

Appendix 3 Management of Financial Risk

1.1 The table below details performance against the latest approved revenue budget as measured by forecast under/overspend, further information and reasons for variances can be found in the [Cabinet Q3 Monitoring Report](#).

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	85.094	86.858	1.764	2.1%	(0.088)	0.549	0.265	1.038

1.2 The table below details 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	Not achieved/ identified
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	0.259	0.041	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 £0.163m.
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	0.317	0.204	

1.3 The table below details 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	(0.025)	1.887	-1.3%

Children & Families Services - £0.025m

- Adaptations to support child placements 2020/23 - £0.025m. One of the applications to the fund which had previously been provisionally agreed has now been withdrawn. Since the scheme is demand led the spend has been re-profiled to future years pending further applications to the fund.