

Appendix A

2024/25 Quarter 2 Revenue Monitoring



1. Executive Summary

Table 1

Directorate	Adult Services	ECS*	GETH**	Resources & C Exec	Corporate Budgets	Total
	£m	£m	£m	£m	£m	£m
Budget 2024/25	469.835	256.090	195.664	138.117	52.049	1,111.754
Initial Forecast Projection	499.438	260.225	194.097	127.467	52.125	1,133.352
Underlying Quarter 2 Forecast Position	29.603	4.135	-1.567	-10.650	0.076	21.598
Savings Delivery Adjustment	-1.118					-1.118
Recovery Plan	-1.400	-2.000				-3.400
Quarter 2 Forecast	27.085	2.135	-1.567	-10.650	0.076	17.079

* Education and Children's Services ** Growth, Environment, Transport and Health

- 1.01 The forecast at Quarter 2, builds upon work undertaken at Quarter 1, with updates based on the latest information available. The forecast outturn position is based on activity and expenditure and income levels up to the end of September 2024, with assumptions made as to the levels expected by the end of the financial year. **The underlying forecast at Quarter 2 is a forecast overspend of £21.6m, which includes £10m of additional one-off mitigations that were agreed at Quarter 1.**
- 1.02 As part of the Quarter 1 forecast position, recovery plans were developed by Adult's (£8.750m) and Children's (£2.000m) Social Care totalling £10.750m. Progress has been closely monitored with Table 1 showing the revised forecast for delivery plans. Good progress has been made across Children's Social Care meaning that the value of £2m remains in the forecast. However, the forecast recovery plan for Adult Social Care has significantly reduced from £8.750m at Quarter 1 to £1.4m at Quarter 2. This is due to some elements of the plan no longer being able to be achieved in the form intended or overlaps with the existing agreed savings programme.
- 1.03 Directorates are working hard to find further mitigations across budgets, with spending controls being strongly put in place to reduce expenditure during the final half of the financial year to achieve a balanced budget position. Given the challenge of balancing the current year's budget each Directorate has reviewed its current position and produced a recovery plan of areas where spend profiles could be influenced prior to the year end.



1.04 As part of the Adult Services 2024/25 budget, the service has to deliver a savings programme totalling £25m, and at Quarter 2 the progress against some of the savings has been delayed. However, through the Adult Finance Board and discussions with the Directorate Management Team an adjustment of £1.118m has been made to the originally forecast position to reflect action that the service is going to take in the remainder of the financial year to deliver some of its agreed savings delivery programme.

1.05 Following adjustments being made to the forecast to reflect actions being undertaken by services **an overspend of £17.079m (1.54%) is forecast for 2024/25, which is an increase of £9.5m compared to the position reported at Quarter 1.**

This report provides details of those areas where forecast pressures exist, most notably adult and children's social care, with a combined overspend of £29m. This forecast position is in the most part due to challenges faced in the delivery of savings, increases in the complexity and costs of packages and in some areas increased demand. In adult social care there are pressures across the in-house provision of residential and day services, mainly due to staffing costs and income targets not being achieved. Pressures continue across commissioned packages of care and the service are facing increased challenges and delays in achieving their significant agreed savings programme.

1.06 All services are under review and need to reduce costs and increase income levels to achieve a balanced budget position. Services are producing improved and achievable recovery plans to recover the forecast overspend position of £17.1m to a break-even position. The focus will remain on continuing to tightly control and drive down costs wherever possible including the identification of offsetting cost reductions.

1.07 A key element of the 2024/25 budget, is the agreed savings programme totalling £59m. Delivery of savings is being very closely monitored and as with any savings programme of this size, there are some challenges that will be faced in delivering the forecast. This is a critical element of delivering a balanced budget position, with a very clear position across the council being that in areas where savings are delayed or not able to be delivered in their original form, mitigations must be found to neutralise the impact on the in-year budget position.



2. Adult Services Directorate

Service Area	Net Budget	Q2 Net Forecast Outturn	Q2 Net Forecast Variance	Q2 Net Forecast Variance	Q1 Forecast Variance	Change from Q1
	£m	£m	£m	%	£m	£m
Disability (Adults)	8.542	11.290	2.748	32.17%	2.790	-0.042
Urgent Care, Acute and Prisons (Countywide)	5.434	5.347	-0.087	-1.60%	0.283	-0.370
Residential and Day Care Services for Older People	-2.039	1.402	3.441	-168.72%	3.133	0.308
Total Adult Care and Provider Services	11.937	18.038	6.102	51.12%	6.206	-0.104
Mental Health	38.712	40.883	2.171	5.61%	0.136	2.036
Learning Disabilities, Autism	180.180	189.486	9.306	5.16%	5.863	3.443
Social Care Services (Adults)	224.247	233.530	9.283	4.14%	-7.379	16.662
Total Adult Community Social Care	443.140	463.900	20.760	4.68%	-1.380	22.141
Strategic and Integrated Commissioning	5.260	5.228	-0.032	-0.60%	-0.083	0.052
Total Strategic and Integrated Commissioning	5.260	5.228	-0.032	-0.60%	-0.083	0.052
Safeguarding Adults Service & DOLS	7.469	7.896	0.427	5.71%	0.290	0.137
Total Quality, Contracts and Safeguarding Adults	7.469	7.896	0.427	5.71%	0.290	0.137
Quality and Improvement	1.511	1.411	-0.100	-6.63%	-0.093	-0.007
Business Development	0.520	0.448	-0.072	-13.84%	-0.026	-0.046
Total Quality Improvement and Principal Social Worker	2.031	1.859	-0.172	-8.47%	-0.119	-0.053
Total Adults	469.835	496.920	27.085	5.76%	4.914	22.171

Executive Director of Adult Services – Commentary

- 2.01 Adult Services has been applying a number of measures to ensure there is robust and effective budget management. This includes oversight via the Directorate Finance Board, identifying accountable Directors and Heads of Services for savings proposals, and exploring all opportunities with the NHS for cost sharing.
- 2.02 In light of the increased overspending position, in most part linked to challenges and delays in delivery of savings, an Adult Finance Panel has been established



to specifically analyse and review the budget position and work with the service to reduce expenditure where possible.

- 2.03 The volumes of people with commissioned care have been reasonably steady since the start of the year. Numbers have slowly increased over the year, which mirrors the trend for previous years, however the rate of increase is lower than in previous years. There is a very mixed picture across services – Learning Disabilities and Autism numbers are broadly flat; Mental Health is growing although the numbers are relatively small and Older People and Physical Disabilities is growing significantly. The net result is commissioned long term care volumes at the end of October are 1.3% higher than at the start of the year.
- 2.04 The trend and risk in managing the Adult Services budget continues to be around balancing overspends in care packages and underspends in staffing. The latter, poses the service with challenges in terms of recruitment and retention, quality and consistency and for residents longer waiting times for support, which is an ongoing priority to address.
- 2.05 The recovery plan has been reviewed and revised to address some of the underlying issues, with good progress made in relation to occupancy levels across in in-house provider services.
- 2.06 Negotiations continue with NHS partners to deliver care more efficiently as well as around Better Care Fund monies.
- 2.07 Details of the significant variances across Adult Services are shown below:

Adult Services – Forecast overspend £27.085m

- 2.08 The in-house services are forecasting a combined overspend of £6.2m, although this position is after an in-year adjustment for reserve funding of £1.5m, therefore the underlying position is worse than on the face of this report.
- 2.09 The services are both facing pressures across their staffing budgets. These have been relatively long standing and are being reviewed in light of the current service offer. The Residential and Day Care Services for Older People has particular pressures relating to agency staff, and whilst this is still forecast to cost £4m, the service has reduced the number of agency staff they are employing.
- 2.10 In addition, income levels are presenting pressures, as since the pandemic, occupancy levels in our residential homes have not reached the levels that were seen prior to early 2020. As part of the recovery plan for the service, a target occupancy level of 95% has been set, with really good progress made against this at Quarter 2, and the confidence that this will be fully achieved by the end of the financial year.



- 2.11 The other area of significant pressure are commissioned services across all client groups (Learning Disabilities and Autism, Mental Health, Older People and Physical Disabilities). These areas were subject to significant savings and there are challenges in delivering these savings as per the agreed profile. At Quarter 1, assumptions had been made that 80% of savings would be made but, given progress to date this has had to be significantly reduced, resulting in an increased overspend position.
- 2.12 In addition, the recovery plan for Adult Services that was put forward at Quarter 1 is experiencing difficulties in delivery and therefore this forecast has been revised at Quarter 2. The plan totalled £8.750m at Quarter 1 and has had to be reduced to £1.4m at Quarter 2. The service is working hard to find alternative mitigations and accelerate savings delivery over the final half of the financial year.
- 2.13 The service has a significant staffing budget and have put processes in place to tightly manage staffing budgets. This is taking effect across the position reported, as in previous years much higher staffing pressures have been experienced.
- 2.14 At Quarter 2 additional provision has been made for bad debts that are outstanding. Whilst these debts are going through the debt recovery process as outlined in the policy, it is at the stage where a provision needs to be set aside as a result of the timescale the debts have been outstanding.



3. Education and Children's Services Directorate

Service Area	Net Budget £m	Q2 Net Forecast Outturn £m	Q2 Net Forecast Variance £m	Q2 Net Forecast Variance %	Q1 Forecast Variance £m	Change from Q1 £m
Front Door, Assessment and Adolescent Services	12.103	10.921	-1.182	-9.76%	-1.148	-0.034
Family Safeguarding	30.134	33.673	3.540	11.75%	4.508	-0.969
CSC: Looked After Children/Leaving Care	116.602	115.495	-1.107	-0.95%	1.339	-2.446
Fostering, Adoption Lancashire Blackpool and Residential Services	44.249	43.546	-0.704	-1.59%	-1.250	0.546
Family Safeguarding Project	0.002	0.000	-0.002	-96.26%	-0.002	0.000
Total Children's Social Care	203.090	203.636	0.546	0.27%	3.448	-2.902
Inclusion	11.146	12.544	1.398	12.54%	1.341	0.057
Children and Family Wellbeing Service	12.189	9.154	-3.035	-24.90%	-2.726	-0.309
Cultural Services	12.413	12.780	0.366	2.95%	0.696	-0.330
Education Improvement	3.289	6.283	2.993	91.00%	3.349	-0.356
Total Education & Skills	39.038	40.760	1.722	4.41%	2.661	-0.938
Safeguarding, Inspection and Audit	16.611	16.530	-0.081	-0.49%	-0.026	-0.055
Education and Children's Services Central Costs	-4.454	-4.454	-0.001	-0.02%	0.000	-0.001
Total Education and Children's Services	12.157	12.076	-0.081	-0.67%	-0.026	-0.055
Policy Info and Commission Start Well	1.806	1.753	-0.053	-2.92%	0.000	-0.053
Total Policy Commissioning and Children's Health	1.806	1.753	-0.053	-2.92%	0.000	-0.053
Total Education Childrens Services	256.090	258.225	2.135	0.83%	6.083	3.948

Executive Director of Education and Children's Services – Commentary

3.01 The Directorate's Leadership Team continues to focus on strengthening financial management and ensuring the robust decision making is in place before committing to significant spend. For example, all high cost and same day placements are subject to an approval process that brings Heads of Service together with the Director of Children's Social Care to discuss alternative options for these children. Strengthened oversight and challenge has also been applied to payments for support and assistance to families, helping to ensure that universal service offers have been fully considered before incurring additional spend. This has resulted in an improved position at Quarter 2, mainly as a result of reduced costs forecast across agency residential placements.



- 3.02 As we move into the second half of the year, we will continue to focus on addressing the challenges around sufficiency of homes, both fostering and residential, for children in our care, and in our focus on sustaining reductions of new entrants in to care through approaches such as Family Safeguarding and strengthening our multi-agency support for children and young people at risk of/being exploited. These, together with offset from underspends across the Directorate and bringing forward future savings options, will help to reduce financial pressures within the Education and Children's Services budget.
- 3.03 Details of the significant variances across Education and Children's Services are shown below:

Children's Social Care – Forecast overspend £0.546m

- 3.04 The overspend for Children's Social Care has reduced by £2.9m with some offsetting changes included in the updated forecast, but primarily the reduction is due to an improved position on the placements budget, in large part reflecting reduced agency residential placements. The service will achieve the recovery plan agreed at Quarter 1 and are able to reduce the forecast further.
- 3.05 Residential and fostering placements (including in-house residential provision) remain a key element across this service budget with a forecast overspend of £1.2m. This is due to demand pressures for children with disabilities, offset by a decrease in forecast demand for Children's Social Care placements.
- 3.06 Underspends of £2.9m are forecast on social work and other teams including staff related costs, although this is a result of one-off funding utilised in 2024/25 of £2.9m. However, most notably use of agency and managed service staff has decreased significantly since 2023/24 (by £1.2m) with use of managed teams ceasing completely.
- 3.07 The service continues to experience pressures across family support payments to children with disabilities, which saw significant increases during 2022/23, although spend does appear to have stabilised over 2023/24 and into 2024/25. Care packages within a home are now subject to the same scrutiny as high-cost placements.
- 3.08 Underlying pressures across children with disabilities placements and support payments have been reviewed as part of the updated Medium Term Financial Strategy that was reported to Cabinet in November, with additional funding included for 2025/26.

Education and Skills – Forecast Overspend £1.722m

- 3.09 The position has improved by £0.9m since Quarter 1, however there remain pressures across those services that undertake traded activity such as Education Improvement and Cultural Services, with both areas reviewing their activities and are working through recovery plans which could reduce their overspend positions.



3.10 The Children and Family Wellbeing Service continues to forecast an underspend position, which offsets overspends across the Directorate, which relates to staff vacancies and operational costs.



4. Growth, Environment, Transport and Health

Service Area	Net Budget	Net Forecast Outturn	Net Forecast Variance	Net Forecast Variance	Q1 Forecast Variance	Change from Q1
	£m	£m	£m	%	£m	£m
Highways - Operations & Design	15.887	15.541	-0.345	-2.17%	2.869	-3.214
Highways - Network Management	6.459	4.185	-2.273	-35.20%	-1.900	-0.374
Public and Integrated Transport	78.109	80.499	2.390	3.06%	0.015	2.374
Total Highways and Transport	100.455	100.226	-0.229	-0.23%	0.984	-1.213
Business Growth	0.557	0.944	0.387	69.47%	0.416	-0.029
Strategic Development	1.658	1.022	-0.636	-38.37%	-0.435	-0.202
Estates	0.712	0.655	-0.057	-8.03%	0.000	-0.057
ED Skills	0.023	0.022	-0.001	-4.66%	0.000	-0.001
Total Growth & Regeneration	2.950	2.643	-0.308	-10.43%	-0.019	-0.289
Waste Management	82.084	84.103	2.019	2.46%	1.828	0.191
Environment & Climate	2.479	0.924	-1.555	-62.72%	-1.586	0.031
Planning & Transport	1.013	0.277	-0.736	-72.67%	-0.724	-0.012
Total Environment and Planning	85.575	85.304	-0.271	-0.32%	-0.482	0.211
Public Health and Wellbeing	-63.647	-63.802	-0.155	-0.24%	0.001	-0.156
Health Improvement	59.569	59.129	-0.440	-0.74%	-0.001	-0.439
Health Equity Welfare and Partnerships	5.025	4.986	-0.039	-0.77%	-0.025	-0.014
Health, Safety and Resilience	1.233	1.018	-0.215	-17.45%	-0.095	-0.120
Trading Standards and Scientific Services	4.503	4.592	0.089	1.98%	0.107	-0.018
Total Public Health	6.683	5.923	-0.760	-11.37%	-0.012	-0.748
Total Growth, Environment, Transport & Health	195.664	194.095	-1.568	-0.80%	0.471	-2.039

Executive Director of Growth, Environment, Transport and Health – Commentary

- 4.01 Whilst the Directorate remains focused on robust financial management and a number of challenges reported previously have been successfully mitigated, pressures have materialised including some factors outside of the control of budget holders.
- 4.02 Financial pressures remain as they were described at Quarter 1 include waste management; delays in anticipated Government policy with regard to transport capital; and the costs of addressing risks caused by unsafe trees on council/highway land.



- 4.03 As reported in previous quarters, having previously achieved high levels of income, we continue to see significantly reduced commercial income for recycled waste 'recyclate' due to ongoing volatile market conditions. In addition, Lancashire's overall recycling rate (under) performance is resulting in more residual waste which translates to a budget pressure. Work is underway to prepare medium to longer term options to increase recycling rates across Lancashire as part of a strategic approach to collection, transfer and disposal of waste.
- 4.04 Budget proposals were in development in 2023/24 relating to elevated levels of capital funding associated with the Government's new Local Transport Fund. As this has been delayed and Department for Transport funding remains subject to the autumn Spending Review, revenue implications are factored into the Q2 forecast.
- 4.05 The forecast at Quarter 2 has improved by £2m, which is due to detailed reviews of forecast costs and income levels forecast for the remainder of the year.
- 4.06 Details of the significant variances across Growth, Environment, Transport and Health are shown below:

Growth, Environment, Transport and Health – Forecast underspend £1.568m

- 4.07 The forecast for the Directorate has improved by £2m compared to Quarter 1, mainly within the Highways and Transport Service.
- 4.08 As the costs of the new academic school year have started to come through, an additional £1.8m forecast on school transport costs predominantly for children with SEND. Data shows that we have seen increases in pupil transport numbers of 15% since September and based on trends from previous academic years we would expect numbers to continue to increase. This brings the total overspend on school transport for those children with special educational needs and disabilities to £2.5m.
- 4.09 At Quarter 2, additional expenditure of £0.5m has been included to undertake work on reactive gully emptying and jetting to prevent flooding as rainfall continues to be above average levels.
- 4.10 Offsetting the pressures noted above are increased overhead charges for highways capital work of £1.9m. Overheads are charged via a fixed percentage based on the value of capital work delivered, which is forecast to be significantly higher in 2024/25 resulting in increased overhead recovery in the revenue budget.
- 4.11 The highways budget continues to carry a budget pressure relating to additional tree work. This is following the completion of tree survey work and has now confirmed the volume of directly unsafe trees (including those subject to ash dieback) that need to be addressed.



- 4.12 The other area of the Directorate that is experiencing budget pressures is waste management. As reported at Quarter 1, there are pressures due to recycling income, which was previously put forward as a saving which is no longer delivery. This position has worsened at Quarter 2, with an increased pressure of £0.3m which predominantly relates to a further reduction in income from recycled materials mostly relating to a lower price for scrap metal.
- 4.13 In addition, all services across the Directorate have reduced levels of expenditure forecast across all services following review of future commitments. A review of income forecasts has also taken place, with an increased level of income (£0.5m) included in the Quarter 2 forecast across the Highways and Transport Budget.



5. Resources Directorate and Chief Executive Services

Service Area	Net Budget	Q2 Net Forecast Outturn	Q2 Net Forecast Variance	Q2 Net Forecast Variance	Q1 Forecast Variance	Change from Q1
	£m	£m	£m	%	£m	£m
Resources	4.076	4.040	-0.035	-0.87%	0.005	-0.041
Total Resources	4.076	4.040	-0.035	-0.87%	0.005	-0.041
Lancashire Pension Fund	0.008	0.007	-0.001	-13.61%	-0.001	0.000
Exchequer Services	5.841	6.141	0.299	5.13%	0.713	-0.413
Financial Management (Development and Schools)	-0.013	0.088	0.100	-797.06%	0.220	-0.120
Financial Management (Operational)	2.322	2.020	-0.302	-13.03%	-0.285	-0.018
Corporate Finance	7.590	5.072	-2.518	-33.17%	-1.367	-1.151
Payroll Services	1.709	1.298	-0.411	-24.03%	-0.119	-0.292
Procurement	3.386	3.199	-0.186	-5.50%	0.335	-0.522
Asset Management	2.626	2.084	-0.542	-20.63%	-0.139	-0.403
Facilities Management	27.393	25.810	-1.583	-5.78%	-0.706	-0.877
Total Finance and Commerce	50.861	45.718	-5.143	-10.11%	-1.348	-3.795
Service Assurance	27.470	25.388	-2.083	-7.58%	-0.655	-1.427
Digital Business Engagement	2.799	2.699	-0.099	-3.54%	-0.144	0.045
Design and Implement	4.714	4.733	0.019	0.40%	0.146	-0.128
Operate	4.557	4.422	-0.135	-2.95%	-0.065	-0.070
Architecture	1.440	1.385	-0.055	-3.82%	-0.108	0.053
Total Digital Service	40.980	38.628	-2.353	-5.74%	-0.826	-1.526
Coroner's Service	3.108	2.942	-0.166	-5.34%	0.003	-0.169
Democratic Services	3.677	3.478	-0.200	-5.43%	-0.105	-0.095
Governance Services	1.451	1.503	0.052	3.57%	-0.016	0.068
Legal Services	13.053	11.987	-1.066	-8.17%	-0.374	-0.692
Registration Service	-0.004	-0.170	-0.167	-4596.40%	-0.109	-0.058
Internal Audit	1.183	1.037	-0.146	-12.32%	-0.071	-0.074
Total Law & Governance	22.468	20.776	-1.692	-7.53%	-0.672	-1.020
People Strategy	0.640	0.153	-0.487	-76.15%	-0.185	-0.303
People Services	1.276	1.191	-0.085	-6.64%	0.005	-0.089
Talent & Performance	3.763	3.552	-0.211	-5.60%	-0.048	-0.162
Total People Services	5.679	4.896	-0.783	-13.78%	-0.228	-0.554
Change Service	2.963	2.915	-0.048	-1.62%	-0.358	0.310
Business Intelligence	1.607	1.538	-0.069	-4.27%	-0.053	-0.016
Customer Access	5.912	5.566	-0.346	-5.85%	-0.219	-0.127
Communications	1.918	1.623	-0.295	-15.38%	-0.195	-0.100
Corporate Strategy and Policy	0.351	0.366	0.015	4.27%	-0.015	0.030
Total Strategy and Transformation	12.752	12.009	-0.743	-5.82%	-0.840	0.097
Total Resources	136.816	126.068	-10.748	-7.86%	-3.909	-6.839



Service Area	Net Budget	Net Forecast Outturn	Net Forecast Variance	Net Forecast Variance	Q1 Forecast Variance	Change from Q1
	£m	£m	£m	%	£m	£m
Chief Executive	1.301	1.399	0.098	7.56%	0.017	0.081
Total Chief Executive Services	1.301	1.399	0.097	7.56%	0.017	0.081
Total Resources and Chief Executive Services	138.117	127.467	-10.650	-7.71%	-3.892	-6.758

Executive Director of Resources – Commentary

5.01 The Resources Directorate shows an underspend of £10.650m. Adjustments to spending plans in recognition of the spending challenges facing the council in the current year, accelerating savings identified for 2025/26 and vacancies have contributed to this position. The improved position does include some challenges in delivery, but as a Directorate we are confident that the improved position can be delivered to support the wider county council financial position.

5.02 Some of the key areas of focus for the Directorate in the current year include:

- Implement People Strategy
- Recruitment & Retention
- New Digital Strategy
- New Council Plan in December 2024
- Medium Term Financial Plan
- Improved Performance Management
- Change Programme linked to service improvement.

5.03 Within the directorate we are reviewing all budgets and income sources during the coming months to help address the financial challenges facing the Council.

5.04 Details of the significant variances across Resources and Chief Executive Services are shown below:

Resources and Chief Executive Services – Forecast underspend £10.650m

5.05 The forecast for the Resources and Chief Executive Directorate has improved by £6.8m compared to Quarter 1. The majority of budgets within the Directorate encompass staffing budgets, with services experiencing difficulties with recruitment and carrying vacancies within teams resulting in staffing budget underspends that continue to increase.

5.06 In addition, the Directorate is responsible for the asset management and facilities management services. Both areas are forecasting increased underspends at Quarter 2, with the asset management improvement relating to staff vacancies and increase in facilities management due to reduced forecast building running costs.



- 5.07 Aside from changes at Quarter 2, the Digital Services budget continues to forecast to underspend of £2.4m mainly due to the net position of staffing and renewal budgets underspends offset by lower than budgeted income levels. The Law and Governance service has forecast an increased underspend of £1.7m mainly due to forecasts relating to legal fees, this budget is however demand led mainly from Children's Social Care and cost levels can be volatile during the year.
- 5.08 Finance and Commerce is forecasting an increased underspend at Quarter 2 following a review of expenditure across the Facilities Management budget in addition to revising levels of contributions to provisions.



6. Corporate Budgets

Service Area	Net Budget	Q2 Net Forecast Outturn	Q2 Net Forecast Variance	Q2 Net Forecast Variance	Q1 Forecast Variance	Change from Q1
	£m	£m	£m	%	£m	£m
Pensions and Apprenticeship Levy	6.320	6.399	0.079	1.24%	0.014	0.064
Treasury Management	46.337	46.337	0.000	0.00%	0.000	0.000
Funding and Grants	-0.609	-0.611	-0.002	-0.37%	0.000	-0.002
Total Corporate Budgets	52.048	52.125	0.076	0.15%	0.014	0.062

- 6.1 Whilst no variance is shown against corporate budgets at Quarter 2, there is an underlying risk within the Treasury Management budget. In 2023/24 a £9m saving was agreed from the treasury management budget and this is also included in the base budget for 2024/25. The economic climate meant this was not possible to achieve in 2023/24 and £15m was drawn down from the Treasury Management Reserve. There is some improvement in the predicted outturn position in 2024/25 but the overspend is predicted to be £12m. It is expected that further support will be required from the reserve set up from previous surpluses with a nil impact on outturn. However, this could be a budget pressure in 2025/26.

