509	8	0.53%	
System Leadership	-	-	-	-	
<b>Total Public Health &amp; Wellbeing</b>	<b>5,428</b>	<b>6,235</b>	<b>807</b>	<b>14.87%</b>	

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Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q2 Variance		Reason for Variance Q2
	£000	£000	£000	%	
<b>Regeneration</b>					
Overall an overspend of £155,000 (5.17%) is projected for the year against Regeneration mainly due to , variation in planning application fee income and also forecast non achievement of savings in Director Regeneration.					
In total Regeneration have savings targets totalling £665,000 in 2022-2023, of which in the region of £150,000 is off risk of delivery					
Further analysis is provided below					
Adult Education	(399)	(399)	-	-	A breakeven position forecast although the service is funding £30,000 saving target by use of carry forward of previous years grant balance.
City Development	541	501	(40)	(7.39%)	
City Planning	868	975	107	12.33%	The forecast overspend due to variation in planning application fee outside of our control partially offset by underspends against staffing due to unfilled vacancies.
Director Regeneration	495	583	88	17.78%	The forecast overspend is as a result of non-achievement of the savings target, which is in part offset by underspend on non-salary budgets.
Enterprise	570	570	-	-	
Skills	924	924	-	-	
Visitor Economy	-	-	-	-	
<b>Total Regeneration</b>	<b>2,999</b>	<b>3,154</b>	<b>155</b>	<b>5.17%</b>	

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Service/Budget	Net Controllable Revised Budget 2022-20223 £000	Net Controllable Forecast 2022-2023 £000	Q2 Variance £000	Q2 Variance %	Reason for Variance Q1
<p><b>Strategy</b> Overall an underspend totalling £813,000 (-7.69%) is projected for the year against Strategy, mainly as a result of budget efficiencies within ICTS. In total Strategy have savings targets totalling £200,000 across ICT and Data and Analytics, these are reported to be on target for delivery in full in 2022-2023 Further analysis is provided below</p>					
Customer Services	2,166	2,130	(36)	(1.66%)	
ICTS	6,609	6,183	(426)	(6.45%)	The forecast underspend is as a result of part year vacant positions and additional income from printing. This service also includes a savings target of £150,000 for 2022-2023 which is forecast to be delivered in full.
Data and Analytics	937	889	(48)	(5.12%)	This service includes a savings target of £50,000 for 2022-2023, which is forecast to be on target for delivery.

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Service/Budget	Net Controllable Revised Budget 2022-20223	Net Controllable Forecast 2022-2023	Q2 Variance		Reason for Variance Q1
	£000	£000	£000	%	
Policy and Strategy	450	185	(265)	(58.89%)	The forecast underspend is as a result of part year vacancies and underspend on professional fees.
Register Officer	(38)	(64)	(26)	68.42%	The forecast underspend is as a result of additional income following backlog of ceremonies following ending of lockdown rules.
External Funding and Digital Projects	277	265	(12)	(4.33%)	
Strategy	156	156	-	-	
West Midlands Strategic Migration Partnership	15	15	-	-	
<b>Total Strategy</b>	<b>10,572</b>	<b>9,759</b>	<b>(813)</b>	<b>(7.69%)</b>	

General Fund Revenue Budget Monitoring

Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q2 Variance		Reason for Variance Q2
	£000	£000	£000	%	
<b>Corporate Accounts</b>					
<p>Overall an overspend totalling £3.4 million (8.23%) is forecast for the year. This is mainly as a result of the projected impact of the 2022-2023 pay award, which was accepted on 1 November, which is forecast to cost in the region of £9.0 million in 2022-2023. The approved budget for 2022-2023 includes a provision of 2% amounting to £2.8 million, we therefore reported at quarter 1 that the forecast in year cost pressure was in the region of £6.2 million. Work has been ongoing since reporting to Cabinet on 7 September to identify underspends to support the forecast in year cost pressure.</p> <p>In addition, there are savings targets totalling £2.7 million, of which £1.2 million relates to a staff vacancy factor and £1.5 million for efficiencies is held within corporate budgets. Excluding the potential impact of the pay award, it is currently forecast that these targets can be delivered in full from across the council.</p> <p>Further analysis is provided below</p>					
Chief Executive and Deputy Chief Executive	397	397	-	-	
Corporate Adjustments	2,197	2,194	(3)	(0.14%)	
Corporate Budgets	(13,510)	(12,778)	732	(5.42%)	This service includes savings targets totalling £2.7 million, of which £1.2 million is for a staff vacancy factor and £1.5 million for general efficiencies. This is forecast to be delivered from efficiencies and vacancies held across the Council. However, the impact of the 2022-2023 pay award creates a corporate pressure.
Apprenticeship Levy	540	560	20	3.70%	
West Midlands Transport Levy	10,523	10,523	-	-	

General Fund Revenue Budget Monitoring

Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q2 Variance		Reason for Variance Q2
	£000	£000	£000	%	
Environment Agency Levy	78	78	-	-	
Birmingham Airport – Rent	(69)	(69)	-	-	
Treasury Management	38,614	35,174	(3,440)	(8.91%)	An underspend is forecast against the Treasury Management budget as a result of rephasing of the capital programme.
Central Provision Pay Award costs	2,881	9,000	6,119	212.39%	On 1 November, it was confirmed that the pay award for 2022-2023 was accepted. The pay award is in excess of the 2% provision built into the 2022-2023 budget. The Council has identified a number of in-year efficiencies in order to mitigate against this cost pressure. Work will continue over the coming months to further identify efficiencies and underspends to mitigation against this cost in 2022-2023. Updates will be provided in future reports.
<b>Total Corporate Accounts</b>	<b>41,651</b>	<b>45,079</b>	<b>3,428</b>	<b>8.23%</b>	