

Appendix 2 - Service Variance Narrative

Service	Variance Last Month £000	Variance This Month £000	Change £000	Description
Communities and Customers	-187	-189	-2	Underspend due to vacancy management and use of reserves
Education and Children's Service	2,423	2,819	396	See body of report for summary. Overspend due to children's social care placements and a reduction in level of out-of-county education income netted off by grants maximisation and in-year efficiencies across the services. Increase this month due to two new residential placements. All residential and fostering placements have been costed to realistic timescales however no allowance has been made for any further placements throughout the year.
Business Improvement and Modernisation	-339	-340	-1	Underspend due to small efficiencies and vacancy management
Legal, HR and Democratic Services	-139	-231	-92	Underspend due to small efficiencies and further vacancy management
Finance and Property	-167	-232	-65	Underspend due to small efficiencies and further vacancy management
Highways, Facilities and Environmental Services	93	-50	-143	A budget pressure due to increasing costs for major projects, street lighting, depot maintenance and staffing is netted off by planned in-year small efficiencies, reduced use of agency staff and vacancy management. The reduction in the projection this month relate to increased waste income from third parties resulting in a budget saving.
Planning and Public Protection	742	765	23	The overspend relates to School Transport costs and further reduced planning income this month netted off by vacancy management and in-year small efficiencies and use of reserves. Although a £500k pressure was approved as part of the 22/23 budget process for school transport and the service is utilising a cash reserve in-year, the service is projecting an overspend.
Community Support Services	2,287	2,287	0	See body of report for summary. The £2.3m overspend is due to an overall pressure of £4.7m, in high cost placements in Specialist Services (£3.1m) and homelessness (£1.6m), netted off by use of reserves (£2.4m). The homelessness overspend is due to higher rates and lengthier stays at accommodation.
Leisure - ADM	12	12	0	The overspend relates to minor variances.
Corporate & Miscellaneous	-1,036	-1,036	0	Release of contingency and savings realised from new ways of working. See body of report for details
Precepts & Levies	0	0	0	See body of report for details
Capital Financing	-1,500	-1,500	0	Reduced capital financing costs in-year due to delayed expenditure on some capital projects. The position on capital financing is very much related to progress on capital projects and variances do not fully crystallise until the final outturn is known. Whilst in previous years any underspend on this budget has been carried forward to help support the capital programme, with the level of overspend currently being reported it is unlikely that this will be possible this year.
Council Services & Corporate Budget	2,189	2,305	116	