



Revenue Monitoring

The forecast outturn at Month 9 shows an underspend of £0.45M. This comprises a £1.55M forecast overspend for directorate spending and a £2.0M forecast underspend for centrally held items and funding sources, which includes the release of £2.0M of centrally held contingency. This is a favourable movement of £0.75M from the £0.30M overspend forecast at Month 8.

The main variances are in the following areas:

Children & Learning (£2.04M adverse) mainly relating to the current spending profile for Children Looked After (£2.80M) and adverse variances for Jigsaw (£0.53M), Legal (Children's) (£0.14M) and Education & Learning (£0.10M), with favourable variances for Divisional Management (£1.31M) relating to release of Public Health Grant and staffing underspends, and Care Leavers (£0.17M).

Community Wellbeing (£1.85M adverse) mainly due to higher care package costs for Whole Life Pathways - Learning Disabilities cost of care (£2.13M), additional Supported Living client numbers for Mental Health cost of care (£1.02M) and under achievement of transformation savings in Living & Ageing Well cost of care (£0.96M). These are offset by favourable variances for deficit recovery plan mitigations being held in Quality, Assurance & Professional Development (£1.71M) and for Commissioning - Whole Life Pathways (£0.38M). Increased Joint Equipment Store supplier costs are being managed through other favourable variances within ASC - Commissioning, with a net favourable variance of £0.22M.

Enabling Services (£0.78M favourable) due to data warehousing savings, recovery of a contract overcharge, staffing underspends and additional income.

Growth & Prosperity (£0.46M favourable) mainly due to favourable variances for Property Services (£0.47M), School Travel Service (£0.30M) and Transportation (£0.20M), offset by an adverse variance for Property Portfolio Management (£0.63M).

Resident Services (£0.33M favourable) mainly due to a favourable variance from increased income for Port Health (£0.60M) and favourable variances across other services totalling £0.39M, offset by adverse variances for Fleet (£0.33M) due to reduced recharge income, Resident Services Management staffing (£0.19M) and Parking & Itchen Bridge (£0.10M).

Strategy & Chief Executive (£0.78M favourable) primarily relating to staffing underspends (£0.65M) and the charging of premiums to the Insurance Fund (£0.12M).

Capital Asset Management There is a £3.1M favourable variance for Capital Asset Management, after making a contribution to the MFR Reserve to provide cover for risks. This is due to a lower external borrowing requirement from slippage and rephasing of the capital programme and reduced Exceptional Financial Support needed in 2024/25 than had been anticipated.

The £3.1M in-year underspend for Capital Asset Management will be used to make a contribution to the Local Government Reorganisation Reserve.

Savings Delivery

There are £38.59M of directorate savings (excluding additional grants) built into budgets for 2025/26, £33.94M transformation savings and £4.65M other savings. £3.10M of the savings are reported as "delivered" and a further £32.27M are "expected to be delivered" or are at low risk of non-delivery. There are £3.02M of at-risk savings within Community Wellbeing (£1.80M), Enabling Services (£0.14M) and Resident Services (£1.08M), and £0.20M of savings within Growth & Prosperity that are not expected to be achieved. Community Wellbeing is forecast to over achieve the Whole Life Pathway transformation saving by £0.4M. The Enabling Services and Growth & Prosperity savings shortfalls are mitigated by other favourable variances within the respective directorates.

Deficit Recovery Plans

Implementation of deficit recovery plan measures continue to be progressed for Children & Learning, Community Wellbeing and Resident Services to help reduce service overspends.

Dedicated Schools Grant (DSG) and School Balances

The net DSG deficit is projected to reduce by £0.50M by the end of 2025/26 to £16.54M. Schools budget data shows there are 14 schools with a deficit balance and where necessary deficit recovery plans are being prepared.

Reserves

The General Fund reserve is forecast to be £12.00M at the end of 2025/26, and earmarked revenue reserves (excluding schools' balances) at £39.37M.

Housing Revenue Account (HRA)

There is no overall change to the HRA forecast as at Month 9, which is forecast to be in line with the business plan position to generate a surplus of £0.91M, however there have been adverse movements for rent income (£0.38M) and Supervision & Management (£0.24M), mitigated by a corresponding reduction in the revenue contribution to capital (£0.62M). There is an adverse variance for insurance premiums (£0.27M) forecast to be met from increased leaseholder service charge income, and an adverse variance for cyclical maintenance (£0.22M), which is also offset by a corresponding reduction in the revenue contribution to capital. A £0.36M adverse variance within Housing Management is offset by favourable variances within Housing Needs and Supported Housing. The Landlord Controlled Heating Account carried a £1.35M deficit into 2025/26, and this is expected to reduce to £0.37M by year end.

Capital Programme

General Fund

The General Fund capital programme has a favourable forecast variance of £10.50M at Month 9. This is made up of £0.84M of overspends, £3.19M of underspends, £1.28M of rephasing and £9.42M of slippage.

- The main areas of slippage are Client Case Management System (£1.84M), Schools Condition Works (£1.81M), IT Equipment & Software Refresh (£1.04M), FTZ Theme 2 - Sustainable Urban Logistics (£0.87M) and Bus Service Improvement Plans (BSIP) (£0.70M). The main rephasing is in FTZ Programme -Other (£1.18M). The main areas of underspend are Schools Condition Works (£0.72M) which is offset by £0.55M of overspend, Townhill Junior School (£0.67M) and Public Transport - Clean Bus Technology (£0.64M).

HRA

The HRA capital programme position has a favourable forecast variance of £4.35M in Month 9. This is made up of £11.44M of overspends, £11.29M of underspends and £4.50M of slippage.

- The main areas of overspend are Block Modernisation Programme (£5.07M), External Windows and Doors (£2.01M), Electrical Heating Systems (£1.73M) Roofing Lot 2 East (£1.00M) and Roofing Lot 1 West (£0.75M). The main areas of underspend are Inflation Allowance (£1.56M), Fire Safety - Wyndham Court Upgrade (£1.50M), Passive Fire Safety Works (£0.83M), External Doors - Front/Rear (£0.62M) and Fire Safety - Cladding Assessment (£0.60M). The main areas of slippage are ECO - Canberra Towers (£0.81M), Holyrood Estate heating upgrade (£0.80M) and GN new Homes (£0.64M)



	Working Budget 2025/26 £M	Forecast Outturn Month 9 £M	Forecast Variance Month 9 £M		Movement Month 8 to Month 9 £M		
Directorates:							
Children & Learning	45.99	48.03	2.04	A	0.05	A	↓
Community Wellbeing	70.12	71.96	1.85	A	(0.09)	F	↑
Enabling Services	22.98	22.20	(0.78)	F	(0.54)	F	↑
Growth & Prosperity	37.64	37.19	(0.46)	F	0.00		
Resident Services	18.80	18.47	(0.33)	F	(0.16)	F	↑
Strategy & Chief Executive	12.26	11.48	(0.78)	F	(0.01)	F	↑
Total Directorates	207.79	209.34	1.55	A	(0.75)	F	↑
Levies & Contributions	0.10	0.10	0.00		0.00		
Capital Asset Management	21.41	18.31	(3.10)	F	0.00		
Other Expenditure & Income	1.77	2.87	1.10	A	0.00		
Net Council Expenditure	231.07	230.61	(0.45)	F	(0.75)	F	↑
Financed by:							
Council Tax	(127.71)	(127.71)	0.00		0.00		
Business Rates	(55.19)	(55.19)	0.00		0.00		
Non-Specific Government Grants & Other Funding	(48.17)	(48.17)	0.00		0.00		
Total Funding	(231.07)	(231.07)	0.00		0.00		
Net Over/(Underspend)	0.00	(0.45)	(0.45)	F	(0.75)	F	↑

General Fund Month 9 Commentary

Overall forecast position is £0.45M underspent

There is a favourable movement of £0.75M from month 8.

Children & Learning: a forecast overspend of £2.04M.

There is an adverse movement of £0.05M from month 8, mainly due to a net increase in care costs (£0.22M), offset by a net favourable movement on staffing costs (£0.17M). The overall £2.04M adverse variance relates primarily to adverse variances for the current spending profile for Children Looked After (£2.80M), Jigsaw (£0.53M), Legal (Children's)(£0.14M) and Education & Learning (£0.10M). There are favourable variances for Divisional Management (£1.31M) relating to release of Public Health Grant and staffing underspends, and Care Leavers (£0.17M), plus other smaller variances elsewhere totalling £0.04M favourable.

Community Wellbeing: a forecast overspend of £1.85M.

There is a favourable movement of £0.09M from the forecast position at month 8, with Joint Equipment Store expenditure arising from the supplier failure earlier in the year being lower than originally anticipated (£0.22M), reduced by adverse movements on ASC staffing (£0.07M) and Community Safety staffing (£0.06M). There is an overall £1.85M adverse variance relating to Whole Life Pathways - Learning Disabilities cost of care (£2.13M) due to higher care package costs, Whole Life Pathways - Mental Health cost of care (£1.02M) due to additional client numbers in Supported Living and Living & Ageing Well - cost of care and under achievement of transformation savings (£0.96M). There are favourable variances for Quality, Assurance & Professional Development (£1.71M) primarily relating to deficit recovery plan mitigations pending allocation across other services and for Commissioning - Whole Life Pathways due the respite related deficit recovery mitigation (£0.38M). The adverse variance for the Joint Equipment Store (£0.20M) due to higher contract costs is being fully managed within Commissioning with favourable variances on staffing and other contract spend (£0.42M). There are other minor net adverse variances of £0.05M.

Enabling Services: a forecast underspend of £0.78M.

There is a favourable movement of £0.54M from the forecast position at month 8 relating to recovery of a Digital Services contract overcharge (£0.38M) and additional salary underspends (£0.12M). There is an overall £0.78M favourable variance, with favourable variances for Digital Services (£0.56M), Data & Intelligence (£0.18M) and Contracting & Procurement (£0.05M) being partially offset by an adverse variance for Corporate Management (£0.02M).

Growth & Prosperity: a forecast underspend of £0.46M.

There is no movement from the forecast position at month 8. The overall £0.46M favourable variance is due to favourable variances for Property Services (£0.47M), School Travel Service (£0.30M) and Transportation (£0.20M), offset by a £0.63M adverse variance for Property Portfolio Management. There are small variances totalling £0.11M favourable elsewhere.

Resident Services: a forecast underspend of £0.33M.

There is a favourable movement of £0.16M from month 8 mainly relating to Housing Needs from measures to manage demand for nightly paid accommodation and additional grant income (£0.32M), and Private Sector Housing grant income (£0.11M), reduced by an adverse movement for Fleet due to a reduction in recharge income (£0.33M). The overall £0.33M favourable variance relates to favourable variances for Port Health (£0.60M) from higher income, Waste Operations (£0.08M), Environmental Health & Scientific Services (£0.09M), Registration Services (£0.07M) and other favourable variances totalling £0.15M, offset by adverse variances for Resident Services Management (£0.19M) primarily relating to staffing, Fleet (£0.33M), Parking & Itchen Bridge (£0.10M) due to under recovery of income and other adverse variances elsewhere totalling £0.05M.

Strategy & Chief Executive: a forecast underspend of £0.78M.

There is a favourable movement of £0.01M from month 8 relating to additional legal income of £0.02M offset by a pressure from unrecoverable election expenses. The £0.78M overall favourable variance is primarily due to £0.65M salary underspends in the Chief Officer Management Team and the Policy Team, together with a £0.12M underspend relating to a change in the funding of insurance premiums.



Executive Director	Month 9 Variance	Transformation Savings Variances	Other Directorate Variances
	£M	£M	£M
Children & Learning	2.04	0.00	2.04
Community Wellbeing	1.85	1.40	0.45
Enabling Services	(0.78)	0.00	(0.78)
Growth & Prosperity	(0.46)	0.20	(0.66)
Resident Services	(0.33)	1.08	(1.40)
Strategy & Chief Executive	(0.78)	0.00	(0.78)
Total	1.55	2.68	(1.13)

Transformation Savings Variances

Executive Director	Saving Description	Savings Variance £M
▲		
Community Wellbeing	ASC & Health Transformation - Living and Ageing Well	1.80
Community Wellbeing	ASC & Health Transformation - Whole Life Pathway	-0.40
Growth & Prosperity	Growth & Prosperity Transformation - Service Redesign	0.20
Resident Services	Resident Services Transformation - Productivity & Redesign	1.08
Total		2.68



Clear Filters

Variances Month 9



Children & Learning

Community Wellbeing

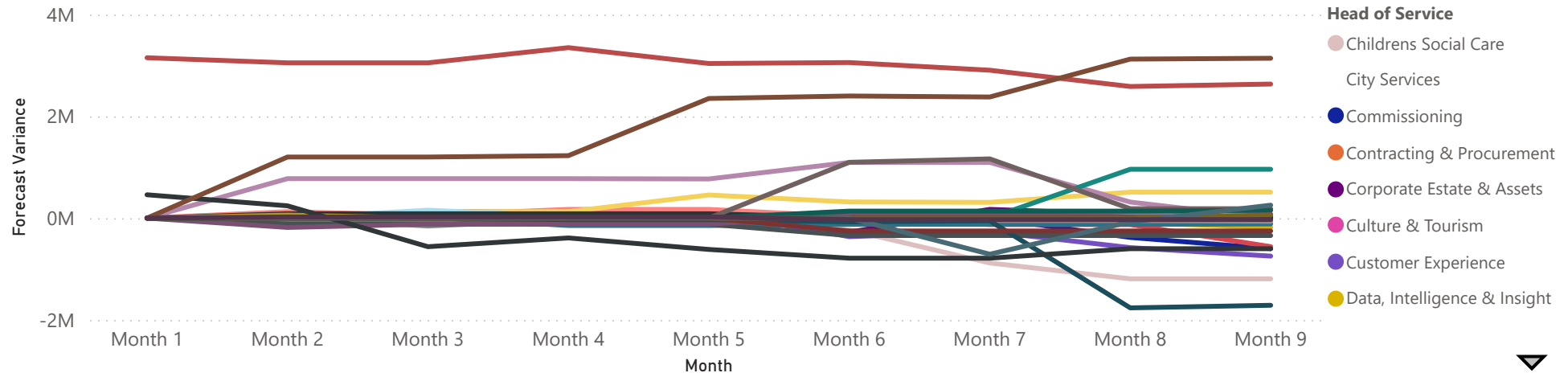
Enabling Services

Growth & Prosperity

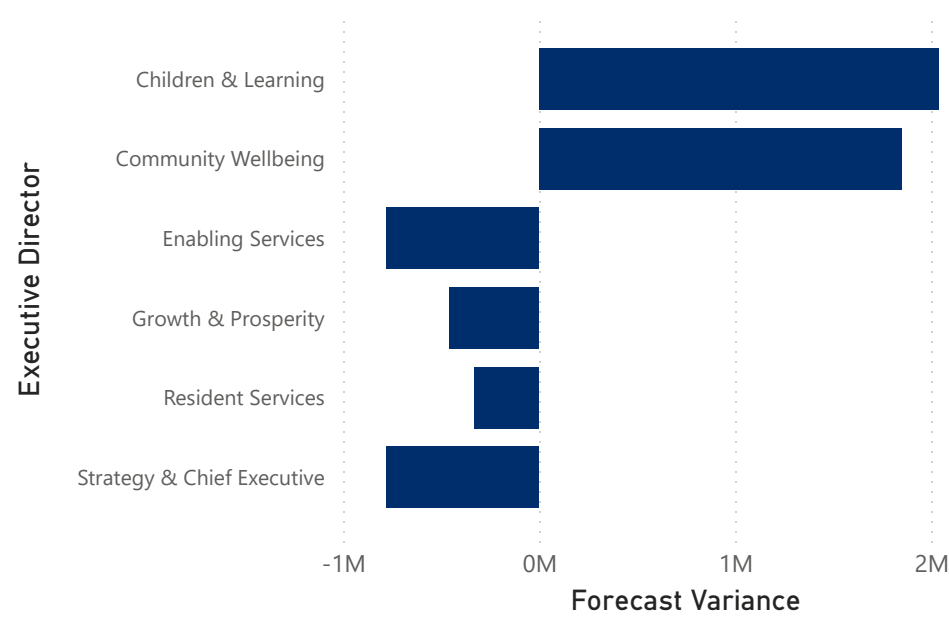
Resident Services

Strategy & Chief Executive

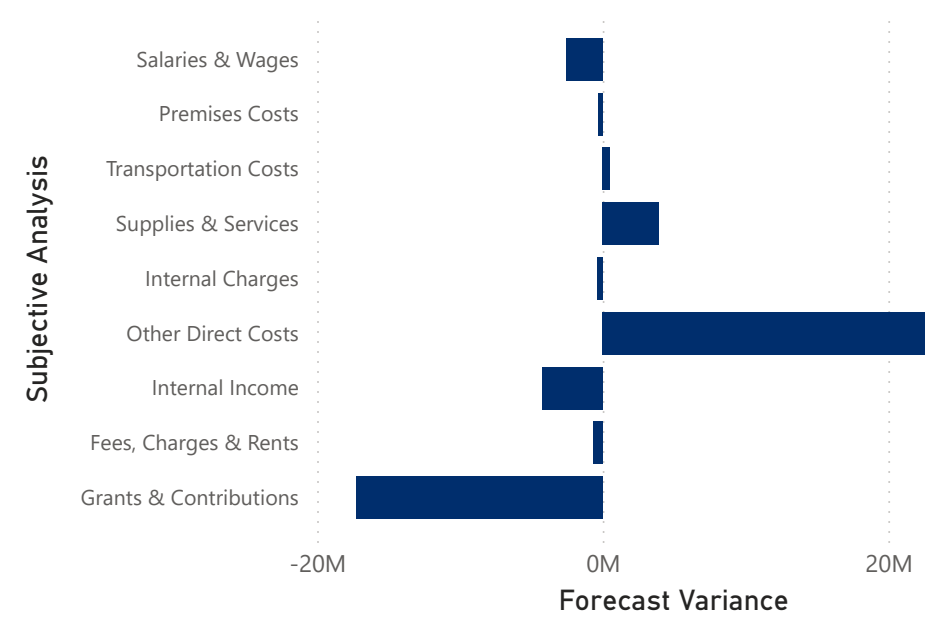
Variance Trend -



Variance to Budget -



Variance by Subjective Analysis -





Variations to Budget per Directorate Month 9



Variance Type	Children & Learning	Community Wellbeing	Enabling Services	Growth & Prosperity	Resident Services	Strategy & Chief Executive	Total Variance
	£M	£M	£M	£M	£M	£M	£M
Agreed Savings	0.00	1.40	0.10	0.20	1.08	0.00	2.78
Transformation Savings Under Achievement	0.00	1.80	0.00	0.20	1.08	0.00	3.08
Transformation Savings Over Achievement	0.00	(0.40)	0.00	0.00	0.00	0.00	(0.40)
Other Savings Variances	0.00	0.00	0.10	0.00	0.00	0.00	0.10
Unbudgeted Recurring Pressures	3.02	4.59	0.00	0.99	1.21	0.00	9.81
Staffing	0.00	0.06	0.00	0.00	0.04	0.00	0.10
Contracted Spend	0.00	0.20	0.00	0.36	0.00	0.00	0.56
Other Expenditure	3.02	4.33	0.00	0.00	0.79	0.00	8.14
Income	0.00	0.00	0.00	0.63	0.37	0.00	1.01
Unbudgeted Recurring Savings	0.00	(2.10)	(0.13)	0.00	(0.07)	0.00	(2.29)
Staffing	0.00	0.00	0.00	0.00	(0.07)	0.00	(0.07)
Contracted Spend	0.00	0.00	(0.13)	0.00	0.00	0.00	(0.13)
Other Expenditure	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Income	0.00	(2.10)	0.00	0.00	0.00	0.00	(2.10)
In-Year Overspends	1.00	0.61	0.14	0.70	1.01	0.02	3.49
Staffing	0.32	0.13	0.13	0.34	0.31	0.01	1.24
Contracted Spend	0.00	0.00	0.00	0.00	0.12	0.00	0.12
Other Expenditure	0.68	0.08	0.01	0.37	0.20	0.01	1.34
Income	0.00	0.40	0.00	0.00	0.39	0.00	0.79
In-Year Underspends	(1.98)	(2.66)	(0.89)	(2.35)	(3.56)	(0.80)	(12.23)
Staffing	(0.81)	(0.21)	(0.27)	(0.76)	(0.36)	(0.64)	(3.05)
Contracted Spend	(0.02)	(0.80)	(0.43)	(0.95)	(0.25)	0.00	(2.45)
Other Expenditure	(0.20)	(1.62)	0.00	(0.52)	(0.06)	(0.12)	(2.50)
Income	(0.96)	(0.03)	(0.18)	(0.12)	(2.89)	(0.04)	(4.23)
Total Variance	2.04	1.85	(0.78)	(0.46)	(0.33)	(0.78)	1.55

The £1.55M adverse directorate variance is due to £9.81M unbudgeted recurring pressures, £3.49M of in-year overspends, £2.78M net under achievement of agreed savings, £2.29M unbudgeted recurrent savings and £12.23M of in-year underspends.

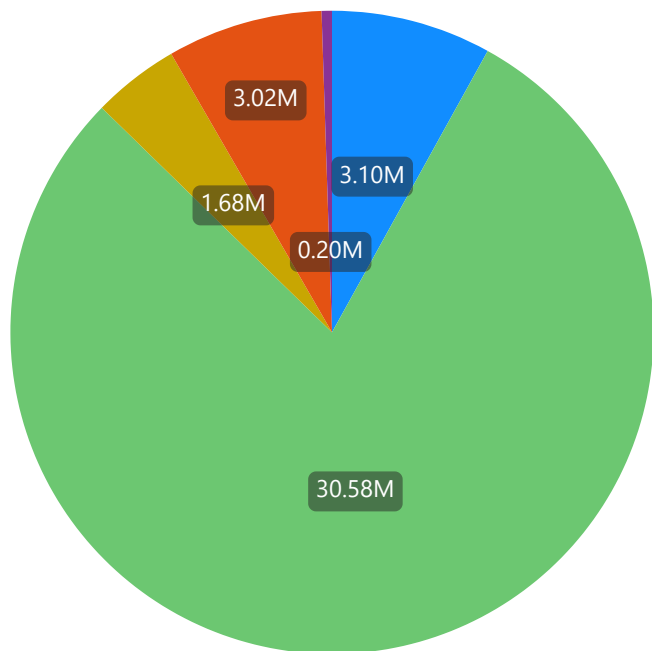


Saving Type ▼

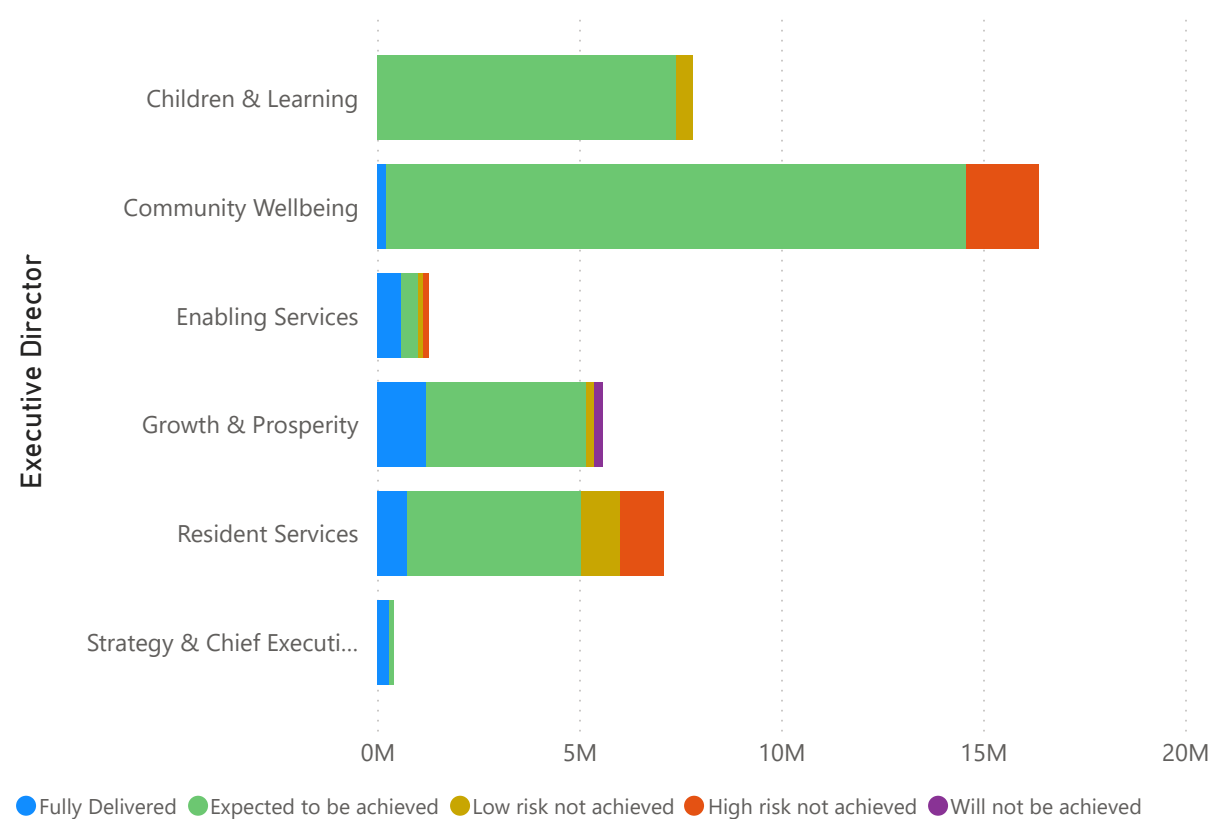
- Other
- Transformation

Savings Targets 2025/26 RAG Rated

Total Savings
£38.59M



Savings Targets per Directorate



● Fully Delivered ● Expected to be achieved ● Low risk not achieved ● High risk not achieved ● Will not be achieved

Please select a Directorate to drillthrough

Key Issues

The council is on track to achieve 87.3% (£33.69M) of budgeted directorate savings, with a further 4.4% (£1.68M) at a low risk of not being achieved. This leaves 8.3% (£3.22M) which are not forecast to be achieved within Community Wellbeing (£1.80M), Enabling Services (£0.14M), Growth & Prosperity (£0.20M) and Resident Services (£1.08M). Community Wellbeing is forecast to over achieve the Whole Life Pathway transformation saving by £0.4M. The Enabling Services and Growth & Prosperity savings shortfalls are being mitigated by other favourable variances within the respective directorates .



	Working Budget 2025/26 £M	Forecast Outturn Month 9 £M	Forecast Variance Month 9 £M		Movement Month 8 to Month 9 £M	
Childrens Social Care	(9.58)	(10.77)	(1.19)	F	0.00	
Divisional Management	(10.32)	(11.63)	(1.31)	F	0.00	
ICU - Children's Services	0.36	0.34	(0.02)	F	0.00	
Legal (Children's)	0.38	0.52	0.14	A	0.00	
Education	5.65	5.59	(0.06)	F	(0.02)	F ↑
DSG Central School Services Block	(0.06)	(0.06)	0.00		0.00	
DSG Early Years Block	0.00	0.00	0.00		0.00	
DSG High Needs Block Education	3.16	3.00	(0.15)	F	(0.02)	F ↑
DSG Schools Block	0.00	0.00	0.00		0.00	
Education - Asset Management	0.84	0.84	0.00		0.00	
Education & Learning	1.71	1.81	0.10	A	0.00	
Family Help	3.94	3.93	(0.01)	F	0.00	
Family Help	3.94	3.93	(0.01)	F	0.00	
Family Safeguarding	11.00	11.51	0.51	A	0.00	
Jigsaw	5.58	6.11	0.53	A	0.00	
Safeguarding	5.42	5.40	(0.02)	F	0.00	
Pathways Through Care & Resources	30.43	33.06	2.63	A	0.05	A ↓
Care Leavers	1.96	1.79	(0.17)	F	0.01	A ↓
Children Looked After	28.47	31.27	2.80	A	0.04	A ↓
Quality Assurance	2.74	2.78	0.03	A	0.00	
Quality Assurance Business Unit	2.74	2.78	0.03	A	0.00	
SEND	(1.65)	(1.49)	0.15	A	0.02	A ↓
DSG High Needs Block SEND	(3.16)	(3.00)	0.15	A	0.02	A ↓
Education - High Needs	1.51	1.51	0.00		0.00	
Young Peoples Service	3.44	3.42	(0.03)	F	0.00	
Young Peoples Service	2.40	2.41	0.01	A	0.00	
Youth Offending	1.04	1.00	(0.04)	F	0.00	
Total Children & Learning	45.99	48.03	2.04	A	0.05	A ↓

Children & Learning: a forecast overspend of £2.04M.

There is an adverse movement of £0.05M from month 8. This is mainly due to a net increase in care costs (£0.22M), partially offset by a net favourable movement in staffing costs (£0.17M) due to a review of urgent staffing requirements.

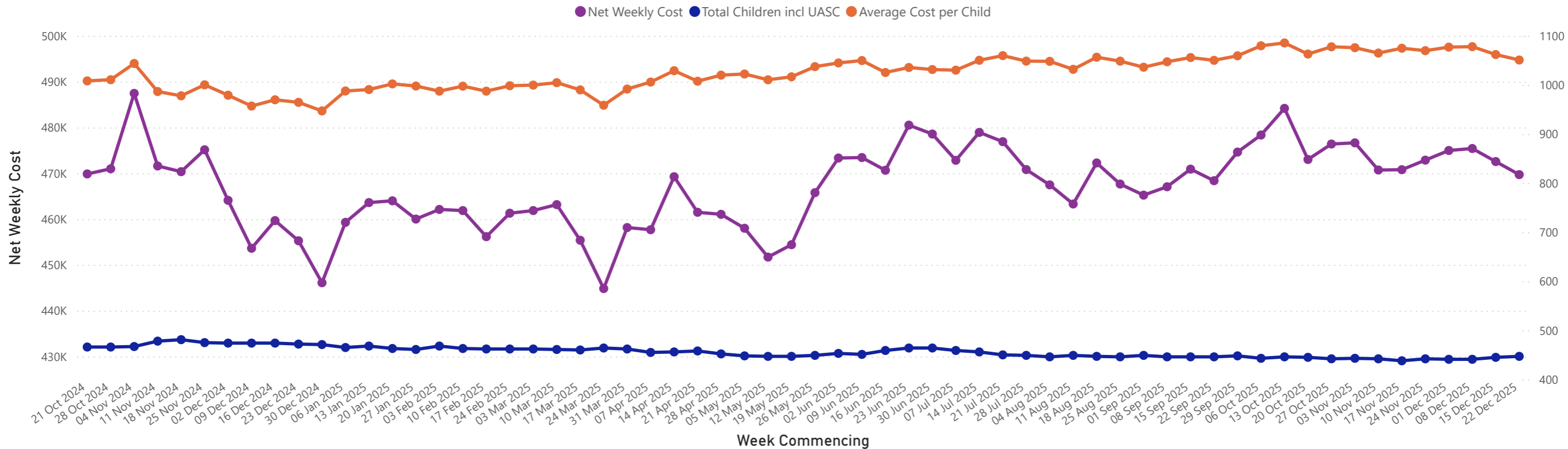
There is an adverse forecast variance of £2.04M as at month 9. The significant adverse variances are £2.80M due to the current spending profile for Children Looked After, £0.53M for Jigsaw due to an increase in package costs and a reduction in health and education funding, £0.10M for Education & Learning due to in year outcomes of the staffing restructure and £0.14M for Legal, mainly due to a high cost one off case.

The above adverse variances are partially offset by a £0.17M favourable variance for Care Leavers due to the reduction in high cost placements, with more care leavers moving into shared accommodation and a £1.31M variance for Divisional Management due to a detailed review of staffing forecasts and a release of Public Health Grant.

There is also a net minor forecast favourable variance of £0.04M across other areas.



Children Looked After Numbers



Net Weekly Cost

Although Children's Social Care costs have decreased at times over the past 2 years, the current rate of spend is showing an increase as the average cost of care for clients continues to rise. This is reflected in the current expenditure forecast against budget.

Numbers of Children

Over the past 2 years the numbers of children in care have reduced by over 10%.

Average cost per child

The average cost per child has recently seen a steady increase compared to the last financial year. This needs to reduce to meet the savings target.



	Working Budget 2025/26 £M	Forecast Outturn Month 9 £M	Forecast Variance Month 9 £M		Movement Month 8 to Month 9 £M	
Commissioning	18.72	18.12	(0.60)	F	(0.22)	F ↑
ASC - Commissioning - Care Market Oversight	0.10	0.10	0.00		0.00	
ASC - Commissioning - Living & Ageing Well	6.76	6.96	0.20	A	(0.22)	F ↑
ASC - Commissioning - Prevention	7.53	7.41	(0.12)	F	0.00	
ASC - Commissioning - Resourcing	2.35	2.05	(0.30)	F	0.00	
ASC - Commissioning - Whole Life Pathways	1.98	1.60	(0.38)	F	0.00	
Living & Ageing Well	32.63	33.59	0.96	A	0.00	
ASC - Living & Ageing Well - Cost of care	26.06	27.02	0.96	A	0.00	
ASC - Living & Ageing Well - Resourcing	6.56	6.56	0.00		0.00	
Public Health	0.00	0.00	0.00		0.00	
Public Health - Health Improvement	2.12	2.18	0.06	A	0.00	
Public Health - Health Protection and Surveillance	9.86	9.86	0.00		0.00	
Public Health - Management & Overheads	(15.93)	(15.99)	(0.06)	F	0.00	
Public Health - Non-ringfenced	0.00	0.00	0.00		0.00	
Public Health - Population Healthcare	3.95	3.95	0.00		0.00	
Quality, Governance & Professional Development	(29.39)	(31.10)	(1.71)	F	0.05	A ↓
ASC - Innovation, Quality Performance and Practice Development (IQPP)	(29.39)	(31.10)	(1.71)	F	(1.71)	F ↑
Stronger Communities	1.34	1.40	0.06	A	0.06	A ↓
Community Safety, Alcohol Related Crime, CCTV	0.32	0.32	0.00		0.00	
Domestic Violence	0.40	0.40	0.00		0.00	
Grants to Voluntary Organisations	0.41	0.41	0.00		0.00	
Stronger Communities	0.21	0.27	0.06	A	0.06	A ↓
Whole Life Pathways	46.82	49.96	3.14	A	0.02	A ↓
ASC - Whole Life Pathways - Directly Delivered Services	5.01	5.09	0.08	A	0.02	A ↓
ASC - Whole Life Pathways - LD Cost of care	26.67	28.81	2.13	A	0.00	
ASC - Whole Life Pathways - MH Cost of care	10.75	11.77	1.02	A	0.00	
ASC - Whole Life Pathways - Other Cost of care	0.00	0.00	0.00		0.00	
ASC - Whole Life Pathways - Resourcing	4.39	4.30	(0.09)	F	(0.01)	F ↑
Total Community Wellbeing	70.12	71.96	1.85	A	(0.09)	F ↑

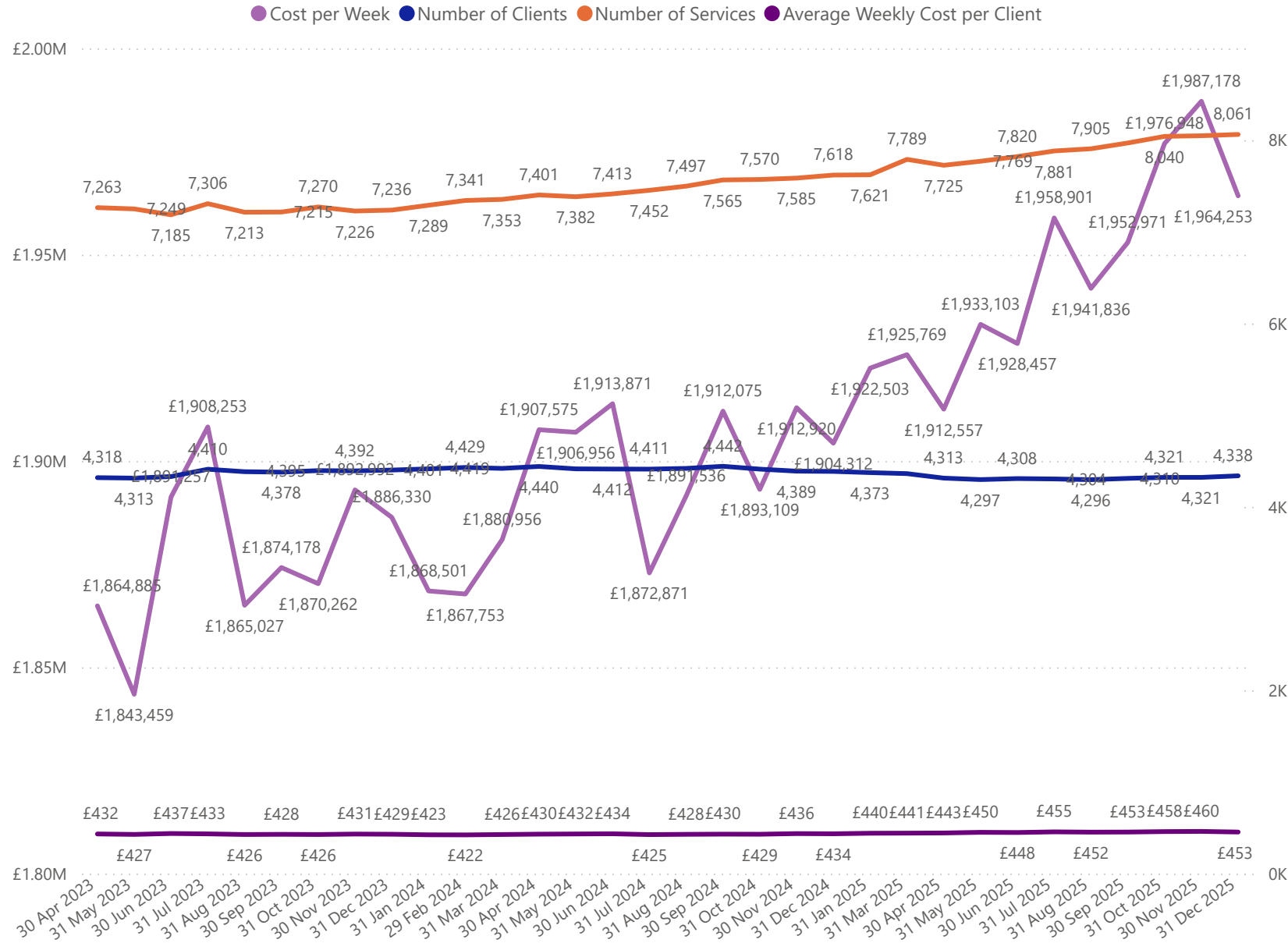
Community Wellbeing: a forecast overspend of £1.85M.

There is favourable movement of £0.09M from month 8. There has been a favourable movement on the Joint Equipment Store forecast of £0.22M due to lower expenditure than originally estimated as a result of the supplier failure earlier this year. The initial limited catalogue was in place longer than originally expected which has reduced expenditure in the initial contract period. There have been other adverse movements on staffing in ASC of £0.07M to allow for expected additional resources required as a result of winter pressures. There is also an adverse movement of £0.06M on Community Safety staffing.

There is an overall adverse variance of £1.85M. This is split £1.79M for ASC and £0.06M for Community Safety. The ASC variance is due to an adverse variance on Living and Ageing Well of £0.96M from the underachievement of transformation savings based on performance against the key performance indicators. There is an adverse variance of £2.13M on Learning Disabilities predominately from the inclusive lives programme. High framework rates have increased the average cost of care but these are expected to fall in the new financial year following a retender. There is also an adverse position on Mental Health cost of care from forecast costs on Supported Living and Nursing Home care being £1.02M due to additional client numbers in Supported Living. There is a favourable variance of £1.71M on Quality, Assurance and Professional Development as £1.60M of the deficit recovery mitigations have been temporarily included in the forecast under this heading prior to them being apportioned out across WLP and LAAW, this includes an additional £0.90M drawdown from centrally held inflation, £0.30M for client contributions, £0.30M for additional income from the ICB and £0.10M for Direct Payment surpluses. There is also a favourable variance in Commissioning due to the respite related deficit recovery mitigation of £0.35M. There is an adverse variance on the Joint Equipment Store of £0.20M. The supplier failure and move to a new supplier earlier in the year is expected to create additional costs in 2025/26. The contract with the previous supplier included significantly favourable rates for equipment which will not be matched under the cost model with the new supplier. This adverse variance is being fully managed within Commissioning related budgets through favourable variances on staffing and other contract spend of £0.42M. There are other minor net favourable variances in ASC of £0.06M, along with an adverse variance on Community Safety staffing of £0.06M.



Adult Client Package Numbers



Number of Clients

The total number of clients had remained quite steady throughout the 2025/26 financial year but have been generally trending down since October 2024. This has resulted in a reduction of 2.9% in the overall total number since the September 2024 snapshot. However, there has been an upward trend in the number of services with a 4.9% increase over the same period. This has mainly been driven by the increasing use of home care and telecare services as we look to support people to live independently in their own homes for as long as possible.

Average Weekly Cost per Client

Average weekly cost per client have remained between £425 and £460 per week since the 2023-24 financial year. This continues to be the case for the 2025-26 financial year but costs are now at the higher end of that bracket following negotiated fee uplifts which have been applied. The average rate has increased from £444 to £456 in 2025/26, which based on relevant client numbers is the equivalent of an annualised impact of £1.4M.

N.B.

Figures are subject to change once the position has been finalised due to the impact of backdated care costs.



	Working Budget 2025/26 £M	Forecast Outturn Month 9 £M	Forecast Variance Month 9 £M		Movement Month 8 to Month 9 £M	
Enabling Services	(6.16)	(6.14)	0.02	A	(0.02)	↑
Centrally Apportionable Overheads	(7.67)	(7.67)	0.00		0.00	
Corporate Management	1.26	1.28	0.02	A	(0.02)	↑
Internal Audit	0.25	0.24	0.00		0.00	
Contracting & Procurement	1.66	1.61	(0.05)	F	0.00	
Contracting & Procurement	1.66	1.61	(0.05)	F	0.00	
Data, Intelligence & Insight	1.10	0.92	(0.18)	F	(0.09)	↑
Data & Intelligence	1.10	0.92	(0.18)	F	(0.09)	↑
Digital	12.00	11.44	(0.56)	F	(0.43)	↑
Digital Services	12.00	11.44	(0.56)	F	(0.43)	↑
Finance - Corporate & Strategic	5.42	5.39	(0.04)	F	0.00	
Finance - Strategic	3.06	3.03	(0.04)	F	0.00	
Net Housing Benefit Payments	0.00	0.00	0.00		0.00	
Pension & Redundancy Costs	2.36	2.36	0.00		0.00	
Finance - Operational	5.94	5.98	0.04	A	0.00	
Finance - Operational	5.72	5.75	0.04	A	0.00	
Local Taxation & Benefits Services	0.22	0.22	0.00		0.00	
People & Culture	3.01	3.01	0.00		0.00	
HR Services	3.01	3.01	0.00		0.00	
Total Enabling Services	22.98	22.20	(0.78)	F	(0.54)	↑

Enabling Services: a forecast underspend of £0.78M.

There is a favourable movement of £0.54M since month 8 due to recovery of a contract overcharge of £0.38M and £0.12M of additional salary underspends.

There is a favourable variance of £0.78M comprising staffing underspends of £0.14M, an overachievement of the AVC saving of £0.04M. There is additional income in Contracting & Procurement of £0.04M, reduced contract spend in Digital for data warehousing of £0.13M and £0.38M recovered from an overcharge, plus a contract underspend in HR of £0.05M. An under achievement of the saving for E-Billing of £0.14M due to slower take up of the service than anticipated is being fully mitigated by additional fees & charges and other mitigations in year.



	Working Budget 2025/26 £M	Forecast Outturn Month 9 £M	Forecast Variance Month 9 £M		Movement Month 8 to Month 9 £M
Growth & Prosperity	0.68	0.68	0.00		0.00
Directorate Management	0.03	0.03	0.00		0.00
Green Cities	0.65	0.65	0.00		0.00
Corporate Estate & Assets	6.72	6.80	0.08	A	0.00
Central Repairs & Maintenance	3.06	3.01	(0.05)	F	0.00
Energy Team	0.14	0.13	(0.02)	F	0.00
Facilities	0.79	0.77	(0.02)	F	0.00
Property Portfolio Management	(5.77)	(5.15)	0.63	A	0.00
Property Services	8.51	8.04	(0.47)	F	0.00
Culture & Tourism	3.69	3.76	0.07	A	0.00
Cultural Services	1.66	1.66	0.00		0.00
Libraries	2.04	2.11	0.07	A	0.00
Economic Development & Regeneration	1.76	1.76	0.00		0.00
City Development	0.78	0.78	0.00		0.00
Economic Development	0.15	0.15	0.00		0.00
Skills & Employment Support	0.83	0.83	0.00		0.00
Transport & Planning	24.79	24.19	(0.60)	F	0.00
Flood Risk Management	0.16	0.18	0.02	A	0.00
Highways Contracts	7.75	7.66	(0.09)	F	0.00
Home To School Transport	9.47	9.17	(0.30)	F	0.00
Planning	1.26	1.24	(0.03)	F	0.00
Transportation	6.15	5.94	(0.20)	F	0.00
Total Growth & Prosperity	37.64	37.19	(0.46)	F	0.00

Growth & Prosperity: a forecast underspend of £0.46M.

There is a nil variance movement from Month 8.

There is a favourable variance of £0.46M at Month 9 due to;

- Central Repairs & Maintenance is reporting a £0.05M favourable variance, driven by a contract inflation uplift on Term Servicing building costs within Construction Projects Management.
- Planning with a favourable forecast variance of £0.03M, largely due to a £0.27M favourable movement in Strategic Planning from contracted services. This is partly offset by a £0.22M adverse forecast movement, as the forecast assumes full implementation of the Local Plan. The service has also experienced resource shortages due to ongoing recruitment challenges.
- Highway Contracts reporting a £0.09M favourable variance. This reflects favourable movements in contracted services for City Watch (£0.05M) and Highways (£0.08M), partially offset by adverse movements in Contributions from Other Bodies (£0.02M) and other expenses (£0.02M).
- Property Services shows a favourable forecast variance of £0.47M, primarily driven by forecast underspends in gas (£0.1M) and geothermal (£0.4M), as well as £0.56M from staffing vacancies. These have however, been offset by projected increases in business rates (£0.23M), the cleaning contract (£0.12M), security services (£0.24M), and water services (£0.11M) linked to the corporate landlord function.
- Property Portfolio Management, however, is forecasting a £0.63M adverse variance due to lost income from investment property disposals (£0.38M), vacant properties (£0.10M), and delays in lease renewals (£0.53M).
- There is a favourable forecast variance of £0.20M in Transportation this is mainly due to vacancies within the area equating to £0.06M and additional forecast income from Grant funding and Capital recharges of £0.12M.
- School Travel Service - There is a favourable variance of £0.30M. This is due to additional savings expected from the route optimisation procurement system. Further work is ongoing to establish whether is a sustainable movement or if it relates to short-term demand fluctuations.



	Working Budget 2025/26 £M	Forecast Outturn Month 9 £M	Forecast Variance Month 9 £M		Movement Month 8 to Month 9 £M	
Resident Services	0.46	0.65	0.19	A	0.00	
Resident Services Management	0.46	0.65	0.19	A	0.00	
City Services	5.89	5.89	0.00		0.00	
City Services - Commercial Services	0.77	0.77	0.00		0.00	
City Services - District Operating Areas	4.63	4.63	0.00		0.00	
City Services - Management & Compliance	0.54	0.54	0.00		0.00	
Landscape Trading Area	(0.05)	(0.05)	0.00		0.00	
Customer Experience	(6.44)	(7.19)	(0.75)	F	(0.17)	F ↑
CPRES - Bereavement Services	0.75	0.77	0.02	A	0.00	
CPRES - Environmental Health & Scientific Services	1.55	1.46	(0.09)	F	0.00	
CPRES - Licensing	0.00	(0.04)	(0.04)	F	(0.04)	F ↑
CPRES - Parking & Itchen Bridge	(10.73)	(10.63)	0.10	A	0.00	
CPRES - Port Health	(1.25)	(1.85)	(0.60)	F	(0.01)	F ↑
CPRES - Private Sector Housing	0.74	0.71	(0.03)	F	(0.11)	F ↑
CPRES - Registration Services	(0.18)	(0.25)	(0.07)	F	0.00	
Customer Experience	0.50	0.47	(0.03)	F	0.00	
Leisure Contracts	2.08	2.08	0.00		0.00	
Leisure Strategy	0.10	0.10	0.00		0.00	
Emergency Preparedness, Planning & Response	0.45	0.43	(0.02)	F	0.00	
Emergency Planning	0.14	0.10	(0.05)	F	0.00	
Health & Safety	0.30	0.33	0.03	A	0.00	
Housing	2.74	2.74	(0.01)	F	(0.32)	F ↑
DFG Support	0.01	0.01	0.00		0.00	
Housing Needs	2.60	2.60	0.00		(0.32)	F ↑
Social Fund & Property	0.18	0.18	0.00		0.00	
Travellers Sites	(0.04)	(0.05)	(0.01)	F	0.00	
Service Centre	3.51	3.51	0.00		0.00	
Customer Services	3.51	3.51	0.00		0.00	
Waste & Fleet	12.18	12.43	0.25	A	0.33	A ↓
City Services - Waste Operations	13.34	13.26	(0.08)	F	0.00	
Fleet Trading Area	(1.16)	(0.83)	0.33	A	0.33	A ↓
Total Resident Services	18.80	18.47	(0.33)	F	(0.16)	F ↑

Resident Services: a forecast underspend of £0.33M.

There is a favourable movement of £0.16M from Month 8.

Housing Needs have a favourable movement of £0.32M. This variance is primarily driven by the continued implementation of homelessness mitigation measures aimed at managing demand for nightly paid accommodation. This is supported by the recognition of additional grant income to help offset these pressures.

Private Sector Housing have a favourable movement of £0.11M. Private Sector Housing is utilising Cladding Grant to cover some staff costs, resulting in a forecasted underspend. Within HMOs, further savings are anticipated following the implementation of the new structure, alongside additional income from Civil Penalty Notices and a revised forecast for the new scheme.

Licensing have a favourable movement of £0.04M. The movement is due to salary underspends from a vacant Compliance Officer post and unexpected staff changes, complemented by minor savings on supplies and services.

Fleet have an adverse movement £0.33M. The variance was driven by a reduction in insurance charges, which impacts recovery. Additionally, lower recharge rates for internal vehicles and a change in the recharge method for long-term hires have contributed to this position.

Port Health are hopeful of maintaining the £0.6M overachievement this year, and the M9 forecast has been adjusted favourably by £0.01M accordingly.



	Working Budget 2025/26 £M	Forecast Outturn Month 9 £M	Forecast Variance Month 9 £M		Movement Month 8 to Month 9 £M	
Legal & Governance	5.51	5.40	(0.11)	F	0.01	↓
Democratic Representation & Management	2.42	2.42	0.00		0.00	
Registration of Electors and Elections Costs	0.32	0.32	0.00		0.01	↓
Risk Management	2.77	2.66	(0.11)	F	0.00	
Legal Partnership	1.59	1.53	(0.06)	F	(0.01)	↑
Land Charges	(0.14)	(0.13)	0.01	A	0.01	↓
Legal Services	1.73	1.65	(0.08)	F	(0.03)	↑
Marketing & Communications	0.70	0.69	(0.01)	F	0.00	
Corporate Communications	0.70	0.69	(0.01)	F	0.00	
Policy	0.75	0.41	(0.34)	F	0.00	
Devolution	0.00	0.00	0.00		0.00	
Funding	0.06	0.06	0.00		0.00	
Policy	0.69	0.35	(0.34)	F	0.00	
Projects & Change	0.76	0.76	0.00		0.00	
Projects & Performance	0.76	0.76	0.00		0.00	
Strategy & Performance	2.95	2.70	(0.25)	F	0.00	
Strategic Management of the Council	2.95	2.70	(0.25)	F	0.00	
Total Strategy & Performance	12.26	11.48	(0.78)	F	(0.01)	↑

Strategy & Chief Executive: a forecast underspend of £0.78M.

There is a favourable movement of £0.01M from Month 8. This is due to additional legal income of £0.02M offset by a pressure from unrecoverable election expenses.

The overall £0.78M favourable variance mainly comprises of £0.65M of salary underspends, mainly in the Chief Officer Management Team where new posts have been created with a full year budget but will only be filled for part of the year and in the Policy Teams relating to posts that are being held vacant to support a restructure and savings. There is also a £0.12M underspend from the change to insurance premium funding.



General Fund Capital Month 9



	Adjusted 2025/26 Budget £M	Forecast Outturn Month 9 £M	Forecast Variance Month 9 £M	Explained By:	(Slippage)/ Rephasing Month 9 £M	(Surplus)/ Deficit Month 9 £M
Directorates:						
Children & Learning	30.38	25.90	(4.48)	F	(2.76)	(1.72)
Community Wellbeing	4.59	4.59	0.00		0.00	0.00
Enabling Services	8.26	4.39	(3.87)	F	(3.87)	0.00
Growth & Prosperity	41.49	39.34	(2.15)	F	(1.51)	(0.64)
Resident Services	36.18	36.18	0.00		0.00	0.00
Strategy & Chief Executive	0.00	0.00	0.00		0.00	0.00
Total General Fund	120.90	110.40	(10.50)	F	(8.15)	(2.36)
Financed by:						
Council Resources - Borrowing	41.26	37.39	(3.87)	F	(3.87)	0.00
Council Resources - Capital Receipts	0.15	0.15	0.00		0.00	0.00
Contributions	7.70	7.70	0.00		0.00	0.00
Grants	70.12	63.49	(6.63)	F	(4.28)	(2.36)
Council Resources - DRF	1.66	1.66	0.00		0.00	0.00
Minimum Revenue Account	0.00	0.00	0.00		0.00	0.00
Total Financing	120.90	110.40	(10.50)	F	(8.15)	(2.36)

Major Variances

Directorate	Project	Variance type	Variance Month 9 £M
Children & Learning	Fairisle Infants - Pipework	Slippage	(0.55)
Children & Learning	Foundry Lane Primary School	Underspend/ Slippage	(0.44)
Children & Learning	Schools Condition Works	Slippage/Underspend	(1.98)
Children & Learning	Townhill Junior	Underspend	(0.67)
Enabling Services	Business World Management Module	Slippage	(0.30)
Enabling Services	Client Case Management System	Slippage	(1.84)
Enabling Services	Data Warehousing	Slippage	(0.39)
Enabling Services	Finance Technology Investment Fund	Slippage	(0.30)
Enabling Services	IT Equipment and Software Refresh	Slippage	(1.05)
Growth & Prosperity	Bus Service Improvement Plans (BSIP)	Slippage	(0.70)
Growth & Prosperity	FTZ Programme - Other	Rephasing/Slippage	1.06
Growth & Prosperity	FTZ Theme 2 - Sustainable Urban Logistics	Slippage	(0.87)
Growth & Prosperity	Public Transport	Underspend	(0.64)
Growth & Prosperity	Transforming Cities Fund	Slippage	(0.35)
Other Minor Variances	Other Minor Variances		(1.49)
Total			(10.50)

The General Fund capital programme has a favourable forecast variance of £10.50M at Month 9. This is made up of £0.84M of overspends, £3.19M of underspends, £1.28M of rephasing and £9.42M of slippage.

The main areas of slippage are Client Case Management System (£1.84M), Schools Condition Works (£1.81M), IT Equipment & Software Refresh (£1.04M), FTZ Theme 2 - Sustainable Urban Logistics (£0.87M) and Bus Service Improvement Plans (BSIP) (£0.70M). The main rephasing is in FTZ Programme -Other (£1.18M). The main areas of underspend are Schools Condition Works (£0.72M) which is offset by £0.55M of overspend, Townhill Junior School (£0.67M) and Public Transport - Clean Bus Technology (£0.64M).



General Fund Earmarked Reserves (excluding Schools Balances)



	Balance As At 01/04/2025 £M	Forecast Balance As At 31/03/2026 £M	Movement 2025/26 £M		Forecast Balance As At 31/03/2027 £M	Movement 2026/27 £M	
Medium Term Financial Risk Reserve	10.98	16.71	5.73	F ↑	20.06	3.35	F ↑
Organisational Redesign Reserve	2.97	2.97	0.00		2.97	0.00	
Transformation & Improvement Reserve	3.38	0.00	(3.38)	A ↓	0.00	0.00	
Local Government Reorganisation Reserve	0.00	3.10	3.10	F ↑	3.10	0.00	
Revenue Contributions to Capital	1.57	0.66	(0.91)	A ↓	0.66	0.00	
Social Care Demand Risk Reserve	5.41	3.47	(1.94)	A ↓	4.27	0.80	F ↑
Revenue Grants Reserve	3.80	0.00	(3.80)	A ↓	0.00	0.00	
Investment Risk Reserve	1.20	1.60	0.40	F ↑	1.60	0.00	
Directorate Carry Forwards	0.00	0.00	0.00		0.00	0.00	
PFI Sinking Fund	3.61	3.15	(0.46)	A ↓	2.59	(0.56)	A ↓
Insurance Reserve	2.20	2.20	0.00		1.20	(1.00)	A ↓
On Street Parking	2.44	1.12	(1.32)	A ↓	1.97	0.85	F ↑
DSG Reserve	0.00	0.50	0.50	F ↑	1.13	0.63	F ↑
Other Reserves	4.87	3.89	(0.98)	A ↓	3.74	(0.15)	A ↓
Total Earmarked Reserves	42.43	39.37	(3.06)	A ↓	43.30	3.93	F ↑
General Fund Balance	12.00	12.00	0.00		14.30	2.30	F ↑
Total GF Reserves (excl. Schools)	54.43	51.37	(3.06)	A ↓	57.60	6.23	F ↑

There is a forecast balance on revenue reserves (excluding schools balances) of £39.37M at the end of 2025/26, rising to £43.30M in 2026/27. The General Fund Balance is expected to remain at £12.00M. We need to hold around £44M in risk reserves and the General Fund Balance to cover the assessed level of risks next year and current forecasts indicate there will be sufficient cover, subject to any drawdown to meet in-year pressures.



Collection Fund Balance	Council Tax £M	Business Rates £M	Total £M
▲			
Distribution of previous year's estimated surplus/(contribution towards estimated deficit)	(0.55)	2.40	1.86
Net income and expenditure for 2025/26	0.49	3.24	3.72
(Surplus)/Deficit for the year	(0.06)	5.64	5.58
(Surplus)/Deficit brought forward from 2024/25	0.65	(5.15)	(4.50)
Overall (Surplus)/Deficit Carried Forward	0.59	0.49	1.08
SCC Share of (Surplus)/Deficit	0.49	0.24	0.73

For the Collection Fund as a whole there is a forecast cumulative deficit of £1.08M to be carried forward into 2026/27, due to an in year deficit of £3.72M offset by an improvement of £2.64M in the 2024/25 outturn position.

The £3.72M forecast net deficit for 2025/26 comprises a £3.24M deficit for business rates and a £0.49M deficit for council tax. The business rates deficit is mainly due to a reduction in gross rates payable and the application of Freeport relief. The forecast deficit for council tax relates to an increase in the estimated losses for non-collection, partly offset by council tax income being higher than budgeted.

SCC's share of the forecast cumulative deficit is £0.73M. In addition to this there is a £2.08M forecast favourable variance on estimated government grant income for business rates reliefs, which sits outside of the Collection Fund.



Collection Fund Collection Rates



Collection Rates

Over or underachievement of collection rates has a positive or negative impact on the Collection Fund Balance.

Current Year ▼

Council Tax Collection

In-year - As of 31st December 2025 net collectable debt is £156.64M. To date we have collected £123.85M which equates to 79.07% against a predicted target of 78.54%.

We have now entered a six-month period during which Council Tax court hearings will be held monthly. This is expected to support collection efforts and drive increased engagement, particularly from student populations.

We have collected £4.75M of arrears and collection remains on track.

Council Tax	April	May	June	July	August	September	October	November	December	January	February	March
Collection Target - 93.00% (Cumulative Projection)	9.78%	18.58%	27.13%	35.80%	44.44%	52.99%	61.54%	70.09%	78.54%	87.19%	90.37%	93.00%
Collection Target £ Cumulative Projection	15,330,697	29,084,640	42,538,379	56,192,146	69,811,402	83,468,731	96,701,366	109,881,322	123,022,243			
Collection £ (Cumulative)	15,363,572	28,977,199	42,600,521	56,114,169	69,432,917	83,109,946	96,758,915	110,157,686	123,850,715			
Difference Year to Date (Cumulative)	↑ 32,875	↓ (107,441)	↑ 62,141	↓ (77,977)	↓ (378,484)	↓ (358,786)	↑ 57,549	↑ 276,364	↑ 828,472			
Council Tax % Collection Rate (Cumulative)	9.81%	18.51%	27.17%	35.75%	44.20%	52.76%	61.58%	70.27%	79.07%			

Business Rates Collection

In-year - As of 31st December 2025 net collectable debt is £116.28M. To date we have collected £99.43M which equates to 85.51% against a predicted target of 86.60%.

Recovery is on hold on three businesses which have entered into restructuring plans, resulting in a current loss of £0.65M. We are also awaiting a VOA amendment on a school impacting £0.10M. We are investigating the cause of the remaining shortfall.

We have collected £2.23M of arrears.

Business Rates	April	May	June	July	August	September	October	November	December	January	February	March
Collection Target - 97.00% (Cumulative Projection)	15.58%	24.88%	33.98%	42.59%	52.52%	60.74%	69.74%	78.18%	86.60%	91.82%	95.82%	97.00%
Collection Target £ Cumulative Projection	18,471,302	29,468,051	40,208,047	50,411,004	62,225,224	71,698,173	82,065,855	91,086,888	100,696,149			
Collection £ (Cumulative)	14,559,454	28,504,223	37,431,068	50,003,829	61,380,869	70,363,157	80,717,017	89,199,933	99,427,130			
Difference Year to Date (Cumulative)	↓ (3,911,848)	↓ (963,828)	↓ (2,776,980)	↓ (407,174)	↓ (844,355)	↓ (1,335,016)	↓ (1,348,838)	↓ (1,886,955)	↓ (1,269,019)			
Business Rates % Collection Rate (Cumulative)	12.28%	24.07%	31.63%	42.25%	51.81%	59.61%	68.59%	76.56%	85.51%			



Housing Revenue Account	Working Budget 2025/26 £M	Forecast Outturn Month 9 £M	Forecast Variance Month 9 £M		Movement Month 8 to Month 9 £M	
Income						
Dwelling Rents	(83.19)	(82.69)	0.50	A	0.50	A ↓
Other Rents	(1.24)	(1.36)	(0.12)	F	(0.12)	F ↑
Service Charge Income	(2.60)	(2.60)	0.00		0.00	
Leaseholder Service Charges	(1.58)	(1.85)	(0.27)	F	0.00	
Interest Received	(0.16)	(0.16)	0.00		0.00	
Total Income	(88.78)	(88.66)	0.12	A	0.39	A ↓
Operational Expenditure						
Responsive Repairs	18.94	18.94	0.00		0.00	
Cyclical Maintenance	9.12	9.34	0.22	A	0.00	
Rents Payable	0.62	0.62	0.00		0.00	
Debt Management	0.00	0.00	0.00		0.00	
Supervision & Management	31.18	31.68	0.50	A	0.23	A ↓
Total Operational Expenditure	59.86	60.58	0.72	A	0.23	A ↓
Capital Asset Management						
Interest & Principal Repayments	8.08	8.08	0.00		0.00	
Depreciation	18.40	18.40	0.00		0.00	
Direct Revenue Financing of Capital	1.53	0.69	(0.84)	F	(0.62)	F ↑
Total Capital Asset Management	28.01	27.17	(0.84)	F	(0.62)	F ↑
(Surplus)/deficit for year	(0.91)	(0.91)	0.00		0.00	
Working Balance B/Fwd	(3.09)	(3.09)				
Working Balance C/Fwd	(4.00)	(4.00)				

Landlord Controlled Heating	Outturn 2024/25 £M	Forecast Outturn Month 9 £M
Expenditure		
Contribution to bad debt provision	(0.20)	0.00
Gross Expenditure	7.88	7.00
Income		
Leaseholder contribution	(0.66)	(0.59)
Total Income	(8.87)	(7.99)
(Surplus)/deficit for year	(1.00)	(0.99)
Balance B/fwd	2.35	1.35
Balance C/fwd	1.35	0.37

HRA POSITION: a balanced position is forecast.

There is no overall change in the forecast compared to Month 8.

However, there has been an adverse movement of £0.5M in Dwelling Rents since Period 8, following a detailed review of the year's rent transactions. This review identified that the business plan had overestimated shared ownership income for 2025/26. In addition, the ongoing reduction in stock, driven by the surge in Right to Buy applications prior to the discount reduction, has further impacted rental income. This has been partially offset by a favourable movement of £0.12M in Miscellaneous Rents, which includes garages and commercial properties.

Other movements since Month 8 include an adverse variance of £0.24M in Supervision and Management, primarily due to an unfavourable forecast of £0.34M in waste recharges for the HRA, where costs have exceeded the assumptions in the business plan. This has been slightly offset by a £0.1M favourable forecast within Housing Management, resulting from an obsolete budget that will not be utilised. To mitigate these adverse variances, there is a corresponding favourable movement of £0.62M from a reduced revenue contribution to capital.

The forecast continues to reflect several offsetting variances across the HRA services. Insurance premiums for 2025/26 exceeded budget by £0.27M, creating an adverse variance that is fully recovered through Leaseholder Service Charge income. Additional pressures include a £0.22M adverse variance from statutory fire sprinkler maintenance. Housing Needs reports a net favourable variance of £0.08M, driven by £0.14M additional income offsetting £0.06M in allocation costs. Supported Housing shows a £0.28M favourable variance, primarily due to unrequired security services and held vacancies, despite £0.06M in call centre and Telecare cost pressures. These gains are offset by a £0.36M adverse variance in Housing Management, linked to transformation costs and unmet vacancy targets.

Overall, the forecast remains aligned with the business plan, projecting a surplus of £0.91M for 2025/26.

The landlord-controlled heating account deficit brought forward from 2024/25 was £1.35M and, based on estimated costs for 2025/26, is expected to reduce to £0.37M by the end of 2025/26.



	Adjusted 2025/26 Budget £M	Forecast Outturn Month 9 £M	Forecast Variance Month 9 £M	Explained By:	(Slippage)/ Rephasing Month 9 £M	(Surplus)/ Deficit Month 9 £M
Scheme Classification:						
Improving Quality of Homes	25.89	25.57	(0.33)	F	(1.30)	0.97
Making Homes Energy Efficient	24.22	24.44	0.22	A	(1.41)	1.64
Making Homes Safe	14.23	13.99	(0.25)	F	(0.25)	0.00
New Homes & Regeneration	15.30	14.16	(1.14)	F	(0.64)	(0.50)
Supporting Communities	2.08	1.38	(0.70)	F	(0.40)	(0.30)
Supporting Independent Living	4.45	3.85	(0.60)	F	(0.50)	(0.10)
Inflation	1.85	0.29	(1.56)	F	0.00	(1.56)
Total HRA	88.03	83.67	(4.35)	F	(4.51)	0.15
Financed by:						
Council Resources - Borrowing	47.34	45.35	(1.98)	F	(4.11)	2.12
Council Resources - Capital Receipts	13.59	13.59	0.00		0.00	0.00
Contributions	0.00	0.00	0.00		0.00	0.00
Grants	0.00	0.00	0.00		0.00	0.00
Council Resources - DRF	2.48	2.48	0.00		0.00	0.00
Major Repairs Reserve	24.62	22.25	(2.37)	F	(0.40)	(1.97)
Total Financing	88.03	83.67	(4.35)	F	(4.51)	0.15

The HRA capital programme position has a favourable forecast variance of £4.35M in Month 9. This is made up of £11.44M of overspends, £11.29M of underspends and £4.50M of slippage.

The main areas of overspend are Block Modernisation Programme (£5.07M), External Windows and Doors (£2.01M), Electrical Heating Systems (£1.73M) Roofing Lot 2 East (£1.00M) and Roofing Lot 1 West (£0.75M). The main areas of underspend are Inflation Allowance (£1.56M), Fire Safety - Wyndham Court Upgrade (£1.50M), Passive Fire Safety Works (£0.83M), External Doors - Front/Rear (£0.62M) and Fire Safety - Cladding Assessment (£0.60M). The main areas of slippage are ECO - Canberra Towers (£0.81M), Holyrood Estate heating Upgrade (£0.80M) and GN new Homes (£0.64M)

Major Variances

Scheme	Project	Variance type	Variance Month 9 £M
Inflation	Inflation Allowance	Underspend	(1.56)
Making Homes Safe	Fire Safety - Wyndham Court Upgrade	Underspend	(1.50)
Other Minor Variances	Other Minor Variances		(1.31)
New Homes & Regeneration	GN New Homes	Slippage/Underspend	(1.14)
Making Homes Energy Efficient	Passive Fire Safety Works	Underspend	(0.83)
Making Homes Energy Efficient	ECO - Canberra Towers	Slippage	(0.81)
Improving Quality of Homes	Holyrood Estate Heating Upgrade	Slippage	(0.80)
Making Homes Energy Efficient	External Doors - Front/Rear	Underspend	(0.62)
Making Homes Safe	Fire Safety - Cladding Assessment (A1 & A2 support grant application)	Underspend	(0.60)
Making Homes Safe	Fire Safety - Wyndham Court Commercial and car part sprinklers project	Underspend	(0.54)
Improving Quality of Homes	Major Works - reactive	Slippage	(0.50)
Supporting Independent Living	Renew Warden Alarm	Slippage	(0.50)
Improving Quality of Homes	Electrical Meters	Underspend	(0.45)
Making Homes Energy Efficient	Orpin Road - gas main replacement (urgent request)	Slippage	(0.40)
Making Homes Safe	Fire Safety - Additional Asbestos Removal - Walkway Ceilings	Underspend	(0.40)
Making Homes Safe	Fire Safety - Fire Stopping Communal Areas (Low & Medium Blocks)	Underspend	(0.40)
Making Homes Safe	Fire Safety - Helvellyn Rd (cladding, fire barriers extremal element only - internal via other programmes)	Underspend	(0.40)
Making Homes Safe	Fire Safety - Redbridge & Millbrook Tower - smoke control in single stairwells	Underspend	(0.40)
Making Homes Safe	HFRS Fire Safety / Sprinkler Project	Underspend	(0.40)
Making Homes Safe	Remedial Works Following Compliance Inspections	Underspend	(0.40)
Supporting Communities (HRA)	Decent Neighbourhoods Projects	Slippage	(0.40)
Making Homes Safe	Sprinkler Work	Underspend	(0.33)
Making Homes Safe	Fire Safety - Fire Door Remedials	Underspend	(0.30)
Supporting Communities (HRA)	Deregistration - Cambridge Rd	Underspend	(0.30)
Making Homes Safe	Structural Works	Overspend	0.36
Improving Quality of Homes	Roofing Lot 1 West	Overspend	0.75
Improving Quality of Homes	Roofing Lot 2 East	Overspend	1.00
Making Homes Energy Efficient	Electrical Heating Systems	Overspend	1.74
Making Homes Energy Efficient	External Windows and Doors	Overspend	2.01
Making Homes Safe	Block Modernisation Programme	Overspend	5.08
Total			(4.35)



	Working Budget 2025/26 £M	Forecast Outturn Month 9 £M	Forecast Variance Month 9 £M		Movement Month 8 to Month 9 £M
DSG Block					
Schools	116.19	116.19	0.00		0.00
High Needs	44.34	43.84	(0.50)	F	0.00
Early Years	33.82	34.64	0.83	A	0.00
Central Services	1.72	1.72	0.00		0.00
Net Expenditure	196.06	196.39	0.33	A	0.00
Funded By:					
Schools Funding	(116.19)	(116.19)	0.00		0.00
High Needs Funding	(44.34)	(44.34)	0.00		0.00
Early Years Funding	(33.82)	(34.64)	(0.83)	F	0.00
Central Services Funding	(1.72)	(1.72)	0.00		0.00
Total Funding	(196.06)	(196.89)	(0.83)	F	0.00
(Surplus)/Deficit for Year	0.00	(0.50)	(0.50)	F	0.00
Balances:					
	BFwd	CFwd	Movement		
DSG Usable Reserve	0.00	(0.50)	(0.50)	F	0.00
DSG Adjustment Reserve	17.04	17.04	0.00		0.00
Total DSG (Surplus)/Deficit	17.04	16.54	(0.50)	F	0.00

Schools Balances	Budget 2025/26 Deficit	Budget 2025/26 Surplus	Budget 2025/26 Total
Primary			
Net Budget	£3.07M	(£2.54M)	£0.53M
No. of Schools	12	18	30
% of Schools	40%	60%	100%
Secondary			
Net Budget	£0.00M	(£1.73M)	(£1.73M)
No. of Schools	0	6	6
% of Schools	0%	100%	100%
Special			
Net Budget	£2.17M	(£0.17M)	£2.01M
No. of Schools	2	3	5
% of Schools	40%	60%	100%
Total			
Net Budget	£5.25M	(£4.44M)	£0.81M
No. of Schools	14	27	41
% of Schools	34%	66%	100%

A DSG deficit reduction of £0.5M is currently forecast for 2025/26. This was originally £1.35M and was reduced by £0.85M in month 3 following detailed analysis of the budgets needed for the special schools banding review.

Following the October revised budget-setting process, the Schools budget data for 2025/26 now indicates there are 14 schools with a deficit balance and where necessary deficit recovery plans are being prepared. This is a reduction from 16 schools previously forecast to be in deficit at the end of this financial year. The number of schools in deficit is largely due to a decrease in pupil numbers leading to a reduction in funding. Schools are in the process of restructuring their business and budget planning to mitigate this.

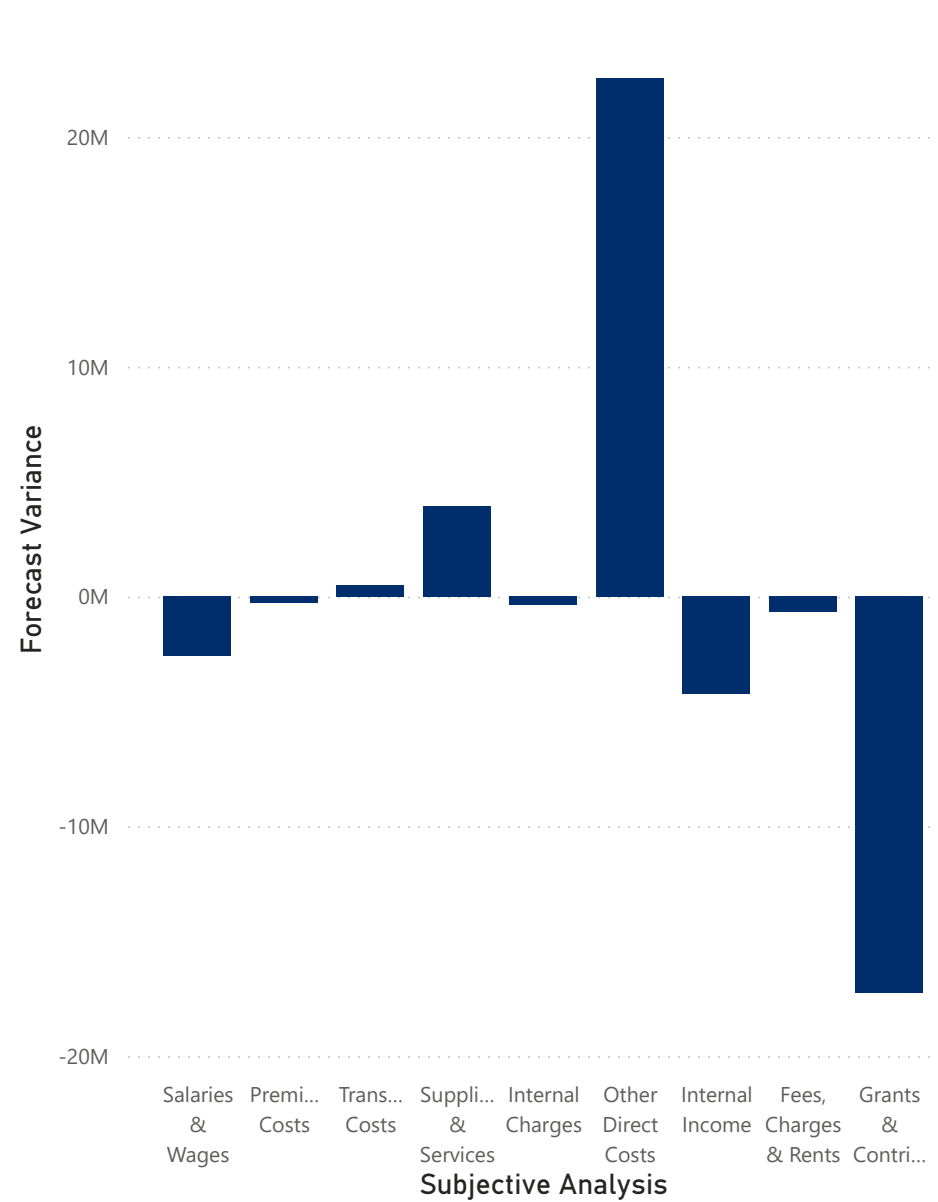


Clear Filters

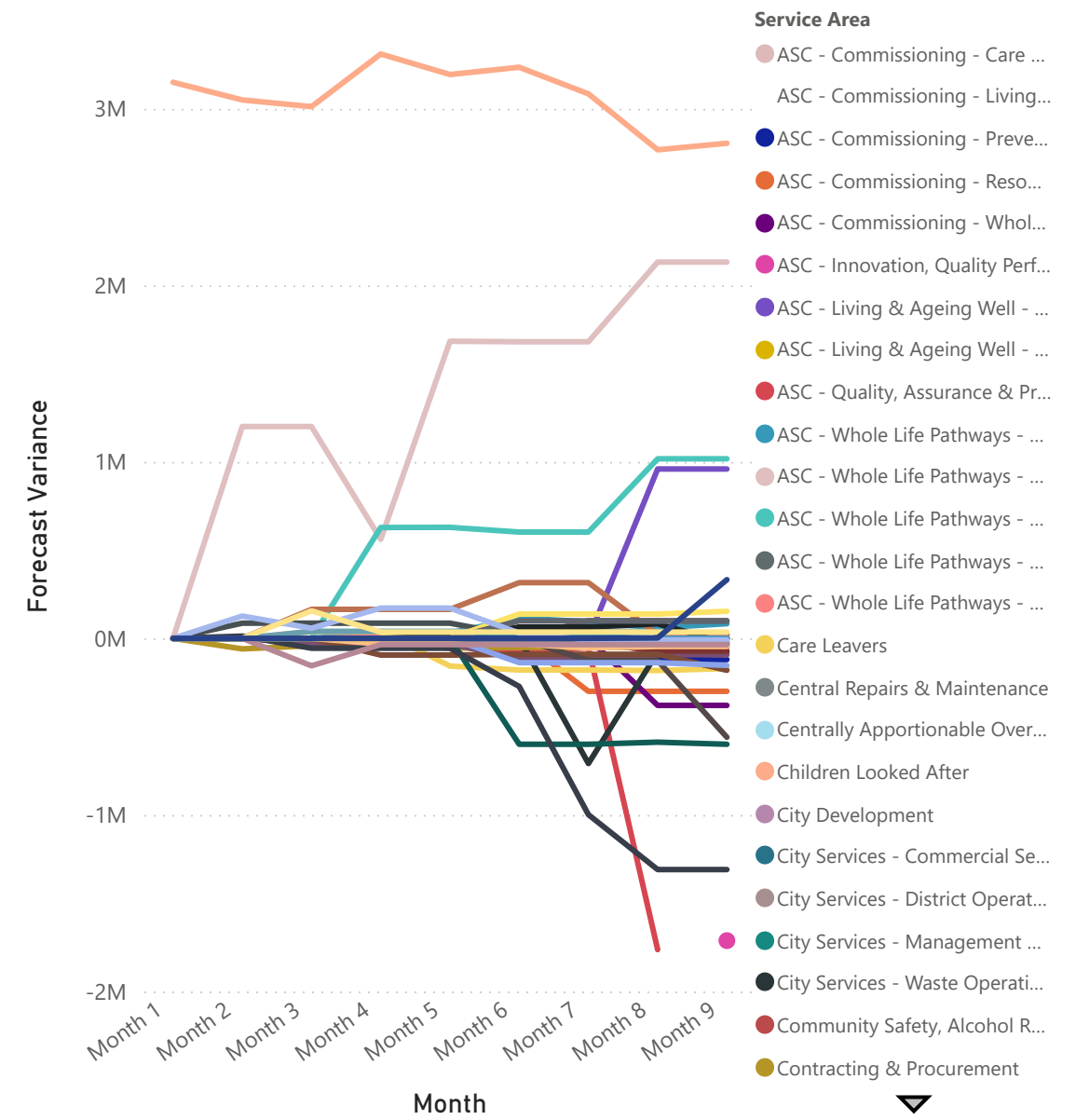


- Adult Social Care & Public...
- Children & Learning
- Communities
- Economic Development..
- Environment & Net Zero
- Finance & Resources

Variance by Subjective Analysis -



Variance Trend -





Clear Filters

Portfolio Position Month 9



- Adult Social Care & Public..
- Children & Learning
- Communities
- Economic Development..
- Environment & Net Zero
- Finance & Resources

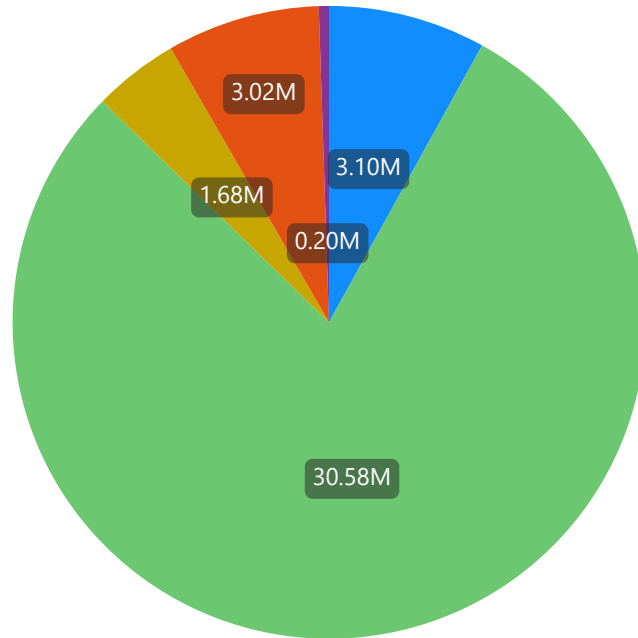
Portfolio	Working Budget 2025/26 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	Movement Month 8 to Month 9 £'000
▲				
⊕ Adult Social Care & Public Health	68,776	70,563	1,787	(153)
⊕ Children & Learning	54,417	56,202	1,784	47
⊕ Communities	2,562	2,581	19	60
⊕ Economic Development, Growth & Skills	3,049	3,021	(28)	0
⊕ Environment & Net Zero	19,345	19,805	460	330
⊕ Finance & Resources	41,642	40,731	(910)	(549)
⊕ Housing	3,302	3,267	(35)	(433)
⊕ Leader	8,476	7,927	(549)	0
⊕ Leisure & People	3,058	2,272	(785)	(55)
⊕ Transport	3,163	2,968	(195)	0
⊕ Central Expenditure Items	23,277	21,277	(2,000)	0
⊕ General Funding	(231,066)	(231,066)	0	0
Total	1	(452)	(453)	(752)



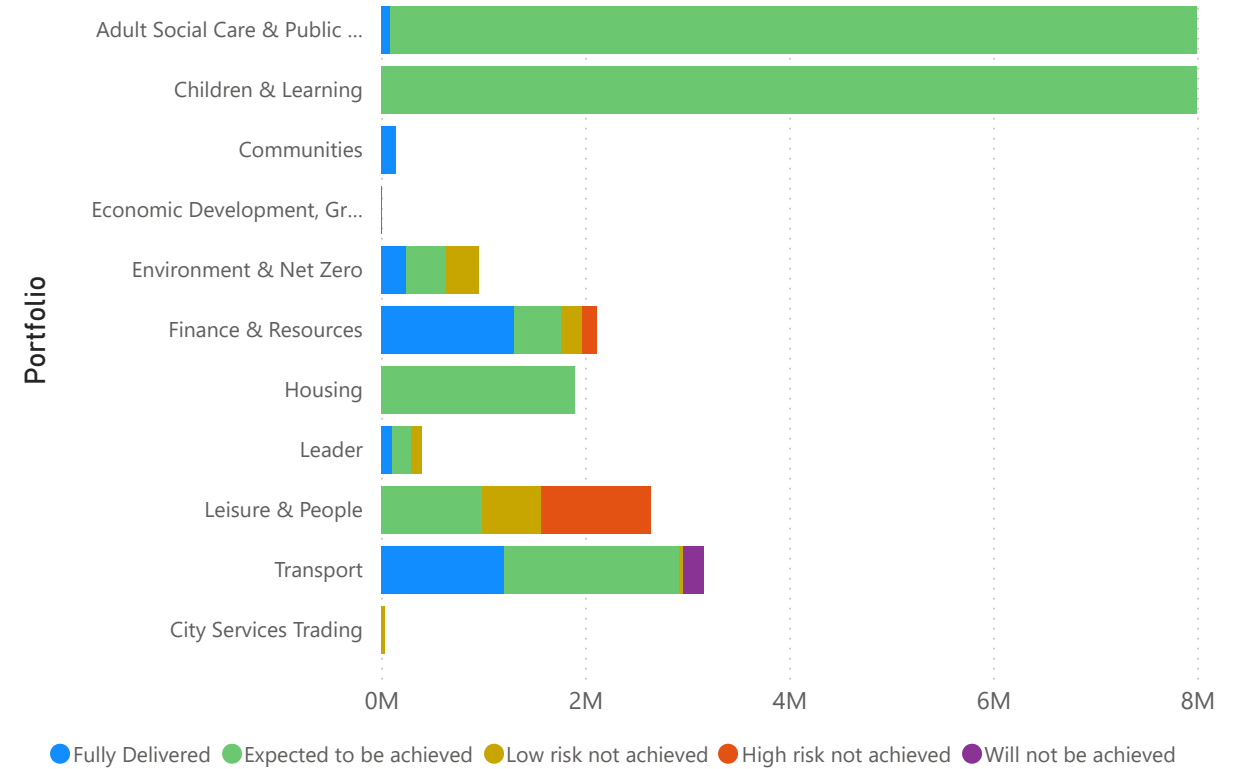
- Saving Type ▼
- Other
 - Transformation

Savings Targets 2025/26 RAG Rated

Total Savings
£38.59M



Savings Targets per Portfolio



● Fully Delivered ● Expected to be achieved ● Low risk not achieved ● High risk not achieved ● Will not be achieved

Please select a Portfolio to drillthrough

Key Issues

The council is on track to achieve 87.3% (£33.69M) of budgeted directorate savings, with a further 4.4% (£1.68M) at a low risk of not being achieved. This leaves 8.3% (£3.22M) which are not forecast to be achieved within Community Wellbeing (£1.80M), Enabling Services (£0.14M), Growth & Prosperity (£0.20M) and Resident Services (£1.08M). Community Wellbeing is forecast to over achieve the Whole Life Pathway transformation saving by £0.4M. The Enabling Services and Growth & Prosperity savings shortfalls are being mitigated by other favourable variances within the respective directorates.