

## **General Fund Revenue Budget Monitoring**

### **Quarter Three 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 spend for 2022-2023 is currently forecast to be within budget.

Due to the favourable forecast outturn position on Adult Services, there is an opportunity to contribute £585,000 into the Adults Social Care Reserve for Growth and Demand to support demand pressures going forward. In line with the Budget Strategy approved by Full Council on 1 March 2023, it stated that where efficiencies identified across the Council, that they would be used to contribute towards the efficiency targets held corporately in 2023-2024. It is therefore proposed that £2.3 million is transferred into the Future Years Budget Strategy Reserve to support the delivery of the efficiency targets held in 2023-2024. And finally, in line with the 2022-2023 Budget Strategy, it is proposed that £3 million is utilised to reduce the use of capital receipt flexibility for revenue transformation.

These proposed contributions to reserves are also in line with the Reserves Strategy which was approved by Full Council on 1 March 2023, in which it stated that the Section 151 Officer will consider if it is necessary to increase reserves held for managing risk.

The tables below provide an analysis by directorate and service.

General Fund Revenue Budget Monitoring

Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q3 Variance		Reason for Variance Q3
	£000	£000	£000	%	
<b>Adult Services</b>					
<p>Overall Adult Services is projecting to be within budget after a transfer of £585,000 million into the Adults Social Care Reserve for Growth and Demand Pressures. 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. Adult Service is managing costs within the increased budget available. However, there continues to be uncertainty of the forecast position of Adult Services 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. Further analysis is provided below.</p>					
Adults Assessment and Care Management	6,151	6,151	-	-	
Adults Safeguarding	1,123	829	(294)	(26.18%)	The forecast underspend is mainly due to the delay in the introduction of new Deprivation of Liberty Safeguards legislation (Liberty Protection Safeguards) which will require the forecast staffing costs to meet the new statutory duties required of the local authority.
Carer Support	769	694	(75)	(9.75%)	
Community Financial Support	1,742	1,723	(19)	(1.09%)	

General Fund Revenue Budget Monitoring

Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q3 Variance		Reason for Variance Q3
	£000	£000	£000	%	
Community Support	142	150	8	5.63%	
Director of Adults services and Additional Monies	(6,878)	(6,878)	-	-	
Independent Living Service	1,731	1,539	(192)	(11.09%)	An underspend position related to in year staffing vacancies
Learning Disabilities Care Purchasing	27,156	27,532	376	1.38%	An overspend is forecast due to additional demand for care packages.
Learning Disability Provider	5,047	5,064	17	0.34%	
Mental Health Assessment & Care Management	7,690	7,665	(25)	(0.33%)	
Older People Care Purchasing	25,309	25,173	(136)	(0.52%)	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. The forecasted underspend is after contributing £585,000 into Adult Social Care Reserve for Growth and Demand.

**General Fund Revenue Budget Monitoring**

Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q3 Variance		Reason for Variance Q3
	£000	£000	£000	%	
Older People Provider Services	3,998	3,998	-	-	
Physical Disabilities Care Purchasing	5,647	5,987	340	6.02%	The overspend is a result of increased demand for care packages.
<b>Total Adult Services</b>	<b>79,627</b>	<b>79,627</b>	-	-	

General Fund Revenue Budget Monitoring

Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q3 Variance		Reason for Variance Q3
	£000	£000	£000	%	
<b>Children's and Education Services</b>					
<p>Overall Children's and Education Services is projecting an underspend of £1.8 million (-3.41%), 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. Savings targets totalling £485,000 have been incorporated into the 2022-2023 budget for Children's and Education Services, these are currently projected to be delivered in full. There are no specific savings targets for this service area built into the 2023-2024 Budget and Medium Term Financial Strategy 2023-2024 to 2025-2026 which was reported to Cabinet on 22 February 2023 and approved by Council on 1 March 2023, 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>					
Child Protection	-	-	-	-	
Children & Young People In Care	31,613	30,383	(1,230)	(3.89%)	The forecast underspend is predominantly 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.
Director of Children's Services	647	524	(123)	(19.01%)	The forecast underspend is mainly due to lower than anticipated support costs to be spent to support various projects across Children's Services.

General Fund Revenue Budget Monitoring

Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q3 Variance		Reason for Variance Q3
	£000	£000	£000	%	
Head of Children's Improvement	1,531	1,531	-	0.0%	
Headstart	-	-	-	0.0%	
Regional Adoption Agency Consortium	-	-	-	0.0%	
Safeguarding	317	308	(9)	(2.84%)	
Specialist Support	4,016	3,394	(622)	(15.49%)	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	10,192	112	1.11%	The forecast overspend mainly relates to an increase in demand over the summer months for no recourse of public funds, section 17 spend and an increase in assessment fees and associated court costs. These additional costs are being offset by underspends across the directorate, rather than using grant funding as originally planned.
Youth Offending	1,241	1,237	(4)	(0.32%)	
Adult Education	(399)	(399)	-	0.0%	

General Fund Revenue Budget Monitoring

Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q3 Variance		Reason for Variance Q3
	£000	£000	£000	%	
Central Education	(741)	(741)	-	0.0%	
Director of Education	131	153	22	16.79%	
Early Years	315	315	-	0.0%	
Inclusion Support	872	935	63	7.22%	
Schools	-	-	-	0.0%	
Educational Excellence	770	818	48	6.23%	
Special Educational Needs	(428)	(428)	-	0.0%	
School Business and Support Services	456	521	65	14.25%	
Skills	924	852	(72)	(7.79%)	
<b>Total Children's and Education</b>	<b>51,345</b>	<b>49,595</b>	<b>(1,750)</b>	<b>(3.41%)</b>	

General Fund Revenue Budget Monitoring

Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q3 Variance		Reason for Variance Q3
	£000	£000	£000	%	
<b>City Assets</b>					
Overall, a net underspend of £122,000 (1.1%) is projected for City Assets. This underspend is due to a review of rental income, reduced running costs for the Civic Centre, as well as vacant positions. Further analysis is provided below.					
Catering	(37)	(28)	9	24.32%	
Cleaning	1,651	1,678	27	1.64%	
Corporate Asset Management	9,353	9,397	44	0.47%	
Estates and Valuations	(4,884)	(5,036)	(152)	(3.11%)	The forecast underspend is due to a review of rental income and vacant positions in year.
Facilities Management	1,546	1,448	(98)	(6.34%)	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	214	48	28.92%	
Project and Works Team – Maintenance Programme	3,426	3,426	-	-	
<b>Total City Assets</b>	<b>11,221</b>	<b>11,262</b>	<b>(122)</b>	<b>(1.1%)</b>	

General Fund Revenue Budget Monitoring

Service/Budget	Net Controllable Revised Budget 2022-2023 £000	Net Controllable Forecast 2022-2023 £000	Q3 Variance £000 %		Reason for Variance Q3
<b>City Housing &amp; Environment</b>					
<p>Overall, a net overspend of £1.4 million (4.33%) is projected for City Housing and Environment. This is mainly as a result of cost pressures within Environmental Services, Fleet Services, Transportation, Markets, Street Lighting and Highway Maintenance. Cost pressures are being seen within Transportation mainly due to increasing demand on passenger transport services for client transport and additional vehicle hire. Services are mitigating these pressures by continuing to drive efficiencies in delivering this statutory service and minimising the reliance on hire vehicles and external providers. The cost pressures for Street Lighting results from significant increases in energy costs incurred mitigated in part by the replacement programme improving efficiency of street lighting and government support to business. These costs pressures are being offset by underspends across a number of services within City Housing and Environment including 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 £549,000 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.</p>					
Bereavement Services	(2,050)	(2,154)	(104)	5.1%	The forecast underspend is on cemeteries, this is due to staff vacancies and an increase in income from cemetery services. This is offset in part by a reduction in income from the crematorium.
Black Country Transport	-	-	-	-	
Coroners Service	364	420	56	15.4%	
Director of Resident Service	284	201	(83)	(29.2%)	
Energy and Sustainability	234	100	(134)	(57.3%)	The favourable forecast outturn is a result of savings on staff vacancies pending appointments to the new Climate Change Team structure.

General Fund Revenue Budget Monitoring

Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q3 Variance		Reason for Variance Q3
	£000	£000	£000	%	
					The £1,000 efficiency saving can be met from vacancies.
Environmental Services	6,772	7,110	338	5.0%	The main variances are due to forecast pressures in delivery of budget reduction targets which are not being delivered as originally planned. In addition, there are costs pressures associated with fuel cost reduced income and other staffing costs. This is offset in part by reduced supplies and services spend.
Fleet Services	1,698	2,361	663	39.0%	The forecast overspend is as a result of significant increases in vehicle hire costs, along with agency staff costs to cover staff vacancies. The service is experiencing difficulties in recruiting to technician positions.
Highways Maintenance	1,609	1,770	161	10.0%	The forecast overspends is mainly as a result of increased demand on gully maintenance costs due to flooding issues, as well as, patching and road markings materials, repairs and maintenance.
Housing	(379)	(379)	-	-	
Landscaping	49	52	3	6.1%	

General Fund Revenue Budget Monitoring

Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q3 Variance		Reason for Variance Q3
	£000	£000	£000	%	
Licensing	5	5	-	-	
Markets	(151)	(36)	115	76.16%	<p>The forecast overspend is due to covering staff vacancies whilst implementing a restructure, covering staff sickness and an Increase in waste costs.</p> <p>In addition, the efficiency saving of £3,000 is forecast as not being deliverable based on the original plan.</p>
Operation & Maintenance of Existing Network	844	713	(131)	(15.5%)	<p>The forecast underspend is as a result of vacancies across the service. along with additional income forecasts. This is offset in part by additional equipment repairs and maintenance costs as well as overtime and consultants.</p> <p>The efficiency target of £205,000, which includes £200,000 from prior years savings, is currently being delivered by one off vacancies and in year additional income.</p>

General Fund Revenue Budget Monitoring

Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q3 Variance		Reason for Variance Q3
	£000	£000	£000	%	
Private Sector Housing	543	540	(3)	(0.6%)	
Parking Services	(1,708)	(1,645)	63	3.7%	The forecast overspend is mainly due to costs incurred for the Ringo system being higher than originally estimated.
Public Protection	1,884	1,919	35	1.9%	
Street Lighting	3,079	3,651	572	18.6%	The forecast overspend is as a result of significant increases in energy costs due to increased inflation. This forecast costs have been mitigated against in part by the replacement programme improving efficiency of street lighting and government support to business.
Transportation	6,263	7,491	1,228	19.6%	The forecast overspend mainly relates to the pressure of increased demand on passenger transport services for client transport costs and additional vehicle hire costs, plus inflationary pressures, offset in part by additional income from the travel unit. The service is mitigating against these pressures by continuing to drive efficiencies in delivering this statutory service and minimising

General Fund Revenue Budget Monitoring

Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q3 Variance		Reason for Variance Q3
	£000	£000	£000	%	
					the reliance on hire vehicles and external providers.  This service has a savings target of £315,000 which is forecast to be delivered in line with the original plan.
Waste and Recycling	11,877	10,449	(1,428)	(12.0%)	The forecast underspend relates in the main to additional income from commercial waste collection and disposal activity. There are also forecast savings from the contractual and delivery method changes of energy from waste.
<b>Total City Housing and Environment</b>	<b>31,217</b>	<b>32,568</b>	<b>1,351</b>	<b>4.33%</b>	

General Fund Revenue Budget Monitoring

Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q3 Variance		Reason for Variance Q3
	£000	£000	£000	%	
<b>Commissioning and Transformation</b>					
The Commissioning and Transformation directorate is currently forecasting to be within budget					
Commissioning and Transformation	3,320	3,320	-	-	
<b>Total Commissioning and Transformation</b>	<b>3,320</b>	<b>3,320</b>	<b>-</b>	<b>-</b>	

General Fund Revenue Budget Monitoring

Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q3 Variance		Reason for Variance Q3
	£000	£000	£000	%	
<b>Communications and Visitor Experience</b>					
Overall an underspend totalling £21,000 (-0.91%) is projected for the year against Communications and Visitor Experience, mainly as a result of additional income within Arts and Culture service, which is partially offset by a forecast overspend in City Events and Communications. Communications and Visitor Experience includes a saving target of £72,000 for 2022-2023, of which £50,000 within Communications and £3,000 in City Events is currently being forecast at on target to be partially delivery based on the original plan. Further analysis is provided below					
Director of Communications and Visitor Experience	158	158	-	0.00%	
City Events	662	694	32	4.83%	The forecast overspend is mainly due to costs pressures on supplies and services. This service includes a savings target of £3,000 which is at risk of delivery.
Arts and Culture	943	882	(61)	(6.47)%	The forecast underspend relates to additional income in the Art Gallery and from an external secondment of a member of staff. This service includes a savings target of £20,000 from Regeneration Service review, which is on target of delivery.
Communications	553	561	8	1.45%	This service includes a savings target of £50,000, which is on target of partial delivery.

**General Fund Revenue Budget Monitoring**

<b>Service/Budget</b>	<b>Net Controllable Revised Budget 2022-2023</b>	<b>Net Controllable Forecast 2022-2023</b>	<b>Q3 Variance</b>		<b>Reason for Variance Q3</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>%</b>	
<b>Total Communications and Visitor Experience</b>	2,316	2,295	(21)	(0.91%)	

General Fund Revenue Budget Monitoring

Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q3 Variance		Reason for Variance Q3
	£0	£0	£0	%	
<b>Finance</b>					
<p>Overall an overspend totalling £84,000 (0.54%) is forecast for the year against Finance. This is as a result of 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 which are partly offset by underspends across other services. Finance includes a savings target of £150,000 for 2022-2023, which is on target to be delivered in full. Further analysis is provided below:</p>					
Audit Services	1,811	1,609	(202)	(11.15%)	An underspend is forecast as a result of in-year savings against staffing due to unfilled vacancies within internal audit services and insurance.
Central Corporate Budgets	2,978	2,760	(218)	(7.32%)	<p>An underspend is forecast due to a significant reduction in enhanced pension costs, combined with other lesser underspends against a range of corporate budgets. This service includes a savings target of £150,000 for 2022-2023, which is being reported to be on target for delivery.</p> <p>There will be an inflationary pressure in 2023-2024 as enhanced pensions are set to rise in line with the September 2022 CPI rate of 10.1%. The impact of this has been assessed</p>

General Fund Revenue Budget Monitoring

Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q3 Variance		Reason for Variance Q3
	£0	£0	£0	%	
					as part of budget and MTFs preparation, to be considered by Council on 1 March.
Commercial Services	533	533	-	-	
Director of Finance	170	170	-	-	
Procurement Services	908	1,194	286	31.50%	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 budget position is kept under continuous review and assumptions updated regularly.
Housing Benefit Payments & Subsidy	1,498	2,098	600	40.05%	The forecast overspend is as a result of an increase in temporary, supported and exempt accommodation where full subsidy grant is not received for this type of accommodation.
Revenues & Benefits	3,210	2,973	(237)	(7.38%)	The forecast underspend is as a result of increased income from recovery action post Covid.
Strategic Finance	2,473	2,443	(30)	(1.21%)	

General Fund Revenue Budget Monitoring

Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q3 Variance		Reason for Variance Q3
	£0	£0	£0	%	
The Hub	1,916	1,801	(115)	(6.00%)	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.
<b>Total Finance</b>	<b>15,497</b>	<b>15,581</b>	<b>84</b>	<b>0.54%</b>	

General Fund Revenue Budget Monitoring

Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q3 Variance		Reason for Variance Q3
	£000	£000	£000	%	
<b>Governance</b>					
Overall, an underspend of £92,000 (-0.66%) is forecast for the year against Governance. The Governance Directorate includes an in year saving target, of £100,000, as well as £293,000 prior years savings, these are currently being forecast to be on target for delivery from efficiencies across the directorate within 2022-2023. Further analysis is provided below					
Business Continuity & Emergency Planning	8	8	-	-	
Deputy Director of People and Change	136	135	(1)	(0.74%)	
Chief Operating Officer	179	179	-	-	
Governance Services	3,207	3,206	(1)	(0.03%)	The service is forecasting to be within budget. This includes a contribution of £40,000 towards an overall savings target, predominantly delivered through one off vacancies that have emerged across a range of services through the year.
Health and Safety	266	260	(6)	(2.26%)	The service is forecasting to be within budget. This includes a contribution of £50,000 towards an overall savings target, delivered through one off vacancies. There have been difficulties in recruiting to three health and safety advisor vacancies, though two have now been

General Fund Revenue Budget Monitoring

Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q3 Variance		Reason for Variance Q3
	£000	£000	£000	%	
					appointed to and the remainder is to be covered by two fixed term Level 3 apprenticeships.
Human Resources	1,793	1,867	74	4.13%	
Organisational Development	1,196	1,172	(24)	(2.01%)	<p>This service is forecasting an underspend within year due to vacancies which have arisen as graduate trainees moved onto permanent positions, Assessed and Supported Year in Employment (AYSE) grant income and incentive funds associated with apprenticeship recruitment</p> <p>This forecast includes a contribution of £50,000 towards an overall savings target, delivered through one off vacancies and additional external income.</p>
Legal Services	1,888	1,824	(64)	(3.39%)	This service includes a contribution of £125,000 towards an overall savings target, delivered through additional external income generation.
Ward Funds	200	200	-	-	
Projects and Change	569	532	(37)	(6.50%)	This service includes a contribution of £50,000 towards an overall savings target, delivered through one off vacancies.

General Fund Revenue Budget Monitoring

Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q3 Variance		Reason for Variance Q3
	£000	£000	£000	%	
Equalities	179	165	(14)	(7.82%)	
Support Services	4,414	4,395	(19)	(0.43%)	This service is forecasting an underspend within year due to one off vacancies and reduction in stationary spend.  This service includes a contribution of £78,000 towards an overall savings target, delivered through one off vacancies and reductions in stationery spend.
<b>Total Governance</b>	<b>14,035</b>	<b>13,943</b>	<b>(92)</b>	<b>(0.66%)</b>	

General Fund Revenue Budget Monitoring

Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q3 Variance		Reason for Variance Q3
	£0	£0	£0	%	
<b>Public Health &amp; Wellbeing</b>					
Overall an overspend totalling £1.1 million (20.33%) 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. Public Health and wellbeing have a savings target of £15,000 which is on target to be delivered. Further analysis is provided below.					
Commissioning	-	-	-	-	
Community Safety & Community Cohesion	722	712	(10)	(1.39)%	
Healthier Places Service	-	-	-	-	
Healthy Ageing	-	-	-	-	
Healthy Life Expectancy	-	-	-	-	
Homelessness and New Communities	1,792	2,366	574	32.03%	The forecast overspend is due to an increase in the number of referrals for bed and breakfast accommodation together with unfunded ongoing rental costs in respect of The Whitehouse.
Leisure Services	1,430	1,871	441	30.84%	The Leisure PFI scheme is forecasting an overspend due to increasing utilities costs. In addition, there is an increase in repairs and maintenance costs and a forecast reduction in income across leisure services, offset in part by

General Fund Revenue Budget Monitoring

Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q3 Variance		Reason for Variance Q3
	£0	£0	£0	%	
					vacancies in business support due to staff changes.
Public Health Business Management	-	-	-	-	
Starting and Developing Well	-	-	-	-	
Local Economy	1,506	1,612	106	7.04%	The forecast overspend is due to under achieving income budgets for the libraries service and community centres. This service has a savings target of £15,000 which is on target to be delivered in line with the original plan.
System Leadership	-	-	-	-	
West Midlands Strategic Migration Partnership	15	15	-	-	
<b>Total Public Health &amp; Wellbeing</b>	<b>5,450</b>	<b>6,561</b>	<b>1,111</b>	<b>20.33%</b>	

General Fund Revenue Budget Monitoring

Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q3 Variance		Reason for Variance Q3
	£000	£000	£000	%	
<b>Regeneration</b>					
Overall an overspend of £265,000 (10.68%) 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 £360,000 in 2022-2023 of which £150,000 in Director Regeneration is at risk of delivery. Further analysis is provided below					
City Development	541	538	(3)	(0.55%)	This service is currently forecast to be within budget, it includes a saving target of £15,000 which is forecast to be delivered in full.
City Planning	868	1,077	209	24.08%	The forecast overspend is due to unpredictable planning application fee income, partially offset by savings against staffing due to unfilled vacancies. The service also includes a prior years saving target of £2,000 which is at risk of delivery..
Director Regeneration	502	588	86	17.13%	The forecast overspend is as a result of non-achievement of savings of £150,000, which is currently partly offset by underspend on non-salary budgets, but at risk of delivery over the medium term. The 2023-2024 Budget approved by Council on 1 March 2023 recognises this as a risk and builds £150,000 back into the budget.
Enterprise	570	543	(27)	(4.74%)	The service also includes a savings target of £175,000 which is forecast to be delivered in full.
<b>Total Regeneration</b>	<b>2,481</b>	<b>2,746</b>	<b>265</b>	<b>10.68%</b>	

General Fund Revenue Budget Monitoring

Service/Budget	Net Controllable Revised Budget 2022-20223 £000	Net Controllable Forecast 2022-2023 £000	Q3 Variance £000      %		Reason for Variance Q3
<p><b>Strategy</b> Overall an underspend totalling £913,000 (-7.69%) is projected for the year against Strategy, mainly as a result of budget efficiencies within ICTS, along with vacant position in Policy and Strategy. In total Strategy have a number of saving targets , detailed in the report at paragraph 4.11, totalling £213,000 across Customer Services, 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	2,389	2,297	(92)	(3.85%)	The forecast underspend is as a result of additional income. The service also includes a savings target of £13,000 which is forecast to be delivered in full.
ICTS	7,598	7,226	(372)	(4.89%)	An underspend is projected as a result of part year vacant positions and additional income from printing offset in part owing to agency costs and inflationary pressures. The service also includes a savings target of £150,000 which is forecast to be delivered in full.
Data and Analytics	1,003	934	(69)	(6.86%)	The forecast underspend is as a result of additional income and some underspends on supplies and services activity. The service

General Fund Revenue Budget Monitoring

Service/Budget	Net Controllable Revised Budget 2022-20223	Net Controllable Forecast 2022-2023	Q3 Variance		Reason for Variance Q3
	£000	£000	£000	%	
					includes a savings target of £50,000 which is forecast to be delivered in full.
Policy and Strategy	450	128	(322)	(71.56%)	The forecast underspend is as a result of part year vacancies and underspend on professional fees.
Register Officer	(9)	(29)	(20)	222.22%	
External Funding and Digital Projects	277	239	(38)	(13.81%)	
Strategy	156	156	-	-	
<b>Total Strategy</b>	<b>11,864</b>	<b>10,951</b>	<b>(913)</b>	<b>(7.70%)</b>	

General Fund Revenue Budget Monitoring

Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q3 Variance		Reason for Variance Q3
	£000	£000	£000	%	
<b>Corporate Accounts</b>					
<p>Overall, an overspend totalling £505,000 (1.30%) is forecast for the year after contribution of £2.3 million onto Future Years Budget Strategy reserve to support the delivery of efficiency targets held in 2023-2024; which is in line with the Budget Strategy approved by Full Council. It was reported in the Cabinet report to Cabinet in November, that the approved budget for 2022-2023 includes provision of 2% amounting to £2.8 million, and therefore we had a cost pressure in 2022-2023. Work has been ongoing to identify in-year efficiencies and underspends to offset the forecast cost pressure for 2022-2023. It was highlighted in the November report that 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 present some risk if delays in recruitment continue. Taking this into account the underspends projected as a result of vacancies at quarter three, it is now that the pay award can be met from existing budgets. And finally, in line with the 2022-2023 Budget Strategy, it is proposed that £3.0 million is utilised to reduce the use of capital receipt flexibility for revenue transformation.</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	402	402	-	-	
Corporate Adjustments	2,175	200	(1,975)	(90.80%)	It is currently projected that there will be an underspend against Corporate Adjustments totalling £2.0 as a result of anticipated budget efficiencies against corporate contingencies.
Corporate Budgets	(10,510)	(9,781)	729	6.94%	This service includes savings targets totalling £2.7 million, of which £1.2 million is for a staff vacancy

General Fund Revenue Budget Monitoring

Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q3 Variance		Reason for Variance Q3
	£000	£000	£000	%	
					factor and £1.5 million for general efficiencies. This is forecast to be delivered from efficiencies and vacancies held across the Council and as result of anticipated budget efficiencies against corporate contingencies.
Apprenticeship Levy	540	594	54	10.00%	
West Midlands Transport Levy	10,523	10,523	-	-	
Environment Agency Levy	78	78	-	-	
Birmingham Airport – Rent	(69)	(69)	-	-	
Treasury Management	38,614	35,066	(3,548)	(9.19%)	An underspend is forecast against the Treasury Management budget as a result of rephasing of the capital programme.
Transfer to Reserve – Future Years Budget Strategy Reserve	-	2,263	2,263	-	Due to the favourable forecast outturn position, and in line with the approved budget strategy is proposed to transfer £2.3 million into the Future Years Budget Strategy Reserve to support the delivery of the efficiency targets held for 2023-2024
Central Provision Pay Award costs	18	-	(18)	(100%)	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. It was highlighted in the November report that a number of services are experiencing difficulties in recruiting to some positions, which is resulting in this one-off

General Fund Revenue Budget Monitoring

Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q3 Variance		Reason for Variance Q3
	£000	£000	£000	%	
					underspends. Delays in recruitment could also impact on service delivery and present some risk if delays in recruitment continue. Taking this into account the underspends projected as a result of vacancies at quarter three, it is now that the pay award can be met from existing budgets.
Adjustments to Capital Receipts Flexibility	(3,000)	-	3,000	100%	It is proposed that efficiencies identified against the Council's budget be used to reduce the level of capital receipts used to pay for revenue transformation in 2022-2023 in line with the 2022-2023 Budget Strategy.
<b>Total Corporate Accounts</b>	<b>38,771</b>	<b>39,276</b>	<b>505</b>	<b>1.30%</b>	