

Appendix 3 Management of Financial Risk

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

Service Area	Approved Budget	Actual Spend	(Under) /Overspend	% Change from Budget	Represented by:			
					Investment Funds	Impact on Earmarked Reserves	Covid Impact	Remaining Service Variance
					£m	£m	£m	£m
Children & Families	85.460	88.037	2.577	3%	(0.446)	(0.568)	0.274	3.317

1.2 The table below details performance against the approved savings target as measured by forecast under/overachievement.

Saving Proposal	Target £m	Actual £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	0.107	0	Not achieved/ identified but this has been compensated for by additional surplus generation of UASC grant to fund services to UASC clients across the service.
Maximise income and contributions to care packages - Efficient collection of health contributions to children in care placements and income from safeguarding training.	0.300	0.250	0.050	Education Safeguarding training income not achieved but offset by additional contributions for placements,
New ways of working - Reductions in staff travel, room hire, client travel and expenses from new ways of working post-Covid.	0.056	0	0.056	Service overspends in this area of £0.132m.
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	Reduction in budget applied with outturn balanced.
Adoption - Education contribution to the Authority's share of the Adoption Central England costs.	0.048	0.048	0	Reduction in budget applied with outturn balanced.
Total	0.521	0.415	0.106	

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	1.887	0.049	-0.004	1.932	0.002	(1.239)	0.695	-64.1%

Children & Families Services - £1.239m

- Work to establish Childrens' Homes within Warwickshire over the three individual sites has been delayed (£0.989m). In one instance this has been due to a change in the scope of the project and additional inflationary pressure, another is due to planning processes around change of use of a property. A third project is still seeking a suitable property for the anticipated cohort.