

LIFELONG LEARNING

APPENDIX 4

Budget Monitoring 2011/12 (Month 9)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Out of County (Special – ringfenced budget)	3.090	2.551	(0.539)	(0.423)	Revised projection based on updated information on existing placements up until March 2012. This reflects initial reductions in payments to providers following re-negotiation of contracts.	The task and finish group are continuing their work and benchmarking work has been completed. The focus of high cost placements is now a North Wales project and meetings have taken place. External consultants have been commissioned to assist with the negotiation process with providers within Flintshire and to make recommendations regarding the current processes deployed.
					Following notification at Inclusion Senior Management Team (ISMT), 6 placements ended during the Summer Term.	
					Agreements for further income of £35k from the University Health Board for joint funded payments have been received.	
					3 high cost placement have been heavily reduced and others have been slightly reduced following the involvement of Commercial and Clinical Solutions. Discussions are still ongoing with current placements.	

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cont.... Out of County (Special - ringfenced budget)					<p>A further 4 placements have been reduced following Commercial and Clinical Solutions involvement. An additional placement has ended.</p> <p>During January several changes have occurred as follows. 3 placements have changed providers, 3 placements have ended, 5 placements have reduced their service requirement, 1 placement has increased their service requirement and 1 new mother and baby placement has been received into the Service.</p>	

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Leisure Services .	3.458	3.670	0.212	0.212	<p>Within Leisure Services, Deeside Leisure Centre will suffer a loss of income due to closures caused by redevelopment of £0.061m.</p> <p>A large number of efficiencies and reduction of overspends which totalled £561k were made in the Leisure Service through Flintshire Futures and most of the expected savings are likely to be achieved. The one efficiency that will not be made during 2011-12 relates to the original staff re-organisation plan being delayed for 12 months for full review. This has caused many of the posts in the original plan to be appointed on 12 month temporary posts whilst the new organisational chart is being created. The on-going effects of this are still cascading their way through the service but the most recent calculations show this is estimated to cause a one off £0.121m overspend in 2011/12.</p>	<p>Other methods of recovering this overspend are being explored and have so far contributed £0.039m.</p> <p>Staffing restructure plan is currently being devised.</p>

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cont.... Leisure Services					<p>The Energy Unit has advised that Gas price increases of up to 35% are to be expected this year. This affects all services that have premises, particularly Leisure. This is being monitored throughout the year as invoices are paid, thus far the costs are up 11% compared to last year which equates to £0.020m. This is currently within the provision of Non Standard Inflation currently held centrally.</p> <p>A Remedy Hearing following an Employment Tribunal judged that an employee had been unfairly and wrongfully dismissed at a cost of £55k.</p>	<p>Further work is ongoing in liaison with the Energy Efficiency Unit.</p> <p>Any request to fund Corporately would require Executive approval, but would not effect the Council's overall projected outturn..</p>

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Schools Related	(1.639)	(1.460)	0.179	0.062	<p>Schools Service Level Agreements have been identified as a risk for some time. The implications of this have only been firmed up during January. Future discussions are to take place regarding the Corporate element.</p> <p>There has been an increase in the number of pupils partaking in the Music Service (£62k) following service changes, however, fees at current levels do not recover full service costs. The Service has incurred one off costs of £25k for I.T. to invoice pupils. Extra staffing to cope with the increased delivery of the Service has incurred the remainder of the overspend, which has also suffered additional costs through sickness and maternity cover.</p>	<p>Budget holders are to be notified of the impact of this on their 2012/13 budget, and take decisions where required to reduce expenditure accordingly.</p> <p>Establish treatment of Corporate overheads for 2012/13.</p> <p>These additional expenses are largely one off costs which will not be incurred in future years.</p>

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Inclusion Services	5.819	6.174	0.355	0.355	The Inclusion Service has received grant streams in the region of £0.302m in previous years which have mitigated their overspend. These are no longer available from 2011/12 onwards. Therefore, based on current and past expenditure patterns this is currently projected to be the overspend for the Service. The major cause of the overspend is on ASWs providing pupil support in schools.	
					Amendments to other grants on which the service could draw on previously have been tightened further.	
Youth and Community	1.228	1.293	0.065	0.065	Implementing only staffing changes in relation to the approved Youth Service Strategy in 2011/12 leaves a budget shortfall in relation to accommodation. The Accommodation Review has been rescheduled for 2012/13.	

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cont.... Youth and Community					The Workwise/Wheels to Work project is in the final stages of being wound up. No further costs are expected. There are 22 motorcycles which are due to be auctioned off. Depending on the income realised from these, the net effect is likely to be a one off cost to the service of £0.030m.	Various grant streams were approached to reduce this without success.
Pupil / Student Transport	6.388	6.560	0.172	0.172	It is currently expected that the School Transport service will overspend on College Transport by approximately £0.152m as there is insufficient budget to cover the additional costs of increased numbers of students attending college courses, particularly at the start of the academic year when student numbers are at their highest.	Progress Policy Review and consultation on Post 16 entitlements. Efficiency projects within existing policy 1) Special needs project 2) Hazardous routes
					Approximately £20k of savings were realised due to the school buses not running during the recent Industrial Action day.	

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Service Units	2.138	2.184	0.046	0.046	The figures received from September showed that there is a larger take up of Free School Meals than is budgeted for.	The level of budget provision for free school meals will be re-assessed during the current service planning/ budget process in order to keep pace with changes within the wider economic climate.
Facilities Services	1.034	1.409	0.375	0.375	<p>Within the Facilities Service, figures extracted from the Office for National Statistics show food price inflation to be 3.8% above our 2% budget uplift which equates to a £0.065m overspend.</p> <p>The Cleaning Service is struggling to find the £0.100m in year efficiency target, further work is currently being undertaken.</p>	Implementation of agreed daytime cleaning at County Hall.

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cont....Facilities Services					<p>The Catering Service is continuing to overspend in the absence of a comprehensive efficiency and kitchen rationalisation strategy. The draft APSE review has now been received which will be used to form the basis of this strategy.</p> <p>Prudently revised the anticipated number of strike days</p> <p>Sickness rates amongst school cooks since September is considerably higher than average</p> <p>Initial indications are that take up of school meals has been less than anticipated</p>	Flintshire Futures are confirming a project scope for Facilities Services to review organisational structure design principles. This includes the whole service of Facilities.
Other variances (aggregate)	87.563	87.607	0.044	0.044	Variances under £0.050m.	
Total :	109.079	109.988	0.909	0.908		