

Appendix 3 Management of Financial Risk

1.1 Performance against the latest approved revenue budget as measured by forecast under/overspend

Service Area	Approved Budget	Service Forecast	(Under) /Overspend	% Change from Budget	Represented by:			
					Investment Funds	Impact on Earmarked Reserves	Covid Impact	Remaining Service Variance
	£m	£m	£m	%	£m	£m	£m	£m
Children & Families	83.311	83.859	0.548	0.7%	0.043	(0.068)	0.279	0.294

1.2 Performance against the approved savings target as measured by forecast under/overachievement

Saving Proposal	Target £m	Actual £m	Forecast £m	Shortfall/ (Overachievement) £m	Reason for financial variation and any associated management action
Savings on third party spend - Review of services purchased from third parties to ensure value for money.	0.107	0	0	107	Savings are not forecast to be achieved this year due to inflationary pressures, alternative plans are to be agreed for how this saving will be delivered.
Maximise income and contributions to care packages - Efficient collection of health contributions to children in care placements and income from safeguarding training.	0.300	0.150	0.250	0.050	Education Safeguarding training income not achieved
New ways of working - Reductions in staff travel, room hire, client travel and expenses from new ways of working post-Covid.	0.056	0	0	0.056	Current forecasts predict an overspend in this area of £0.090m.
Rightsize Children's and Families budgets - Remove contingency budget for Early Help and replace boarding school budget with existing budget in Children's Services.	0.010	0.010	0.010	0	Reduction in budget applied with forecast balanced.
Adoption - Education contribution to the Authority's share of the Adoption Central England costs.	0.048	0.048	0.048	0	Reduction in budget applied with forecast balanced.
Total	0.521	0.208	0.308	0.213	

1.3 Performance against the approved capital programme as measured by forecast delays in delivery

Service	Approved 2022-23 Capital Programme	New Projects in Year	Net Over / Under Spend	Total Capital Prog.	Budget Reprofile	Delays	Forecast In Year Capital Spend	% of Delays
	£m	£m	£m	£m	£m	£m	£m	
Children & Families	1.912	0	0	1.912	0	0	1.912	0.0%