



**COUNCIL FUND - REVENUE BUDGET 2014/15
FLINTSHIRE COUNTY COUNCIL**

**Budget Monitoring (Month 4)
Summary of Movement from Month 3**

	£m	£m
Month 3		
Portfolios	0.912	
Central and Corporate Finance	(0.309)	
Variance as per Cabinet Report		0.603
Month 4		
Portfolios	0.531	
Central and Corporate Finance	(0.550)	
Variance as per Directorate Returns		(0.019)
Change Requiring Explanation		(0.622)
<u>Social Services</u>		
Services For Adults		
• Localities (Locality Teams) - Domiciliary Care (+£0.159m) further increase in projected overspend due to increased demand, Residential Services (-£0.510m) -including additional property income (-£0.128m), reduced projection for residential care payments (-£0.382m). Other minor variances of +£0.067m.	(0.284)	
• Disability Services (Resource and Regulated Services) - Supported Living reduction due to movements of clients between in-house and independent sector provision	(0.052)	
• Disability Services (Vulnerable Adults and Disability Service) - a review of transition client costs has taken place. Due to the timing of transition clients entering this service full costs were not known until recently. The actual care costs are more than originally anticipated.	0.110	
• Mental Health Services (Residential & Domiciliary) - the reduction of underspend reflects the changes in package costs	0.083	
• Other minor changes of less than £0.025m for Services for Adults	0.021	
Subtotal: Services For Adults		(0.122)
Development & Resources		
• Good Health - WG grant income of -£0.063m not reflected at Month 3 plus other minor movements	(0.057)	
• Other minor changes of less than £0.025m	(0.006)	
Subtotal: Development & Resources		(0.063)
Services For Children		
• Other minor changes of less than £0.025m	(0.007)	
Subtotal: Services For Children		(0.007)
Total: Social Services		(0.192)

Community & Enterprise

Customer & Housing Services	
• Other minor changes of less than £0.025m	0.003
Subtotal: Revenues & Benefits	<u>0.003</u>
Supporting Services	
• Other minor changes of less than £0.025m	(0.019)
Subtotal: Revenues & Benefits	<u>(0.019)</u>
Regeneration	
• Other minor changes of less than £0.025m	(0.006)
Subtotal: Revenues & Benefits	<u>(0.006)</u>
Revenues & Benefits	
• Further increase on the anticipated surplus on the Council Tax Collection Fund	(0.156)
Subtotal: Revenues & Benefits	<u>(0.156)</u>
Customer Services	
• Transfer of postage budget and expenditure to Governance portfolio	(0.025)
• Other minor changes of less than £0.025m	(0.001)
Subtotal: Customer Services	<u>(0.026)</u>
Total: Community & Enterprise	<u><u>(0.204)</u></u>

Streetscene & Transportation Portfolio

Waste Services	
• Waste Services - increased due to additional costs of overtime and use of agency staff to cover vacancies	0.039
• Other minor changes of less than £0.025m	(0.004)
Subtotal: Waste Services	0.035
Transportation & Streetworks/Highways Services	
• Highways Policy - increased income projections	(0.013)
• Streetworks - increased income projections	(0.010)
• Cemeteries / Environment crime - re-profiled commitments	(0.016)
• Reducing contracts with Bus Operators providing subsidised services	(0.019)
• Other minor changes of less than £0.025m	0.004
Subtotal: Transportation & Streetworks/Highways Services	(0.054)
School Transport	
• School Transport - re-profiled commitments	(0.017)
• Other minor changes of less than £0.025m	0.000
Subtotal: Transport	(0.017)
Total: Streetscene & Transportation	(0.036)

Planning & Environment Portfolio

Planning	
• Planning Fee Income levels increased	(0.028)
• Other minor changes of less than £0.025m	0.006
Subtotal: Planning	(0.022)
Public Protection	
• Pest Control & Dog Wardens - re-profiled commitments	0.014
• Other minor changes of less than £0.025m	0.010
Subtotal: Public Protection	0.024
Energy Services and Highways/Public Rights of Way	
• Landfill Energy - electric / gas - reduced sales	0.027
• Other minor changes of less than £0.025m	0.008
Subtotal: Energy Services and Highways/Public Rights of Way	0.035
Management & Performance	
• Other minor changes of less than £0.025m	(0.009)
Subtotal: Management & Performance	(0.009)
Greenfield Valley Heritage Park	
• Other minor changes of less than £0.025m	0.005
Subtotal: Greenfield Valley Heritage Park	0.005
Total: Planning & Environment	0.033

Education & Youth

Inclusion Services	
• Other minor changes of less than £0.025m	0.005
• Out of County - minor variances	(0.031)
Subtotal: Inclusion Services	(0.026)
Access (School Planning & Provision)	
• School Planning - minor variances	(0.016)
• Other minor changes of less than £0.025m	(0.002)
Subtotal: Access (School Planning & Provision)	(0.018)
21st Century Schools	
• Other minor changes of less than £0.025m	0.001
Subtotal: 21st Century Schools	0.001
Youth Services (minor variances of less than £0.025m)	
• Adult & Community Education - minor variances	0.002
• Youth Justice Service - minor variances	0.001
• Children Youth Partnership - minor variances	(0.003)
• Children & Young Peoples Partnership - minor variances	(0.001)
• Youth & Community Service - minor variances	(0.009)
Subtotal: Youth Services	(0.010)
Commissioning & Performance	
• Other minor changes of less than £0.025m	(0.006)
Subtotal: Commissioning & Performance	(0.006)
School Management & Information	
• Other minor changes of less than £0.025m	(0.003)
Subtotal: School Management & Information	(0.003)
Total: Education & Youth	(0.062)

People & Resources

HR & OD	
• Other minor changes of less than £0.025m	0.016
Subtotal: HR & OD	0.016
Corporate Finance	
• Other minor changes of less than £0.025m	0.000
Subtotal: Corporate Finance	0.000
Total: People & Resources	0.016

Governance

Minor variances of less than £0.025m	
• Legal Services	0.002
• Democratic Services	0.001
• Internal Audit	0.002
• Records Management	0.009
Total minor variances of less than £0.025m	0.014
Support Services	
• Transfer of postage budget and expenditure from Community & Enterprise portfolio	0.025
Subtotal: Support Services	0.025
Information Communication Technology	
• Increased demand on packaged software	0.025
Subtotal: Information Communication Technology	0.025
Total: Governance	0.064

Organisational Change

Minor variances of less than £0.025m	
• Public Libraries & Arts, Culture & Events	0.006
• Museums Service	(0.001)
• Community Assets	0.002
• Property Design & Consultancy	(0.002)
• Facilities	(0.013)
Total minor variances of less than £0.025m	(0.008)
Valuation & Estates	
• Property Asset & Development - reduced commitments in Specialist Services	(0.011)
• Other minor changes of less than £0.025m	(0.005)
Subtotal: Valuation & Estates	(0.016)
Total: Organisational Change	(0.024)

Chief Executive

• Other minor changes of less than £0.025m	0.024
Total: Chief Executive	0.024

Central & Corporate Finance

• Central Loans & Investments - Prudential Borrowing repayments interest charged, & uncertainty in year end forecasting	(0.300)
• Strike Deductions	(0.165)
• External Audit Fees - One off rebate in relation to historical Audit Fees	(0.072)
• Euticals - Unbudgeted costs in relation to former Euticals Ltd - Sandycroft site	0.286
• Other minor variances	0.01
Total: Central & Corporate Finance	<u>(0.241)</u>
 Total Changes	 <u><u>(0.622)</u></u>

MONTH 4 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance
Social Services					
Social Services for Adults - Locality Teams (Localities)	14.296	14.700	0.404	0.688	There is a major demand influenced pressure on the Domiciliary Care service within Localities teams. Key demand led influences include clients returning to the service following successful past reablement, the changing demographic profile, increased complexity of need and increasing numbers of people with dementia. The significant projected overspend is being offset by a projected underspend of £0.476m on residential care, which includes £0.399m increase in the level of property related income and £0.077m reduced expenditure on payments to providers.
Social Services for Adults - Resource and Regulated Services (Disability Services)	15.464	15.714	0.250	0.302	Learning Disabilities - The main influence on this projected overspend is a pressure of £0.179m on independent sector Supported Living, of which £0.110m relates to placement of two clients directly from college in a property with no additional budget provided from Transition. The remainder of the projected overspend relates to void charges due to empty spaces in properties. There is also a net projected overspend of £0.059m on Physical Disability & Sensory Impairment (PDSI) services which is made up of a projected overspend of £0.279m on direct payments, which is offset by a projected underspend of £0.220m on long term residential and nursing placements. An overspend of £0.012m is due to minor variances.

MONTH 4 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance
Social Services for Adults - Transition and Disability Services (Disability Services)	0.635	0.702	0.067	0.075	The projected overspend is mainly due to the unbudgeted cost of the support arrangements provided by Penderels in respect of direct payments. This accounts for £0.065m of the total projected overspend of £0.067m.
Social Services for Adults - Vulnerable Adults and Disability Services (Disability Services)	2.275	2.197	(0.078)	(0.188)	The underspend is due to additional budget of £0.280m to meet the costs of clients from transition which, based on current placements isn't as yet fully utilised however this budget may still be needed to meet ongoing demand.
Social Services for Adults - Residential and Domiciliary Service (Mental Health & Substance Misuse Service)	0.835	0.655	(0.180)	(0.263)	This underspend is based on current care packages. An additional £0.156m budget has been added to this area in 2014/15 to reflect additional transition clients.
Social Services for Adults - Forensic Budget (Mental Health & Substance Misuse Service)	0.310	0.180	(0.130)	(0.148)	Reflects current care packages for 2014/15.

MONTH 4 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance
Social Services for Adults - Forensic Budget (Learning Disability)	0.507	0.564	0.057	0.054	Reflects current care packages for 2014/15.
Social Services for Adults - Other Services for Adults variances (aggregate)	10.985	10.987	0.002	(0.006)	Various minor variances.
Development & Resources	1.161	0.969	(0.192)	(0.129)	Impact of an increase by Welsh Government in the level of the maximum charge cap from £50 per week to £55 per week.
Social Services for Children	12.488	12.742	0.254	0.261	An overspend (£0.153m) is a result of an increase in the level of boarded out payments for Foster care placements within the service. Costs need to be made due to the demand of the service. (£0.142m) overspend due to increased direct payment for Children's Integrated Disability Services (CIDS) and cost of placements within the leaving care service. (£0.041m) underspend due to other minor variances.
Total Social Services	58.956	59.410	0.454	0.646	

MONTH 4 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance
Community & Enterprise					
Customer & Housing Services	1.100	1.154	0.054	0.051	An overspend (£0.074m) is projected to occur due to a lower level of support recharge to the Council Fund from the HRA. (£0.020m) underspend due to other minor variances.
Supporting People	0.534	0.582	0.048	0.067	Projected overspend (£0.018m) against mileage costs. Projected overspend (£0.015m) on the Maintenance Contract due to insufficient budget to meet renewed contract. (£0.015m) overspend due to other minor variances.
Regeneration	0.548	0.557	0.009	0.015	Minor Variance
Revenues & Benefits	11.277	10.877	(0.400)	(0.244)	Underspend due to an anticipated surplus on the Council Tax Collection Fund (£0.246m). Projected underspend of £0.169m on the budgeted provision for the Council Tax Reduction Scheme based on current position. This underspend on this area is volatile and can be subject to change later in the year. £0.015m pressure due to minor variances.
Customer Services	0.658	0.658	0.000	0.026	No Variance
Total Community & Enterprise	14.117	13.828	(0.289)	(0.085)	

MONTH 4 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance
Streetscene & Transportation					
Waste Services	19.096	19.374	0.278	0.243	There are a number of vacant posts within the Waste Service that are currently required to be covered by Agency or additional overtime to maintain service delivery (£0.099m). (£0.085m) overspend due to other variances. Knight Owl Security cost of Alarm / Security Provision at Alltami Depot (£0.044m). £0.050m minor variances.
Transportation & Streetworks/ Highways Services	3.225	3.232	0.007	0.061	Transportation underspend (£0.045m) Bus Subsidy payments to Bus Operators commitment reduced based on decreasing contract levels. Street Works overspend (£0.039m) Lower than anticipated levels of income for FPN's (based on improving standards of repair by utility companies) & road closures. Other (£0.013m).
School Transport	6.052	6.024	(0.028)	(0.011)	Minor Variance
Total Streetscene & Transportation	28.373	28.630	0.257	0.293	

MONTH 4 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance
Planning & Environment Planning	1.317	1.220	(0.097)	(0.075)	Higher than expected levels of Planning Fee Income in the first quarter of 14/15, have contributed to the favourable variance. These levels will be closely monitored during the year.
Public Protection	2.593	2.614	0.021	(0.003)	Minor Variance
Energy Services and Highways/Public Rights of Way	0.727	0.804	0.077	0.042	The overspend is due to projected costs for external contractors / hired plant for Public Rights of Way Works (£0.037m) and Reduced level of income from Gas Engines (£0.044m). An underspend (£0.004m) is due to minor variances.
Management & Performance	0.640	0.639	(0.001)	0.008	Minor Variance
Greenfield Valley & Heritage Park	0.284	0.284	0.000	(0.005)	Minor Variance
Total Planning & Environment	5.561	5.561	0.000	(0.033)	

MONTH 4 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance
Education & Youth					
Primary & Early Years Education	44.154	44.154	0.000	0.000	No Variance
Secondary, 14 -19 & Continuing Education	36.757	36.767	0.010	0.010	Minor Variance
Inclusion Services	12.866	12.754	(0.112)	(0.086)	£0.110m relates to a projected saving on Out of County Placements. This is a volatile budget and one additional placement can make a significant change to projections. An underspend of £0.002m is due to minor variances.
Access (School Planning & Provision)	0.711	0.680	(0.031)	(0.013)	Minor Variance
21st Century Schools	0.082	0.083	0.001	0.000	Minor Variance
Youth Services	1.597	1.596	(0.001)	0.009	Minor Variance
Commissioning & Performance	0.162	0.135	(0.027)	(0.021)	Minor Variance
School Management & Information	0.204	0.205	0.001	0.004	Minor Variance
North East Wales School Library Service	0.000	0.000	0.000	0.000	Minor Variance

MONTH 4 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance
Total Education & Youth	96.533	96.374	(0.159)	(0.097)	

MONTH 4 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance
People & Resources					
HR&OD	2.307	2.333	0.026	0.010	Minor Variances
Corporate Finance	2.703	2.708	0.005	0.005	Minor Variances
Total People & Resources	5.010	5.041	0.031	0.015	
Governance					
Legal Services	0.792	0.905	0.113	0.111	£0.131m pressure due to Litigation around local land charges. Underspend due to other minor variances £0.018m.
Democratic Services	2.092	2.086	(0.006)	(0.007)	Minor Variances
Internal Audit	0.504	0.500	(0.004)	(0.006)	Minor Variances
Procurement	0.192	0.192	0.000	0.000	No Variance
Support Services	0.458	0.483	0.025	0.000	Minor Variances
Records Management	0.156	0.165	0.009	0.000	Minor Variances
ICT	4.254	4.350	0.096	0.071	Pressure of £0.040m due to Oracle Licence Management review. Overspend on Packaged Software due to increased demand on the service (£0.069m). £0.013m efficiency due to other minor variances.
Total Governance	8.448	8.681	0.233	0.169	

MONTH 4 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance
Organisational Change					
Public Libraries & Arts, Culture & Events	1.891	1.881	(0.010)	(0.016)	Minor Variance
Museums Service	0.062	0.057	(0.005)	(0.004)	Minor Variance
County Archives	0.261	0.261	0.000	0.000	No Variance
Leisure Services	-3.537	3.573	0.036	0.036	£0.023m relates to pressure caused by the delay between Single Status implementation and the implementation of the Leisure Services review. £0.011m relates to pay protection for two members of the team who have successfully been redeployed within the service as part of the review therefore avoiding exit costs. The remaining £0.002m relates to minor variances.
Community Assets	0.057	0.054	(0.003)	(0.005)	Minor Variance
Valuations & Estates	(0.718)	(0.801)	(0.083)	(0.067)	Agricultural Estates underspend £0.058m- Following a review of Grazing Licences, income increased substantially in year. Proposal for sale of Farms currently delayed - therefore Rental Income projections encompass a full schedule. Property Holdings underspend £0.033m - Rental income from new lease. An overspend of £0.008m relates to minor variances.
Property Design & Consultancy	3.054	3.086	0.032	0.034	Cost of utilities projected at 13/14 levels £0.032m.

MONTH 4 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance
Engineering Services	(0.140)	(0.136)	0.004	0.004	Minor Variance
Facilities Services	1.494	1.493	(0.001)	0.012	Minor Variance
Total Organisational Change	9.498	9.468	(0.030)	(0.006)	

MONTH 4 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance
Chief Executives					
Chief Executives	3.380	3.414	0.034	0.010	Minor Variances
Total Chief Executives	3.380	3.414	0.034	0.010	
Central & Corporate Finance					
Central & Corporate Finance	25.300	24.750	(0.550)	(0.309)	Central Loans and investment £0.300m projected year end underspend, however this can be affected by many factors such as uncertainties regarding HRA subsidy reform, accounting practice regarding interest apportionment, impact of future investing programme and the level of future reserves and borrowing requirements. Strike deductions (£0.165m) is one off income. Corporate Windfall Income (£0.108m), this is in relation to additional Non Domestic Rate revaluations, which are one-off. (£0.301m) within the budget for Pension Fund Contribution, requires realignment to pay as part of Single Status Accounting to be undertaken later in the year. Underspend (£0.005m) due to minor variances. One off rebate of historical audit fees, (£0.072m). £0.401 - One off time limited costs in relation to former Euticals Ltd - Sandycroft site.
Total Central & Corporate Finance	25.300	24.750	(0.550)	(0.309)	
TOTAL	255.176	255.157	(0.019)	0.603	

EFFICIENCY NOT ACHIEVABLE			
Portfolio	Efficiency Description	Efficiency not achieved (£m)	Reason for efficiency not being achieved
Streetscene & Transportation	Streetscene - North Wales Trunk Road Association Financial benefit from involvement with the NE Wales Trunk Road Hub.	0.050	Ministerial announcement re: the future of the Trunk Road Management arrangements has stalled the project.
Total		0.050	

EFFICIENCY ACHIEVABLE IN PART			
Portfolio	Efficiency Description	Efficiency not achieved (£m)	Reason for efficiency not being achieved
Social Services	LD - Short Term Care - Rightsizing project worker staffing levels	0.013	Care Packages being reviewed ongoing, projected end date of reviews is April 2015.
Social Services	LD - Enhanced Community Residential Services - Rightsizing 4 supported living houses	0.023	ECRS Reviews being reviewed as part of the Rightsizing.
Social Services	Community Living - Transition	0.100	Currently projected to be a shortfall of circa £0.100m.
Streetscene & Transportation	Streetscene & Transportation - Highways Related Services - the ongoing diagnostic of the two service areas will make recommendations on synergies	0.140	Savings subject to completion of the Service Review by 1 January 2015.
Education & Youth	Inclusion Services -Securing early, local and effective intervention for vulnerable children and young people through increasing locality working and school autonomy	0.070	We anticipate that the £0.070m relating to delegation of the TA support budget to schools will be affected by the delay in implementation. Full year efficiency is expected to be achieved in 2015/16.
Total		0.346	

APPENDIX 4

Movements on Council Fund Unearmarked Reserves

	£m	£m
Total Reserves as at 1 April 2014	11.161	
Less - Base Level (inclusive of reduction of £0.065m agreed as part of the 2014/15 budget)	(5.769)	
Total Reserves above base level		5.392
Less – estimate required from the amount approved as part of Investment strategy as per budget 2014/15 report		(2.500)
Add – Contribution from investment costs for termination benefits accounted for in 2013/14		0.745
Less - Amount approved under delegated powers reported in July 2014 monitoring report		(0.696)
Amount available for delegation to Cabinet		2.941
Add projected non pay underspend as at Month 4		0.019
Total projected Contingency Reserve as at 31st March 2015		2.960

HRA Major Variance Report - Period 4

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance
Rents	(27.713)	(27.669)	0.044	0.054	Garage income is lower than anticipated due to high void rates.
General Income	(0.734)	(0.651)	0.083	(0.012)	Garden Service has been reviewed and contract amended to take in to account issues experienced by tenants, therefore resulting in a reduced income of £95k.
Landlord Services	0.830	0.913	0.083	0.035	Garden service costs are expected to rise by £55k due to the service review. Repairs & Maintenance costs on general HRA buildings/lifts etc forecast at last years outturn being £38k more than budget.
Vacancy Savings	0.236	0.000	(0.236)	0.000	Vacancy savings due to posts not yet being filled. Once posts are recruited to this budget will be used to fund the post for the remainder of the year.
Other variances (aggregate)	26.216	26.204	(0.012)	(0.039)	
Total :	(1.165)	(1.203)	(0.038)	0.038	

