

Budget Monitoring Report

Service	Approved Budget (£m)	Projected Outturn (£m)	Annual Variance (£m)	Impact of Covid-19 (£m)	Last Month Variance (£m)	Cause of Major Variances greater than £0.050m	Action Required
Social Services							
Older People							
Localities	20.679	20.136	-0.543		-0.591	The commissioned Older Peoples domiciliary and Direct Payment budget is projecting an underspend of £0.902m based on current activity. There are recruitment and retention challenges within this service which is severely limiting the amount of homecare which can be commissioned. The residential care budget is projecting a £0.339m overspend due to the cost of placements net of income such as Free Nursing Care, Regional Integration Fund contributions and property income. The localities staffing budget is expected to overspend by £0.009m. There is an underspend on the Day Care budget of £0.033m and an overspend of £0.044m on the Minor Adaptations budget.	
Regional Integration Fund	0.000	0.223	0.223		0.165	The Step Down Regional Integration Fund (RIF) scheme which enables quicker hospital discharges by placing people into short term residential care placements before they can return home safely has already been spent in full. At this time it seems unlikely that slippage from other RIF schemes will be able to offset the additional pressure.	
Impact of Covid-19	0.000	0.000	0.000	0.000	0.000		
Minor Variances	10.190	10.206	0.017		0.023		
Adults of Working Age							
Resources & Regulated Services	29.481	29.825	0.344		0.251	The PDSI (Physically Disabled and Sensory Impaired) budget is reporting a £0.149m overspend due to net costs of care packages. The in-house Supported Living service is £0.202m overspent and will likely increase if continued agency cover is required while recruitment challenges continue. The Learning Disability Daycare and Workscheme budget in £0.079m overspent due in part to recent inflationary pressures. The care package costs for independently provided care for Learning Disability services is a £0.086m underspend.	
Children to Adult Transition Services	0.951	1.102	0.150		0.149	These are the costs of care for young adults who are transferring to Adult Social Care, from Children's Services, within this financial year. Care costs are initially estimated but once services have been confirmed the actual costs may be different.	
Residential Placements	1.956	2.436	0.481		0.453	This is due to the current cost of commissioned care packages to support people with mental ill health.	
Professional Support	0.774	0.824	0.050		0.060	Increased contributions to the joint Emergency Duty Team have resulted in the majority of the overspend on this budget.	
Minor Variances	3.259	3.137	-0.122		-0.118		
Children's Services							
Family Placement	2.862	2.782	-0.080		-0.052	The underspend is due to current spend for in-house Foster Placements and Special Guardianship Orders.	
Grants	0.236	0.287	0.051		0.051	There are a number of smaller variances which contribute to the overspend on the integrated working budget. These include a £0.010m additional costs for advocacy and variation to pay forecasts for the Accommodation/Supporting People Team.	

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Family Support	0.375	0.513	0.138		0.137	Costs are based upon the current activity levels over the last few months and projected forward for the rest of the year. Workforce costs, primarily sessional staff are the primary cost driver for this service.	
Legal & Third Party	0.232	0.694	0.461		0.485	Legal costs are overspent by £0.226m due to the number of cases going through the courts and some use of external professionals. Direct Payments also continue to increase in demand and are overspending by £0.235m.	
Residential Placements	1.312	0.834	-0.479		-0.331	The in-year opening of in-house Childrens Residential Care settings will mean there will be one off cost savings. There is also one off non recurring Welsh Government grant confirmed.	
Professional Support	6.173	6.632	0.459		0.265	To support adequate levels of child protection, the established staffing structure needs to be at a sufficient level to meet mandatory safeguarding standards. Vacancies are minimised and additional temporary posts are sometimes required to meet the challenges and demands of Childrens Service. There is an assumption that Welsh Government will allow for flexible use of grants which will allow for some of these costs to be offset.	
Minor Variances	0.440	0.441	0.002		0.001		
Safeguarding & Commissioning							
Business Systems & Financial Assessments	0.831	0.908	0.077		0.077	There are additional one off costs for £0.018m for an IT system upgrade. In addition there are additional staff costs due to temporary uplift in hours and addition business support assistants. These additional posts are being funded using the underspend from the Business Support Service.	
Charging Policy income	-3.104	-3.224	-0.120		-0.037	Increased demands on the Older People Residential Care budget are expected to result in higher income achievement	
Business Support Service	1.195	1.140	-0.055		-0.055	The underspend is due to a decrease in staff costs because of vacancies which are unlikely to be filled this year.	
Safeguarding Unit	1.291	1.099	-0.191		-0.194	A consultation for the updated Liberty Protection Safeguard legislation continues to be undertaken. Due to the delay in implementing the legislation there will be an in-year saving.	
Commissioning	0.679	0.628	-0.051		-0.051	Vacancies which are not being filled immediately are resulting in this in-year underspend.	
Impact of Covid-19	0.000	-0.000	-0.000	-0.000	0.000		
Minor Variances	-1.843	-1.858	-0.015		-0.015		
Total Social Services (excl Out of County)	77.969	78.767	0.798	-0.000	0.672		
Out of County							
Children's Services	10.097	11.477	1.380		1.502	The projected overspend reflects significant additional demands on the service in the year to date with 32 new placements having been made in the year to date - most of which are high cost residential placements - there is provision for a contingency sum of £0.250m, for net impacts of further new placements and other placement changes, but this may not prove to be enough.	
Education & Youth	5.004	4.612	-0.392		-0.397	The latest underspend reflects projected costs for the current cohort of placements and there have been 25 new placements in the year to date with further new placements also likely to emerge as the year progresses, for which contingency provision of £0.050m has been made.	

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Total Out of County	15.101	16.089	0.988	0.000	1.105		
Education & Youth							
Inclusion & Progression	5.251	5.144	-0.108		-0.077	The underspend position reflects savings within the ALN (Additional Learning Needs) service by maximising grants. There has also been a member of staff on long-term sick, who has now left, therefore reducing costs further. Savings have also been captured within the EAL (English as an Additional Language) service, also by maximising grants against core staff. Further savings have been identified from the Autism post due to a delayed start in the Adviser post. Part year vacancy savings captured within Plas Derwen.	
Integrated Youth Provision	1.035	0.974	-0.061		-0.057	The projected underspend is mainly due to staffing savings	
School Improvement Systems	1.889	1.725	-0.164		-0.154	Payments to Non Maintained Settings and Maintained Settings projected similar to those in 21/22. Welsh Government announced a continuation in top up funding to £5 per hour, so gives the Early Entitlement budget increasing financial capacity. Alongside this, RRRS (Recruit, Recover and Raise Standards grant) and Early Year Pupil Development grant increases announced, which has allowed core budget to be released. Proposed efficiency savings are under review. Savings also identified within the School Improvement service due to grant funding against core staff from the Adult Community Learning and Post 16 grants.	
School Planning & Provision	0.671	0.575	-0.096		-0.091	Projected underspend on insurance liability claims costs and some salary savings	
Minor Variances	1.106	1.025	-0.081		-0.103		
Total Education & Youth	9.953	9.444	-0.510	0.000	-0.481		
Schools							
Schools	108.401	108.401	-0.000		0.000		
Streetscene & Transportation							
Service Delivery	9.277	9.543	0.266		0.209	The service has a recurring pressure of £0.100m for security costs at the Household Recycling Centres. Street lighting is also incurring a £0.070m shortfall on the Town/Community Council income budget. An additional £0.100m overspend is attributable to high sickness levels/agency costs. The service is also absorbing year to date costs of £0.060m related to Queens State Funeral and Proclamation events. The overall overspend is partially offset by additional income achieved through in-house construction work.	
Highways Network	8.096	8.588	0.492		0.486	Highways is incurring a revenue pressure of £0.400m in Fleet Services as a result of rising fuel costs. Also additional £0.050m increase in weed spraying contractor costs following recommendations made at Overview & Scrutiny Committee, which are not covered by existing budgets.	

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Transportation	10.031	10.489	0.458		0.451	Local bus subsidy is incurring an overspend of £0.100m due to the Park and Ride Service and Service 5. School Transport is incurring a pressure of £0.090m, due to the cost for 3 additional school days based on Easter timelines in this financial year. In Period 5 there was an additional pressure of £0.200m identified in School Transport due to additional demand (PRUs/ALN) 6 routes in total equating to £270.00 per day. School transport is also facing an additional pressure of £0.030m due to capacity issues on a commercial bus service. There may be further cost increases towards the end of this financial year due to rising transport operator costs (fuel, driver wages, insurance, energy etc).	
Regulatory Services	11.062	10.976	-0.087		-0.074	The Service is incurring £0.060m pressure in Residual Waste Disposals, which is creating a risk in reaching WG Recycling Targets. This pressure is largely offset by an underspend of £0.053m due to vacancies within the service, increased rebate rates for the sale of electricity, recycling income and car parking has increased income by £0.064m, including other minor variances with a reduction in recycling disposal costs of £0.030m.	
Total Streetscene & Transportation	38.466	39.596	1.130	0.000	1.072		
Planning, Environment & Economy							
Community	0.890	0.968	0.078		0.074	Fee income shortfalls in Licensing and Pest Control and historic business planning efficiency £0.024m not realised	
Development	0.146	-0.427	-0.574		-0.584	Favourable variance following receipt of two high value one off Planning Fee each approx £0.300m	
Access	1.446	1.531	0.085		0.020	Adverse variance relates to the actual costs of Ash Die Back to date with further expenditure expected to March, 2023, together with historic grant income target not realised	
Management & Strategy	1.343	1.256	-0.086		-0.092	Staff savings from Vacant Posts	
Impact of Covid-19	0.000	0.102	0.102	0.102	0.075	COVID-19 related additional cleaning costs for Countryside Service and Environmental Health Officer costs	
Minor Variances	2.973	2.913	-0.060		-0.049		
Total Planning & Environment	6.797	6.343	-0.454	0.102	-0.557		
People & Resources							
HR & OD	2.291	2.276	-0.015		-0.037		
Corporate Finance	2.041	2.009	-0.032		-0.035		
Impact of Covid-19	0.000	0.007	0.007	0.007	0.008		
Total People & Resources	4.332	4.292	-0.040	0.007	-0.065		
Governance							
Legal Services	0.884	0.949	0.065		0.056	Additional costs for locum services covering vacant posts	
Democratic Services	2.374	2.296	-0.078		-0.074	Variance as a result of the Members Allowances new rate not being implemented until May, 2022 and lower than anticipated take up of both Broadband and Pension Allowances (£0.108m) ; mitigated by the inception of the new Climate Change Committee Chair person Allowance plus minor variances across Service	

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ICT	4.953	4.886	-0.067		-0.068	Vacancy Savings and reduced Contribution to Denbighshire County Council for the Procurement Service	
Customer Services	1.008	0.845	-0.164		-0.162	Registrars Fee Income higher than anticipated and savings from vacant posts	
Revenues	0.201	-0.137	-0.338		-0.314	The variance results from the projected potential surplus on the Council Tax Collection Fund (£0.277m) based on current information; minor variance across the service	
Impact of Covid-19	0.000	0.001	0.001	0.001	0.001		
Minor Variances	1.336	1.271	-0.065		-0.059		
Total Governance	10.755	10.110	-0.645	0.001	-0.620		
Strategic Programmes							
Minor Variances	6.116	6.117	0.001		-0.005		
Total Strategic Programmes	6.116	6.117	0.001	0.000	-0.005		
Assets							
Caretaking & Security	0.309	0.227	-0.082		-0.094	Savings on staffing due to vacancies	
Minor Variances	0.623	0.635	0.012		0.043		
Total Assets	0.932	0.862	-0.070	0.000	-0.051		
Housing and Community							
Housing Solutions	1.154	1.277	0.123		-0.000	The projected overspend is due to continued high demand for emergency accommodation for homeless persons which is creating a pressure of £0.284m which is offset by salary savings due to vacancies of -£0.142m and other minor savings on the Bond grant scheme. The overspend would have been significantly greater but for the use of prepaid accommodation in the first half of the year funded by the former WG COVID-19 Hardship fund and a b/f underspend of £0.250m from 2021/22	
Minor Variances	13.508	13.510	0.002		0.001		
Total Housing and Community	14.662	14.787	0.125	0.000	0.001		
Chief Executive's							
	1.636	1.549	-0.087		-0.083	Variance relates to vacant post and not all staff at top of scale	
Central & Corporate Finance							
	28.779	27.855	-0.924		-0.941	Over recovery of planned pension contributions recoupage against actuarial projections based on the current level of contributions together with a revised projection on the Central Loans & investment Account (CLIA) reported at Month 6	
Centralised Costs	2.783	2.778	-0.005		-0.005		
Soft Loan Mitigation	0.000	0.044	0.044		0.053		
Grand Total	326.682	327.034	0.352	0.110	0.094		