



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

**Budget Monitoring (Month 5)
Summary of Movement from Month 4**

	£m	£m
Month 4		
Portfolios	0.531	
Central and Corporate Finance	(0.550)	
Variance as per Cabinet Report		(0.019)
Month 5		
Portfolios	0.492	
Central and Corporate Finance	(1.100)	
Variance as per Directorate Returns		(0.608)
Change Requiring Explanation		(0.589)
<u>Social Services</u>		
Services For Adults		
<ul style="list-style-type: none"> • Localities (Locality Teams) - Residential Services (+£0.119m) the movement is due to a backlog of residential care clients who were awaiting financial assessment bringing an increase in residential care cost to the service. Elderly Mentally Infirm (EMI) (-£0.045m) - a large joint funded domiciliary package was reviewed and funding stopped, reducing care cost. Other minor variances of less than £0.025m, net impact of -£0.002m. 	0.072	
<ul style="list-style-type: none"> • Disability Services (Resource and Regulated Services) - LD supported Living - In-House (-£0.089m) - use of deleted posts to meet budgeted efficiency proposal arising from service review. LD Supported Living - Independent Sector (-£0.090m) - reduction of commitments following critical review of latest activity. PDSI - reduced domiciliary care & direct payments (-£0.057m) - due to changes in costs of care packages. Other minor variances of less than £0.025m, net impact of -£0.024m. 	(0.260)	
<ul style="list-style-type: none"> • 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. 	0.095	
<ul style="list-style-type: none"> • Mental Health Services (Residential & Domiciliary) - Changes in two care packages causing variance. 	0.079	
<ul style="list-style-type: none"> • Other minor changes of less than £0.025m for Services for Adults. 	0.044	
Subtotal: Services For Adults		0.030
Development & Resources		
<ul style="list-style-type: none"> • Business Services - Income charging policy cap increased from £50 to £55 plus impact of changes in charging client base. 	(0.037)	
<ul style="list-style-type: none"> • Other minor changes of less than £0.025m 	0.012	
Subtotal: Development & Resources		(0.025)
Services For Children		
<ul style="list-style-type: none"> • Childrens Services (Family Placements) - (£0.125m) increased demand on foster care. 	0.125	
<ul style="list-style-type: none"> • Professional Support (-£0.048m) - reduced commitments on leaving care. 	(0.048)	
<ul style="list-style-type: none"> • Other minor changes of less than £0.026m 	0.026	
Subtotal: Services For Children		0.103
Total: Social Services		0.108

Community & Enterprise

Customer & Housing Services	
• Estimated underspend on B&B placements	(0.111)
• Reduced pressure on Support Services recharge due to budget realignment	(0.043)
• Other minor changes of less than £0.025m	0.005
Subtotal: Customer & Housing Services	(0.149)
Supporting Services	
• Other minor changes of less than £0.025m	(0.011)
Subtotal: Supporting Services	(0.011)
Regeneration	
• Other minor changes of less than £0.025m	0.017
Subtotal: Regeneration	0.017
Revenues & Benefits	
• Underspend on CTRS	(0.033)
• Other minor changes of less than £0.025m	0.006
Subtotal: Revenues & Benefits	(0.027)
Customer Services	
• Other minor changes of less than £0.025m	0.005
Subtotal: Customer Services	0.005
Total: Community & Enterprise	(0.165)

Streetscene & Transportation Portfolio

Streetscene	
• Waste Services - loss of Trade Waste Income from Housing / Increased cost of food waste tonnage.	0.046
• Other minor changes of less than £0.010m	0.001
Subtotal: Streetscene	0.047
Highways Strategy & Traffic Services	
• Highways Policy - increased income projections	(0.014)
• Other minor changes of less than £0.010m	(0.002)
Subtotal: Highways Strategy & Traffic Services	(0.016)
Environmental Enforcement & Bereavement Services	
• Other minor changes of less than £0.010m	0.000
Subtotal: Environmental Enforcement & Bereavement Services	0.000
Transportation	
• Reducing contracts with Bus Operators providing subsidised services	
• School Transport - re-profiled commitments	0.000
• Other minor changes of less than £0.010m	0.000
Subtotal: Transportation	0.000
Total: Streetscene & Transportation	0.031

Planning & Environment Portfolio

Planning	
• Other minor changes of less than £0.010m	0.007
Subtotal: Planning	0.007
Public Protection	
• Community Safety Grant - amended commitments and increase in Grant Income	(0.027)
• Pollution Control - Income from Pest Control FPNs	(0.006)
• Other minor changes of less than £0.010m	(0.008)
Subtotal: Public Protection	(0.041)
Highways/Energy	
• Other minor changes of less than £0.010m	(0.007)
Subtotal: Energy Services and Highways/Public Rights of Way	(0.007)
Management & Performance	
• Other minor changes of less than £0.010m	0.003
Subtotal: Management & Performance	0.003
Greenfield Valley Heritage Park	
• Other minor changes of less than £0.010m	0.000
Subtotal: Greenfield Valley Heritage Park	0.000
Total: Planning & Environment	(0.038)

Education & Youth

Primary & Early Years Education		
• Primary Schools - minor variances	0.000	
Subtotal: Primary & Early Years Education		0.000
Secondary, 14-19 & Continuing Education		
• Secondary Schools - Minor variances	0.000	
• Regional Services - minor variances	0.000	
Subtotal: Secondary, 14-19 & Continuing Education		0.000
Inclusion Services		
• Inclusion & Behaviour Support - minor variances	(0.039)	
• Out of County - minor variances	0.010	
Subtotal: Inclusion Services		(0.029)
Access (School Planning & Provision)		
• School Planning - minor variances	0.000	
• School Provision - minor variances	(0.001)	
Subtotal: Access (School Planning & Provision)		(0.001)
21st Century Schools		
• Other minor changes of less than £0.025m	0.000	
Subtotal: 21st Century Schools		0.000
Youth Services (minor variances of less than £0.025m)		
• Adult & Community Education - minor variances	0.000	
• Youth Justice Service - minor variances	0.000	
• Children Youth Partnership - minor variances	0.000	
• Children & Young Peoples Partnership - minor variances	0.000	
• Youth & Community Service - minor variances	(0.007)	
Subtotal: Youth Services		(0.007)
Commissioning & Performance		
• Other minor changes of less than £0.025m	0.000	
Subtotal: Commissioning & Performance		0.000
School Management & Information		
• Other minor changes of less than £0.025m	0.000	
Subtotal: School Management & Information		0.000
Total: Education & Youth		(0.037)

People & Resources

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

Governance

Minor variances of less than £0.025m	
• Information Communication Technology	0.006
• Internal Audit	0.002
• Records Management	0.000
Subtotal: Minor variances of less than £0.025m	0.008
Legal Services	
• Legal Services - There has been a reduction in the amount of Staff Recharge from Benefit Fraud (£0.016m) and Waste Partnership (£0.011m). Reduction in Motion Picture Licenses income (£0.011m). Minor variances (£0.002m).	0.040
Subtotal: Legal Services	0.040
Democratic Services	
• Members allowances outturn reduced to accurately reflect current expenditure trend (£0.061m). Minor variances (£0.001m).	(0.062)
Subtotal: Democratic Services	(0.062)
Total: Governance	(0.014)

Organisational Change

Minor variances of less than £0.025m	
• Public Libraries & Arts, Culture & Events	(0.001)
• Museums Service	0.004
• Leisure Services	(0.002)
• Community Assets	0.000
• Property Design & Consultancy	(0.007)
• Facilities	0.009
Subtotal: Minor variances of less than £0.025m	0.003
Valuation & Estates	
• The projection for Valuations & Estates has increased by £0.72m since period 4. £0.83m relates to vacancy savings which were previously reported but will now be reflected corporately against the workforce efficiency targets. The remainder relates to minor variances.	0.072
Subtotal: Valuation & Estates	0.072
Total: Organisational Change	0.075

Chief Executive

• Other minor changes of less than £0.025m	0.001
Total: Chief Executive	0.001

Central & Corporate Finance

• Additional Corporate Windfall Income (British Gas / NDR Refunds)	(0.017)
• Carbon Reduction Commitment	0.012
• Identified one-off savings through cost control exercise due to Reallocation of Foundation Phase Grant to Early Entitlement Cover (£0.265m) and expenditure controls on Youth Services (£0.025m) within Education & Youth. Reduced bus operator contracts (£0.030m) within Streetscene & Transportation and additional income (£0.015m) for planning policy advice to Denbighshire County Council.	(0.335)
• In year reductions considered to be achievable as a result of the cost control exercise within Community & Enterprise (£0.157m) and Organisational Change (£0.054m).	(0.211)
• Other minor variances	0.001
Total: Central & Corporate Finance	(0.550)
Total Changes	(0.589)

MONTH 5 - 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	14.772	0.476	0.404	There is a major demand influenced pressure of £0.865m 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 £0.357m on residential care, which includes a £0.399m increase in the level of property related income offset by £0.042m increased expenditure on payments to providers. An underspend of £0.032m is due to minor variances.
Social Services for Adults - Transition and Disability Services (Disability Services)	0.635	0.702	0.067	0.067	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 - Residential and Domiciliary Service (Mental Health & Substance Misuse Service)	0.835	0.734	(0.101)	(0.180)	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.

MONTH 5 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance
Social Services for Adults - Forensic Budget (Mental Health & Substance Misuse Service)	0.310	0.182	(0.128)	(0.130)	Reflects current care packages for 2014/15. 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.
Social Services for Adults - Other Services for Adults variances (aggregate)	29.232	29.340	0.108	0.231	Various minor variances.
Business Services Income	(1.573)	(1.796)	(0.223)	(0.186)	Impact of an increase by Welsh Government in the level of the maximum charge cap from £50 per week to £55 per week.
Other Development & Resources variances (aggregate)	2.734	2.740	0.006	(0.006)	Various minor variances.

MONTH 5 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance
Family Placement (Children's Services)	2.227	2.505	0.278	0.153	The overspend is mainly (£0.261m) 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 (£0.017m) which invariably attract an ongoing allowance for the carers. A review of the Family Placement Team has been undertaken the outcome of which is being considered and will inform future planning and possible efficiencies.
Professional Support (Children's Services)	5.341	5.435	0.094	0.142	This projected overspend is due mainly to increased direct payments of £0.135m for Children's Integrated Disability Services (CIDS) and cost of placements within the leaving care service £0.145m. These pressures are offset by a saving of £0.144m against general contingencies. Other underspends netting to £0.042m are due to minor variances.
Other Services for Children variances (aggregate)	4.919	4.904	(0.015)	(0.041)	Various minor variances.
Total Social Services	58.956	59.518	0.562	0.454	

MONTH 5 - 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	1.004	(0.096)	0.054	An overspend (£0.031m) is projected to occur due to a lower level of support recharge to the Council Fund from the HRA. Estimated underspend (£0.111m) based on re-evaluation of B&B accommodation projections. (£0.016m) underspend due to other minor variances.
Supporting People	0.534	0.570	0.036	0.048	Projected overspend (£0.018m) against mileage costs. Overspend (£0.015m) on the Maintenance Contract due to insufficient budget to meet renewed contract. Minor variances (£0.003m) overspend.
Regeneration	0.548	0.575	0.027	0.009	Pressure (£0.043m) projected in respect of Agency costs. (£0.016m) underspend due to other minor variances.
Revenues & Benefits	11.277	10.851	(0.426)	(0.400)	Underspend due to an anticipated surplus on the Council Tax Collection Fund (£0.246m). Projected underspend (£0.201m) on the budgeted provision for the Council Tax Reduction Scheme based on current position. The underspend on this area is volatile and can be subject to change later in the year. (£0.021m) pressure due to minor variances.
Customer Services	0.658	0.663	0.005	0.000	Minor Variances
Total Community & Enterprise	14.117	13.663	(0.454)	(0.289)	

MONTH 5 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance
Streetscene & Transportation					
Waste Disposal & Waste Collection	6.610	6.806	0.196	0.149	Additional costs of overtime and use of Agency personnel due to high number of vacancies to maintain the necessary service provision. At period 05 loss of Trade Waste Income from Housing and increased cost of Food Waste tonnage.
Business & Strategy	1.965	1.999	0.034	0.044	Knight Owl Security cost of Alarm / Security Provision at Alltami Depot.
Highways Maintenance	1.343	1.361	0.018	0.023	Minor Variances
Streetlighting	1.178	1.172	(0.006)	(0.005)	Minor Variances
Transportation	1.405	1.359	(0.046)	(0.045)	Minor Variances
Streetworks	0.000	0.036	0.036	0.039	Lower than anticipated levels of income for FPN's (based on improving standards of repair by utility companies) & road closures.
Cemeteries	0.570	0.570	0.000	0.000	Projected costs of R & M at Kelsteron Cemetery at Period 3. Re-profiled commitments at Period 4 has improved the overall position.
Aggregate of other Variances	15.271	15.327	0.056	0.052	Minor Variances
Total Streetscene & Transportation	28.342	28.630	0.288	0.257	

MONTH 5 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance
Planning & Environment					
Planning	1.302	1.212	(0.090)	(0.097)	Higher levels of Planning Fee income than expected (£0.101m). Planning Fee Income Levels will be closely monitored. £0.011m overspend due to minor variances.
Public Protection	2.593	2.573	(0.020)	0.021	SMAF Grant Income
Energy Services and Highways Development Control & Public Rights of Way (PROW)	0.727	0.796	0.069	0.077	Reduced level of income of £0.049m from Gas Engines. Projected costs of £0.025m for external contractors / hired plant for PROW Works. £0.005m underspend due to minor variances.
Management Support & Performance	0.640	0.643	0.003	(0.001)	Minor Variance
Greenfield Valley & Heritage Park	0.284	0.284	0.000	0.000	No Variance
Total Planning & Environment	5.546	5.508	(0.038)	0.000	

MONTH 5 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance
Education & Youth					
Primary & Early Years Education	43.889	43.889	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	12.725	(0.141)	(0.112)	£0.100m 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. Education placements may change particularly during September. Detailed monitoring will continue. £0.041m minor variances.
Access (School Planning & Provision)	0.712	0.680	(0.032)	(0.031)	Minor Variance
21st Century Schools	0.082	0.083	0.001	0.001	Minor Variance
Youth Services	1.572	1.564	(0.008)	(0.001)	Increased expenditure controls. Minor variances.
Commissioning & Performance	0.162	0.135	(0.027)	(0.027)	Minor Variance
School Management & Information	0.204	0.205	0.001	0.001	Minor Variance

MONTH 5 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance
North East Wales School Library Service	0.000	0.000	0.000	0.000	No Variance
Total Education & Youth	96.244	96.048	(0.196)	(0.159)	
People & Resources					
HR&OD	2.307	2.333	0.026	0.026	Minor Variances
Corporate Finance	2.703	2.708	0.005	0.005	Minor Variances
Total People & Resources	5.010	5.041	0.031	0.031	

MONTH 5 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance
Governance					
Legal Services	0.792	0.945	0.153	0.113	£0.131m pressure due to Litigation around local land charges. Overspend due to other minor variances (£0.022m).
Democratic Services	2.092	2.024	(0.068)	(0.006)	Underspend on member allowances (£0.061m). Underspend due to other minor variances (£0.007m).
Internal Audit	0.504	0.502	(0.002)	(0.004)	Minor Variances
Procurement	0.192	0.192	0.000	0.000	No Variance
Support Services	0.458	0.483	0.025	0.025	Minor Variances
Records Management	0.156	0.165	0.009	0.009	Minor Variances
ICT	4.254	4.356	0.102	0.096	Overspend due to Oracle Software Licence audit identifying use of wrong type of software (£0.040m). Overspend on Packaged Software due to increased demand on the service (£0.069m). Underspend due to other minor variances (£0.007m).
Total Governance	8.448	8.667	0.219	0.233	

MONTH 5 - 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	1.880	(0.011)	(0.010)	Minor Variance
Museums Service	0.062	0.061	(0.001)	(0.005)	Minor Variance
County Archives	0.261	0.261	0.000	0.000	No Variance
Leisure Services	3.537	3.571	0.034	0.036	The projected outturn for Leisure Services at this time is an overspend of £0.034m although the team is exploring every option to absorb this pressure. £0.023m relates to pressure caused by the delay between Single Status implementation and the implementation of the Leisure Services review. The planned efficiency was unachievable for one month between 1st June and 7th July. One twelfth of the £0.270m efficiency is therefore currently estimated as a budget pressure because the planned deleted positions remained in the structure until July. £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.
Community Assets	0.057	0.054	(0.003)	(0.003)	Minor Variance
Agricultural Estates	(0.718)	(0.729)	(0.011)	(0.083)	Minor Variance
Property Holdings	3.054	3.079	0.025	0.032	Minor Variance

MONTH 5 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance
Industrial Units	(0.140)	(0.136)	0.004	0.004	Minor Variance
Facilities Services	1.494	1.502	0.008	(0.001)	Minor Variance
Total Organisational Change	9.498	9.543	0.045	(0.030)	
Chief Executives					
Chief Executives	3.380	3.415	0.035	0.034	Minor Variances
Total Chief Executives	3.380	3.415	0.035	0.034	

MONTH 5 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance
Central & Corporate Finance					
Central & Corporate Finance	25.635	24.535	(1.100)	(0.550)	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 investment programme and the level of future reserves and borrowing requirements. Strike deductions (£0.160m) is one off income. Corporate Windfall Income (£0.124m), 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. Overspend (£0.002m) due to minor variances. One off rebate of historical audit fees, (£0.072m). £0.401m - One off time limited costs in relation to former Euticals Ltd - Sandycroft site. An underspend of £0.546m reflects the one off, in-year savings found through the cost control exercise.
Total Central & Corporate Finance	25.635	24.535	(1.100)	(0.550)	
TOTAL	255.176	254.568	(0.608)	(0.019)	

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 - Enhanced Community Residential Services - Rightsizing 4 supported living houses.	0.023	ECRS Reviews being reviewed as part of the Rightsizing.
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.
Total		0.163	

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 5		0.608
Total projected Contingency Reserve as at 31st March 2015		3.549

HRA Major Variance Report - Period 5

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Rents	(27.713)	(27.602)	0.111	0.044	Garage income is lower than anticipated due to high void rates.	
General Income	(0.734)	(0.650)	0.084	0.083	Garden Service has been reviewed and contract amended to take in to account issues experienced by tenants, therefore resulting in a reduced income of £96k.	
Landlord Services	0.830	0.915	0.085	0.083	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	0.249	0.000	(0.249)	(0.236)	Vacancy savings due to posts not yet being filled. Once posts are recruited, this budget will be used to fund the posts for the remainder of the year.	
Other variances (aggregate)	27.865	27.790	(0.075)	(0.012)		
Total :	0.497	0.453	(0.044)	(0.038)		

