

Budget Monitoring Report
Council Fund Variances

MONTH 8 - SUMMARY

Service	Approved Budget (£m)	Projected Outturn (£m)	Annual Variance (£m)	Last Month Variance (£m)	Cause of Major Variances greater than £0.050m	Action Required
Social Services						
Older People						
Localities	18.815	17.777	-1.039	-1.035	Residential and Nursing Care is projecting a £0.540m underspend due to a fluctuation in demand for residential and nursing care placements and increases to capital limits. Staff budgets are underspending within Intake/First Contact and Localities Teams, not all staff are currently top of grade and there are in-year savings due to short term vacancies. One off funding for Additional Winter Pressures Grant from WG totalling £0.320m.	ICF (Intergrated Care Fund) Grant funding is used to fund residential care to reduce the amount of time people spend in hospital. Due to a reduced demand for this funding, within the independent sector residential homes, some of this funding is allocated to Council run residential homes for the same purpose.
Resources & Regulated Services	7.155	7.559	0.404	0.588	Council provided residential care is £0.401m overspent due to relief and agency cover. Relief and agency staff are required to maintain the mandatory level of staff within the residential homes, however the amount of budget to fund this is low and does not contain contingencies for sickness absences. There are also pressures from build expenditure such as repairs and maintenance. The final transfer of budget to Extra Care as agreed within the Month 2 Interim Revenue Budget Monitoring Report has now been made.	
Minor Variances	1.224	1.198	-0.027	-0.074		
Adults of Working Age						
Resources & Regulated Services	24.170	23.781	-0.389	-0.434	The outturn projection represents the current cost of care packages projected to the end of the financial year.	This service area is subject to changes in demand for services. There are always a number of potential service users which may require services in the future. Although these service users are known to us at this time, the most appropriate care package has not yet been determined and full costs associated for their care cannot yet be estimated and included within this months financial projections.
Transition & Disability Services	0.718	0.658	-0.060	-0.058	Not all staff are paid at top of scale and there are also in-year one off vacancy savings.	
Residential Placements	1.241	1.853	0.612	0.497	The overspend is due to the number of residential placements currently funded.	
Professional Support	0.821	0.767	-0.054	-0.061	Not all staff are currently paid at top of grade and there are also one off in-year vacancy savings.	
Minor Variances	2.940	2.821	-0.119	-0.090		
Children's Services						
Family Placement	2.564	2.887	0.323	0.305	The overspend is due to current demands on the service from the number of fostering placements, which in some cases avoid making an Out of County placement which would be more expensive. The main pressure areas are payments for foster carers, foster agencies and special guardianship payments.	
Family Support	0.371	0.519	0.148	0.161	This is due to the number of court directed contact sessions which require support workers to attend. Sessional workers were historically used, however the need to use sessional workers has increased to a level whereby, under employment regulations, sessional workers are required to be issued fixed term contracts.	Sections of this service are being reviewed with a view to making it more cost efficient.
Legal & Third Party	0.178	0.487	0.309	0.314	Legal costs are overspent due to the number of cases going through the courts and the use of external legal professionals. Direct payments have also increased in demand.	
Professional Support	5.237	5.312	0.075	0.054	To support adequate levels of child protection, the established staffing structure needs to be maintained at the required standard as much as possible. Vacancies are therefore minimised and challenges to recruitment leads to the use of agency staff. This leads to an increase in agency costs as agency rate is higher than non agency staff. The use of agency staff is monitored and kept to a minimum as much as possible but it is not possible to avoid altogether.	
Minor Variances	1.132	1.152	0.020	0.021		
Safeguarding & Commissioning						
Business Support Service	1.209	1.117	-0.092	-0.099	The underspend is due to a number of short term vacancy savings and some posts occupied by staff who are not top of grade.	
Safeguarding Unit	0.923	0.868	-0.055	-0.075	The underspend is due to a number of short term vacancy savings and some posts currently occupied by staff who are not top of grade.	
Management & Support	-1.929	-1.722	0.207	0.207	There is a shortfall from the assumed proportion of grant allocations announced by Welsh Government which were included within the 2019/20 budget. The total shortfall across the three grants is £0.283m, although some of this is partly mitigated by one off refunds from the Regional Collaboration Unit.	
Vacancy Management	-0.046	-0.270	-0.224	-0.224	Short term vacancy savings transferred across the portfolio.	
Minor Variances	-0.780	-0.828	-0.047	-0.164	Transfer of budget for £0.137m to Older People, Extra Care budget as agreed within the Month 2 Interim Revenue Budget Monitoring Report.	
Total Social Services (excl Out of County)	65.944	65.936	-0.007	-0.167		

MONTH 8 - SUMMARY

Service	Approved Budget (£m)	Projected Outturn (£m)	Annual Variance (£m)	Last Month Variance (£m)	Cause of Major Variances greater than £0.050m	Action Required
Out of County						
Children's Services	5.288	6.864	1.576	1.596	The overspend is influenced by a significant increase in the number of placements and the full year impacts of new placements which emerged during 2018/19.	A threefold approach to mitigation by :- 1) - direct action e.g Commissioning Practice 2) Expenditure controls within the same service or portfolio 3) After exhaustion of 1 and 2, consider how to effect corporate level mitigation
Education & Youth	3.745	4.248	0.503	0.629	The overspend is influenced by a significant increase in the number of placements and the full year impacts of new placements which emerged during 2018/19.	A threefold approach to mitigation by :- 1) - direct action e.g Commissioning Practice 2) Expenditure controls within the same service or portfolio 3) After exhaustion of 1 and 2, consider how to effect corporate level mitigation
Total Out of County	9.033	11.112	2.079	2.225		
Education & Youth						
Inclusion & Progression	4.095	4.013	-0.082	-0.078	Savings identified as part of the revenues spend review carried out at month 6 and beyond.	
Integrated Youth Provision	1.290	1.186	-0.105	-0.063	Underspends across the whole of the service identified through the challenge of non-essential spend.	
School Improvement Systems	1.702	1.578	-0.124	-0.136	In year savings identified through the challenge of non-essential spend across School Improvement and Early Entitlement	
Minor Variances	1.447	1.416	-0.031	-0.015		
Total Education & Youth	8.534	8.193	-0.341	-0.293		
Schools						
	91.941	91.941	0.000	0.000		
Streetscene & Transportation						
Service Delivery	8.558	8.758	0.200	0.142	Following the extreme weather event during June 2019, the service has incurred additional revenue pressures from responding and resolving flooding issues across the County. The network damage was widespread and included road foundations being undermined, particularly on roads adjacent to water courses, and road surfaces being lifted by inspection covers, due to the pressure created by the sheer volume of water within the drainage system. The costs include the additional staffing costs towards responding and repairing the highway along with costs of plant and materials. A claim made to Welsh Government was unsuccessful and the portfolio is now working to mitigate these costs. Potential total costs up to £0.180m. The flooding has also impacted the capital programme creating an additional pressure of £0.350m for highway repairs. It should be noted that this service area is also carrying a pressure of £0.050m in relation to vandalism at Household Recycling Centres. This has increasingly become a challenge at each of the sites and is ongoing. Managers are actively working to support the staff operating the sites and taking action to ensure the safety of the sites.	
Transportation	8.598	9.584	0.986	1.058	The pressures in school transport costs are as a result of several factors across the service. Effect of non-statutory school transport arrangements and delay in implementing policy on removing historic transport anomalies. Increase in mainstream secondary education pupil transport and Special Educational Needs (SEN) pupil transport, both in County and out of County placements, along with an increase in number of school escorts to accompany SEN pupils and growth in number of single occupancy routes. There is a risk that School Transport costs may rise as a result of SEN and operator increases, this is a regional matter and the impact is being felt across all Councils in North Wales. There is also an increase in number of school days in 2019-20. The Transportation service have successfully reviewed high cost routes and retendered contracts where a more favourable rate may be secured. The impact of this to date is a further reduction in the forecast position to £0.938m and work is ongoing to mitigate this further. Increased transport provision to Social Services of £0.048m. The Transportation service are looking to mitigate this pressure through a route optimisation exercise.	
Regulatory Services	4.838	4.962	0.124	0.102	Car Parking Income has been reflected as an ongoing pressure within the MTFs as income is not reaching budgeted levels. Although November takings have improved the position marginally, the shortfall is around £0.200m and this will be closely monitored going forward to assure forecasts. The waste strategy service are now likely to have an improved position of up to £0.100m, based on the commissioning period for the North Wales Residual Waste Treatment Project (NRRWTP) being shorter than anticipated compared to when the £0.425m pressure was calculated. Maximum WG grant funding is available from the full service period commencement which is projected to be in December 2019. In addition, the recharge for Parc Adfer project support has been revised and amended accordingly.	
Other Minor Variances	8.360	8.323	-0.037	-0.037		
Total Streetscene & Transportation	30.353	31.626	1.273	1.264		
Planning, Environment & Economy						

MONTH 8 - SUMMARY

Service	Approved Budget (£m)	Projected Outturn (£m)	Annual Variance (£m)	Last Month Variance (£m)	Cause of Major Variances greater than £0.050m	Action Required
Development	0.061	0.001	-0.061	-0.023	Higher than expected levels of Planning Fee Income received in the first half of the financial year. The projection is dependant on the number and value of the applications received, resulting in a changeable outturn to ensure an accurate reflection. Increased Fee income in Highways Development Control also contributes to the overall favourable variance.	
Access	1.337	1.402	0.066	0.065	Historic Income Target not realised due to cessation of Environment Single Revenue Grant in March, 2019 £0.027m. Service Review in Rights of Way resulting in increased staffing costs £0.028m. Minor Variances totalling £0.011m.	
Management & Strategy	1.390	1.330	-0.059	-0.076	Vacant posts across the service: Land Drainage and Planning Policy	
Minor Variances	3.110	3.154	0.044	0.037		
Total Planning & Environment	5.897	5.887	-0.010	0.003		
People & Resources						
HR & OD	2.367	2.429	0.062	0.066	The launch of the salary sacrifice scheme for AVSC was undertaken earlier this year and all existing employees paying AVSC have been written to encouraging them to take up the scheme together with information for all staff via the infonet workforce news. To date only £0.009m has been achieved through this scheme and this has been re-projected as a full year efficiency at £0.018m.	
Corporate Finance	2.073	2.099	0.026	0.009		
Total People & Resources	4.439	4.527	0.088	0.075		
Governance						
Legal Services	0.723	0.884	0.160	0.159	Overspend as a result of employing locums to December, 2019 covering absence to ensure continuing client service delivery in the area of child protection £0.090m. Previous years efficiency target that was dependant on demand reduction in another service that has not occurred, thereby preventing the consequent achievement of the efficiency £0.114m. Mitigated by the fee income and commitment challenge within the service totalling £0.044m.	
Internal Audit	0.834	0.788	-0.046	-0.045	Vacancy Savings	
Revenues	0.197	-0.043	-0.240	-0.049	At Period 8 together with an early indication of a potential surplus on the Council Tax Fund, Revenues is projecting a favourable variance as a direct result of the ongoing review of council tax single person discount entitlements and the removal of discounts where taxpayers are determined as not entitled to the 25% discount. The review is still ongoing but at the time of reporting, additional efficiency savings of circa £0.227m have been achieved from the review.	
Minor Variances	7.449	7.388	-0.061	-0.068	Cumulative minor variances, each of less than £0.025m across the portfolio.	
Total Governance	9.203	9.016	-0.186	-0.004		
Strategic Programmes						
Minor Variances	5.272	5.272	0.000	0.000		
Total Strategic Programmes	5.272	5.272	0.000	0.000		
Housing & Assets						
Caretaking & Security	0.263	0.206	-0.057	-0.057	Savings identified arising from the review and challenge of non-essential spend, of which £0.034m relates to staff cost savings arising from vacancies and reduced overtime payments. A further £0.015m saving on Repairs and Maintenance of Buildings arose from the challenge of non essential spend making a total of £0.049m for this service. The remaining £0.008m of the projected underspend relates to other minor savings.	Continue to review and challenge all non essential spend in future months.
CPM & Design Services	0.673	0.595	-0.077	-0.070	Mainly due to a surplus of income recovered via Service Level Agreements (SLAs) and also £0.012m arising from the review and challenge of non-essential spend.	Continue to review and challenge all non essential spend in future months.
Benefits	11.566	11.290	-0.275	-0.275	Projected underspend on the Council Tax Reduction Scheme (CTRS).	
Housing Solutions	1.062	0.957	-0.105	-0.026	Management savings due to ongoing vacancies	Continue to monitor and review
Minor Variances	1.608	1.658	0.050	0.045	Cumulative minor variances, each of less than £0.025m across the portfolio.	
Total Housing & Assets	15.171	14.706	-0.465	-0.383		
Chief Executive's	2.760	2.616	-0.144	-0.157	Vacant Posts	
Central & Corporate Finance	22.802	22.407	-0.395	-0.371	Over recovery of planned pension contributions recoupment against actuarial projections due to pay award increase mitigated by the under achievement of Income efficiencies and Workforce efficiencies.	
Grand Total	271.350	273.242	1.891	2.193		