Appendix A

Commentary on Service Revenue Outturn Variances

This Appendix provides commentary on the service revenue forecasts shown in Section 3 of the main report.

1. Communities Directorate

<table>
<tr><th>Environment Services - (£6.564m overspend; +13.1%)</th></tr>
<tr><td>Explanation of Covid Pressures (£0.015m)</td></tr>
<tr><td>This is a ringfenced Covid grant funded allocation for Community Safety for work in relation to preventing serious violence.</td></tr>
<tr><td>Explanation of the Investment Funds (£0.045m)</td></tr>
<tr><td>The net variance in investment funds is primarily made up an underspend of £0.056m on the Trading Standards projects, offset by an overspend of £0.015m overspend on the Tree Nursery project.</td></tr>
<tr><td>Explanation of the Earmarked Reserves (£0.098m)</td></tr>
<tr><td>This includes a contribution to the Proceeds of Crime Act (POCA) reserve (£0.076m) as a result of an award made from a Trading Standards investigation, which will be available to support investigations in future years.

In addition, there is a contribution to the S38 Developer Funding Reserve (£0.022m)</td></tr>
<tr><td>Explanation of the Remaining Service net overspend (£6.692m)</td></tr>
<tr><td>The service overspend is largely made up of the following:
• Transport Delivery is showing a overspend of £6.415m due mainly to the overspends within Home to School Transport of £6.965m.
    ▪ SEN Transport had an outturn overspend by £3.967m mostly as a result of the number of children being transported and the number of taxi routes being used. Inflation has significantly impacted the cost of transport with taxis increasing by approx. £200 per day and contracts being around £4,000 per day more than in the spring term.
    ▪ Mainstream transport overspent by £2.998m as a result of the number of taxis being used and a high demand for bus passes.

This overspend is offset with net underspends across the rest of transport delivery of £0.550m largely as a result of reduced demand in relation to concessionary transport, contractual savings and in year staff vacancies.
• County Highways have overspent by a net £0.150m due to higher energy rates and contractor indexation increases which have increased maintenance costs giving an overspend of £0.667m. This is mostly offset by an underspend in Network Management of £0.564m due to the over achievement of income targets.</td></tr>
<tr><td>Change in the Remaining Service position since the position reported at Quarter 3 (reduced overspend of £0.295m)</td></tr>
<tr><td>Since Quarter 3 there have been a number of movements to the forecasts.

The following areas had reductions in spend compared to the Q3 forecast: -
• Transport Delivery reduced by £0.456m compared to the Q3 forecast mainly as a result of some recharge income not being included in the Q3 forecast following the movement of Home to School Transport from Education into Environment Services.
• Planning Delivery reduced by £0.247m largely as a result of delays in recruiting to vacancies which at Q3 were anticipated to be filled along with additional income being received.
This was offset with increased spend compared to the Q3 forecast as follows: -</td></tr>
</table>

Environment Services - (£6.564m overspend; +13.1%)
• Engineering Design Services increased by £0.413m mainly as a result of higher than anticipated agency costs which had not been forecast due to delays in invoicing and an increased rate being applied.
Impact of MTFS
The 2023/24 budget for Home to School transport has been set at £30.1m which is an increase of £6.8m compared to 2022/23. Transport Delivery have recruited to three new roles which have been introduced through the MTFS. They will seek to analyse the data we have and provide greater insight within the H2S transport provision. This is in conjunction with a cross party member working group which is also trying to drive changes and make savings on the Home to School Transport provision

Fire and Rescue - (£0.330m overspend; +1.40%)
Explanation of the Covid spending (£0.000m)
N/A
Explanation of the Investment Funds (£0.073m)
The underspends on investment funds are: - • Water Hydrant Project (£0.022m) due to the timing of works taking place. This should be completed in 2023/24. • Fire Transformation Funding (£0.037m) required to help with the Improvement Plan in 2023/24 • Replacement Systems Project (£0.013m) which will be used to cover higher staffing costs in 2023/24.
Explanation of the Earmarked Reserves net overspend (£0.116m)
There are contributions to reserves from: • The residual underspend on Hospital to Home (£0.026m) as all spend is funded via Public Health this year. • Contributions of underspend to the pensions reserve (£0.082m) • Local Resilience Forum (LRF) to contribute to the reserve held on behalf of partners (£0.013m). A drawdown from reserves is needed: • A drawdown is required from the ESN Warwickshire funding of £0.005m to contribute towards the Water Hydrant project and regional posts.
Explanation of the Remaining Service net underspend (£0.141m)
The net overspend mostly comprises of: • An overspend on training costs of £0.203m due to the delay in the delivery of the in-house training facility. It is hoped the new facility will be open late in the 2023/24 financial year. • An overspend on IT and communications costs of £0.022m due to annual contract changes in relation to digital transformation. The above overspends are offset by an underspend in Response and Prevention of £0.359m due to careful management of resources at wholetime stations in addition to being under establishment on on-call staff.
Change in the Remaining Service position since the position reported at Quarter 3 (reduced spending of £0.190m)
The reduced spend is largely as a result of reductions in staffing expenditure compared to forecast.
Impact of MTFS
The remaining service underspend covers the non-delivery of the MTFS saving for 2022/23 of £0.043m on 3rd party spend. The service is expected to ensure that this saving is delivered on a permanent basis going forward, which should be achievable once the in-house training facility is up and running and spend on external provision reduces.

There is also a possible risk that the additional cost of the contractual changes relating to the digital transformation noted above may result in a future recurrent pressure if it cannot be mitigated on an ongoing basis from within existing budgets.

Strategic Commissioning for Communities – (£2.627m underspend; -9.80%)
Explanation of the Covid pressures (£0.069m)
The Covid spending relates to the balance of the original £1.5m Adapt & Diversify grants to small businesses. It represents the expenditure made in 2022/23 to assist local businesses with Covid recovery. These funds have also been re-purposed into Green Recovery and Digital Creative grants and will continue in 2023/24.
Explanation of the Investment Funds (£0.637m)
There are underspends of £0.637m against the following projects which are required to carry forward into 2023/24 to support the continuation of the projects: • Rugby Parkway project (£0.410m) due to delays in procuring design works • Road Safety Investment Fund (£0.075m) due to staff shortages leading to project delays • Digital Infrastructure Strategy (£0.070m) as a result of delays to plans • Business Economy and Investment Fund (£0.025m) due to reprofiling of costs following procurement • The Tourism Support Programme (Project Warwickshire) has an in-year underspend (£0.028m) due to reprofiling of the project over the 3 year period • Employability & Skills Investment Fund (£0.019m) to carry out activities which were not delivered due to team capacity. The Social Enterprise Support and Shared Prosperity Fund projects underspent by immaterial amount, which no longer required and can be returned to corporate investment funds.
Explanation of the Earmarked Reserves net overspend (£0.092m)
Planned overspends will be met from draws on the following reserves: • Rural Growth Network reserve (£0.052m) • European Match Funding reserve (£0.033m) • Speed Awareness Workshops reserve (£0.007m)
Explanation of the Remaining Service net underspend (£2.151m)
The underspend is predominately made up of the following factors: • An underspend of £3.495m in Waste and Environment as a result of increased income being received from the Staffordshire contract (some of which related to 2021/22); a reduction in waste arisings meaning costs were lower; the impact of new initiatives such as Bulk Haulage Service being brought in-house and the new 1,2,3 kerbside recycling regime across Stratford-upon-Avon and Warwick. • Both Place & Infrastructure and Economy & Skills underspent jointly by £0.398m mostly from in year vacancies and over achievements of rental income. The underspends were offset by overspend in the following areas: • Transport & Highways had an overspend of £1.199m mainly as a result of additional contract costs to recruit patrol officers into posts and an under achievement of parking income, due to the continuing difficulties in recruiting patrol officers meaning less penalties had been issued. • An overspend within Country Parks of £0.500m as a result of reduced income from parking and a VAT correction.
Change in the Remaining Service position since the position reported at Quarter 3 (increased underspend of £1.620m)
The change in the position reported at Quarter 3 is mainly due to the increased underspend within waste (£2.467m) as a result of increased income being received from the Staffordshire

contract (some of which related to 2021/22), a reduction in waste arisings meaning costs were lower, and the impact of the new initiatives mentioned above. The change in underspend was offset by increased overspends in Country Parks (£0.408m) due to reduced car parking income and the VAT correction, and reduced income being received in Road Safety Education (£0.211m) and Safety Engineering (£0.100m). In addition, the costs associated with Parking Enforcement increased (£0.177m) due to reduced income from less penalties being issued due to difficulties in recruiting staff.
Impact of MTFS
The high level of underspend within Waste and Environment will mean that an in-depth review will need to take place in 2023/24 to decipher the right size for the budget and could lead to further MTFS savings.

2. People Directorate

Social Care & Support Service – (£5.833m overspend 3.2%)
Explanation of the Approved Covid spend (£0.000m)
No Covid pressures
Explanation of the Investment Funds net underspend (£0.064m)
Reduced spend for the Integrated Care Record project.
Explanation of the Earmarked Funds net spend (£3.250m)
• £2.300m drawdown of winter pressures funding held in earmarked reserves towards the excess costs in Older Peoples Services. • £0.166m drawdown of Mental Health Transformation funding 2021/22 • £0.784m represents a net drawdown from the Development Fund which comprises of a number of movements, the most material elements being a £1.430m planned drawdown for Year 1 of the home-based therapy service offset by a £1.116m was contributed to the reserve for the purposes of the Community Recovery Scheme in 2023/24.
Explanation of the Remaining Service net overspend (£2.647m 1.4%)
Older People Services • Older People Services has an overspend of £2.725m driven by rising costs in residential and domiciliary care, substantially offset by increased client contributions. Residential costs are rising due to difficulties in sourcing packages of care at framework rates; spot packages of care are on average 39% more expensive than framework rates and account for 66% of packages of care sourced. The number of active users for domiciliary care has increased by 11% from April 2022, in stark contrast to relatively flat numbers of service users historically. • The continuation of the hospital discharge process, whereby individuals are discharged from hospital prior to an assessment of social care needs, has contributed to the increased volumes in Older People Services, these have been funded in part by the Integrated Care Board (ICB) and the Adult Social Care Discharge Fund, with the funding streams held by the Assistant Director area for centralised budgets. The increases in rates paid to providers funded by the Market Sustainability Grant as part of the Fair Cost of Care exercise of £1.4m also mostly impacts Older Peoples Services, with the funding received in the Assistant Director area. • The overspend is offset by associated increased income in the Assistant Director area for centralised budgets. Other Social Care and Support Services • Disabilities 25-64 has an overspend of £1.786m which relates to Learning Disabilities. This is driven by costly spot purchasing for residential care, which is currently 60% more expensive than framework rates; increased expenditure on specialist college placements this year due to 'catch up learning' post covid leading to some students remaining for a further year; and have increased cost and volume of supported living placements. • Disabilities age 0-24 overspend of £1.646m is explained in its entirety by the provision of extra care due to the ongoing difficulties of placing a small number of children in suitable alternative accommodation. Since period 10 we have increased from one to three intensive and particularly costly spot contracts to provide care where residential care or alternative solutions are not currently deemed appropriate. If residential care was an option, the cost avoidance would bring this service to an underspend position. • Mental Health Services has an overspend of £1.507m due to rising demand for supported living and residential care across the County. Supported living volumes of packages of care have increased by 23% in the past 12 months and residential packages of care have increased by 10%. The overspends have in small part been offset by a drawdown of the

balance of £0.166m external Mental Health Transformation funding from underspends in 2021/22. • Development and Assurance has an overspend of £0.295m due to transportation costs. The overspends are offset by an Integrated Care Services underspend of £1.493m, comprising of three factors: • time needed to undertake effective procurement for the Assistive Technology projects has resulted in an underspend of £0.600m. • £0.600m staffing related underspend due to recruitment challenges • £0.300m underspend from reductions in the use of community equipment. Note that for 2023/24 £0.500m budget has been moved from this area to address pressures in Older People and Disabilities 25+ services.
Change in the Remaining Service position since the position reported at Quarter 3 (increase of £1.309m 0.7%)
The continuation of the hospital discharge process, whereby individuals are discharged from hospital prior to an assessment of social care needs, has contributed to the increased volumes particularly in Older People Services, which have been funded in part by the Adult Social Care Discharge Fund. Post Quarter 3 the ICB and WCC agreed the use of the Adult Social Care Discharge Fund. The WCC allocation funded the forecast cost of continuing the enhanced hospital discharge process from 22 September 2022 until the end of the financial year, explaining the material increase in Older People Service. The increases in rates paid to providers funded by the Market Sustainability Grant as part of the Fair Cost of Care exercise of £1.4m also mostly impacts Older Peoples Services, with the funding received in the Assistant Director area, whose impact was forecast post Quarter 3.
Impact on the MTFS
The impact on 2023/24 is currently deemed to be manageable given the increase in budget from 2022/23 to 2023/24. As above since period 10 we have increased from one to three intensive and particularly costly spot contracts for children with disabilities. If residential care was an appropriate option, even at double the average residential cost, the cost avoidance would be £2.2m per annum. As a result, this is a critical area for management attention in terms of reducing the incidence and duration of such placements. There is a risk that two of these three placements could continue, if there are not alternative options, and the costs would be incurred for several years. Impact on the MTFS post 2023/24 is a growing concern. Recurring financial pressures already built into the MTFS will need to be recalculated to reassess the financial pressures, and savings. Currently the net increase from 2023/24 to 2024/25 appears low although we also have ringfenced grants to incorporate into budgets.

People Strategy and Commissioning Service – (£1.071m overspend 2.9%)
Explanation of the Approved Covid spend (£2.723m)
The impact of Covid-19 on the forecasts amounts to £2.723m. This relates to: • £1.135m Covid related activity funded from the Contain Outbreak Management Fund: o £0.833m School air quality assessment and ventilation improvements o £0.225m Supporting high risk workplaces with grants and ventilation improvements o £0.077m Public Health Consultant • £0.977m Covid related activity funded from the Test and Trace Grant: o £0.648m Staffing to increase public health capacity o £0.090m Covid Case Management System o £0.090m Housing support for rough sleepers to remain in accommodation o £0.072m Retrospective costs for workplace resilience scheme 'Thrive at Work' o £0.051m to produce Winter Wellness booklet o £0.026m Contributed to Coventry University PHD programme to fund research regarding covid in the community • £0.611m Covid related activity funded from Generic Covid Grant: o £0.251m Reducing the impact of Covid on BAME communities' project o £0.178m Improving mental health Covid recovery project o £0.092m Suicide prevention role and strategy implementation o £0.058m Children in Crisis Commissioner o £0.032m Learning and Development to support the quality of the Children's Home
Explanation of the Investment Funds net underspend (£0.175m)
£0.048m in year underspend on the Tackling Family Poverty project and £0.127m on the Creative Health project.
Explanation of the Earmarked Funds net transfer to reserves (£0.088m)
• £0.743m drawdown from Social Care and Health Partnerships Reserve in relation predominantly to partnership funded delivery projects Offset by: • £0.242m transfer to the Social Care and Health Partnerships Reserve due to a delay in start date of the Autism Diagnosis and Community Discharge Grant • A contribution of £0.589m is being made to the Domestic Abuse Grant Reserve due to an in-year underspend of the grant following delays in the mobilisation of the project, recruitment delays and low referral numbers.
Explanation of the Remaining Service net underspend (£1.389m; -3.8%)
£0.687m underspend in Public Health primarily due to: • £0.235m unspent water fluoridisation budget as this is now a Department of Health responsibility, £0.185m staffing underspend, £0.164m unutilised carry forward for Homelessness due to other funding streams becoming available and £0.103m for a range of individually immaterial reductions. • £0.460m underspend in Health & Wellbeing due to salary increase costs for staff employed under Agenda for Change employment contracts being funded by ICB, and other staffing underspends. • £0.227m underspend in Integrated and Targeted Support due to reduction in the number of referrals and duration of drug and alcohol rehabilitation.
Change in the Remaining Service position since the position reported at Quarter 3 (reduced spend of £0.727m -2.0%)
• £0.338m due to a reduction in the number of referrals and duration of drug and alcohol rehabilitation from the levels anticipated.

• £0.245m for salary increases for staff employed under Agenda for Change employment contracts themselves within contracts commissioned by WCC, is not required as the ICB have received funding for this, confirmed post period 10. • £0.235m unspent water fluoridisation budget as this is a Dept. of Health responsibility, confirmed post period 10. • Offset by £0.046m net increases in expenditure.
Impact on the MTFS
No adverse impact on MTFS. Use of the fluoridisation budget in future years may be required for an alternative public health purpose.

Children & Families – (£2.577m overspend, 3.0%)
Explanation of Approved Covid spend (£0.274m)
The approved Covid spend relates to agreed staffing, agency, and sessional staff.
Explanation of the Investment Funds net underspend (£0.446m)
Children's Transformation Fund (CTF) – Underspend caused by delays/reconfiguration in some one off projects & expenditure (until new structure and sustainability plan is in place) which will now take place in 2023/24 and 2024/25.
Explanation of the Earmarked Funds net underspend (£0.568m)
• The overall forecasted ACE (Adoption Central England) overspend (for the partnership) is £0.193m (covered by a specific reserve with a balance of £0.250m) and is related to a reduction in selling of places and a full staffing compliment. This has been reduced by additional in-year partner contributions. A full "mitigation" discussion, requested by the Children & Families Assistant Director, has resulted in additional contributions being confirmed by all partners for 2023/24 with a full zero base budget exercise taking place before 2024/25 budget is set. • The Priority Families programme has an underspend of £0.715m due to greater than expected fixed element of the grant as well as achievement of 100% of the payment by results element. This has been earmarked for further short term early intervention work for 2024/25. • The balance of £0.046m is due to a refund for underutilised secure placements (Youth Justice) as well as reduced spend on Leaving Care S31 earmarked grant.
Explanation of the Remaining Service net overspend (£3.317m 3.9%)
• <u>Underspends</u>: The service has experienced increased stability within Children in Care (CiC) placements resulting in less pressure on the placement budget which has underspent by £2.591m (Q3 £3.367m). This is in part due to the full year effect of a decline in numbers in late 2021/22 and is reflected across the 3 main placement types. Currently the residential net average unit cost is £4,833 compared to the £4,610 per week in 2021/22. This reflects increasing spot purchase and/or new placement costs in 2022/23, with some success in increasing partner contributions. • A saving of £1.417m from the ability to spread the Service's overheads across a wider cost base following the receipt of additional Government grants. This funding will go some way to cover the overspends mentioned below. • <u>Overspends:</u> include staffing £3.418m, approved Innovate Agency contract £0.447m, Leaving Care Accommodation and related costs £1.582m, short-term specialist "extra" care £2.191m , Children in Care Transport £0.390m.   o **Staffing** - With the steady transition stage and necessary HR consultations required for the new staffing structure (as part of the Sustainability Plan) there are some in year salary overspends of £0.526m. Associated with this transition, as well as experiencing some key vacancies, the service has spent £2.892m on agency staff and staffing SLAs. In order to mitigate difficulties in obtaining agency front line social workers for a recent surge in

Children & Families – (£2.577m overspend, 3.0%)
demand of children cases, a short-term contract was entered into (Innovate) at a cost of £0.447m. ○ **Leaving Care** - This area has continued to grow in spend. Final position is an overspend of £1.339m which is an increase of £0.550m since Q3. Providers on the framework have seen in year increases in rates higher than expected and this together with the growing increases in needs for complex young people to be accommodated are having a profound effect on the unit cost of supported accommodation. Weekly average unit cost for 2022/23 is £1,890 which to put this into context is £1,039 per week more than external foster-care. Significant progress has now been made by the new Operations Manager in auditing all supported accommodation placement packages and their elements. Unit costs of supported accommodation placements are continually rising. The Assistance Director is progressing discussions with Strategic Commissioning to review the commissioning and suppliers of this accommodation. ○ **Extra Care** - There has been a new budget of £0.100m created for children who need more short-term specialist care (Extra Care), and this has moved significantly since Q3 from £0.960m overspent to £2.191m overspent, an increase of £1.231m. This is due to unpredictability of placements, their costs (intensity of care) and duration of time. In total 17 children have used this 'extra care' type of placement with 4 providers. Just 5 of the children have been responsible for just over £2.000m of the costs with 1 child costing £0.660m alone ○ **Children in Care Transport** - The final charges from Transport Operations resulted in a £0.390m overspend due to significant inflationary increases (similar cost of fuel/living increases experienced in mainstream and SEND Transport (Communities Directorate). Despite the areas of overspend, in summary, the direction of travel is more positive than in recent years and in line with the investment in staff and early intervention reducing demand on costly placements, although there are still some pressure points significantly around Leaving Care as well as continued reliance on costly Agency staff as well as some recruitment over establishment.
Change in the Remaining Service position since the position reported at Quarter 3 (increase of £2.279m, a variance overspend position of £3.316m.
This significant movement from Q3, which is Period 8, reflects the changes that have occurred over four months (to outturn) in a demand led service, with the reality of children's placements being volatile to predict and where needs and demands can change very quickly. Historic trends are not always a good predictor of future trends in the short term. Major changes since Q3 are: - ○ **Children in Care Placements** - The position since Q3 has deteriorated by £0.776m (although still a substantial underspend). Internal/External Foster care has seen little net change but Residential is the reason for this change in position. There have been 12 new placements between Q3 and Outturn with 1 child placed in a secure unit with a weekly cost of £21,609. The number of weeks purchased this financial year is 3,109.72 which is 80.72 more than 2021/22. It is the rates (average unit costs) that has resulted in this deteriorated position. The average weekly unit cost is £4,833 which is £277 a week higher than the budgeted target rate. The rate has been slowly rising over 2022/23 (Q1 £4,302, Q2 £4,532 Q3 £4,665), and comparing this against the 2021/22 rate of £4,610 means 2022/23 is higher by £223. ○ **Extra Care** – The need for more short-term specialist care (Extra Care) has moved significantly since Q3 from £0.960m overspent to £2.191m overspent, an increase of £1.231m. This is due to unpredictability of timings placements, their costs (intensity of care) and duration of time. As mentioned earlier, just 5 of the children have been the driver for over £2.000m of the costs with 1 child costing £0.660m alone. ○ **Leaving Care** – There has been an increase of £0.550m since Q3. Providers on the framework have seen in year increases in rates higher than expected and this together with the growing increases in needs for complex young people to be accommodated are having a profound effect on the unit cost of supported accommodation. ○ **Grants** – The above increases since Q3 have been offset in part by increased (unpredictable) grant contributions especially from UASC. (increased £0.155m).
Impact of MTFS

Children & Families – (£2.577m overspend, 3.0%)
The final Sustainability Plan has been implemented on time. The emphasis of the plan is to reduce demand on placements and other high-cost services in order to meet the necessary financial savings plan for C&F as well as build headroom budget to fund the increased establishment cost. In contributing to the requirements of the MTFS refresh, the service has proposed a number of savings proposals, some of which will be very challenging. The Assistant Director understands that due to the lateness of the Children in Care transport forecast growth this is not covered in the current MTFS but may need to be a new pressure for next year's refresh if offsetting savings cannot be identified.

Education Services Non DSG – (£1.002m underspend, -9.5%)
Explanation of the Approved Covid spend (£0.112m)
These are staffing costs for short term posts where there was a delay in recruitment.
Explanation of the Investment Funds position (£0.856m)
This is due to planned training & development costs delay within the SEND & Inclusion Change programme as well as staffing (via SLAs) capacity to commence some of the work. This has been re-scheduled for phase 3, 2023/24.
Explanation of the Earmarked Funds position (£0.059m overspend)
There is a total overspend of £0.126m covered by their own earmarked reserves in School Improvement and Schools in financial difficulty, offset by a £0.068m underspend on improvements to the Education MIS.
Explanation of the Remaining Service net underspend £0.317m 3%
This underspend is predominantly the result of: • Within the SENDAR service there is an overspend of £0.507m, consisting of staffing, legal and mediation costs, all of which have been highlighted (and allocated) in the MTFS refresh along with plans to mitigate some of these overspends. • These overspends are offset by underspends elsewhere in the service most notably Education Psychologists (£0.533m) due to vacancies within the non-traded service and an improvement late in the year of the trading position. There is also a similar improved trading position underspend of £0.116m within SEND Integrated service (STS). These overspends are further offset by minor operational underspends and some increased traded surplus across the Non DSG Education.
Change in the Remaining Service position since the position reported at Quarter 3 (decrease of £0.701m
This change is consistent across the 4 service areas, but predominantly within SEND & Inclusion and Education delivery, with forecast reductions of £0.358m & £0.137m respectively. These relate mostly to confirmed staffing costs as well as greater than expected position with trading services and grant funded services.
Impact of MTFS
The MTFS refresh process has considered all the major areas of pressures currently being experienced within Education. The Assistant Director & Senior Leadership Team are currently planning how to mitigate savings from 2022/23 not yet achieved as unless delivered will continue into 2023/24. These are predominantly related to vacancy management. These need to be addressed in conjunction with the 2023/24 3rd party savings and vacancy factor targets.

Education Services Dedicated School Grant (DSG) – (£3.930m overspend,1.6% of gross grant)

Explanation of the Dedicated Schools Grant net overspend (£3.930m)

There are minor net variances on the Schools Block of £0.103m (under-spend) and the Central School Services Block of £0.006m (overspend).

Early Years Block:

- The Early Years Block has incurred an underspend of £0.408m net position.
- There is an underspend of £0.934m on 2–4-year-old. This was in part a result of the revised funding was issued in August by Education Skills Funding Agency (ESFA) which increased the 3&4 years old allocation by £1.2m. This block of the DSG is subject to a revised post year end funding adjustment by the ESFA in the next financial year once the spring census data has been confirmed. The underspend will cover this adjustment.
- Education Services has a small operational underspend of £0.152m from recent staff vacancies and some adjustment to operating models.
- Also included in the Early Years position is planned one off expenditure of £0.677m, which consists of the release of a package of Covid recovery related grants available to all early year's providers and mainstream nurseries. Take up of the first tranches in 2022/23 was not as large as expected but there will be future tranche launches in the new financial year for further expenditure, but this is dependent on individual providers applying.

High Needs Block:

- The main area of ongoing concern is the High Needs Block where the overspend is £4.436m. This net overspend consists of a number of significant budgets which are subject to interventions by the SEND & Inclusion Change programme (SICP). The over-arching aim over the long term (as insufficient funding for SEND is a national issue) is to reduce high costs volumes while increasing lower costs areas of service. For example, reducing the reliance of Independent Specialist Provision and increasing "SEND Top-ups" to mainstream and special schools.
- This final position of £4.436m is considerably greater than that planned by the SEND & Inclusion Change Programme (SICP) at the start of the year which had assumed that the overspend would be £2.245m, so this is a significant deterioration which is somewhat mitigated going forward with the recent larger than expected High Needs Block DSG settlement figure for 2023/24. The final out-turn position will be factored into the long term DSG recovery plan, to take account of any on-going pressures (as well as the increased funding). This will be reported back to the SICP board for any mitigating action to ensure that the overall DSG recovery plan is covered by the updated MTFS proposals.
- A decision taken at the inception of the SICP to set budgets for individual services as they might be after several years of the change programme (i.e. aspirational) does lead to several large over/underspends because budget is set for the future while the forecasted costs are for the present. Therefore, a holistic view is best taken.
- As reported throughout the year, areas of overspend include:
  - An overspend of £3.710m on Independent Schools Provision. The demand on the Independent special schools has increased dramatically and the final position has followed suite with final spend of £18.212m. Numbers in Independent Schools provision have fluctuated by up to 10% in year, with a high at Q3 (337) to final outturn of 306. Unit costs have remained steady at between £0.058m and £0.060m. For the whole of 2021/22 there were 277 places purchased at £0.054m, Q2 2022/23 the forecasted numbers were 327 at £0.057m.
  - Top ups of Teachers' pay & pension payments (TPP) to special schools £1.729m (this also includes some minor commissioning contracts). Due to late clarification of the TPP to special schools by the DfE, it was not confirmed until well into the financial year that these were payable by WCC, and no budgetary provision had been made. This has been rectified for 2023/24.
- There has been a relatively minor net overspend of £0.235m on EHCP Top ups and Resourced provision. (£32.408m budget)

Education Services Dedicated School Grant (DSG) – (£3.930m overspend,1.6% of gross grant)
• An overspend on Hospital Tuition of £0.127m. The forecast overspends are partly offset by the following underspends: • Post 16 Provision of £0.151m due to lower take up. • Alternative provision of £1.121m with a drop in demand but increased unit costs, off-set by the overspends on EHCP Top ups and Resourced provision mentioned above. • Slight overall net underspend of £0.094m for some support services.
Change in the DSG since the position reported at Quarter 3 (decrease of £0.565m)
The decrease in the overall DSG overspend is predominantly the result of the £0.503m decrease in the High Needs Block: • Decreased overspend in the Independent special schools' budget (as mentioned above), with a decrease of £1.255m. • Alternative provisions & Area Based Partnership, a decrease in underspend of £0.413m with growth in demand since the new academic year. • EHCP Top ups and Resourced provision increased by £1.248m
Impact of MTFS
This overall size of the High Needs DSG overspend has increased significantly and is above the MTFS expected overspend of £2.245m and will impact on the overall recovery plan and the contributions from the MTFS to cover the cumulative deficit. What should be noted also is that this net overspend of £4.436m would have been £1.908m greater without the contribution from the Schools Block to the High Needs Block. Such a transfer for 2023/24 was not agreed by the Schools Forum and will not be forthcoming next year. The key will be to continue momentum with the recovery plan and to achieve future years' savings. The growth in the overspend may be mitigated by recent greater than expected (but with conditions) growth on the HNB DSG grant for 2023/24. The key is to ensure that growth in HNB spend does not match the unexpected growth in the funding. At present the cumulative deficit for the HNB following 2022/23 outturn is £20.416m. The DSG offset reserve currently totals £21.650m. The MTFS 2023-2028 provides for a 2023/24 contribution to the DSG offset reserve of £4.855m, which is the assumed level of overspend in 2023/24, and careful monitoring will need to continue to ascertain whether the actual overspend will be greater than this.

3. Resources Directorate

Business and Customer Services (£0.141m overspend, +0.7%)
Explanation of Covid spending approval (£0.395m)
The Covid spend primarily consists of: • The second year of a two-year time limited allocation to support the implementation of the FOM (£0.290m) • Allocations from ring fenced Covid grant for the Social Impact Fund and the Backward Contact Tracing team (£0.031m) • Additional support for the placement hub (£0.020m)
Explanation of the Investment Funds net underspend (£0.260m)
This relates to the following projects all of which will be required in 2023/24 to support the continuation of the projects. • Cost of Living Support (£0.188m) including voluntary and community transport schemes, additional capacity for Citizen's Advice and VCSE organisations and Town & Parish Councils. • Information and Advice (£0.030m). • Extend library and museum opening hours as warm hubs (£0.020m), including activities for children and families. • Surveys as per Waterways Strategy (£0.013m) The Enhanced Time Banked project has been completed and unspent funding of £0.010m will be returned to corporate investment funds.
Explanation of the Earmarked Reserves net overspend (£0.028m)
A drawdown from reserves: • To support additional costs relating to the admissions service within Business Support a draw from the Customer Journey reserve is required (£0.098m). This is offset by contributions to reserves: • Underspend contributed into the Local Welfare Scheme reserve due to current costs being covered by the Household Support Fund. (£0.112m) • Income from donations and archaeological deposits (£0.015m) transferred into the Museum, Records and Libraries Trust Funds and Bequests reserve.
Explanation of the Remaining Service net overspend (£0.034m)
The remaining service overspend of £0.034m is largely a result of: • An overspend in Business Support of £0.170m due to increased demand in Social Care and Support (£0.220m) and temporary staff in the Admissions service (£0.115m), which is the remaining overspend after an agreed transfer from Reserves. This is offset by an underspend in the Communities and Resources Business Support team of £0.128m due to vacancy management as the service begins to work towards achieving future savings targets. • This is offset by a £0.110m underspend in the Customer Contact Centre due to reduced salary expenditure as post-pandemic demand decreases.
Change in the Remaining Service position since the position reported at Quarter 3 (decrease in spending of £0.156m)
The change in the forecast was as a result of a review of staffing forecasts within the libraries area (£0.160m) and reductions in the forecast amount of cover needed to backfill for long term sickness.
Impact of MTFS

There are a number of existing savings within the MTFS that relate to staffing reductions. Therefore, there will continue to be a focus through this the financial year and next, on how these savings will be met and the risk of overspends mitigated.

Commissioning Support Unit - (£0.747m underspend, -10.6%)
Explanation of the Covid pressures (£0.101m)
The Covid spending consists of: • Quality Assurance Technical Specialist (£0.031m) – funded by ringfenced Covid grant. • Community Testing (£0.019m) – funded by ringfenced Covid grant. • PPE Staffing (£0.051m) – funded by ringfenced Covid grant.
Explanation of the Investment Funds net underspend (£0.228m)
The underspend forecast on Investment Funds relates to the following projects which are split between completed and continuing projects. The completed projects where underspends will be returned centrally are: • Transformation (£0.166m) – Electronic Document & Records Management System (EDRMS) Implementation Support, this project has been reviewed and the costs will now be absorbed by Digital & ICT. • Digital/ICT Future Operating Model Implementation (FOM) (£0.118m) – underspend due to delay in Digital & Data • Mosaic Change Hub (£0.079m) • Organisational change funding for WCC Residents Panel (£0.017m) The continuing projects where underspends are required to be carried forward are: • Transformation (£0.116m) – Implementation of Business Analytics, represents the contingency amount built into the original funding allocation and will be reviewed by the Programme Board. • Digital Post Room (£0.031m) to transfer in 2023/24 to Business Support to support the completion of the project. • Climate Change Programme (£0.002m) In addition to the underspends there is also an overspend of £0.302m against the Green Shoots Community Climate Change Fund. This will be funded from future year allocations for this project.
Explanation of the Earmarked Reserves net und/overspend (£0.000m)
N/A
Explanation of the Remaining Service net underspend (£0.620m)
The remaining service underspend is largely made up of: • Staff vacancies within Contract Management (£0.376m). An element of this relates to a time limited MTFS allocation to recruit staff to realise savings across the organisation in non-contracted third party spend. However, in the current climate the recruitment market is challenging and one recruitment round has already proved unsuccessful. A revised approach to reduce the number of staff recruited but increase the length of the time they work for us is in development, thus requiring a carry forward from the original time limited allocation. It is not anticipated that this will impact the delivery of the savings in the MTFS but reduces the lead in time for delivery and hopefully make the positions more attractive to the market. • There are in year salary underspends of £0.161m in PMO and Business Intelligence due to in year vacancies in both areas. Within PMO these vacancies have been held ahead of a planned restructure.

• An underspend against the time limited MTFS allocation to support paper storage (£0.062m). It has been requested that this is carried forward and transferred to Governance & Policy to continue to support the continuation of the project.
Change in the Remaining Service position since the position reported at Quarter 3 (increased underspend of £0.096m)
This increased underspend is mostly made up of a reduction in the employee spend and corresponding income in the PMO service due to demand being less than expected (£0.067m).
Impact of MTFS
None identified

Enabling Services - (£2.832m underspend, -9.8%)
Explanation of the Covid pressures (£0.000m)
N/A
Explanation of the Investment Funds net underspend (£2.590m)
This underspend relates to the following projects. With the exception of the Our People Leadership all funding has been requested to be carried forward to support the continuation of the projects: • Digital Roadmap (£1.708m). It was agreed to pause the implementation until the impact and consequence of wider business demands (especially Adult Social Care reform) were understood. In January, a Cabinet paper was approved to support the implementation of the Microsoft Technology Platform including the procurement of an external partner to support on this. • Transformation funding for Cloud Migration Data Centre (£0.691m), focus has been on the development of the case for the Customer Platform and associated digital roadmap elements. Significant planning and evaluation activity has taken place from within service budgets and service activity has been taking place to optimise (financially and operationally) the existing cloud implementation prior to further migration. • Transformation funding for Business Analyst Support (£0.091m), the challenges associated with the Contact Centre telephony procurement and other digital roadmap elements have negated the need for BA support during this financial year. • Transformation funding for Reusable Components (£0.082m), focus has been on other elements of the digital roadmap which are anticipated to define the need for further reusable component investment. This approach has been taken to ensure that investment is directed at the most appropriate specific activities. • Transformation funding for Modern Government (£0.014m). • Transformation funding for the Leadership assessment design process (£0.003m), this project is now complete and funding has been returned.
Explanation of the Reserves net overspend (£0.124m)
A drawdown is required from the Going for Growth Apprenticeship scheme reserve (£0.124m) to cover costs exceeding those covered by the Apprenticeship Levy.
Explanation of the Remaining Service net underspend (£0.366m)
The remaining service underspend is predominately made up of the following: • In year staffing underspends in HR Enabling, Property Risk and ICT Strategy of £0.505m mainly due to difficulties in recruiting to vacant posts. • An underspend on the Corporate Cleaning service of £0.207m mostly due to spend on cleaning materials and contracts being less than expected. • An underspend on HR training levy of £0.099m These underspends are offset by overspends: • £0.230m increased ICT software and licence costs due to the rising number of staff in the organisation

• £0.147m from Increased Agency Support within Digital and ICT to meet increased demands and project development. • £0.110m from an under recovery of in the ICT School Support and Advisory due to reduced subscription and buy as you Go (BAYG) income from Warwickshire Academies.
Change in the Remaining Service position since the position reported at Quarter 3 (reduction in underspend of £0.207m)
The forecast has changed largely as a result the following: - • Revisions to salary forecasts (£0.122m) due to delays in planned recruitment. • Income for a contribution to ICT software from Northamptonshire Fire & Service (£0.066m) overlooked in the forecast.
Impact of MTFS
None identified

Finance Service – (£0.340m underspend, -5.1%)
Explanation of the Covid spending (£0.030m)
The Covid approved spending relates to the remaining costs for an Interim post within Operational Finance Delivery.
Explanation of the Investment Funds net underspend (£0.293m)
There are underspends on investment projects which will be requested for carry forward to support continuation of the projects: • McCloud Pension project (£0.017m) • Agresso Development and Capital Project (£0.276m)
Explanation of the Earmarked Reserves net overspend (£0.068m)
The draw on reserves is the impact of the Schools Absence Insurance Scheme
Explanation of the Remaining Service net underspend (£0.145m)
• Across Finance there are forecast in year salary underspends of £0.304m which are as a result of difficulties recruiting to vacant posts, including the Strategic Risk Management post. • This underspend is offset by an overspend related to WPDG of £0.164m due to the Procurement project taking 9 months longer than anticipated and requiring considerable resource from internal legal, external legal and external consultants.
Change in the Remaining Service position since the position reported at Quarter 3 (increased underspend of £0.083m)
There was no significant change since Q3.
Impact of MTFS
None identified

Governance and Policy – (-£1.057m underspend, -26.6%)
Explanation of the Covid spending (£0.022m)
The Covid spend comprises of: • £0.016m Flu vaccinations • £0.006m for video translation costs and Winter Wellness advertising – funded from ringfenced Covid grant
Explanation of the Investment Funds net underspend (£0.055m)
The net underspend on investment funds is from two projects: • £0.041m from an Organisation Change Fund project which is requested to carry forward to support the Pay and Reward project • £0.014m for the FOM Implementation which will be returned as it is no longer required.
Explanation of the Earmarked Reserves net overspend (£0.030m)

There is an overspend on the North Warwickshire project management and consultancy fees (£0.030m) which will be funded by a drawdown from the One Public Estate (OPE) reserve.

Explanation of the Remaining Service net underspend (£1.054m)

The remaining service underspend mainly comprises of:

- Over recovery of income of £0.723m within Legal services due to new external income contracts delivering profits at a higher margin.
- Over recovery of internal income of £0.189m within Marketing and Communications as a result of increased work being carried out within the current staffing resource.
- In year underspends on salaries (£0.081m) mainly due to recruitment delays within Corporate Policy, HROD and Democratic Services

Change in the Remaining Service position since the position reported at Quarter 3 (increased underspend of £0.067m)

There was no significant change to the Q3 forecast position.

Impact of MTFS

The MTFS includes future savings linked to legal traded income. The position will need to be kept under close review as more legal income is being generated internally and some large contracts for external work have been lost and not yet replaced.

4. Corporate Services and Resourcing

Corporate Services and Resourcing – (£4.938m Underspend, 3.8%)
Explanation of the Covid spending (£0.212m)
Additional covid expenditure to mitigate the on-going impact of the Pandemic.
Explanation of the Investment Funds net under/overspend (-£0.368m)
Unspent allocation of the 'System Improvement Fund' that will be transferred to the 'System Replace Reserve'.
Explanation of the Earmarked Reserves net underspend (-£2.133m)
• Net contribution to the commercial risk reserve of (£1.764m) from the central Warwickshire Property Development Group budget because of underutilised provision for delayed capital receipts set aside as part of the Warwickshire Property Development Group Business Plan; • the transfer to earmarked reserves relates to the (£0.263m) quadrennial local elections as the budget allocation is not required in non-election years and transferred to earmarked reserves building up sufficient funds to pay for the elections when they take place every fourth year; • (0.174m) Moved to earmarked reserve as Audit fees were expected to rise in 22/23 but the new contract begins 23/24. • In addition (£0.214m) will be transferred from the Apprenticeship Levy to be used in future years.
Explanation of the Remaining Service net underspend (£2.649m)
• There is a £525k underspend which relates to the reversal of the 1.25% National Insurance rate rise as per the autumn statement. • A £2.726m underspend is a result of improvement returns on our investments arising in the latter part of the year due to an increase in interest rates. • County Coroners underspent by £0.083m due to the reduced level of demand compared to the assumptions made when setting the budget specifically in body retrievals, post-mortems and mortuary usage and a £350k paid dividend underspend. • Offsetting these is the increase in salaries due to the pay award of £709k and £286k due to disposal of assets being lower than estimated
Change in the Remaining Service position since the position reported at Quarter 3 (reduction of £2.411m)
Most of this variance is a result of an improved return on our investments which is linked to the higher interest rates currently being offered to reduce inflation.
Impact of MTFS
A pending pay award estimate and changes to National Insurance for future years has been reviewed and updated in the MTFS.

APPENDIX B

Commentary on Service Capital Forecasts

The main reasons for the £14.597m lower capital spend in the quarter compared to the approved budget are set out below. These changes generally mean the expected benefits of the capital schemes may not be realised to the original time frame, however in some cases the change only relates to the timing of the expected cash flow without any impact on the deliverables of the scheme.

In addition to the £14.597m there is an additional £1.806m of delays relating to projects funded by s278 developer contributions. A s278 agreement is a section of the Highways Act 1980 that allows developers to enter into a legal agreement with the Council (in our capacity as the Highway Authority) to make permanent alterations or improvements to a public highway, as part of a planning approval. The developer is responsible for paying the full costs of the works, including elements such as design, legal and administration fees, land acquisition and maintenance. A developer will submit an S278 application early in the design process, in many cases at least 12 months before the works are required on site. Although the council is involved throughout in discussing schemes and their timing with developers, ultimately the decision to go ahead with a scheme and enter into an agreement is the developers, and the council has no control over this. Developers are charged for the cost of works as these are incurred.

There is also a £6.133m of delays on corporate schemes from the WRIF, WPDG and the Asset Replacement Fund. The timing of these schemes is largely outside of the control of the Council therefore they are excluded from the analyses below, but details of these schemes can be found in Annexes A to M.

It should be noted that there were £10.472m of schemes reprofiled where spend happened earlier than expected to offset the above as well as £2.703m of new projects and £0.674m of projects that came in under budget. This creates an overall picture of a reduction from Q3 to outturn of £2.094m of controllable spend.

Environment Services – £3.295m

- Vehicle Mitigation barriers in Stratford upon Avon £0.582m - The delay has been caused by the requirement for a specialist engineer to sign off the design of the barriers.
- A46 Stoneleigh Junction improvement £0.899m – Delays caused by various issues around the scheduling of works and contractor construction delays relating to the new bridge. Completion is due in summer 2023.
- A3400 Birmingham Road Stratford corridor improvements £0.474m – The delay is due to the need to redesign of the layout of the solution. It is anticipated that works will now commence in 2023-24.
- Flood alleviation scheme Fenny Compton £0.227m - Delays in the procurement has pushed the delivery of this scheme to span 2022/23 and 2023/24 financial years. Extended lead-in times for products, listed building consents, and the agreement of contract amendments are other causes for the programme slippage. Additionally, further hydraulic modelling was required to determine the viability and residual risk of a survey recommendation to install flood walls to a property.
- There are a number of other schemes with delays of less than £0.200m each which are detailed in the annexes A to M.

Fire & Rescue - £0.887m

- Fire & Rescue training centre new build £0.691m - Delays in schemes have been caused by planning issues around the fire training equipment on site.
- There are two other schemes with delays of less than £0.200m each which are detailed in the annexes A to M.

Strategic Commissioning for Communities - £2.131m

- A439 Southern Casualty Reduction £0.297m - The project team are currently awaiting a costed re-design and schedule before progressing to completion.
- Evidence Led decision making in tackling climate emergency and air quality - £0.233m. There has been a delay in the procurement of the equipment. Additional revenue funding has been found in order to allow the project to complete.
- Stoneleigh Park link road £0.205m. The delay has been caused by works needing to fit with HS2 work and timelines.
- There are a number of other schemes with delays of less than £0.200m each which are detailed in the annexes A to M

Education Services - £4.814m

- Campion School expansion phase 2 £0.309m - The outstanding works are likely to fall into 2023/24.
- Etone College 1FE expansion £2.360m - This is a school led scheme and the Council is waiting for confirmation that construction is complete before paying the approved funds over to the school. This was anticipated to happen in 2022-23 and has now been delayed until the new financial year.
- Improvements at Bunting Pre School £0.228m - The Council is waiting for confirmation that the works are complete which is when reimbursement of costs is due.
- Former radio mast site (Houlton) Rugby expansion at St Gabriels £0.663m - This project is still in the planning stage and forecast spend was over-optimistic about the timing of progress on the project.
- The Queen Elizabeth Academy Atherstone £0.500m - This is another school led scheme where payments will be made upon completion. It was anticipated that build progress would have been faster. The spend has been re-profiled for the anticipated completion date pre-September 2023.
- There are a number of other schemes with delays of less than £0.200m each which are detailed in the annexes A to M

Children & Families Services - £1.239m

- Work to establish Children's' 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.

Public Health and People Strategy & Commissioning - £0.024m

- Adult Social Care Modernisation & Capacity - £0.021m - This funding is allocated to the changing places project. These projects are demand led based on applications to the fund. Some planned installations have been delayed or paused and other opportunities have been identified. It is anticipated spend will happen in 2023-24.

Business & Customer Service - £0.251m

- Improving the customer experience / on front door £0.251m - There has been a delay in delivery of fleet replacement due to issues around the procurement process.

Enabling Services - £1.088m

- Schools and non-schools maintenance schemes have been underspent in year with a request to undertake the work in the next financial year - £0.686m (schools) and £0.230m (non-schools). This is simply a timing issue and will resolve over the course of the coming months.
- There are other schemes with delays of less than £0.200m each which are detailed in the annexes A to M.

As part of the initial phase of the Shire Hall development within the Estate Master Plan project £0.329m has been spent on the purchase of furniture using revenue budget underspends in the service. To ensure compliance with accounting rules this expenditure has been capitalised and added to the asset register as a grouped item.

Governance & Policy - £0.868m

- Maintaining the smallholdings land bank - £0.370m - There have been no feasible purchases this year and, subject to approval, the budget will be re-profiled into later years.

Appendix C – Requested Rephasing of 2022/23 MTFS time limited core revenue allocations and drawdown from externally ringfenced reserves

There are two parts to this appendix:

- a list of requests to rephase 2022/23 MTFS time-limited allocations where activity was not completed at the end of the year; and
- requests to drawdown funding from earmarked reserves where the proposed activity meets the conditions under which the funding was provided to the Council.

Service (AD)	Amount Requested £m	Proposed use of the funding
Strategy & Commissioning – Communities	0.068	**Transforming Nuneaton Project -** Delays have resulted in tenants remaining in situ longer than anticipated. As the purchase of the properties was via grant funding, this rental income is ringfenced for use against the TN project. Funding originally received from external partners in 2021/22, £0.102m was carried forward into 2022/23.
Fire & Rescue	0.108	**Fire protection staffing and training plans -** as outlined in the HMI Action plan have been delayed due to recruitment issues. The service received £0.775m MTFS time limited funding to deliver the HMI action, due to delays the request is to rephase the funding into 2023/24.
Strategy & Commissioning - People	0.163	**Integrated Homelessness project –** MTFS time limited allocation for a 3-year Homelessness project was delayed due to nursing provision being limited due to covid. Contract is in place with SWFT for delivery in 2023/24, funding is required to be rephased.
Commissioning Support Unit	0.308	**Staffing capacity -** to support delivery of the savings on non-contracted and unconsolidated third party spend. The start of this project was delayed due to difficulties recruiting to temporary positions. Fixed term appointments now in place, funding is required to be rephased to continue the project in 2023/24
Total drawdown from Directorate Risk Reserve	0.647	**4 requests**
Strategic Commissioner for People	0.155	**Social Care & Health Partnership Reserve** - To fund the 2023/24 costs of those discharged up to and including 31 March, for a maximum of 6 weeks.
Children & Families	0.118	**Controlling Migration Fund Reserve -** To fulfil existing commitments within Children and Families.
Total drawdown from External Earmarked Reserves	0.273	**2 requests**
	0.920m	

Appendix D: Requested Use of the Revenue Investment Fund

A list of the requested use of the Revenue Investment Fund in 2023/24. The list comprises the rephasing of spend originally planned for 2022/23 and the spend originally planned for 2023/24. The are no new schemes requesting approval.

Service	Project	Re-phased spend from 2022/23 to 2023/24 £m	Approved 2023/24 Spend £m	Total Budget required in 2023/24 £m	Budget allocation in future years £m	Estimated project completion date	Progress Update
Environment Services	Trading Standards Data Cleanse and Business Process Review	0.057	0.047	0.104	-	Mar 24	A slight delay in delivering the project means funds are now required in 23/24.
	Forestry - Tree Nursery	-0.015	0.118	0.103	-	Mar 24	Spend of budget ahead of schedule.
Fire & Rescue	Building Capacity and Integration for WFRS	0.037	-	0.037	-	Mar 24	The Improvement Project Plans are on track to spend this balance in 23/24.
	Fire Control Room	0.014	0.142	0.156	-	Mar 24	This balance will fund increased staffing costs in order to resource the project.
	Water Hydrant Project	0.022	-	0.022	-	Mar 24	Preparatory work started in 22/23 and works will be completed in 23/24.
	Fire Control Room	-	1.409	1.409	-	Mar 24	Planned spend in relation to staffing costs in order to implement the Control Room changes.
Strategic Commissioning for Communities	Safe and Active Travel	0.075	-	0.075	-	Mar 24	Staffing shortages and a restructure have caused delays in the project.
	Rugby Parkway	0.41	-	0.41	-	Mar 24	Delays in procuring design works
	Art Challenge	0.028	-	0.028	-	Mar 24	In year underspend due to reprofiling of the project over the 3-year period.
	Digital Market Place	0.019	-	0.019	-	Mar 24	A number of activities that were not carried out due to capacity whilst the Community Renewal Fund programme was being delivered. A continuation of the budget into 2023/24 will enable the team to overcome the fall in activity and increase visibility.
	Economic Recovery - JumpStart	-	0.038	0.038	-	Mar 24	Projected spend on target for 2023/24.
	Economic Recovery - Tourism & Leisure Business Support	0.025	0.231	0.256	-	Mar 24	Delayed procurement process has resulted in the re-profiling of the contract costs.
	5G and Connectivity	0.070	-	0.070	-	Mar 24	Delayed recruitment of the Digital Infrastructure Team has led to delays in the project.
	Communities Total	0.741	1.986	2.727	-		

Service	Project	Re-phased spend from 2022/23 to 2023/24 £m	Approved 2023/24 Spend £m	Total Budget required in 2023/24 £m	Budget allocation in future years £m	Estimated project completion date	Progress Update
Education Services (Non-DSG)	SEND and Inclusion Change Programme	0.584	0.828	1.412	-	Mar 24	There was a delay in planned training & development within the SEND & Inclusion Change programme, as well as available staffing capacity to commence some of the work. This has been re-scheduled for phase 3 in 2023/24.
	Music Service Review Project	-	0.023	0.023	-	Mar 24	Review to be completed in 2023/24
	Education Transformation Projects	0.272	0.010	0.282	-	Mar 24	Project has been delayed due to reorganisation, consultation and training. This project will be tied into the ESFA led Delivering Best Value programme.
Social Care and Support	Integrated Care Records	0.064	0.086	0.150	0.092	Mar 26	Project start was delayed by a year requiring funding to be rephased.
Children and Families	Children Transformation Fund for 23/24	0.446	-	0.446	-	Mar 24	Underspend due to delays/reconfiguration in some one-off projects, which will now take place in 2023/24 and 2024/25.
Strategic Commissioner for People	Children and Families Tackling Inequality	0.048	0.250	0.298	0.154	Sept 25	Projects have been rephased due to staffing changes and recruitment issues.
	Creating a healthy social prescribing system	0.127	0.090	0.217	-	Dec 23	6 Projects - 2 completed and 4 to be completed in 2023/24
	People Total	1.541	1.287	2.828	0.246		
Business and Customer Services	Information and Advice	0.030	-	0.030	-	Mar 24	This funding continues to support a project manager and consultancy work to improve customer's access to online advice.
	Surveys as per Waterways Strategy	0.013	-	0.013	-	Mar 24	Project to be completed 2023/24
	Community Powered Warwickshire - New Locals	-	0.020	0.020	-	Mar 24	Project to be completed 2023/24
	Community Managed Libraries to operate "community fridges"	0.012	-	0.012	-	Dec 23	Delay in purchasing equipment for all sites.
	Extend library and museum opening hours as warm hubs, including activities for children and families	0.007	-	0.007	-	Mar 24	This funding has been committed to and will be utilised to provide museum activity sessions.
	Community Supermarkets	0.188	-	0.188	-	Mar 24	Project on schedule to fund additional Citizens Advice capacity.

Service	Project	Re-phased spend from 2022/23 to 2023/24 £m	Approved 2023/24 Spend £m	Total Budget required in 2023/24 £m	Budget allocation in future years £m	Estimated project completion date	Progress Update
Commissioning Support Unit	Cost of Living Projects (Balancing figure from £1m allocation)	-	-	-	0.563	TBC	This funding will be drawdown as required to support a range of services provide cost of living adjustments as per the original bid.
	Climate Change Programme	0.002	-	0.002	-	Mar 24	This funding is supporting a temporary post alongside MTFS funding.
	Bin/Scan & Store project	-	0.001	0.001	-	Mar 24	Further funding will be required for the ongoing cost of this project. A bid expected through MTFS/Investment fund route
	EDRMS - Digital Post room	0.031	-	0.031	-	Mar 24	This funding is being transferred to Business Support who will now be responsible for completing the project.
	Cloud - Itelligent-i- Azure	0.085	-	0.085	-	Mar 24	Project was put on hold during 2022/23 but has now been agreed by the Programme Board to continue.
	Itelligent-i - Business Analytics Platform Phase 2	0.031	-	0.031	-	Mar 24	Project was put on hold during 2022/23 but has now been agreed by the Programme Board to continue.
	Community Climate Change Fund - Green Shoots	-0.302	0.738	0.436	-	Mar 24	This project is well underway and future funding was utilised for spend in 2022/23.
Enabling Services	Azure VSTS licence renewal & VS Enterprise licence	0.091	-	0.091	-	Mar 24	Project delays due to requirement for business analyst support to understand the challenges associated with the Contact Centre telephony procurement.
	Disaster recovery & Cloud migration - Azure data centre annual	0.691	-	0.691	-	Mar 24	Focus has been on the development of the case for the Customer Platform and associated digital roadmap elements. Significant planning and evaluation activity has taken place from within service budgets and service activity has been taking place to optimise (financially and operationally) the existing cloud implementation prior to further migration.
	Modern Government - software, licences, tablet app and hosting	0.014	-	0.014	-	Mar 24	Project to be completed 2023/24

Service	Project	Re-phased spend from	Approved 2023/24	Total Budget	Budget allocation	Estimated project	Progress Update

		2022/23 to 2023/24 £m	Spend £m	required in 2023/24 £m	in future years £m	completion date	
Enabling Services	Reusable components	0.082	-	0.082	-	Mar 24	Focus has been on other elements of the digital roadmap which are anticipated to define the need for further reusable component investment. This approach has been taken to ensure that investment is directed at the most appropriate specific activities.
	Digital Roadmap Investment Fund	-	-	-	1.708	TBC	It was agreed to pause the implementation until the impact and consequence of wider business demands (especially ASC reform) were understood. In January, a Cabinet paper was approved to support the implementation of the Microsoft Technology Platform including the procurement of an external partner to support on this.
Finance	McCloud Pensions Remedy	0.017	-	0.017	-	Mar 24	Project to be completed 2023/24
	Cloud Hosting Project (Capital & Unit 4 Development Plan)	0.277	-	0.277	-	Mar 24	This funding is to be used towards the implementation of FP&A for Capital, the new system for capital budgeting and moving Unit4 to the Cloud.
Governance and Policy	HR Policy Review	0.041	-	0.041	-	Mar 24	Project to be completed 2023/24
	Resources Total	1.310	0.759	2.069	2.271		
	Total	3.593	4.031	7.624	2.517		

Appendix E – Requested Use of Covid-19 Reserves

A list of the £1.455m drawdown requested from Covid-19 reserves to support on-going work on Covid recovery in 2023/24. These allocations are the remaining spending on projects originally approved in June 2022.

Service	Amount Requested £m	Proposed use of the funding
Strategic Commissioning for People and Public Health	0.045	Delivery of the Suicide Prevention Strategy and support for further suicide prevention work.
	0.068	Activity to mitigate the impact of Covid-19 on communities from ethnic minority backgrounds.
Education	0.074	Provide extra capacity in Early Years Delivery.
Strategic Commissioning for Communities	0.547	Adapt and Diversify Grant scheme to assist local small businesses with Covid recovery with a focus on Green Recovery and Digital Creative grants.
Un ringfenced Covid Commitment	0.734	
Environment Services	0.030	Management of Transitions, interventions to prevent serious violence.
Strategic Commissioning for People and Public Health	0.070	Capacity to support Connecting Communities activity
	0.032	Community testing temporary extension (contribution to Coventry service)
	0.609	Investment to support improvements to ventilation in schools
Finance	0.010	Administration of of the reporting of Covid-19 financial information to central government
Ringfenced Covid Commitment	0.751	
Total Allocation	1.485	