

## Appendix 2 - Service Variance Narrative

Service	Variance Last Month £000	Variance This Month £000	Change £000	Description
Communities and Customers	-176	-174	2	Underspend due to vacancy management and use of reserves.
Education and Children's Service	2,999	3,437	438	See body of report for summary. Overspend due to children's social care placements and a reduction in level of out-of-county(OOC) education income netted off by grants maximisation and in-year efficiencies across the services. Increase this month in OOC education (£51k) and in Children services (£387k) due to extended residential and fostering placements, new independent living placements and increased legal costs. All placements have been costed to realistic timescales however no allowance has been made for any further placements for this year.
Business Improvement and Modernisation	-313	-345	-32	Underspend due to vacancy management and small efficiencies, with further vacancy savings and grant maximisation this month.
Legal, HR and Democratic Services	-302	-342	-40	Underspend due to vacancy management and small efficiencies, reduced this month by work on IT software deferred to next year.
Finance and Property	-233	-234	-1	Underspend due to small efficiencies and vacancy management
Highways, Facilities and Environmental Services	35	338	303	The budget pressure is due increasing costs for major projects, street lighting and higher diesel costs netted off by in-year small efficiencies . The increase in the projection this month relate to reduced rechargable works and higher costs for the waste service. The winter maintenance service is overspent (£325k) and the service will use the severe weather reserve to cover this overspend.
Planning and Public Protection	877	883	6	The overspend relates to School Transport costs and reduced planning income 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	2,369	2,317	-52	See body of report for summary. The £2.3m overspend (previously £2.4m) is due to an overall pressure of £4.8m, in high cost placements in Specialist Services (£3.4m) and homelessness (£1.4m), netted off by use of reserves (-£2.4m). The overspend in high cost placements has reduced slightly this month due to increased joint funded income. The overspend in homelessness is due to higher rates and lengthier stays at accommodation; reduced slightly this month due to increased grant amount.
Leisure - ADM	12	12	0	The overspend relates to minor variances.
Corporate & Miscellaneous	-1,519	-1,546	-27	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.
<b>Council Services &amp; Corporate Budget</b>	<b>2,249</b>	<b>2,846</b>	<b>597</b>	