

FLINTSHIRE COUNTY COUNCIL

REPORT TO: **CABINET**

DATE: **TUESDAY, 16 JULY 2013**

REPORT BY: **HEAD OF FINANCE**

SUBJECT: **REVENUE BUDGET MONITORING 2012/13**
(OUTTURN)

1.00 PURPOSE OF REPORT

1.01 To inform Members of the Council Fund and the Housing Revenue Account Outturn for 2012/13 (subject to audit) and the impact on the respective level of reserves at 31st March 2013. These figures are included in the draft Statement of Accounts 2012/13 which will be reported to Audit Committee on 17th July 2013.

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2.00 EXECUTIVE SUMMARY

2.01 Members are requested to note the final outturn as detailed below:

- Council Fund – Net Underspend of £4.229m (£4.313m at Month 12)
- Housing Revenue Account – Net Underspend of £1.076m (£1.047m at Month 12)

3.00 CONSIDERATIONS

3.01 The table below shows a final outturn in-year underspend of £4.229m

TOTAL EXPENDITURE AND INCOME	Original Budget	Revised Budget	In-Year Over / (Under) spend		Non Ring-fenced		Ring-fenced	
			Month 12	Outturn	Month 12	Outturn	Month 12	Outturn
	£m	£m	£m	£m	£m	£m	£m	£m
Directorates								
Community Services	58.437	58.614	(3.432)	(3.489)	(2.446)	(2.481)	(0.986)	(1.008)
Environment	31.794	31.811	(0.053)	(0.040)	(0.053)	(0.040)	-	-
Lifelong Learning	109.219	110.993	0.006	0.033	0.935	0.935	(0.929)	(0.902)
Corporate Services	17.469	18.079	(0.271)	(0.287)	(0.271)	(0.287)	-	-
Total Directorates	216.919	219.497	(3.750)	(3.783)	(1.835)	(1.873)	(1.915)	(1.910)
Central and Corporate Finance	25.759	23.181	(0.563)	(0.446)	(0.563)	(0.446)	-	-
Total	242.678	242.678	(4.313)	(4.229)	(2.398)	(2.319)	(1.915)	(1.910)

3.02 The original budget column reflects the budget approved by Council on 1st March 2012. The Revised Budget column reflects in year virements which have been approved in compliance with Financial Procedure Rules.

3.03 The significant in year variances at final outturn are detailed in Appendices 2-6 (Council Fund) and Appendix 8 (HRA). The significant changes for the Council Fund from Month 12 are detailed in Appendix 1.

3.04 The Month 12 position as reported to Cabinet on 18th June 2013 showed a significant projected movement of £1.979m to that previously reported at Month 11. It was reported that although in some areas this positive improvement reflected the outcome of planned activities and positive budget management, it also raised the issue of interaction between service managers and finance to ensure that variances are identified at an earlier stage. As discussed at Cabinet and Corporate Resources Overview and Scrutiny in June this significant movement at the year end has highlighted the need for tighter financial controls, forecasting and timelier reporting.

3.05 A detailed exercise by each Head of Service as the accountable budget manager has been undertaken which has reviewed the reasons for variances reported from month 8 onwards which was the latest in-year information available when the 2013/14 budget was set. The outcome of this exercise shows that the reasons for the variances are a mixture of areas where a planned action has been implemented, some of which could have been reported earlier, other areas that could have been foreseen earlier and some minor fortuitous variances.

- 3.06 The review has identified that the reasons for the variances can be classified into the following main themes:-
- 1) Grant Maximisation – utilising external funding wherever possible.
 - 2) Year End Recharge Issues and Accounting Treatment.
 - 3) Communication of the financial impacts of Service Commissioning and demand levels.
 - 4) Treatment of Vacancy Savings.
 - 5) Difficulties and uncertainties in accurately projecting income.
- 3.07 Corporate Management Team has identified and agreed a range of actions to strengthen budget management and reporting in the light of the issues identified.
- 3.08 As previously reported, some of the main reasons for the movement between Month 8 to 12 include:
- Further reduction in costs for Out of County Placements linked to additional family placements
 - Further reduction in income in leisure facilities
 - Further improvement in Central Loans and Investment Account
 - Reduced expenditure on residential and domiciliary care
 - Additional client income in respect of Intake and Reablement
 - Additional grant received to support the implementation of the council tax support scheme
- 3.09 It is important to note that at the time that the 2013/14 budget was set, the significant areas of reported under and overspend at that time were taken account of in the budget agreed by Council.
- 3.10 As a result of the overall outturn position an assessment has been made of the potential future impact for the current 2013/14 financial year and also the impact on the Council's Medium Term Financial Plan for 2014/15 and beyond and this work will be reported to Members in due course.
- 3.11 As we move into detailed monitoring for the 2013/14 financial year, Service Managers and Finance will be working together to implement these actions to ensure that variances are reported at the earliest opportunity in the financial year.
- 3.12 Finance Procedure Rules state that any Directorate overspend will be carried forward into the following year as a first call on the budget for that year. In view of the overall financial position it is recommended on this occasion that the Lifelong Learning overspend of £0.033m is met from overall balances and not carried forward.

3.13 BRIEF OVERVIEW OF THE YEAR

The early projections as at Month 3 for the Council Fund was an overspend of £1.053m which was mainly due to pressures within Lifelong Learning including Leisure Services, Schools related, Service Units and Facilities.

3.14 At this stage, Cabinet also allocated an amount of £0.361m from contingency reserve as a one-off investment for the purpose of supporting the new leisure facilities in their first year of operation.

3.15 In view of the projected overspend, Management committed to find opportunities to generate efficiencies with the intention of gaining a positive outturn on the 2012/13 projected outturn.

3.16 At Month 8 a significant improvement of £0.754m was reported in the projected under spend on Out of County Placements. This movement reflected the overall impact of a number of factors which included smarter procurement from the continued involvement of Commercial and Clinical Solutions, and a reduced numbers of placements which had been influenced by the development of in-county provision from foster care and within special schools.

3.17 At Month 8 members were also notified of a potential pressure due to the triggering of the Municipal Mutual Insurance (MMI) scheme of arrangement and a provision of £0.770m was set aside for this purpose from the Contingency Reserve.

3.18 In March 2013 the County encountered a spell of severe weather which resulted in costs being incurred during the operational phase of the incident totalling £0.629m and estimated costs for the recovery phase of £0.621m. The majority of these costs were incurred within the Environment Directorate and the Council utilised the Winter Maintenance Reserve to offset £0.245m of these costs with the remainder of the total cost being met from the Contingency reserve.

3.19 The latter part of the year resulted in a significant positive movement in the variance due to a mixture of planned activities and unforeseen issues as detailed earlier in this report.

3.20 ACHIEVEMENT OF EFFICIENCIES

The 2012/13 budget contained £4.721m of specific efficiencies. Members have previously requested an update on the achievement of these efficiencies to be reported within the outturn report and the table below provides this information by directorate:-

Directorate	Value of Budgeted Efficiency £m	Value of Actual Efficiency £m	(Under) Over Achievement £m
Community Services	0.807	1.932	1.125
Environment	1.509	1.509	Nil
Lifelong Learning	0.604	1.506	0.902
Corporate Services	1.801	1.979	0.178
Total	4.721	6.926	2.205

3.21 The main reason for the over achievement is in relation to increased efficiencies in relation to Out of County Placements within Community Services (£0.844m) and Lifelong Learning (£0.902m). The 2013/14 budget has been reduced to reflect the reduced costs at the time the budget was set within this area, although this service area continues to be volatile and will be closely monitored.

3.22 Appendix 9 provides further analysis for all efficiencies by Directorate. It is important to note that the impact of this analysis has already been included in the final outturn figures.

4.00 NON STANDARD INFLATION

4.01 The 2012/13 budget included amounts for non-standard inflation for elements where costs were likely to increase by more than the standard rate of inflation. During the year these amounts have been held centrally until the additional requirement could be demonstrated. The final position in relation to these elements is detailed below:-

- £0.196m in respect of Fuel which has been fully allocated.
- £0.133m in respect of food which has been fully allocated.
- £0.078m in respect of Energy for Street Lighting of which £0.055m was not allocated and forms part of the underspend within central and corporate.
- £0.300m in respect of Energy of which £0.017m was not allocated and forms part of the underspend within central and corporate.

5.00 UNEARMARKED RESERVES

5.01 The 2011/12 final outturn reported to Cabinet on 10th July showed unearmarked reserves at 31st March 2012 (above the base level of £5.476m) of £0.992m, after taking into accounts commitments in 2012/13:

- Use of £0.973m to meet one off/time limited costs
- Ringfencing of £1.500m to support Organisational Change costs

- 5.02 Appendix 7 details the movements to date on unearmarked reserves and the level of contingency sum available. As a result of these movements the final level of Contingency Reserve is £3.409m.
- 5.03 In Month 11 it was reported that the £0.245m held in the Winter Maintenance Reserve had been utilised to fund the severe weather costs in 2012/13. It is recommended that £0.250m is allocated from the contingency reserve in 2013/14 to provide funding in this specific reserve for future years to replace the funding utilised.
- 5.04 The MTFP considered by Cabinet on 18th June identified an estimated funding shortfall of £8.5m for 2014/15 rising to £28.5m by 2018/19, but that with the inclusion of a number of variables and broad assumptions this could rise to over £10m in 2014/15 and £40m over the 5 year period. As stated in that report work is continuing over the summer period on the MTFP and to develop the budget strategy for 2014/15 and an updated MTFP will be reported in October.
- 5.05 It is recommended that the £3.159m held in the contingency reserve is held at this stage and its use considered within the context of the MTFP and 2014/15 budget strategy as a key strategic decision.

6.00 HOUSING REVENUE ACCOUNT

- 6.01 On 21st February 2012, the Council approved a Housing Revenue Account (HRA) budget for 2012/13 of £26.671m. The budget provided for a closing balance of £0.867m, which at 3.25% of total expenditure satisfied the prudent approach of ensuring a minimum level of 3%.
- 6.02 The 2011/12 final outturn reported to Cabinet on 10th July 2012 showed a closing balance at the end of 2011/12 of £1.857m, which was £0.753m more than when the 2012/13 budget was set. This had the effect of increasing the closing balance for 2011/12 by the same amount.
- 6.03 The Final Outturn for the HRA is an underspend of £1.076m (£1.047m at month 12) which results in a final closing balance (subject to audit) at 31st March 2013 of £1.931m which at 6.98% of the total expenditure exceeds the recommended minimum level of 3%.

6.04 BRIEF OVERVIEW OF THE YEAR

The 2012/13 HRA budget provided a total revenue contribution of £4.692m towards the funding of capital expenditure (CERA). During the year, the following increases were approved to meet increased revenue expenditure:-

- On vacant properties: £0.250m was recommended for reallocation in the Month 4 Monitoring Report. This was approved by Cabinet.
- £0.250m was allocated in the Month 6 Monitoring report through delegated powers. This was to fund DFG's, Bathrooms and planned other works.

- A further £0.250m was allocated in the Month 9 Monitoring Report though delegated powers. This was for external refurbishment works and a programme of ventilation fans.

6.05 As detailed in this report, the final position is a surplus of £1.931m. The Council is required to keep £1.070m balance to meet the 3% reserve recommended on the HRA. The remaining balance of £0.861m is proposed to be utilised in the following way; £0.250m put aside for single status, £0.130m for additional void revenue works, £0.200m carried forward for maisonettes (full budget not needed in 12/13) and redundancy costs (restructures planned in 12/13 delayed to 13/14). The remaining balance will be invested in meeting Welsh Housing Quality Standard (WHQS).

6.06 The continued improvement in the financial management of the HRA during 2012/13 has helped to enable delivery of the following service developments and improvements:

- Improved performance on non urgent repairs.
- Improved empty property periods.
- Increased investment in capital improvements from CERA towards achieving an earlier deadline to meet WHQS.
- Additional staff resource in priority areas to meet tenant promises detailed in the Choices document.

7.00 RECOMMENDATIONS

7.01 Members are recommended to :-

- a) Note the overall report
- b) Note the Council Fund contingency sum as at 31st March 2013 (paragraph 5.02)
- c) Note the final level of balances on the Housing Revenue Account (paragraph 6.03)
- d) Approve that the overspend in Lifelong Learning be met from overall balances and not carried forward as required by finance procedure rules.

8.00 FINANCIAL IMPLICATIONS

8.01 The financial implications are set out in Sections 3.00 to 6.00 of the report.

9.00 ANTIPOVERTY IMPACT

9.01 None.

10.00 ENVIRONMENTAL IMPACT

10.01 None.

11.00 EQUALITIES IMPACT

11.01 None.

12.00 PERSONNEL IMPLICATIONS

12.01 None.

13.00 CONSULTATION REQUIRED

13.01 None

14.00 CONSULTATION UNDERTAKEN

14.01 None.

15.00 APPENDICES

15.01 Council Fund – Movement in Variances from Month 12 – Appendix 1
Council Fund Variances – Appendices 2 – 6
Council Fund Movement on unearmarked reserves – Appendix 7
Housing Revenue Account Variances – Appendix 8
Achievement of Efficiencies – Appendix 9

**LOCAL GOVERNMENT (ACCESS TO INFORMATION ACT) 1985
BACKGROUND DOCUMENTS**

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**COUNCIL FUND - REVENUE BUDGET 2012/13
FLINTSHIRE COUNTY COUNCIL**

**Budget Monitoring (Outturn)
Summary of Movement from Month 12**

	£m	£m
Month 12		
Out of County Ringfenced Budget	(1.753)	
Service Directorates	(1.997)	
Central and Corporate Finance	(0.563)	
Variance as per Directorate Returns		(4.313)
Outturn		
Out of County Ringfenced Budget	(1.746)	
Service Directorates	(2.037)	
Central and Corporate Finance	(0.446)	
Variance as per Directorate Returns		(4.229)
Change Requiring Explanation		0.084
<u>Community Services</u>		
• Reablement Service (Intake and Reablement) - due to an adjustment necessary to bring projected pay costs in-line with actual costs.	(0.026)	
• Resource and Regulated Service (Disability Service) - due to a combination of the transfer of costs (£0.031m) to Administrative Support (Disability Services), where they should have been charged, and a reduction (£0.020m) to overall projected pay costs to bring in-line with actual costs.	(0.051)	
• Vulnerable Adults and Disability Service (Disability Service) - relates to the transfer of costs to Administrative Support (Disability Services) where they should have been charged.	(0.047)	
• Administrative Support (Disability Services) - as noted above against Resource and Regulated Services and Vulnerable Adults and Disability Services where costs have been transferred into this service (£0.078m) that were previously shown against other services.	0.078	
• Business Systems (Development & Resources) - due to the transfer of costs (£0.045m) to Management and Support.	(0.045)	
• Other Residential (Children's Services) - due to capital funding being charged against revenue rather than the use of carried forward balances as previously projected.	0.038	
• Management & Support (Development & Resources) - due to a combination of costs being transferred from Business System (£0.045m) and additional costs relating to year end recharges from Corporate Services (£0.012m) for insurance and courier costs and other small amount (£0.002m).	0.059	
• Other minor changes of less than £0.025m	(0.063)	
		(0.057)

Environment

- Other minor changes of less than £0.025m

0.013

0.013
Lifelong Learning**Out of County Pooled Budget**

- The reduction to the Out of County underspend (£0.027m) relates to one additional placement than previously assumed.

0.027

0.027
Corporate Services

- Minor Variances

(0.016)

(0.016)
Central and Corporate Finance

- Central Loans & Investment Account (CLIA) - reduced impact of Landsbanki loans impairment provision (-£0.066m), other minor variances £0.003m.
- Central Service recharges - reduced allocations to former trading areas and HRA
- Other Minor Variances

(0.063)

0.155

0.025

0.117
Total changes

0.084

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Budget Monitoring 2012/13 (Outturn)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance	Action Required
Resources and Regulated Services (Intake and Reablement)	6.236	5.366	(0.870)	(0.870)	<p>Extra Care projected underspend on new scheme of £0.281m due to timeframe for completion.</p> <p>In-house Domiciliary Care underspend of £0.377m due to reduced pay costs from changes to service delivery and greater use of reablement and independent sector care providers.</p> <p>An underspend of £0.211m relates to work to be undertaken in 2013/14 to realign the budgets following the transport review and re-tendering.</p> <p>Day Services is underspending by £0.069m, mostly due to vacancies within the Service, and Living Well is underspent £0.043m due to a vacant post. These underspends are offset by a projected overspend within Professional Support of £0.150m which will be addressed as part of TSSA realignment. The balance of £0.039m is the net total of various smaller variances.</p>	<p>The underspend against Extra Care is one-off and non recurring and has arisen due to delays in building works encountered by our partner.</p> <p>Keep under review pending completion of Transforming Social Services for Adults (TSSA) programme and realign budgets as appropriate.</p>

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Budget Monitoring 2012/13 (Outturn)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance	Action Required
Reablement Service (Intake and Reablement)	0.370	0.273	(0.097)	(0.071)	<p>Pay costs have reduced (£0.077m) due to the use of Homecare staff, vacant post and part year appointments together with additional Health income of £0.031m and an increase in premises and transport costs totalling £0.010m. Included within the spend of this service is an additional contribution to the NE Wales Community Equipment Service (NEWCES) of £0.060m for essential equipment purchases due to increased activity. The movement from month 12 is due to an adjustment on pay necessary to bring in line with outturn.</p>	<p>Keep under review pending completion of Transforming Social Services for Adults (TSSA) programme.</p> <p>Due to increasing demand for equipment from the NEWCES it is acknowledged that there will be an ongoing requirement for increased funding. This will be addressed during 2013/14.</p>

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Budget Monitoring 2012/13 (Outturn)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance	Action Required
Locality Teams (Localities)	16.490	15.979	(0.511)	(0.511)	<p><u>Physical Disability Services</u></p> <ul style="list-style-type: none"> > Purchased Home Care - overspend of £0.021m due to the impact of current care packages. > Purchased Residential Care - underspend of £0.409m. > Minor Adaptations - overspend of £0.150m reflecting continuing demand. > Occupational Therapy - underspent by £0.077m (£0.046m staffing costs and £0.040m on purchased support offset by other small variances) <p><u>Older People Services</u></p> <ul style="list-style-type: none"> > Purchased Day Care - underspent by £0.100m due to a change in emphasis in service delivery. > Reablement Service - overspent by £0.071m due to changes in service delivery from TSSA. 	<p>Keep under review. Following phase 1 of TSSA and during the detailed reorganisation of services, it has been decided that most of the PDSI elements included as part of the locality team budgets at the early stages of TSSA will form a separate line under the Disability Services Heading, with only the Occupational Therapy service remaining as part of the locality teams. This will undertaken for 2013/14.</p> <p>A particular difficulty projecting outturns within this service this year is quantifying the impact of the changes in service delivery introduced with TSSA the impact of which is yet to stabilise and which have had greater impact than expected.</p>
<u>Continued overleaf</u>						

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Budget Monitoring 2012/13 (Outturn)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance	Action Required
Locality Teams (Localities) <u>Continued from previous page</u>					<p><u>Older People Services - continued</u></p> <ul style="list-style-type: none"> > Purchased Home Care - overspent by £0.078m reflecting current care packages. > Purchased Residential Care - underspent by £0.163m which reflects current care packages. > Intermediate Care Beds - underspend of £0.029m due to reduced service provision of £0.019m and unbudgeted client contribution of £0.010m. > Professional Support - underspend of £0.052m mostly due to staff vacancies. <p>The net balance of £0.001m is made up of a number of smaller variances.</p>	

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Budget Monitoring 2012/13 (Outturn)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance	Action Required
Vulnerable Adults and Disability Services (Disability Services)	1.689	1.048	(0.641)	(0.594)	A significant exercise has been undertaken to confirm the actual placement of individuals within services which has identified savings due to in-house services being used instead of external placements, together with individuals with revised needs translating as a reduction on the financial impact, and also a number of individuals who have not yet engaged in a service. The movement since month 12 reflects the transfer of costs to Administrative Support (Disability Services) where they should have been charged.	Work is underway to identify any potential impact on 13/14. Revised arrangements are in place for the review of information regarding individuals with the Transition Team.

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Budget Monitoring 2012/13 (Outturn)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance	Action Required
Resource and Regulated Services (Disability Services)	12.979	12.850	(0.129)	(0.078)	The underspend is mostly due to an underspend of £0.057m within Work Opportunities due to the final client transport costs being £0.048m lower than expected following the retendering of contracts. Supported Living (In-house and Independent Sector) is underspending in total by £0.027m. The movement since month 12 reflects a combination of the transfer of costs (£0.031m) to Administrative Support (Disability Services), where they should have been charged, and a reduction (£0.020m) to overall pay costs due to an over commitment.	

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Budget Monitoring 2012/13 (Outturn)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance	Action Required
Administrative Support (Disability Services)	(1.506)	(1.607)	(0.101)	(0.179)	<p>Within this area is a budget of £0.215m that is for meeting shortfalls in Health funding of particular care plans e.g. following a review of respective responsibilities for funding the care plan. A review of the process around this is being undertaken and which is not now expected to be completed until mid 2013/14. As noted above against Resource and Regulated Services and Vulnerable Adults and Disability Services costs have been transferred into this service (£0.078m) that were previously shown against other services. The balance is made up of various small amounts.</p>	Keep under review.

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Budget Monitoring 2012/13 (Outturn)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance	Action Required
Support Services (Mental Health)	1.933	1.757	(0.176)	(0.176)	<p>The underspend shown is the cumulative total of:</p> <ul style="list-style-type: none"> > Residential and Domiciliary Care Service: underspend of £0.132m, reflecting current care packages. > Intensive Support Team: underspend of £0.027m being mostly underspends on pay £0.032m due to temporary secondments and maternity leave offset by the cost of backdated business rates £0.013m which were charged following a reassessment. > Occupation and Employment: underspend of £0.024m mostly pay (£0.055m) offset by an overspend on supplies and services of £0.030m > Professional Support: an overspend of £0.030m. > Grants: underspend of £0.032m due to the delayed start of a project with MIND. <p>The balance of £0.009 is a net overspend made up of various small variances within the service.</p>	Keep under review due to the potential increase in client numbers.

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Budget Monitoring 2012/13 (Outturn)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance	Action Required
Ringfenced Budgets (Mental Health)	0.301	0.179	(0.122)	(0.120)	Reflects current care packages for 2012/13.	Keep under review - potential volatility due to changes in client numbers and demands at short notice from prison or courts. The possibility of re-aligning budget between the two services has been considered and dismissed for now as there are early indications of additional Mental Health clients although at this stage potential costs or start dates are unknown.
Ringfenced Budgets (Learning Disability)	0.466	0.578	0.112	0.112	This reflects the full year impact of a new service user that commenced during December 2011 together with some other changes to care packages.	
Good Health (Development & Resources)	0.980	1.152	0.172	0.167	The overspend of £0.167m is mainly due to one-off redundancy related costs of £0.122m for three staff falling on the service following a restructure. As these redundancies are mostly due to the cessation of grant funding (Joint Working Special Grant), and therefore not generating an ongoing efficiency, the costs are met within the Service. The movement from month 12 is due to a number of small variations.	Not recurring.

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Budget Monitoring 2012/13 (Outturn)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance	Action Required
Business Services - Income (Development & Resources)	(1.511)	(1.569)	(0.058)	(0.058)	The outturn reflects the actual charging policy income received.	
Business Systems (Development & Resources)	1.274	1.047	(0.227)	(0.182)	The underspend within this area is mostly due to vacant posts and lower than expected spend on specialist IT consultants. The movement from month 12 is due to the transfer of costs (£0.045m) to Management and Support.	
Management & Support (Development & Resources)	0.582	0.647	0.065	0.006	The overspend in this area is due to a combination of costs being transferred from Business System (£0.045m) and additional costs relating to year end recharges from Corporate Services (£0.012m) for insurance and courier costs. The balance (£0.002m) is made up of a number of smaller variances.	

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Budget Monitoring 2012/13 (Outturn)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance	Action Required
Family Placement (Children's Services)	1.832	2.193	0.361	0.361	The overspend is mainly as a result of an increase in the number of foster care placements within the service. It is also due to the increasing number of court orders for Residence and Special Guardianship orders which invariably attract an ongoing allowance for the carers.	A review of the Family Placement Team has commenced the outcome of which will inform future planning and possible efficiencies.
Other Residential (Children Services)	0.526	0.504	(0.022)	(0.060)	The underspend relates to the opening of Arosfa being later than anticipated and now reflects final bills. The movement from month 12 relates to the funding of capital works being made from the revenue account rather than from balances as had been anticipated.	Keep under review due to the potential for additional costs relating to transport charges.
Grants (Children Services)	0.115	0.080	(0.035)	(0.028)	The underspend is due to reduced activity within this area. The movement from month 12 is due to a reduction in pay costs (£0.007m).	
Youth Offending Team (Children Services)	0.361	0.340	(0.021)	0.000	The movement from month 12 is due to an unanticipated transfer of costs related to the Families First grant made by and to the Lifelong Learning Directorate that took place at year end (£0.021m).	

COMMUNITY SERVICES

APPENDIX 2

Budget Monitoring 2012/13 (Outturn)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance	Action Required
Professional Support (Children's Services)	5.429	5.679	0.250	0.243	<p>Professional Support is a complex area comprising of Fieldwork, Resources, Children's Integrated Disability Service (CIDS) and General. <u>Fieldwork:</u> Overall Fieldwork is overspending by £0.348m, no change from month 12. Main contributors are: > Duty and Assessment Team £0.119m overspend due to agency costs offset by underspends within staff pay. > Children and Young Adolescent Support Team (CYAST) overspend of £0.277m which is mostly due to client payments £0.199m and staff pay £0.064m. > Family Intervention Team are underspending by £0.048m which is a slightly reduced underspend to that reported at month 11.</p> <p><u>Resources:</u> Overall underspent by £0.087m which is an increase of £0.026m from month 12. The main contributors are:</p>	<p>Keep under review. The Head of Service (Children) has instigated a review into the specifics around these two service users.</p> <p>Due to the overspend within Children Services spending is kept to a minimum where possible.</p>
<u>continued</u> <u>overleaf</u>						

COMMUNITY SERVICES

APPENDIX 2

Budget Monitoring 2012/13 (Outturn)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance	Action Required
Professional Support (Children's Services) <i>continued from previous page</i>					<p>> Family Support Team underspend of £0.033m mostly due to pay £0.030m.</p> <p>> N Wales Adoption Service underspend £0.017m due to reduced payments.</p> <p><u>CIDS:</u> Overall CIDS are overspending by £0.044m.</p> <p>> Children's OT underspend of £0.009m mostly due to reduced equipment purchases of £0.008m.</p> <p>> Disabilities Team underspending £0.030m mostly due to pay £0.023m and transfer payments £0.010m offset by other smaller variances.</p> <p>> Direct Payments overspend of £0.082 due to increased use.</p> <p><u>General:</u> Overall projected underspend of £0.87m. The main contribution of the underspend is a much reduced spend of the Children First budget £0.112m offset by an increase of £0.044m in Safeguarding and Independent Review against staff pay, wrongly charged to another Service. The balance of £0.001m is made of a number of smaller variances. The movement from month 12 is due to additional pay costs (£0.007m) to what was projected.</p>	

COMMUNITY SERVICES

APPENDIX 2

Budget Monitoring 2012/13 (Outturn)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance	Action Required
Out of County Pooled Budget (Children's Services)	3.711	2.867	(0.844)	(0.824)	Costs reflect existing placements up until March 2013. This reflects known reductions in payments to providers following re-negotiation of contracts.	The focus of high cost placements is now a North Wales project and will continued to be reviewed. The in house project requires sign off by the two directors at the next meeting. The impact of these changes on the Children Services Fostering and Leaving Care budgets has not yet been quantified. Further details are awaited.
Ring-fenced Budget (Housing Services)	0.377	0.223	(0.154)	(0.154)	This reflects current position of the anticipated demand on the service this financial year.	Keep under review. One off and non recurring due to anticipated rise in presentations in 13/14 due to Welfare Reform impact and projections that the full budget will be required for further temporary accommodation units in the future.
Homelessness (Housing Services)	0.488	0.345	(0.143)	(0.143)	Review of expected spend undertaken and revised in line with trend.	
Renovation Grants (Housing Services)	(0.117)	(0.181)	(0.064)	(0.061)	Income target exceeded due to additional capital being levered in to the programme from external sources.	

COMMUNITY SERVICES

APPENDIX 2

Budget Monitoring 2012/13 (Outturn)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance	Action Required
Resident Wardens (Housing Services)	1.236	1.052	(0.184)	(0.180)	Budget based on restructure. Salaries carry vacancies for the new structure yet to be implemented.	Restructure approval required.
Other variances (aggregate)	4.373	4.323	(0.050)	(0.032)	Various minor variances.	Continue to review but not expected to be recurrent.
Total :	58.614	55.125	(3.489)	(3.432)		

ENVIRONMENT

APPENDIX 3

Budget Monitoring 2012/13 (Outturn)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Period 12 (£m)	Cause of Variance	Action Required
Agricultural Estates	(0.158)	(0.200)	(0.042)	(0.042)	Following the appointment of the Land Agent, this has led to the successful follow up of outstanding rent arrears. Period 12 figures show the additional income and reprofiled expenditure commitments.	
Industrial Units	(1.479)	(1.398)	0.081	0.081	Shortfall of Industrial Unit Rental Income, due in the main to Gaz de France decommissioning the Shotton Power Station site. Income shortfalls are partly mitigated by savings in vacant posts at Deeside Enterprise Centre. At period 12 additional budget was provided from Non Standard Inflation for Electricity	Keep Unit rental income closely monitored throughout 2013/14.
Property Holdings	0.090	0.067	(0.023)	(0.023)	Budget provision at the former Tyr Binwydden site has been utilised to finance additional R&M at Custom House CP, dilapidation works at Glanrafon and legal fees for the Bailey Hill site.	Review of site budgets necessary in line with asset management programme
Property Asset & Development	0.530	0.449	(0.081)	(0.081)	Net Vacancy Savings plus £20k professional fees received from National Grid in relation to the sale of Site C at Period 11.	

ENVIRONMENT

APPENDIX 3

Budget Monitoring 2012/13 (Outturn)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Period 12 (£m)	Cause of Variance	Action Required
Car Parks	0.025	0.082	0.057	0.057	Car Park income shortfalls at Holywell and Mold are partially offset by a reduced maintenance programme. The figures also include anticipated back pay for Car Park Attendants regarding overtime payable at an enhanced rate for Saturday working.	
Transportation	1.646	1.538	(0.108)	(0.108)	Reallocation of costs to the School Transport budget and additional expenditure on Bus Stops and Shelters that was intended to be financed from base budget was claimed from TAITH. In addition, Concessionary Travel expenditure incurred under Demand Responsive Transport (DRT) was eligible for claiming from WG under the Free Concessionary Travel Scheme	
Winter Maintenance (cont....)	1.276	1.385	0.109	0.109	There was a sustained period of winter weather through January, including snow, together with sub zero temperatures continuing through February. However, following the major snow event on the 22nd March, extensive costs in relation to salt provision, contractors, overtime and fuel have been incurred. This is likely to result in total winter maintenance costs of £1.630m.	The Council is currently compiling a bid to Welsh Government for assistance under the Emergency Financial Assistance Scheme (EFAS). The outturn figures now reflect use of £277k of Contingency Reserves and £245k of the Winter Maintenance Reserve as approved by Cabinet in May.

ENVIRONMENT

APPENDIX 3

Budget Monitoring 2012/13 (Outturn)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Period 12 (£m)	Cause of Variance	Action Required
Winter Maintenance (....cont)					The total salt usage is expected to be 13,000 tonnes, with 3,270 used since the 22nd March. In addition the projected repair bill for the clear up and impact on the road network into 2013/14 for pothole repairs, patching, tree clearance and fencing repairs is currently being evaluated	
Highways Maintenance	2.712	2.785	0.073	0.073	Increasing cost associated with attending flooding events following substantial rainfall throughout the financial year.	
Waste Disposal & Waste Collection (cont....)	9.139	9.394	0.255	0.250	<p>Delivery of the new Streetscene Service resulted in unexpected additional operational costs which have been mitigated by increased recycling levels, which not only reduce landfill and tipping charges but increases the level of recycling income received.</p> <p>One off Agency and staff backfilling costs as a result of the on-going investigation within Waste have been incurred and in addition, the energy generation from Gas at the landfill sites has been affected by problems with the performance of the Gas Engines at both landfill sites. This has resulted in a £145k shortfall against the income target.</p>	

ENVIRONMENT

APPENDIX 3

Budget Monitoring 2012/13 (Outturn)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Period 12 (£m)	Cause of Variance	Action Required
Waste Disposal & Waste Collection (...cont)					Work to realign budgets across the service is on-going and will be in place for 2013/14 onwards.	
Fleet Services	(0.026)	(0.048)	(0.022)	(0.027)	Minor over recovery of Fleet Recharge costs which will be reflected in service area budgets.	
Planning Control	0.367	0.412	0.045	0.045	The costs associated with Planning appeals i.e. specialist advice and legal fees have been offset by Planning fee income in excess of target.	
Service Development & Support	0.236	0.216	(0.020)	(0.020)	Part time salary savings	
Management Support & Performance	1.164	1.021	(0.143)	(0.143)	Vacancy Savings relating to 5 posts (2 x Sc4, Sc6, SO1 & M6) ahead of Service Review implementation offset by the cost of Modern Apprentices from September 2012. Anticipated Period 12 commitments did not get incurred for Data Protection Training (online training provision used) and subscriptions that were reviewed and determined not to be required.	Provision will be made within Service budgets for the Modern Apprentices costs in 2013/14.

ENVIRONMENT

APPENDIX 3

Budget Monitoring 2012/13 (Outturn)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Period 12 (£m)	Cause of Variance	Action Required
Public Protection	3.543	3.310	(0.233)	(0.223)	Net Vacancy Savings ahead of the Service Review being implemented, offset by income shortfalls in Pollution Control.	
Markets	(0.099)	(0.086)	0.013	0.014	Rental income shortfalls from outdoor pitches & car boot events due to poor weather conditions.	
Other variances (aggregate)	12.845	12.845	(0.000)	(0.015)		
Total :	31.811	31.771	(0.040)	(0.053)		

Outturn 2012/13

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Out of County	2.659	1.757	(0.902)	(0.929)	Following a request from the Out of County Management Board, several high cost placements have reduced with the continued involvement of Commercial and Clinical Solutions.	
Libraries, Culture and Heritage	2.895	2.866	(0.029)	(0.029)	There has been an in year adjustment to the book fund to address the Directorate budget overspend.	
Leisure Services (cont....)	4.194	5.178	0.984	0.982	Leisure (pressure of £0.984m) There are a number of historic budget issues which also adversely effected the Leisure outturn position in 11/12.	
Leisure Services (....cont)					In line with the national picture, income from ice skating at Deeside Leisure Centre has reduced by £0.173m over the last 4 years, this is despite inflationary increases in admission prices and promotions.	A tariff review is being undertaken across the whole of Leisure Services. Work is being conducted to review operational efficiency and performance at all facilities.

Outturn 2012/13

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Leisure Services (....cont)					<p>Three posts within Leisure Services are unbudgeted due to timing delays caused between the Leisure Services Restructure and the JEQ results, this amounts to £0.120m including on-costs.</p> <p>The following pressures have been identified during 2012/13:</p> <p>The relocation of Leisure Services Staff to Deeside has assisted in making a significant saving from relocation (vacating Connah's Quay offices). However, this has increased occupancy costs for Leisure Services for cleaning, maintenance, mileage, telephones etc by £0.025m which is unfunded.</p> <p>A review of music licensing has identified additional liabilities resulting in a cost increase of £0.037m.</p>	<p>Following receipt of JEQ results:</p> <p>Analysis of affordability of proposed new staffing structures.</p> <p>Revisit organisational design principles.</p> <p>The in year recharges for these services are to be revisited and recharged accordingly.</p> <p>A budget pressure bid for this has been submitted for 2013/14.</p>

Outturn 2012/13

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Leisure Services (....cont)					Leisure centre income figures have not met those anticipated by the Alliance Business Plan. Future income projections are now based on actual income to date allowing for continued increases each month as facilities become more popular.	New processes for authorising expenditure have been implemented. Income figures will continue to be monitored closely. We are also hoping to implement P2P earlier than anticipated to introduce more controls on expenditure for 2013/14.
Delegated Schools Budgets	78.018	78.018	0.000	0.000		
School Improvement Service (cont....)	11.134	11.088	(0.046)	(0.057)	Early Years Efficiencies of £0.216m have been secured to assist the overall in year position including photocopying, travel and catering. The realignment of sustainability funding has resulted in fewer requests for emergency funding from nurseries and playgroups.	

Outturn 2012/13

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
School Improvement Service (...cont)					<p>SLAs (pressure of £0.166m) Following an agreement at DMT, budget holders have taken a number of measures to reduce expenditure in areas where schools have not taken up SLAs.</p> <p>School Improvement Service A number of minor efficiencies equating to £0.125m in total are projected. These relate to influencable expenditure on supplies and ICT and to recharges for staff seconded to the Welsh Government and RSEIS.</p> <p>Schools Related (£0.126m) Music Services are forecasting an overspend of £0.143m relating to staffing costs and loss of income. Minor other schools relating savings equate to £0.017m.</p>	<p>Work is currently being undertaken to re-draft SLAs.</p> <p>The Music Services project group has produced a report proposing an operational model for the service moving forward into 2013/14.</p>

Outturn 2012/13

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
School Improvement Service (...cont)					<p>ICT Unit/Strategy Performance and Improvement Unit The Directorate has reduced IT and Systems related expenditure on a one-off basis by £0.039m to assist in reducing the Directorate overspend.</p> <p>Non Delegated School Budgets A small overspend of £0.025m has arisen relating to non delegated budgets.</p> <p>Inclusion Service A minor overspend on the inclusion service of £0.017m has arisen at year end. continuing.</p>	A significant review of Inclusion budgets is continuing.

Outturn 2012/13

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Development & Resources (cont....)	12.093	12.118	0.025	0.039	Service Units (pressure of £0.002m) A pressure of £0.200m is currently anticipated on pupil benefits (free school meals and remissions) because of changes in the economic climate. A saving of £0.138m has been made on the Mobile Classroom budget. Minor reductions in other projected expenditure equating to £0.062m have also been made.	Both elements of the budget are being carefully monitored and pressure bids have been submitted as part of the 2013/14 budget process.
Development & Resources (...cont)					Cymorth/Flying Start - efficiency of £0.106m A saving of £0.106m against Cymorth/Flying Start relates to some corrections to accounting arrangements and a small saving on the Childcare in Wales budget (£0.070m) and to vacancy savings made in the Children & Young People's Partnership Team (£0.020m). These savings have arisen because we've recharged an element of management and admin time to the Families First grant to utilise grant funding where there has been slippage on other projects. There are other minor savings of £0.016m	

Outturn 2012/13

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Development & Resources (....cont)					<p>Student Transport - efficiency of £0.160m An efficiency of £0.160m is anticipated on Student Transport. The underspend relates to procurement/contract savings and local bus service reallocation. A review of Student Transport budgets is ongoing to analyse which elements of the savings relate to specific contracts negotiated by the procurement unit so that budgets can be adjusted accordingly. £0.180m has been carried forward to 2013/14 as reported at period 11.</p> <p>Facility Services - pressure of £0.443m The Catering Service is developing radical proposals to modernise via projects such as on-line payments for parents, rebranding, targeting increased take-up strategies, improved/themed menu's, cost reduction/procurement. The draft APSE review has been used to form the basis of this strategy.</p>	Service needs to continue to implement the agreed strategy for efficiencies.

Outturn 2012/13

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Development & Resources (....cont)					<p>The Cleaning Service is unable to recover the surplus generated from the Law Courts contract and some other smaller sites. A large income target still exists which is unattainable with a lower level of cleaning activity taking place.</p> <p>Youth Service The Youth Service has reduced projected expenditure across all areas by £0.049m.</p> <p>Management & General Admin - efficiencies of £0.105m The majority of the projected underspend on Management & General Admin relates to the insurance claims budget as claims have been lower than anticipated towards year end. The remainder relates to minor variances.</p>	This is the subject of management action and a service redesign and a budget pressure bid for 2013/14.
Total :	110.993	111.025	0.032	0.006		

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Chief Executive	2.346	2.257	(0.089)	(0.089)	(£0.016m) vacancy savings. £0.014m pressure relating to a voluntary sector contribution towards Dangerpoint. (£0.012m) salaries superannuation corrections. (£0.006m) staffing recharge to LL grant. (£0.019m) employee safety measures underspend. (£0.025m) reduced printing and postage costs - Corp Comms. (£0.025m) other minor variances.	

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Finance	4.351	4.544	0.193	0.193	<p>£0.341m pressure relating to workforce costs in Revenues & Benefits because of additional work in preparation for Welfare Reform and the new Council Tax Support Scheme.</p> <p>£0.035m pressure relating to a benefits system software upgrade.</p> <p>£0.042m pressure relating to additional audit days.</p> <p>(£0.057m) efficiency printing/postage.</p> <p>(£0.112m) additional income for Council Tax Reduction Scheme Transition Grant.</p> <p>(£0.084m) vacancy savings relating to the Corporate Finance Review.</p> <p>£0.028m Other minor variances.</p>	Workforce costs relating to welfare reform (including CTRS) to be kept under review as both are introduced and the impacts can be fully assessed.
Legal & Democratic Services	3.341	3.157	(0.184)	(0.184)	<p>(£0.068m) Members Special Responsibility Allowances.</p> <p>£0.062m Salary changes.</p> <p>(£0.035m) Printing/Postage</p> <p>(£0.076m) Legal Fees charged.</p> <p>(£0.067m) other minor variances.</p>	

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Human Resources & Organisational Development	2.628	2.539	(0.089)	(0.071)	£0.027m pressure CRB checks. £0.025m loss of income from external organisations. (£0.146m) Occupational Health underspend. £0.085m provision for HR Service Review transition in 13/14. (£0.085m) Vacancy Savings. £0.005m other minor variances.	
ICT & Customer Services	5.413	5.295	(0.118)	(0.120)	£0.007m pressure relating to the final Design & Print costs. (£0.081m) vacancy savings relating to ongoing service reviews. (£0.021m) efficiency in relation to additional registrars income. (£0.009m) Procurement efficiency. (£0.014m) other efficiencies.	
Total :	18.079	17.792	(0.287)	(0.271)		

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Financing & Funding (insurance, banking etc.)	2.370	2.338	(0.032)	(0.032)	<p>There is additional windfall income of £0.081m, which takes account of the recent settlement by Welsh Government of the Council's claim for additional costs for staff time incurred on the Housing stock transfer consultation/ballot project. Windfall income levels will be monitored closely and reported on in future monitoring reports.</p> <p>A saving of £0.061m has been identified due to a budget provision within an insurance fund (relating to a potential liability for historic asbestos issues) which is now not required</p> <p>Additional windfall income of £0.090m had previously been anticipated in respect of settlement of an outstanding claim re. overpayment of VAT due to the impact of legal challenges to custom and practice elsewhere. A recent Tribunal decision found in favour of HMRC in respect of one of the outstanding cases, although it is considered that there are grounds for appeal. This remains one of several ongoing cases which may bring additional "windfall" income to the Council in the future, although it is now considered less likely that it will be in the current financial year.</p>	<p>Levels of unbudgeted income will continue to be monitored closely and reported on in future monitoring reports.</p> <p>Keep under review</p> <p>A number of outstanding VAT claims which may result in "windfall" income will be kept under review pending legal determinations and possible appeals.</p>

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
					The base budget provides for additional windfall income of £0.152m. The amount received to date suggests that we there will be a shortfall of £0.100m against this sum. One of the reasons for this is the levels of successful appeals against NDR valuations has reduced sharply in the current year with a consequent impact on the retrospective rebates of NDR in respect of Council properties.	All significant overspends will be monitored monthly. Opportunities for budget realignment within the Central & Corporate Finance budgets will be explored and actioned where possible.
					An overspend on additional superannuation costs of £0.036m in respect of added years granted to former employees early retirements prior to the 1996 Local Government reorganisation.	
					A decrease in other miscellaneous Expenditure of £0.026m.	
Corporate - other	2.079	1.806	(0.273)	(0.298)	An overspend of £0.079m against the regional transformation fund following external audit requirements of the lead authority (Conwy CBC) on accounting treatment of balances.	This is a one-off budget pressure in 12/13. Notification by Conwy of the change in treatment was not received until after the 12/13 budget was approved.
					A small surplus of £0.046m from the phased funding strategy to address the Council's share of the Clwyd Pension Fund deficit following the 2010 actuarial valuation.	
					An underspend of £0.037m resulting from salary budget efficiencies previously achieved following historic service reviews	

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
					<p>A reduced surplus of £0.016m on the rebates recovered from use of the Matrix framework for procurement of agency employees.</p> <p>An underspend of £0.021m resulting from salary budget provision for incremental pay awards for Directors and second tier officers which will not now be utilised this year.</p> <p>An increase of £0.024m in Carbon reduction commitment costs.</p> <p>A surplus of £0.072m in the allocation of Non Standard Inflation which was not required to be allocated out to Departments.</p> <p>A surplus of £0.141m on the Council Tax collection fund due to recovery performance in excess of the high level already budgeted.</p> <p>Other minor variances amounting to a net underspend of £0.043m.</p>	
Central Loans & Investment Account	14.200	13.661	(0.539)	(0.476)	<p>Unbudgeted LGBI grant income (£0.162m), reduced interest received on temporary investments £0.032m, increased internal interest received on prudential borrowing £0.043m, increase in other internal interest £0.016m</p> <p>Reduction in interest payable on variable rate market loans and internal interest payable £0.165m, reduction in Minimum Revenue provision (MRP) £0.013m, reduction in prudential borrowing costs £0.165m, reduction in debt management charges / internal interest £0.007m.</p>	

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Central Service Recharges	(2.054)	(1.621)	0.433	0.278	Shortfall of £0.347m of internal income recovered from trading accounts and the HRA, plus £0.086m impact of review of internal recharges from Service Level Agreements.	Support Service basis and allocations are currently being reviewed as part of the Finance Workstream of Flintshire Futures.
Central Service Coroners	0.187	0.163	(0.024)	(0.024)	Reduced recharge from WCBC due to a lower number of post mortems being carried out.	
Other variances - aggregate	6.399	6.388	(0.011)	(0.011)		
Total :	23.181	22.735	(0.446)	(0.563)		

APPENDIX 7

Movements on Council Fund Unearmarked Reserves

	£m	£m
Total Reserves as at 1 April 2012	9.029	
Less - Base Level (inclusive of increase of £0.088m agreed as part of the 2012/13 budget)	<u>(5.564)</u>	
Total Reserves above base level		3.465
<u>2011/12 approvals</u>		
Less amount approved in 2011/12 as being ringfenced for Investment in Change	(1.500)	
Less allocation from contingency reserve to meet one-off / time limited costs in 2012/13 (approved in 2012/13 budget and allowed for in calculation of 2011/12 final outturn on contingency reserve)	<u>(0.973)</u>	
		(2.473)
<u>2012/13 approvals</u>		
Less - allocation from contingency reserve as a one-off investment to support the new Leisure facilities in their first year of operation (approved in Month 3 report)	(0.361)	
Less - Impact of provision for MMI scheme of arrangement - as approved by Cabinet on 19 th February	(0.770)	
Less - allocation from contingency reserve towards costs of late March severe weather	(0.384)	
		(1.515)
Add final underspend as at 31 st March 2013		<u>4.229</u>
Amount available for delegation to Cabinet		3.706
Less - Amount approved by Council on 1 st March for funding of one-off costs in the 2013/14 budget proposals		(0.297)
Final Level of Total Contingency Reserve as at 31st March 2013		3.409

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Rents	-25,560	-25,421	140	52	£51k variance is due to the Zero Rent properties being lower than anticipated at budget. £88k variance due to the amendment to previous bills for Castle Heights and the Walks covering heating over the period of 2010/11 and 2011/12.	
Capital Financing	2,349	2,240	-109	-93	£62k saving on Temporary Loans recalculation. Corporate & Democratic costs have a saving of £16k Joint Financing agreement not materialised resulting in a £30k saving.	Work is ongoing to progress accuracy and timeliness of all HRA recharges.
Other variances (aggregate)	5,109	5,100	-9	-8		
Total :	1,002	-74	-1,076	-1,047		

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Finance and Support	2,506	1,977	-529	-452	Support recharges calculated at £85K lower than anticipated. Vacancy savings. £200k carry forward for Maisonette costs and Redundancy costs not materialised in 2012/13	Work is ongoing to progress accuracy and timeliness of the HRA support recharges.
HRA Subsidy	6,110	6,168	58	60	Capital Subsidy Support charges recalculated	
Estate Management	1,710	1,614	-96	-96	Garden contract completed at £66k under anticipated costs, due to time taken to complete schedule.	
Repairs and Maintenance	8,778	8,248	-530	-510	£400k Underspend on salaries due to long term vacancies awaiting restructure. £285k Sub contractor underspend due to Finance keeping tight control over spend due to historic overspends. £96k Projections for the year overstated on Fleet recharges. £149k Communal Painting contract was an agreed overspend. £100k Insurance Bad debts increase to write off historical items.	
					£130k carry forward for Void works completed but costs not materialised in 2012/13, no accrual due to deadlines imposed.	

Efficiency Monitoring - Final Outturn 2012/13

Efficiency Description	Budgeted Efficiency (£m)	Actual Efficiency (£m)	Variance Negative = underachievement Positive = overachievement (£m)	Current Position	Further information to support current position status or other relevant information
<i>Community Services</i>					
Efficiencies - Internal Service Change and Modernisation (APPENDIX 7c)					
Children's Services Management Rationalisation	0.100	0.100	0.000	EFFICIENCY ACHIEVED	
Realignment of management charge between HRA and Council Fund	0.024	0.024	0.000	EFFICIENCY ACHIEVED	
TOTAL	0.124	0.124	0.000		
Efficiencies - Other (APPENDIX 7d)					
Cross Directorate Expenditure Review - Core Costs	0.021	0.021	0.000	EFFICIENCY ACHIEVED	
Cross Directorate Expenditure Review - Reduction Out of County Placement Costs	0.362	1.206	0.844	EFFICIENCY ACHIEVED	
TOTAL	0.383	1.227	0.844		
Efficiencies - Relating to Previous Years Items (APPENDIX 7e)					
Mold Extra Care Scheme	0.300	0.581	0.281	EFFICIENCY ACHIEVED	
TOTAL	0.300	0.581	0.281		
TOTAL EFFICIENCIES FOR COMMUNITY SERVICES	0.807	1.932	1.125		

Efficiency Monitoring - Final Outturn 2012/13

Efficiency Description	Budgeted efficiency (£m)	Actual efficiency (£m)	Variance Negative = underachievement Positive = overachievement (£m)	Current Position (Drop-down box)	Further information to support current position status or other relevant information
<i>Environment</i>					
Efficiencies - Other (APPENDIX 7d)					
Charge for minerals and waste site monitoring	0.012	0.012	0.000	EFFICIENCY ACHIEVED	
Cross Directorate Expenditure Review - Core Costs	0.027	0.027	0.000	EFFICIENCY ACHIEVED	
Cross Directorate Expenditure Review - Reduction in budget for Bus Subsidy due to current over-provision	0.125	0.125	0.000	EFFICIENCY ACHIEVED	
Cross Directorate Expenditure Review - Capitalisation of Corporate Property Maintenance Expenditure	0.500	0.500	0.000	EFFICIENCY ACHIEVED	
Cross Directorate Expenditure Review - Reduction in budget for Non Domestic Rates	0.025	0.025	0.000	EFFICIENCY ACHIEVED	
TOTAL	0.689	0.689	0.000		
Efficiencies - Relating to Previous Years Items (APPENDIX 7e)					
Continuation of 2011/12 Landfill Tax efficiency	0.402	0.402	0.000	EFFICIENCY ACHIEVED	
Carbon Reduction Scheme	0.050	0.050	0.000	EFFICIENCY ACHIEVED	
Food Waste - increased diversion from landfill	0.368	0.368	0.000	EFFICIENCY ACHIEVED	
TOTAL	0.820	0.820	0.000		
TOTAL EFFICIENCIES FOR ENVIRONMENT	1.509	1.509	0.000		

Efficiency Monitoring - Final Outturn 2012/13

Efficiency Description	Budgeted Efficiency (£m)	Actual efficiency (£m)	Variance Negative = underschicvement Positive = overschicvement (£m)	Current Position	Further information to support current position status or other relevant information
<i>Lifelong Learning</i>					
Efficiencies - Other (APPENDIX 7d)					
Demography - decrease in pupil numbers	0.165	0.165	0.000	EFFICIENCY ACHIEVED	The school formula was adjusted by this amount prior to delegation.
Cross Directorate Expenditure Review - Core Costs	0.016	0.016	0.000	EFFICIENCY ACHIEVED	
Cross Directorate Expenditure Review - Reduction Out of County Placement Costs	0.423	1.325	0.902	EFFICIENCY ACHIEVED	
TOTAL	0.604	1.506	0.902		
TOTAL EFFICIENCIES FOR LIFELONG LEARNING	0.604	1.506	0.902		

Efficiency Monitoring - Final Outturn 2012/13

Efficiency Description	Budgeted Efficiency (£m)	Actual efficiency (£m)	Variance Negative = underachievement Positive = overachievement (£m)	Current Position	Further information to support current position status or other relevant information
Efficiencies - Collaborative Projects (APPENDIX 7a)					
<i>HR & OD - Corporate Services</i>					
Occupational Health Review	0.090	0.143	0.053	EFFICIENCY ACHIEVED	
TOTAL	0.090	0.143	0.053		
Efficiencies - Internal Service Change and Modernisation (APPENDIX 7c)					
<i>HR & OD - Corporate Services</i>					
HR Management Information System (Phase 2)	0.003	0.004	0.001	EFFICIENCY ACHIEVED	
<i>Finance - Corporate Services</i>					
Finance Function Review	0.095	0.000	(0.095)	EFFICIENCY NOT ACHIEVED	Delay in implementation and use of temp staff to cover permanent roles prior to completion of review and to prepare for welfare reform. Efficiency will be achieved in future years.
Asset Management - planned closure of externally leased properties	0.065	0.065	0.000	EFFICIENCY ACHIEVED	
<i>ICT & Customer Services - Corporate Services</i>					
Telephone Equipment Lease	0.042	0.043	0.001	EFFICIENCY ACHIEVED	
IBM System Software Maintenance	0.035	0.033	(0.002)	EFFICIENCY ACHIEVED IN PART	
Consolidation of Microsoft Software Licensing	0.010	0.062	0.052	EFFICIENCY ACHIEVED	
Cessation of Lotus Software Maintenance Agreement	0.120	0.120	0.000	EFFICIENCY ACHIEVED	
Printer & Printing Review	0.040	0.043	0.003	EFFICIENCY ACHIEVED	

Efficiency Description	Budgeted Efficiency (£m)	Actual efficiency (£m)	Variance Negative = underachievement Positive = overachievement (£m)	Current Position	Further information to support current position status or other relevant information
Procurement Review	0.008	0.059	0.051	EFFICIENCY ACHIEVED	
TOTAL	0.418	0.429	0.011		
Efficiencies - Other (APPENDIX 7d)					
<i>Corporate Finance - Corporate Services</i>					
Reduction In Audit Fee	0.073	0.073	0.000	EFFICIENCY ACHIEVED	
Reduction in Fire Levy	0.070	0.070	0.000	EFFICIENCY ACHIEVED	
Gross Directorate Expenditure Review - Reduction in budget for Non Domestic Rates due to current over-provision	0.073	0.124	0.051	EFFICIENCY ACHIEVED	
Gross Directorate Expenditure Review - Increase in Matrix efficiency	0.060	0.076	0.016	EFFICIENCY ACHIEVED	
Gross Directorate Expenditure Review - Increase in Nursery Vouchers / Cycle to Work Efficiency	0.016	0.017	0.001	EFFICIENCY ACHIEVED	
Gross Directorate Expenditure Review - Core Costs	0.001	0.001	0.000	EFFICIENCY ACHIEVED	
<i>Chief Executive - Corporate Services</i>					
Digital Television Service	0.020	0.020	0.000	EFFICIENCY ACHIEVED	
TOTAL	0.313	0.381	0.068		
Efficiencies - Relating to Previous Years Items (APPENDIX 7e)					
<i>Finance - Corporate Services</i>					
Changes to Housing Benefit/Council Tax Benefit Administration Grant	0.122	0.122	0.000	EFFICIENCY ACHIEVED	
Review of Superannuation Contingency	0.683	0.729	0.046	EFFICIENCY ACHIEVED	

Efficiency Description	Budgeted Efficiency (£m)	Actual efficiency (£m)	Variance = Negative = underachievement Positive = overachievement (£m)	Current Position	Further information to support current position status or other relevant information
Review of Relief Worker Contingency	0.150	0.150	0.000	EFFICIENCY ACHIEVED	
Review of 1st and 2nd Tier Officer Contingency	0.025	0.025	0.000	EFFICIENCY ACHIEVED	
TOTAL	0.980	1.026	0.046		
TOTAL EFFICIENCIES FOR CORPORATE SERVICES	1.801	1.979	0.178		

