

**Budget Monitoring Report  
Council Fund Variances**

**MONTH 4 - SUMMARY**

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Cause of Major Variance	Action Required
<b>Social Services</b>					
<b>Older People</b>					
Localities	16.047	15.242	(0.805)	Domiciliary Care reflects a projected underspend of (£0.180m) based on existing clients. Other main influences on this projected underspend include Minor Adaptations (£0.108m) for which the local demand is currently being met by the Intermediate Care Fund (ICF).  Additional one off income has been received from ICF to contribute to provider fee increases.  Other underspends are as a result of vacancy savings for half year from within the Single Point Of Access team (£0.105m). Additional in year Continuing Health Care (CHC) income (£0.083m) and additional property income of (£0.029m). Further underspends within purchased day care of (£0.020m), early onset dementia of (£0.028m) and overall minor variances of (£0.027m).  In addition, some budgets within external care provision totalling (£0.225m) still requires realignment into external provided supported living within Learning Disabilities which are not reflected at Month 4.	Keep under review. With consideration for potential realignment.
Reablement Services	0.431	0.379	(0.052)	The underspend is the receipt of unbudgeted one off income from the Health Board in relation to Telecare CHC income.	
Community Equipment Contribution	0.477	0.313	(0.165)	Following review of and implementation of an updated Section 33 Partnership agreement for the North East Wales Community Equipment Store (NEWCES) the contribution levels of partners have been updated resulting in a reduced level of contribution.	Keep under review. With consideration for potential realignment.
Minor Variances	6.280	6.246	(0.034)		
<b>Disability Services</b>					
Resources & Regulated Services	17.374	18.145	0.771	Variance relates to the current level of service user demand within the externally provided Supported Living Service.	Keep under review. With consideration for potential realignment.
Forensic budget	0.529	0.224	(0.305)	The projected underspend is due to a significant reduction in care package costs.	Keep under review. Potential volatile service area.
Administrative Support	(1.206)	(1.082)	0.124	Shortfall in Supported People Income following review of eligibility criteria and local distribution of grant.	Keep under review. With consideration for potential realignment.
Minor Variances	2.852	2.779	(0.073)		
<b>Mental Health Services</b>					
Substance Misuse	0.264	0.365	0.101	Pay cost pressures in relation to Social Worker enhancements together with a reduced income commitment for the Substance Misuse Action Fund (SMAF) Grant.	Work being undertaken to review.
Minor Variances	3.365	3.393	0.028		
<b>Children's Services</b>					
Family Placement	2.227	2.347	0.121	The overspend is due to foster care placement demand and also court orders for Residence and Special Guardianship orders.	Keep under review. With consideration for potential realignment.
Residential Placements	0.422	0.483	0.061	The level of overspend reflects the current projected costs of residential placements.	All placements are made through a robust panel process which ensures that placements are only made when no alternative method of support can be optimised - Continued Monitoring of outturn.
Professional Support	5.045	5.434	0.389	Overspend within the Duty & Assessment team which is due to the need to deploy staff to address key risks within this area of the service.	Continue to monitor and review.

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Minor Variances	4.683	4.605	(0.077)	A number of minor variances to be reviewed as part of a budget realignment across the service.	
<b>Development &amp; Resources</b>					
Business Systems & Financial Assessments	0.988	0.815	(0.153)	The projected underspend is mainly due to staff vacancy savings within the Financial Assessments, General Office and Business Systems teams and also some savings against IT software and hardware purchasing.	Continue to monitor and review.
Charging Policy income	(1.899)	(2.075)	(0.176)	The increase in income is due to recent changes in the treatment of certain disregards within service.	Continue to monitor and review.
Safeguarding Unit	0.792	0.876	0.084	The projected overspend is a combination of additional legal and medical costs associated with the Deprivation Of Liberty Safeguards (DOLS) assessments.	
Good Health	0.813	0.920	0.106	The projected overspend is due to a reduction in the budget for payments to Voluntary Organisations following a previous business planning efficiency.	
Minor Variances	0.725	0.718	(0.007)		
<b>Total Social Services</b>	<b>60.191</b>	<b>60.128</b>	<b>(0.064)</b>		
<b>Community &amp; Enterprise</b>					
Customer And Housing Services	1.193	1.186	(0.007)	Minor variances.	Continue to monitor and review.
Council Fund Housing	(0.277)	(0.266)	0.011	Minor variances.	Continue to monitor and review.
Regeneration	0.416	0.472	0.056	Estimated shortfall of £0.056m in markets due to income targets increasing in line with inflation each year, where charges have not increased at the same rate.	Continue to monitor and review.
Revenues & Benefits	10.905	10.493	(0.412)	Projected underspend on the budgeted provision for the Council Tax Reduction Scheme of £0.224m. Early projections indicate an anticipated surplus on the Council Tax Collection Fund of £0.188m.	Continue to monitor closely as these areas are highly volatile and projections are likely to change.
Housing Programmes	0.100	0.100	0.000	No variance.	
<b>Total Community &amp; Enterprise</b>	<b>12.336</b>	<b>11.985</b>	<b>(0.351)</b>		
<b>Streetscene &amp; Transportation</b>					
<b>Ancillary Services &amp; Performance</b>					
Waste Collection	7.457	7.927	0.470	Variances relating to underachieved business planning efficiencies. Introduction of non generic role, £0.015m. Develop Energy Production at Landfill, £0.065m. Rationalise HRC Sites, £0.250m. Remove the existing policy of returning for missed waste bin collections, £0.040m. Adverse variance of £0.100m relating to reduced electricity sales from reducing levels of gas extraction between April and July at the Standard and Brookhill landfill sites.	Continual review to assess any recurrent impact for consideration in Medium Term Financial Strategy (MTFS) 2017/18 for HRC site rationalisation following change of approach and gas engine reducing income levels.
Parking & Enforcement	(0.115)	0.022	0.136	Shortfall from Business Planning proposals following delays in the implementation of car parking charges at Flint and lower than anticipated income from Connah's Quay, Shotton and Queensferry.	Keep under review as part of MTFS. The regeneration of Flint Town Centre is likely to mean that income will also be affected in 2017/18.
Other Minor Variances	0.700	0.697	(0.003)		
<b>Highways Network</b>					

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Highways Network	7.461	7.627	0.166	Variances relating to underachieved business planning efficiencies. Pass maintenance liability for Cemeteries to Town/Community Councils, £0.050m is part of ongoing discussions on all Community Asset Transfer's, Probation Service Litter Collection, £0.050m. delay in introduction of non generic role, £0.015m. Costs for the area teams due to Bagillt flooding event, £0.050m for emergency call outs and consequential maintenance and repairs.	Keep under review as part of MTF5.
<b>Transportation &amp; Logistics</b>					
Logistics & Resource Services	4.524	4.636	0.112	Variances relating to underachieved business planning efficiencies. Shared specialist plant with neighbouring authority, £0.050m. Delays in externalising the stores managed service, £0.030m, and anticipated fuel saving from construction of waste handling facility, £0.020m.	Keep under review as part of MTF5.
School Transport	4.972	5.092	0.120	Estimated additional subsidy costs following re-procurement for covering former GHA services for school transport following the company going into liquidation, £0.125m.	This is still an indicative figure based on previous contract prices and will be monitored monthly. Welsh Government (WG) have been consulted upon with regard to funding the additional costs. Consideration in MTF5 2017/18 if no WG funding is forthcoming
Transportation	1.928	2.269	0.341	Estimated additional subsidy costs following re-procurement for covering former GHA services following the company going into liquidation, £0.315m. This includes the costs of former commercial services routes.	This is still an indicative figure based on previous contract prices and will be monitored monthly. WG have been consulted upon with regard to funding the additional costs. Consideration in MTF5 2017/18 if no WG funding is forthcoming
Other Minor Variances	1.531	1.530	(0.002)		
<b>Total Streetscene &amp; Transportation</b>	<b>28.458</b>	<b>29.798</b>	<b>1.340</b>		
<b>Planning &amp; Environment</b>					
<b>Business</b>					
Minor Variances	1.621	1.637	0.016		Continue to monitor committed expenditure and reduce/remove commitments where possible
<b>Community</b>					
Pest Control	0.019	0.031	0.012	Potential Shortfall in the Self financing position	Monitor and adjust income projections as appropriate
Minor Variances	0.906	0.881	(0.024)		Continue to monitor committed expenditure and reduce/remove commitments where possible
<b>Development</b>					
Development Management	(0.335)	(0.281)	0.053	High Risk of possible shortfall from Planning Application fees increase reflected in Business Planning efficiencies.	Monitor and adjust income projections as appropriate
Minor Variances	0.192	0.165	(0.027)		Continue to monitor committed expenditure and reduce/remove commitments where possible
<b>Access</b>					
Minor Variances	1.349	1.328	(0.021)		Continue to monitor committed expenditure and reduce/remove commitments where possible
<b>Shared Services</b>					
Minor Variances	0.167	0.167	(0.000)		Continue to monitor committed expenditure and reduce/remove commitments where possible
<b>Strategy</b>					

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Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Cause of Major Variance	Action Required
Minor Variances	0.837	0.837	(0.001)		Continue to monitor committed expenditure and reduce/remove commitments where possible
<b>Management Strategy</b>					
Minor Variances	0.714	0.764	0.050		
<b>Total Planning &amp; Environment</b>	<b>5.469</b>	<b>5.529</b>	<b>0.060</b>		
<b>Education &amp; Youth</b>					
Inclusion & Progression	7.062	7.217	0.155	Volatile service with potential for high costs and unpredictable demand. Includes other minor variances from within the service.	Service Managers have agreed to set up a Task and Finish Group to review Processes and Placements.
Business Change & Support	0.610	0.548	(0.061)	Variance relates to a current secondment in advance of a regional collaboration service from April 2017, funded by GwE. Includes other minor variances.	
Minor Variances	3.788	3.755	(0.033)		
<b>Total Education &amp; Youth</b>	<b>11.459</b>	<b>11.520</b>	<b>0.061</b>		
<b>Schools</b>	<b>87.372</b>	<b>87.372</b>	<b>0.000</b>	School budgets are delegated and the balances are therefore carried forward at the end of the financial year.	
<b>People &amp; Resources</b>					
HR & OD	2.245	2.253	0.008	Minor variances.	Continue to monitor and review.
Corporate Finance	2.325	2.348	0.023	Minor variances.	Continue to monitor and review.
<b>Total People &amp; Resources</b>	<b>4.570</b>	<b>4.600</b>	<b>0.031</b>		
<b>Governance</b>					
Legal Services	0.642	0.678	0.036	Minor variances.	Continue to monitor and review.
Democratic Services	1.879	1.860	(0.019)	Minor variances.	Continue to monitor and review.
Internal Audit	0.434	0.428	(0.006)	Minor variances.	Continue to monitor and review.
Procurement	0.166	0.202	0.036	Minor variances.	Continue to monitor and review.
Business Support	0.327	0.295	(0.032)	Minor variances.	Continue to monitor and review.
ICT	4.903	4.946	0.043	Minor variances.	Continue to monitor and review.
<b>Total Governance</b>	<b>8.352</b>	<b>8.409</b>	<b>0.057</b>		
<b>Organisational Change 1</b>					
Public Libraries & Arts, Culture & Events	1.656	1.679	0.023	The Libraries Community Asset Transfers are estimated to be achieved within the time periods set for transfer but as they are expected to happen towards the end of the estimated time period, it is likely that this will result in a shortfall on the planned efficiency. This shortfall is estimated to be approximately £0.030m. Other minor variances of £0.007m.	Continue to monitor and review.
Museums	0.064	0.064	0.000		Continue to monitor and review.
County Archives	0.281	0.281			Continue to monitor and review.
Leisure	3.946	4.116	0.170	Connah's Quay Swimming Pool and Holywell Leisure Centre Community Asset Transfers are estimated to be achieved within the time periods set for transfer but as both are happening towards the end of the estimated time period, and they are relatively large efficiencies, it is likely that this will result in a shortfall on the planned efficiency. This shortfall is estimated to be approximately £0.170m.	Continue to monitor and review.

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Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Cause of Major Variance	Action Required
Community Assets	0.024	0.024	0.000		
<b>Total Organisational Change 1</b>	<b>5.972</b>	<b>6.164</b>	<b>0.193</b>		Continue to monitor and review.
<b>Organisational Change 2</b>					
Property Asset And Development	0.591	0.326	(0.265)	In Year Salary Savings of £0.260m awaiting as a result of the imminent service re-structure	Continued Monitoring & Review
Industrial Units	(1.264)	(1.076)	0.208	The overspend is due to an estimated shortfall in rental income from industrial units as a result of voids and reduced income from Deeside Power Station.	Continued Monitoring & Review
Minor Variances	3.269	3.223	(0.046)		
<b>Total Organisational Change 2</b>	<b>2.575</b>	<b>2.472</b>	<b>(0.103)</b>		
<b>Chief Executive</b>	<b>3.191</b>	<b>3.123</b>	<b>(0.068)</b>	The projected underspend is mainly due to vacancy savings within the Management & Admin Team and the Corporate Communications Team. There are also minor underspends against some supplies and services budgets.	The projected underspend is expected to be in year only.
<b>Central and Corporate Finance</b>	<b>22.039</b>	<b>22.964</b>	<b>0.925</b>	The overspend is due to:- Essential Car User efficiency underachievement of £0.211m in year due to delayed implementation. Workforce efficiencies currently showing an underachievement of £0.278m. Additional Income Generating Activities is projecting an underachievement of £0.300m, though work is continuing to identify other areas of opportunity. Car Park income, the £0.100m efficiency from 2015/16 will now not be realised. Additional in year pressure £0.111m, due to Non Domestic Rates liability on commercial property. In year projected underspend on Audit Fees of (£0.088m) due to reduced rate. Other minor variances £0.013m.	Essential Car User - In year impact only. Workforce Efficiencies - Continue to identify further savings. Additional Income Generating Activities - Consultant appointed to work on Fees and Charges policy. Car Parking - Considered as part of review of MTFS. Non Domestic Rates liability - In year pressure only. Audit Fees reduced - Additional identified efficiency.
<b>Grand Total</b>	<b>251.984</b>	<b>254.065</b>	<b>2.081</b>		



## 2016/17 Efficiencies Outturn - Under or Over Achieved

Portfolio	Original Efficiency	Revised Efficiency	(Under)/Over Achievement
	2016/17 £(m)	2016/17 £(m)	2016/17 £(m)
<b>Central &amp; Corporate Finance</b>			
Additional Income Generating Activities.	0.500	0.200	(0.300)
Essential Car User Allowance.	0.500	0.289	(0.211)
Workforce Efficiency.	0.500	0.222	(0.278)
<b>Total Central &amp; Corporate Finance</b>	<b>1.500</b>	<b>0.711</b>	<b>(0.789)</b>
<b>Chief Executive's</b>			
Voluntary Sector Grants review.	0.070	0.090	0.020
<b>Total Chief Executive's</b>	<b>0.070</b>	<b>0.090</b>	<b>0.020</b>
<b>Education &amp; Youth</b>			
Youth Services - Youth Justice Service Staffing Reduction	0.025	0.017	(0.008)
<b>Total Education &amp; Youth</b>	<b>0.025</b>	<b>0.017</b>	<b>(0.008)</b>
<b>Organisational Change 1</b>			
Community Asset Transfers.	0.544	0.344	(0.200)
<b>Total Organisational Change 1</b>	<b>0.544</b>	<b>0.344</b>	<b>(0.200)</b>
<b>Organisational Change 2</b>			
CCTV - Staff reductions.	0.040	0.020	(0.020)
Other - Campus Management.	0.030	0.015	(0.015)
Other - Maintenance.	0.005	0.015	0.010
<b>Total Organisational Change 2</b>	<b>0.075</b>	<b>0.050</b>	<b>(0.025)</b>
<b>Community &amp; Enterprise</b>			
Council Tax Reduction Scheme.	0.329	0.566	0.237
<b>Total Community &amp; Enterprise</b>	<b>0.329</b>	<b>0.566</b>	<b>0.237</b>
<b>Streetscene &amp; Transportation</b>			
Shared Specialist Plant with neighbouring authority.	0.050	0.000	(0.050)
Introduce non-generic streetscene roles (3 year plan).	0.115	0.085	(0.030)
Develop energy production at landfill.	0.100	0.035	(0.065)
Rationalise Household Recycling Centres provision and provide the service through a performance based contract which would include bulky collections.	0.250	0.000	(0.250)
Remove the existing policy of returning for missed bin waste collections.	0.075	0.035	(0.040)
Construction of a waste handling and biomass production facility at Greenfield.	0.100	0.080	(0.020)
Car Parking Charges.	0.200	0.065	(0.135)
Charge maintenance of Bus Shelters to Community & Town Councils.	0.020	0.000	(0.020)
Remove the subsidy for the Community Rail Officer.	0.010	0.005	(0.005)
Externalise the Stores Managed Service.	0.050	0.020	(0.030)
Pass Maintenance Liability and Cleanliness of Cemeteries to Town & Community Councils.	0.050	0.000	(0.050)
Probation Service to take on Litter Collections in some areas.	0.100	0.050	(0.050)
<b>Total Streetscene &amp; Transportation</b>	<b>1.120</b>	<b>0.375</b>	<b>(0.745)</b>
<b>Planning &amp; Environment</b>			
Staffing - service review.	0.127	0.088	(0.039)
Self financing for Public Protection Services.			
- Animal & Pest Control.			
- Licencing Charging.	0.050	0.020	(0.030)
<b>Total Planning &amp; Environment</b>	<b>0.177</b>	<b>0.108</b>	<b>(0.069)</b>
<b>Total 2016/17 Budget Efficiencies</b>		<b>100</b>	<b>11.282</b>
<b>Total Projected 2016/17 Budget Efficiencies Underachieved</b>		<b>14</b>	<b>1.579</b>
<b>Total Projected 2016/17 Budget Efficiencies Achieved</b>		<b>86</b>	<b>9.703</b>





**APPENDIX 3**

**Movements on Council Fund Unearmarked Reserves**

	<b>£m</b>	<b>£m</b>
Total Reserves as at 1 April 2016	10.144	
Less - Base Level	(5.769)	
Total Reserves above base level available for delegation to Cabinet		<b>4.375</b>
Less – allocation from contingency reserve to meet historic child claims		(0.111)
Less – allocation from contingency reserve to meet costs of summer play schemes		(0.076)
Less projected overspend as at Month 4		(2.081)
<b>Total projected Contingency Reserve as at 31<sup>st</sup> March 2017</b>		<b>2.107</b>



Budget Monitoring Report  
Housing Revenue Account Variances

**MONTH 4 - SUMMARY**

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Cause of Major Variance	Action Required
<b>Housing Revenue Account</b>					
Income	(31.699)	(31.850)	0.049		
Capital Financing - Loan Charges	7.285	7.309	0.024		
Estate Management	1.633	1.547	(0.086)	£0.086m relates to vacancy savings arising from the Housing Management Restructure.	Continue to monitor and review.
Landlord Service Costs	1.207	1.196	(0.011)		
Repairs & Maintenance	9.546	9.509	(0.037)		
Management & Support Services	2.232	2.279	0.048		
Capital Expenditure From Revenue (CERA)	10.077	10.077	0.000		
Contribution To / (From) Reserves	(0.080)	(0.080)	0.000		
<b>Total Housing Revenue Account</b>		<b>(0.013)</b>	<b>(0.013)</b>		

