



CABINET

Date of Meeting	Tuesday, 17 January 2017
Report Subject	Revenue Budget Monitoring 2016/17 (month 8)
Cabinet Member	Leader of the Council and Cabinet Member for Finance
Report Author	Corporate Finance Manager
Type of Report	Operational

EXECUTIVE SUMMARY

This monthly report provides the latest revenue budget monitoring position for 2016/17 for both the Council Fund and Housing Revenue Account.

The report is based on actual income and expenditure as at Month 8 of the financial year. The report also projects how the budget would stand at the close of the financial year if all things remained equal.

The projected year end position, without any further action to reduce cost pressures or to identify new efficiencies would be as follows:-

Council Fund

- The net in year position comprises of an operating deficit of £1.810m - an increase in the deficit of £0.039m from the position reported last month.
- However, the overall projected in-year position has improved by £2.886m due to the change in accounting policy for MRP as agreed by County Council. This has the effect of eliminating the operating deficit.
- Projected contingency reserve balance of £4.268m

Housing Revenue Account

- Net in year expenditure forecast to be £0.037m higher than budget
- Projected closing balance as at 31 March 2017 of £1.061m

RECOMMENDATIONS	
1	To note the overall report and the projected Council Fund contingency sum as at 31 st March 2017 and continue to support the work on actions and options for mitigating action.
2	To note the projected final level of balances on the Housing Revenue Account.

REPORT DETAILS

1.00	EXPLAINING THE MONTH 8 POSITION
1.01	The operating deficit reported is £1.810m above budget which is an increase of £0.039m from the deficit reported last month. As resolved by Cabinet work is ongoing to identify actions and options to reduce the operating deficit through detailed analysis of overspending areas.
1.02	The operating deficit in-year is in effect 'written-off' by the change in the Council's policy for accounting for Minimum Revenue Provision (MRP) which was reviewed and approved by Council on 6 December 2016 as part of the 2017/18 budget proposals. This has resulted in a positive impact of £2.886m on the 2016/17 budget as part of providing a major efficiency for 2017/18, and means that the projected spend is now £1.076m less than the budget.
1.03	<p>Transport Costs</p> <p>The Council, along with neighbouring councils, was given notice in July that one of its contracted transport operators, was going into immediate liquidation. Urgent action was required to secure the school and public transport subsidised routes operated by the transport operator.</p>
1.04	<p>The procurement of full replacement service providers is projected to incur an additional cost of £0.440m for the remainder of 2016/17.</p> <p>The Welsh Government has offered a provisional grant award to the three local authorities affected for 2016/17. Negotiations are ongoing with Welsh Government and the neighbouring authorities over distribution of the grant. Negotiations should be concluded in time for the grant income to be reported in the month 9 report.</p>

1.05	<p>Council Fund Latest in Year Forecast</p> <p>The table below shows the projected position by portfolio.</p> <table border="1" data-bbox="288 309 1369 1335"> <thead> <tr> <th data-bbox="288 309 676 539">TOTAL EXPENDITURE AND INCOME</th> <th data-bbox="676 309 847 539">Original Budget</th> <th data-bbox="847 309 1018 539">Revised Budget</th> <th data-bbox="1018 309 1189 539">Projected Outturn</th> <th data-bbox="1189 309 1369 539">In-Year Over / (Under) spend</th> </tr> <tr> <td></td> <td data-bbox="676 501 847 539">£m</td> <td data-bbox="847 501 1018 539">£m</td> <td data-bbox="1018 501 1189 539">£m</td> <td data-bbox="1189 501 1369 539">£m</td> </tr> </thead> <tbody> <tr> <td data-bbox="288 539 676 591">Social Services</td> <td data-bbox="676 539 847 591">58.534</td> <td data-bbox="847 539 1018 591">60.829</td> <td data-bbox="1018 539 1189 591">61.425</td> <td data-bbox="1189 539 1369 591">0.595</td> </tr> <tr> <td data-bbox="288 591 676 642">Community & Enterprise</td> <td data-bbox="676 591 847 642">12.035</td> <td data-bbox="847 591 1018 642">12.437</td> <td data-bbox="1018 591 1189 642">11.941</td> <td data-bbox="1189 591 1369 642">(0.496)</td> </tr> <tr> <td data-bbox="288 642 676 725">Streetscene & Transportation</td> <td data-bbox="676 642 847 725">27.011</td> <td data-bbox="847 642 1018 725">28.527</td> <td data-bbox="1018 642 1189 725">29.306</td> <td data-bbox="1189 642 1369 725">0.779</td> </tr> <tr> <td data-bbox="288 725 676 777">Planning & Environment</td> <td data-bbox="676 725 847 777">4.978</td> <td data-bbox="847 725 1018 777">5.130</td> <td data-bbox="1018 725 1189 777">5.451</td> <td data-bbox="1189 725 1369 777">0.321</td> </tr> <tr> <td data-bbox="288 777 676 828">Education & Youth</td> <td data-bbox="676 777 847 828">11.225</td> <td data-bbox="847 777 1018 828">11.404</td> <td data-bbox="1018 777 1189 828">11.405</td> <td data-bbox="1189 777 1369 828">0.000</td> </tr> <tr> <td data-bbox="288 828 676 880">Schools</td> <td data-bbox="676 828 847 880">86.162</td> <td data-bbox="847 828 1018 880">87.762</td> <td data-bbox="1018 828 1189 880">87.762</td> <td data-bbox="1189 828 1369 880">0.000</td> </tr> <tr> <td data-bbox="288 880 676 931">People & Resources</td> <td data-bbox="676 880 847 931">4.319</td> <td data-bbox="847 880 1018 931">4.646</td> <td data-bbox="1018 880 1189 931">4.646</td> <td data-bbox="1189 880 1369 931">0.000</td> </tr> <tr> <td data-bbox="288 931 676 983">Governance</td> <td data-bbox="676 931 847 983">8.159</td> <td data-bbox="847 931 1018 983">7.716</td> <td data-bbox="1018 931 1189 983">7.781</td> <td data-bbox="1189 931 1369 983">0.064</td> </tr> <tr> <td data-bbox="288 983 676 1034">Organisational Change 1</td> <td data-bbox="676 983 847 1034">5.560</td> <td data-bbox="847 983 1018 1034">5.972</td> <td data-bbox="1018 983 1189 1034">6.045</td> <td data-bbox="1189 983 1369 1034">0.073</td> </tr> <tr> <td data-bbox="288 1034 676 1086">Organisational Change 2</td> <td data-bbox="676 1034 847 1086">2.244</td> <td data-bbox="847 1034 1018 1086">2.572</td> <td data-bbox="1018 1034 1189 1086">2.196</td> <td data-bbox="1189 1034 1369 1086">(0.376)</td> </tr> <tr> <td data-bbox="288 1086 676 1137">Chief Executive</td> <td data-bbox="676 1086 847 1137">3.204</td> <td data-bbox="847 1086 1018 1137">3.176</td> <td data-bbox="1018 1086 1189 1137">3.134</td> <td data-bbox="1189 1086 1369 1137">(0.042)</td> </tr> <tr> <td data-bbox="288 1137 676 1245">Central & Corporate Finance</td> <td data-bbox="676 1137 847 1245">28.552</td> <td data-bbox="847 1137 1018 1245">21.814</td> <td data-bbox="1018 1137 1189 1245">19.818</td> <td data-bbox="1189 1137 1369 1245">(1.995)</td> </tr> <tr> <td data-bbox="288 1245 676 1335">Total</td> <td data-bbox="676 1245 847 1335">251.984</td> <td data-bbox="847 1245 1018 1335">251.984</td> <td data-bbox="1018 1245 1189 1335">250.908</td> <td data-bbox="1189 1245 1369 1335">(1.076)</td> </tr> </tbody> </table>	TOTAL EXPENDITURE AND INCOME	Original Budget	Revised Budget	Projected Outturn	In-Year Over / (Under) spend		£m	£m	£m	£m	Social Services	58.534	60.829	61.425	0.595	Community & Enterprise	12.035	12.437	11.941	(0.496)	Streetscene & Transportation	27.011	28.527	29.306	0.779	Planning & Environment	4.978	5.130	5.451	0.321	Education & Youth	11.225	11.404	11.405	0.000	Schools	86.162	87.762	87.762	0.000	People & Resources	4.319	4.646	4.646	0.000	Governance	8.159	7.716	7.781	0.064	Organisational Change 1	5.560	5.972	6.045	0.073	Organisational Change 2	2.244	2.572	2.196	(0.376)	Chief Executive	3.204	3.176	3.134	(0.042)	Central & Corporate Finance	28.552	21.814	19.818	(1.995)	Total	251.984	251.984	250.908	(1.076)
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1.06	The reasons for the projected variances are summarised within Appendix 2 with key significant portfolio variances explained in paragraphs 1.09 to 1.12.																																																																											
1.07	<p>Significant Budget Movements between Original and Revised Budget</p> <p>As stated in the month 7 report a review of Corporate Administration has been completed which agreed to transfer portfolio administration teams together into a combined service, under a single manager, that serves County Hall and Flint offices. This has resulted in a budget movement from Governance (£0.078m), Community & Enterprise (£0.026) and Planning & Environment portfolios (£0.251m) to Social Services in month 8.</p>																																																																											
1.08	The Education ICT budget has been delegated to schools from the ICT Service, this has resulted in a transfer of £0.389m from Governance to Schools.																																																																											
1.09	<p>Streetscene and Transportation</p> <p>There is a significant variance within the portfolio of £0.779m which is a</p>																																																																											

	decrease of £0.099m from month 7. As referenced in 1.04, negotiations with Welsh Government for a proportion of additional grant funding are due to be concluded before Month 9 which will further reduce this variance. Full details of all other variances are given in Appendix 2.
1.10	<p>Social Services</p> <p>Within Social Services there is a reported overspend of £1.320m for Children's Services which mainly relates to Out of County Placements (£0.626m) and Professional Support (£0.686m).</p>
1.11	The reported overspend for Out of County Placements is due to a number of complex cases and the new Social Services and Wellbeing Act which has led to a higher number of court outcomes and placements which will need to be tracked. A critical review of a number of placements made by court order is being undertaken. The financial impact of this emerging pressure will need to be considered as part of the Medium Term Financial Strategy (MTFS). Legal and Social Services managers are working together to make a compelling case for alternative care arrangements to placements at forthcoming court cases, and so reduce the level of out of county placement being made.
1.12	The Professional Support service currently has a small number of permanent social work vacancies. Given the high levels of demand, and complexity of work, there is insufficient capacity to support the children/families within existing staffing compliment. Processes are in place for recruitment to the vacant posts but, like other authorities, we are experiencing challenges in recruiting experienced qualified social workers. In the short term we have a small number of posts covered by agency staff whilst we work to attract appropriately qualified, experienced and high calibre staff. Work is being undertaken to develop a strategic approach to managing demand through service development as well as attracting and supporting permanent staff.
1.13	<p>Programme of Efficiencies</p> <p>The 2016/17 budget contains £11.282m of specific efficiencies which are being tracked and monitored. An amount of £0.761m was approved from the contingency reserve in the month 4 report to meet the impact of conscious decisions to change proposals for household recycling centres, community asset transfers, town centre car parking charging and workforce essential car user allowances resulting in a revised efficiency target of £10.521m.</p>
1.14	Appendix 3 provides detail on the latest position where there is a variation to the level of efficiency achievable compared to the budget.
1.15	This shows that it is currently projected that £9.398m (89%) will be achieved resulting in a net underachievement of £1.123m - a decrease of £0.072m. The changes in efficiency assumptions since month 7 are summarised below:

	Portfolio	Original Efficiency 2016/17 £(m)	Previous Month Revised Efficiency 2016/17 £(m)	Current Month Revised Efficiency 2016/17 £(m)	Increase/ (Decrease) between months 2016/17 £(m)
	<u>Planning & Environment</u> Self-financing for Public Protection Services. - Animal & Pest Control. - Licencing Charging. Various Planning Efficiencies;	0.050 0.101	0.020 0.101	0.050 0.000	0.030 (0.101)
	<u>People & Resources</u> Finance Modernisation	0.135	0.093	0.092	(0.001)
1.16	Inflation Included within the 2016/17 budget are provision for pay (£0.936m), targeted price inflation (£0.573m) and income (£0.185m).				
1.17	Following the allocation to portfolios of the provisions described in paragraph 1.16 there is a remaining balance of £0.070m which is included within the overall outturn figure.				
1.18	No provision has been made for non-standard inflation (NSI) in 2016/17. Areas that may be subject to NSI increases will be monitored throughout the year and any emerging pressures will be considered in future reports.				
	Reserves and Balances				
1.19	Un-earmarked Reserves The 2015/16 outturn reported to Cabinet on 19 July 2016 showed un-earmarked reserves at 31 March 2016 (above the base level of £5.769m) of £4.375m.				
1.20	Taking into account the current projected overspend at Month 8 and previously agreed allocations the balance on the Contingency Reserve at 31 March 2017 is projected to be £4.268m as detailed in appendix 4.				
1.21	Earmarked Reserves The Council adopted a reserves protocol in September 2015 which set out the principles around how the Council determines, manages and reviews its level of reserves. Within the protocol is reference to regular reporting of the latest position to Cabinet and Corporate Resources Overview and Scrutiny Committee.				

1.22	A summary of earmarked reserves as at 1 April 2016 and an estimate of projected balances as at the end of the financial year will be included in the month 9 report.
1.23	Housing Revenue Account The 2015/16 Outturn Report to Cabinet on 19 July 2016 showed an un-earmarked closing balance at the end of 2015/16 of £1.178m.
1.24	The 2016/17 budget for the HRA is £31.979m which includes a movement of £0.080m from reserves.
1.25	The Month 8 monitoring for the HRA is projecting in year expenditure to be £0.037m higher than budget and a closing balance as at 31 March 2017 of £1.061m, which at 3.3% of total expenditure satisfies the prudent approach of ensuring a minimum level of 3%.

2.00	RESOURCE IMPLICATIONS
2.01	The Revenue Budget Monitoring Report reflects the planned use of the financial resources of the Council for the current financial year and details the variations in the first eight months and the risks as known.

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	None required.

4.00	RISK MANAGEMENT
4.01	Achievement of Planned In-Year Efficiencies The Council sets a challenging level of specified efficiencies to be achieved in-year as part of its approach to annual budget planning. These efficiencies are generated from the three year service portfolio business plans and from corporate financial planning. In recent years the level of efficiency achievement has averaged at around 85%. The current assessment of the efficiency profile for 2016/17 shows that 89% of the efficiencies would be achieved. There is an ongoing risk that the shortfall cannot be mitigated other than by drawing on temporary funding from the Contingency Reserve. There is a further risk that any ongoing under-achievement of efficiencies will have a recurring and negative impact on the 2017/18 budget as an efficiency target deficit would in effect be carried forward. Risk status: stable/green risk for 2016/17 only.
4.02	In-Year Reductions in Government Specific Grants This has been a trend in recent years whereby specific grants awarded by

	<p>Government, and its grant awarding bodies, can be reduced in year and with limited notice. In such cases the Council faces the difficult choice of either reducing the services which the grants fund or absorbing the grant deficit as an in-year cost pressure. Whilst grants are tracked and representations are made to Government when any risks of grant reductions become known, this remains an open risk though variations should not occur at this late stage of the financial year. Although the in-year risk has now reduced a significant risk still exists for 2017/18 onwards. Risk status: stable/green risk for 2016/17 only.</p>
4.03	<p>Cost Pressures in Residential and Domiciliary Care</p> <p>The Council is faced with having to meet high levels of annual cost inflation for commissioned places and homecare packages in the residential and domiciliary provider markets due, in the main, to the introduction of the Living Wage and its impact on the payroll costs of providers. In setting its annual budget the Council referred to the need to set aside reserves of £0.646m to meet the additional inflationary costs for 2016/17 as a temporary funding solution, if additional funding was not available to fund these increases. The Council has secured £0.500m from the Intermediate Care Fund (ICF) to part fund these costs. This will mean that only an amount of £0.146m will need to be met from reserves. The projected budget figures for the Social Services portfolio for 2016/17 reflect this net cost. There is no confirmation at this stage that the use of the ICF in this way will be continued for 2017/18 and the inflationary costs within the care sector will continue to increase as profiled in previous reports. Therefore there are risks of significant cumulative cost pressures in this sector.</p> <p>Risk status: stable/amber risk for 2016/17 only.</p>
4.04	<p>Municipal Mutual Insurance (MMI)</p> <p>MMI was the predominant insurer of public sector bodies prior to 1992 before going into liquidation. Flintshire was required to pay a levy of 15% of its share of the claims paid out previously and for any future claims. Other local authorities likewise have to make a contribution. When MMI's administrator published their 2015 accounts it showed that due to an increase in the number of claims overall there would need to be an increase in the levy to meet liabilities. A recommendation was approved in 2015/16 to meet a significant liability which reflects a 20% increase in the levy. MMI have recently published their 2016 Accounts which indicate no further increase in the levy at this time. The in-year risk is therefore closed although this risk will remain next year as the risk of a further increase in the levy remains open as legal work on claims is protracted with uncertain outcomes.</p> <p>Risk status: stable/green risk.</p>
4.05	<p>Historic Child Abuse Settlements</p> <p>A number of historic child abuse cases, which predate the existence of Flintshire County Council, have been settled this financial year. There are still a number of outstanding cases to be settled and it is not possible to estimate the full financial impact of these at this stage. The financial</p>

	<p>provision set aside may not prove to be sufficient to meet the total liabilities of all cases when closed. Within the month 3 report a contribution from the contingency reserve was agreed to meet the settlement costs paid along with any future costs. The settlement costs incurred to date total £0.146m. Risk status: unstable/amber risk.</p>
4.06	<p>Landfill Site Energy Income</p> <p>The Council derives an income from the sale of electricity produced from gas extraction at the Standard and Brookhill landfill sites. Energy production and therefore income levels have been reducing over time. There is potential for further loss of gas engine income through diminishing levels of gas. The service is being out-sourced to remove the risk longer-term and a budget pressure has been included from 2017/18. Risk status: stable/green risk.</p>
4.07	<p>Orphaned Industrial Site at Sandycroft</p> <p>The contract for the removal of all Isosorbide Dinitrate (ISDN) chemical deposits, site cleansing and site close-down will come to a conclusion in the early winter. The contract has had to be flexible to meet the unforeseen nature of the materials and how they were left and stored given the unique circumstances of this case (the former Euticals company). The contract to remove the higher level risk (ISDN) has been completed at the end of December 2016. Final site works will be completed in the early new year in readiness for site disposal. Risk status: unstable/amber risk.</p>
4.08	<p>Infrastructure for improvement works at Bagillt</p> <p>Flooding events in the Bagillt area resulted in a number of properties being flooded. Drainage works have been carried out to improve the existing system and further investigatory works are being undertaken which are revealing further issues that are being addressed. This risk is now closed.</p>
4.09	<p>Procurement of Transport Services</p> <p>As explained in 1.04 above there is an in-year budget risk of an additional procurement cost of £0.440m for local transport services. The Welsh Government has offered a provisional grant award to the three North East Wales local authorities for 2016/17 only. Negotiations are ongoing with Welsh Government and the neighbouring authorities on grant distribution. Risk status: unstable/amber risk.</p>
4.10	<p>Minimum Revenue Provision (MRP)</p> <p>The Council has reviewed its policy of accounting for MRP in conjunction with its Treasury Management Advisors. This has resulted in a reduction to the in-year amount and is reflected in the outturn position. This risk is now closed.</p>
4.11	<p>Out of County Placements</p>

	<p>The risk is the volatility in demand and the impacts on service costs which cannot be predicted with any certainty. There is always a risk of significant variances occurring although this area continues to be closely monitored. The main influence on this increase is the new Social Services and Wellbeing Act which has led to a higher number of court outcomes and placements has increased the financial pressure on this service area. Legal and Social Service Managers are working together to make a compelling case for alternative care arrangements to placements at forthcoming court cases, and so reduce the level of Out of County placement being made.</p> <p>Risk status: unstable/red risk.</p>
4.12	<p>Children's Services</p> <p>Children's Services are experiencing high levels a demand including child protection work and the need for intensive support for older children with complex needs. Priorities are being developed to help respond to increasing service demand and to provide a greater range of targeted community support.</p> <p>Risk status: unstable/red risk.</p>

5.00	APPENDICES
5.01	<p>Appendix 1: Council Fund – Movement in Variances from Month 7 Appendix 2: Council Fund – Budget Variances Appendix 3: Council Fund – Programme of Efficiencies Appendix 4: Council Fund – Movement on Un-earmarked Reserves Appendix 5: Housing Revenue Account Variances</p>

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	<p>None required</p> <p>Contact Officer: Sara Dulson Telephone: 01352 702287 E-mail: sara.dulson@flintshire.gov.uk</p>

7.00	GLOSSARY OF TERMS
7.01	<p>Budget: a statement expressing the Council's policies and service levels in financial terms for a particular financial year. In its broadest sense it includes both the revenue budget and capital programme and any authorised amendments to them.</p> <p>Council Fund: the fund to which all the Council's revenue expenditure is charged.</p> <p>Financial Year: the period of twelve months commencing on 1 April.</p>

Housing Revenue Account: the Housing Revenue Account (HRA) is a local authority account showing current income and expenditure on housing services related to its own housing stock. The account is separate from the Council Fund and trading accounts and is funded primarily from rents and government subsidy.

Projected Outturn: projection of the expenditure to the end of the financial year, made on the basis of actual expenditure incurred to date.

Reserves: these are balances in hand that have accumulated over previous years and are held for defined (earmarked reserves) and general (general reserves) purposes. Councils are required to regularly review the level and purpose of their reserves and to take account of the advice of the Chief Finance Officer.

Revenue: a term used to describe the day-to-day costs of running Council services and income deriving from those services. It also includes charges for the repayment of debt, including interest, and may include direct financing of capital expenditure.

Underspend: when referring to expenditure the actual expenditure incurred is less than budget. Shown as a –ve. When referring to income the actual income achieved exceeds the budget. Shown as a –ve.

Variance: difference between latest budget and actual income or expenditure. Can be to date if reflecting the current or most up to date position or projected, for example projected to the end of the month or financial year.

Virement: the transfer of budget provision from one budget head to another. Virement decisions apply to both revenue and capital expenditure heads, and between expenditure and income, and may include transfers from contingency provisions. Virements may not however be approved between capital and revenue budget heads.

Medium Term Financial Strategy: a written strategy which gives a forecast of the financial resources which will be available to a Council for a given period, and sets out plans for how best to deploy those resources to meet its priorities, duties and obligations.

Minimum Revenue Provision (MRP): A charge made to the Council Fund to repay borrowing taken out for capital expenditure. Authorities must determine their own prudent MRP charge each year, taking into consideration statutory guidance issued by the Government.

Budget Monitoring Report
Council Fund Variances

MONTH 8 - SUMMARY

Service	Movement between Periods (£m)	Narrative for Movement between Periods greater than £25k
Social Services		
Older People		
Localities	0.074	Budget realignment to Learning Disabilities to partly address pressures within external care provision.
Resources & Regulated Services	(0.164)	Residential Care Homes (£0.093m) - including reduction in catering recharges, Home care - reduced pay cost projections (£0.045m), extra care - vacancy savings (£0.010m), Day centres - vacancy savings (£0.016m).
Other Minor Variances	(0.003)	
Disability Services		
Resources & Regulated Services	(0.121)	Virement of budget for Fee Increases & Inflation from Older People Service.
Administrative Support	0.123	Admin vacancy savings now transferred to Business Support service.
Transition & Disability Services	(0.053)	Agency staff costs transferred to Childrens Services Professional Support Service.
Other Minor Variances	0.004	
Mental Health Services		
Voluntary Sector Services	0.018	Minor variances.
Intensive Support	(0.022)	Minor variances.
Residential Placements	(0.105)	The reduction in overspend is due to additional joint funding contributions from the Health Board which were not previously agreed.
Employment & Occupation	0.028	£0.010m British Gas invoices. £0.004m Gardening services adj to net nil.
Ring-fenced budget	(0.020)	Minor variances.
Other Minor Variances	(0.002)	
Children's Services		
Family Placement	(0.046)	Reduction in projected cost of payments to Foster parents.
Grants	(0.019)	Minor variances.
Professional Support	0.177	There has been difficulty recruiting to vacant social worker posts, coupled with an increase in service demand this has resulted in a necessary increase in agency staff - this includes costs transferred from Transition and Disability Services.
Out of County Placements	0.141	Further increases in placement costs - now validated following an extensive review process.
Other Minor Variances	0.011	
Development & Resources		
Charging Policy income	0.023	Minor variances.
Business Support Service	(0.118)	This is a new service created within the Social Services portfolio as the final outcome of the cross Organisation review of Admin. These savings were previously reported partly within other Social Services areas and partly within other portfolios and relate to short term vacancy savings and other non staff budget savings such as stationery.
Finance /Deputyship	(0.014)	Minor variances.
Safeguarding Unit	(0.013)	Minor variances.
Good Health	(0.016)	Minor variances.
Other Minor Variances	(0.004)	
Total Social Services	(0.121)	

Budget Monitoring Report
Council Fund Variances

MONTH 8 - SUMMARY

Service	Movement between Periods (£m)	Narrative for Movement between Periods greater than £25k
Community & Enterprise		
Customer And Housing Services	0.011	Contact centre review shortfall £0.075m. Customer Services minor variances (£0.017m). Connects minor variances (£0.015m). Customer and Housing services minor variances (£0.032m).
Council Fund Housing	(0.030)	Vacancy savings identified to offset Telecare pressures (£0.108m). Increased Telecare monitoring charges £0.020m. Additional equipment costs and repairs £0.030m. Reduction in Telecare income £0.054m. Minor Variances (£0.026m).
Regeneration	(0.037)	Reduction in market income shortfall £0.009m. Grant recharges £0.036m.
Revenues & Benefits	(0.020)	Further underspend on the Council Tax Reduction Scheme provision (£0.016m). Movement in surplus on the Council Tax Collection Fund (£0.005m).
Housing Programmes	0.032	SHARP feasibility works at Flint Police Station £0.055m. Other minor variances (£0.023m).
Total Community & Enterprise	(0.044)	
Streetscene & Transportation		
Ancillary Services & Performance		
Waste Collection	0.018	Minor variances.
Bereavement Services	(0.014)	Minor variances.
Highways Network		
Highways Network	(0.075)	£0.061m of improvement works on the Bagillt flooding event has been capitalised in the land drainage programme.
Transportation & Logistics		
Transportation	(0.025)	Minor variances.
Other Minor Variances	(0.003)	
Total Streetscene & Transportation	(0.099)	
Planning & Environment		
Business		
Pollution Control	0.014	Minor variances.
Minor Variances	(0.004)	
Community		
Licensing	(0.034)	Increase in Licensing Income
T/S Investigations	0.017	Minor variances.
Minor Variances	0.002	
Development		
Land Charges	0.023	Lower than expected Search Fee income received in Period 08.
Development Management	0.111	Revised outturn for Planning Fee Income.
Minor Variances	0.001	
Access		
Public Rights Of Way	0.017	Minor variances.
Minor Variances	(0.004)	
Strategy		
Minor Variances	0.012	
Management Strategy		
Other Minor Variances	0.001	
Total Planning & Environment	0.156	

Budget Monitoring Report
Council Fund Variances

MONTH 8 - SUMMARY

Service	Movement between Periods (£m)	Narrative for Movement between Periods greater than £25k
Education & Youth		
Integrated Youth Provision	(0.021)	Minor variances.
Other Minor Variances	0.002	
Total Education & Youth	(0.018)	
Schools	(0.000)	
People & Resources		
HR & OD	(0.009)	Minor variances.
Corporate Finance	0.001	Minor variances.
Total People & Resources	(0.008)	
Governance		
Legal Services	0.012	Minor variances.
Democratic Services	0.026	A new structure for Democratic Services has been approved and implemented, the financial implications of which are reflected in this month. The new structure came into effect later in the year than expected which has led to a higher level of workforce expenditure being incurred.
Internal Audit	(0.062)	A number of vacancies have occurred this financial year. Whilst options for future service delivery were being considered the in-year vacancy savings were unable to be accurately reported until this month.
Procurement	0.004	Minor variances.
Business Support	0.030	The budget and projected expenditure for this service has been transferred to Social Services as part of the review of Corporate Administration. The underspend which had been previously reported is now within the Social Services portfolio.
ICT	(0.000)	No variance.
Total Governance	0.010	
Organisational Change 1		
Public Libraries & Arts, Culture & Events	(0.001)	Minor variances.
Museums	0.000	Minor variances.
County Archives	(0.002)	Minor variances.
Leisure	0.001	Minor variances.
Community Assets	0.000	Minor variances.
Total Organisational Change 1	(0.002)	
Organisational Change 2		
Administrative Buildings	(0.032)	In-year efficiency on utility bills through the closure of Phases 3 and 4 County Hall.
CPM & Design Services	(0.046)	Additional design fees secured by the service.
Catering	(0.041)	Additional catering income through leaner processes within primary schools.
Minor Variances	0.004	
Total Organisational Change 2	(0.115)	
Chief Executive	0.010	Minor variances.

Budget Monitoring Report
Council Fund Variances

MONTH 8 - SUMMARY

Service	Movement between Periods (£m)	Narrative for Movement between Periods greater than £25k
Central and Corporate Finance	(2.615)	As a result of changes to the Minimum Revenue Provision (MRP) policy, as agreed by Council on 6th December 2016 (£2,886m). Pension deficit recovery increase £0.100m. Increased costs on commercial property £0.035m. Support Services recharge £0.140m, as a result of the reduction in services across the Council the annual support service recharges will be less than in previous years. Minor Variances (0.004m).
Grand Total	(2.847)	

Budget Monitoring Report
Council Fund Variances

MONTH 8 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Last Month Variance (£m)	Cause of Major Variance	Action Required
Social Services Older People Localities	15.880	15.218	(0.662)	(0.736)	Domiciliary Care reflects a projected underspend of (£0.203m) based on existing clients. Other main influences on this projected underspend include Minor Adaptations (£0.099m) for which the local demand is currently being met by the Intermediate Care Fund. Additional one-off income has been received from Intermediate Care Fund (ICF) to contribute to provider fee increases. Other underspends are as a result of full year vacancy savings from within the Single Point of Access team (£0.136m). Residential Care has a projected underspend of £0.146m including property income of (£0.023m) and client contributions of (£0.056m). Locality teams staffing reflects a projected underspend of £0.070m due to short term vacancy savings. Overall net minor variances of £0.008m.	Keep under review with consideration for further potential realignment.
Reablement Services	0.441	0.388	(0.053)	(0.045)	Projected underspend is due to unbudgeted additional Continuing Health Care funding from Betsi Cadwaladr University Health Board (BCUHB).	

Budget Monitoring Report
Council Fund Variances

MONTH 8 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Last Month Variance (£m)	Cause of Major Variance	Action Required
Community Equipment Contribution	0.477	0.323	(0.154)	(0.155)	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 from FCC going forward.	Maintain underspend in current financial year, pending realignment from 2017/18 to meet revenue costs of Flint Extra Care Scheme.
Resources & Regulated Services	6.035	5.785	(0.250)	(0.086)	Short term vacancy savings within provider day care services and extra care schemes plus reduced projections for internal catering recharges at Residential Care homes.	
Minor Variances	0.195	0.196	0.000	(0.004)		
Disability Services						
Resources & Regulated Services	18.258	19.089	0.831	0.952	Service user demand level is in excess of current provision. At period 08 costs have been realigned within the LD budget and projections revised.	Continue to monitor and review costs.
Disability Services	1.309	1.213	(0.097)	(0.105)	Reflects current projected placement costs.	Continue to monitor and review costs.
Forensic budget	0.529	0.318	(0.211)	(0.206)	There is a significant underspend of (£0.211m) at period 8 revised outturn based on current projected costs and increased income from Joint funded packages.	Keep under review - potential volatile service area.
Administrative Support	(1.359)	(1.112)	0.247	0.124	Shortfall in Supporting People (SP) income following review of eligibility criteria and local distribution of grant. There is no further capacity within the SP reserve as this has already been utilised in full.	

**Budget Monitoring Report
Council Fund Variances**

MONTH 8 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Last Month Variance (£m)	Cause of Major Variance	Action Required
Transition & Disability Services	0.627	0.564	(0.063)	(0.010)	Reduced service user demand and vacancy savings.	
Minor Variances	0.069	0.071	0.003	0.002		
Mental Health Services						
Residential Placements	0.844	0.883	0.039	0.144	Reflects current projected placement costs.	Keep under review.
Substance Misuse	0.274	0.340	0.066	0.073	Pay cost pressures in a number of areas together with a reduced income commitment for the Substance Misuse Action Fund (SMAF) grant.	Work being undertaken to review.
Employment & Occupation	0.444	0.406	(0.038)	(0.066)	Short term vacancy savings on work schemes.	
Minor Variances	2.046	2.050	0.004	0.023		
Children's Services						
Family Placement	2.394	2.441	0.047	0.094	The overspend is due to foster care placement demand and also court orders for residence and special guardianship orders.	Opportunity for budget realignment to be carried out to mitigate overspends within the service.
Prevention & Support	0.196	0.156	(0.040)	(0.050)	Savings on legal fees and S17 permanency allowances.	
Residential Placements	0.398	0.471	0.073	0.086	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	4.638	5.324	0.686	0.509	Increasing overspend in Duty and Assessment team which is due to the need to deploy staff to address key risks within this area of service. An allocation of £0.100m has been made from Contingency reserve as approved by Cabinet to help alleviate this pressure.	Continue to monitor and review.

Budget Monitoring Report
Council Fund Variances

MONTH 8 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Last Month Variance (£m)	Cause of Major Variance	Action Required
Out of County Placements	3.434	4.060	0.626	0.485	There has been an unprecedented increase in the number of Child and Parent placements, being 8 placements, of which 7 have been the subject of court/legal determinations. The main influence on this is the new Social Services and Wellbeing Act which enables judges to require Local Authorities to demonstrate that the needs of parents are being met and that there is a proactive investment in removing barriers/supporting parents to be able to care for their children.	Continue to monitor and review.
Minor Variances	1.076	1.004	(0.072)	(0.067)		
Development & Resources						
Charging Policy income	(1.929)	(2.059)	(0.130)	(0.153)	The increase in income is due to recent changes in the treatment of certain disregards within service user financial assessments.	Continue to monitor and review
Business Support Service	1.223	1.105	(0.118)	0.000	This is a new service bringing together generic admin. capacity from a number of portfolios following the cross organisation review of Admin. The savings arise mainly from vacancies plus an element of non-staff savings such as Stationery.	Continue to monitor and review

**Budget Monitoring Report
Council Fund Variances**

MONTH 8 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Last Month Variance (£m)	Cause of Major Variance	Action Required
Safeguarding Unit	0.821	0.914	0.093	0.105	The projected overspend is a combination of additional legal and medical costs associated with the Deprivation of Liberty Safeguards (DOLS) assessments and a shortfall of budget income from Supporting People Grant. and a contribution to the North Wales Safeguarding Board.	Continue to monitor and review
Good Health	0.915	0.780	(0.136)	(0.120)	The underspend is mainly due to short term vacancy savings and reductions in payments to voluntary organisations.	Continue to monitor and review.
Minor Variances	1.593	1.498	(0.095)	(0.077)		
Total Social Services	60.829	61.425	0.595	0.717		

Budget Monitoring Report
Council Fund Variances

MONTH 8 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Last Month Variance (£m)	Cause of Major Variance	Action Required
Community & Enterprise Customer And Housing Services	1.320	1.311	(0.009)	(0.020)	Implementation of the Contact Centre Review is expected to begin towards the end of the 2016/17 financial year resulting in a shortfall of £0.075m. Customer Services and Flintshire Connects service efficiencies of £0.039m. Other Customer and Housing Services efficiencies identified resulting from vacancy and other service savings of £0.045m.	Continue to monitor and review.
Council Fund Housing	(0.324)	(0.331)	(0.008)	0.023	Accommodation Support vacancy savings of £0.108m identified to offset the pressures on Telecare resulting from increased call monitoring charges (£0.020m), equipment purchase and repairs (£0.030m) and reduced Telecare income (£0.054m). Other minor variances of £0.004m.	Continue to monitor and review.
Regeneration	0.377	0.407	0.031	0.067	Estimated shortfall of £0.047m in markets due to income targets increasing in line with inflation each year, where charges have not increased at the same rate. Regeneration efficiency due to the reallocation of officer time to specific grants (£0.036m). Other minor variances £0.015m.	Continue to monitor and review.
Revenues & Benefits	10.886	10.341	(0.545)	(0.525)	Projected underspend on the budgeted provision for the Council Tax Reduction Scheme of (£0.279m). Projections indicate an anticipated surplus on the Council Tax Collection Fund of (£0.300m). Other minor variances £0.034m.	Continue to monitor closely as these areas are highly volatile and projections are likely to change.

Budget Monitoring Report
Council Fund Variances

MONTH 8 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Last Month Variance (£m)	Cause of Major Variance	Action Required
Housing Programmes	0.178	0.213	0.035	0.003	Pressure of £0.055m on the SHARP programme relating to feasibility works at the Flint Police Station site. If the scheme is approved prior to year end, this cost will be capitalised. Other minor variances of £0.020m.	Continue to monitor and review.
Total Community & Enterprise	12.437	11.941	(0.496)	(0.452)		

Budget Monitoring Report
Council Fund Variances

MONTH 8 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Last Month Variance (£m)	Cause of Major Variance	Action Required
Streetscene & Transportation Ancillary Services & Performance						
Waste Collection	7.425	7.672	0.247	0.228	Solar Energy Production at Landfill commenced from October, resulting in an in-year shortfall of £0.065m. Adverse variance of £0.240m relating to reduced electricity sales from reducing levels of gas extraction at the Standard and Brookhill landfill sites. Final part-year reduced payment of prudential borrowing for black bins (£0.100m). Improved position from recycling income of £0.120m. Additional costs for disposal of hazardous waste from HRC sites £0.050m. Additional plant hire costs across the service of £0.040m and cumulative minor variances within waste services of £0.065m.	Gas engine income levels being monitored monthly and contracts being prepared for the service to be outsourced. Reported in Programme Tracker. Pressure in 2017/18 relating to the ESD grant. WG have confirmed a 6.7% reduction in the grant.
Other Minor Variances	0.653	0.647	(0.006)	0.009		

Budget Monitoring Report
Council Fund Variances

MONTH 8 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Last Month Variance (£m)	Cause of Major Variance	Action Required
Highways Network Highways Network	7.461	7.542	0.081	0.155	Due to ongoing discussions on Community Asset Transfers (CATs), the maintenance liability being transferred for Cemeteries to Town/Community Councils totalling £0.050m has not yet been implemented. Probation Service Litter Collection will be implemented later than anticipated, totalling £0.050m. £0.061m of improvement works on the Baglilt flooding event has been capitalised in the land drainage programme. Additional costs and staff time still being picked up by the area teams for ongoing maintenance works.	Keep under review as part of MTFS Reported in Programme Tracker.
Transportation & Logistics Logistics & Resource Services	4.524	4.602	0.078	0.081	Neighbouring Authorities not willing to share specialist plant, £0.050m. Further overruns relate to minor variances across the service area.	Keep under review as part of MTFS Reported in Programme Tracker.
School Transport	4.972	5.100	0.128	0.126	Estimated additional subsidy costs following re-procurement for covering former GHA services for school transport following the company going into liquidation, £0.125m.	WG have been consulted upon with regard to funding the additional costs. Funding highly unlikely due to Statutory provision requirements. Therefore, consideration will be required in the MTFS 2017/18 taking account of full year effect.

Budget Monitoring Report
Council Fund Variances

MONTH 8 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Last Month Variance (£m)	Cause of Major Variance	Action Required
Transportation	1.928	2.206	0.277	0.302	Estimated additional subsidy costs following re-procurement of services provider going into liquidation, £0.285m. This includes the costs of former commercial services routes.	Consideration in MTF5 2017/18 if no WG funding is forthcoming after 2016/17, taking account of full year effect.
Other Minor Variances	1.563	1.537	(0.026)	(0.023)		
Total Streetscene & Transportation	28.527	29.306	0.779	0.878		

Budget Monitoring Report
Council Fund Variances

MONTH 8 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Last Month Variance (£m)	Cause of Major Variance	Action Required
Planning & Environment Business						
Pollution Control	0.474	0.538	0.063	0.049	for 2x temporary EHO posts (funding due from Corporate) plus 1 EHO post funded by SLA with Community & Enterprise.	
Minor Variances	1.158	1.137	(0.021)	(0.018)		Continue to monitor committed expenditure and reduce/remove commitments where possible.
Community						
Minor Variances	0.916	0.804	(0.112)	(0.096)		Continue to monitor committed expenditure and reduce/remove commitments where possible.
Development						
Development Management	(0.339)	(0.051)	0.288	0.177	High Risk of further possible shortfall from Planning Application Fee income, At period 08 the shortfall is estimated to be £0.215m as the economy has not continued to recover to the extent which the 3 year Business Plan forecast. This has resulted in a lesser volume of applications being submitted than previously predicted.	
Minor Variances	0.190	0.191	0.002	(0.022)		Continue to monitor committed expenditure and reduce/remove commitments where possible.
Access						
Minor Variances	1.322	1.294	(0.028)	(0.042)		Continue to monitor committed expenditure and reduce/remove commitments where possible.
Shared Services						
Minor Variances	0.165	0.165	0.000	(0.000)		Continue to monitor committed expenditure and reduce/remove commitments where possible.
Strategy						

Budget Monitoring Report
Council Fund Variances

MONTH 8 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Last Month Variance (£m)	Cause of Major Variance	Action Required
Minor Variances	0.832	0.876	0.044	0.032		Continue to monitor committed expenditure and reduce/remove commitments where possible.
Management Strategy	0.412	0.497	0.085	0.084		Continue to monitor committed expenditure and reduce/remove commitments where possible.
Total Planning & Environment	5.130	5.451	0.321	0.164		
Education & Youth						
Inclusion & Progression	7.055	7.121	0.066	0.058	Movement in Out of County projected expenditure, which follows receipt of Individual Placement Agreements (templates).	A Task and Finish group is operational. An Invest to Save post has been identified to support a reduction in the overspend. Improved monitoring systems are being developed and implemented. Detailed review of all placements is on going.
Minor Variances	4.349	4.284	(0.065)	(0.040)		
Total Education & Youth	11.404	11.405	0.000	0.019		
Schools	87.762	87.762	(0.000)	(0.000)		

**Budget Monitoring Report
Council Fund Variances**

MONTH 8 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Last Month Variance (£m)	Cause of Major Variance	Action Required
People & Resources						
HR & OD	2.258	2.183	(0.074)	(0.066)	The projected underspend is mostly due to current workforce vacancies.	Continue to monitor and review.
Corporate Finance	2.388	2.462	0.075	0.074	The projected overspend comprises of a shortfall in the Grant Income recharge target and an in-year underachievement on the Finance Modernisation Efficiency.	Continue to explore alternative income maximisation opportunities and progress the finance modernisation project.
Total People & Resources	4.646	4.646	0.000	0.008		
Governance						
Legal Services	0.642	0.678	0.036	0.024	Minor variances.	Continue to monitor and review.
Democratic Services	1.872	1.894	0.022	(0.004)	Minor variances.	Continue to monitor and review.
Internal Audit	0.434	0.366	(0.068)	(0.006)	The projected underspend is due to workforce vacancies.	Current vacancies are expected to remain vacant until the end of the financial year while the level of service is being assessed with this reduced capacity.
Procurement	0.166	0.197	0.031	0.026	Minor variances.	Continue to monitor and review.
Business Support	0.001	0.001	0.000	(0.030)	No variance.	
ICT	4.602	4.645	0.043	0.043	Minor variances.	Continue to monitor and review.
Total Governance	7.716	7.781	0.064	0.054		

**Budget Monitoring Report
Council Fund Variances**

MONTH 8 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Last Month Variance (£m)	Cause of Major Variance	Action Required
Organisational Change 1						
Public Libraries & Arts, Culture & Events	1.656	1.640	(0.016)	(0.015)	Minor variances.	Continue to monitor and review.
Museums	0.064	0.064	0.000	0.000	Minor variances.	Continue to monitor and review.
County Archives	0.281	0.277	(0.004)	(0.002)	Minor variances.	Continue to monitor and review.
Leisure	3.946	4.039	0.093	0.092	The CAT transfer at Holywell Leisure Centre is now expected to be phased between the end of December 2016 and 1st March 2017. This results in a pressure of £0.070m this year which is associated with continuing to operate the centre as a Council prior to full handover to the community to ensure continuity of operation. Other minor variances of £0.023m.	Continue to monitor and review.
Community Assets	0.024	0.024	0.000	0.000	Minor variances.	Continue to monitor and review.
Total Organisational Change 1	5.972	6.045	0.073	0.075		
Organisational Change 2						
Administrative Buildings	1.227	1.192	(0.035)	(0.003)	(£0.035m) in year utility savings realised from the closure of phase 3 and 4 County Hall. Adverse weather conditions over the coming months may impact on this saving.	Close Monitoring required.
Agricultural Estates	(0.168)	(0.162)	0.005	0.003	Minor variances.	
Property Holdings	0.015	0.015	(0.000)	0.000	Minor variances.	
Property Asset And Development	0.590	0.310	(0.280)	(0.281)	In-year salary savings as a result of the proposed staffing restructure.	
CPM & Design Services	0.703	0.572	(0.130)	(0.084)	Additional design fees secured by the team over an above the income target.	
Industrial Units	(1.239)	(1.058)	0.181	0.169	Shortfall in rental income (offset by in-year savings).	

Budget Monitoring Report
Council Fund Variances

MONTH 8 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Last Month Variance (£m)	Cause of Major Variance	Action Required
Catering	0.792	0.695	(0.097)	(0.056)	(£0.561m) additional income projected above income target. (£0.041m) Leaner processes within the primary schools have contributed towards this saving.	
Caretaking & Security	0.299	0.299	(0.000)	0.000	Minor variances.	
Facilities HQ	0.200	0.200	0.001	(0.000)	Minor variances.	
Cleaning	0.006	(0.031)	(0.037)	(0.035)	Minor variances.	
CCTV & Open Spaces	0.192	0.210	0.018	0.028	Minor variances.	
Total Organisational Change 2	2.572	2.196	(0.376)	(0.261)		
Chief Executive	3.176	3.134	(0.042)	(0.052)	Minor variances.	Continue to monitor and review.

**Budget Monitoring Report
Council Fund Variances**

MONTH 8 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Last Month Variance (£m)	Cause of Major Variance	Action Required
Central and Corporate Finance	21.814	19.818	(1.995)	0.619	An underspend of (£2.998m) within the Central Loans and Investment Account, (£0.111m) is due to reduced level of borrowing, and higher than projected income from investments, (£2.886m) is due changes to the Minimum Revenue Provision (MRP) policy as agreed by Cabinet on 6th December 2016. Additional Matrix rebate income of (£0.120m).	Central Loans and Investment Account, keep under review. Matrix Rebate income, continue to monitor.
					Workforce efficiencies showing an underachievement of £0.278m.	Workforce Efficiencies, continue to identify further savings.
					Additional income generating activities, an underachievement of £0.300m, though work is continuing to identify areas of opportunity.	Additional Income Generating Activities, in year pressure only.
					In year pressure £0.178m due to non domestic rates liability on a commercial property.	Commercial Property liability, in year pressure.
					In year underspend on Audit Fees of (£0.088m)	Audit Fees reduced, additional identified efficiency

Budget Monitoring Report
Council Fund Variances

MONTH 8 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Last Month Variance (£m)	Cause of Major Variance	Action Required
Central and Corporate Finance					<p>Windfall income, in year pressure £0.125m.</p> <p>Pension deficit recovery pressure of £0.250m, due to opt out rates.</p> <p>There is an underspend of (£0.070m) on centrally held inflation.</p> <p>Support Service areas have decreased, impacting on the recharge £0.140m.</p> <p>Minor variances £0.010m.</p>	<p>Windfall Income, keep under review.</p> <p>Pension Deficit Recovery, keep under review and consider impact alongside actuarial review.</p> <p>Pay related Inflation, keep under review in case of any emerging in year issues.</p> <p>Support Services, work is ongoing to review the impact.</p>
Grand Total	251.984	250.908	(1.076)	1.771		

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)
Central & Corporate Finance			
Additional Income Generating Activities.	0.500	0.200	(0.300)
Workforce Efficiency.	0.500	0.222	(0.278)
Total Central & Corporate Finance	1.000	0.422	(0.578)
Chief Executive's			
Voluntary Sector Grants review.	0.070	0.090	0.020
Total Chief Executive's	0.070	0.090	0.020
People & Resources			
Finance Modernisation	0.135	0.092	(0.043)
Total People & Resources	0.135	0.092	(0.043)
Education & Youth			
School Modernisation.	0.187	0.123	(0.064)
Total Education & Youth	0.187	0.123	(0.064)
Organisational Change 1			
Community Asset Transfers.	0.544	0.474	(0.070)
Total Organisational Change 1	0.544	0.474	(0.070)
Organisational Change 2			
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
Total Organisational Change 2	0.075	0.050	(0.025)
Community & Enterprise			
Telephone Contact Centre savings.	0.100	0.025	(0.075)
Galw Gofal Contract Fees.	0.030	0.015	(0.015)
Council Tax Reduction Scheme.	0.329	0.591	0.262
Total Community & Enterprise	0.459	0.631	0.172
Streetscene & Transportation			
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)
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	0.165	(0.035)
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)
Total Streetscene & Transportation	0.870	0.475	(0.395)
Planning & Environment			
Staffing - service review.	0.127	0.088	(0.039)
Various Planning Efficiencies.	0.101	0.000	(0.101)
Total Planning & Environment	0.228	0.088	(0.140)
Total 2016/17 Budget Efficiencies		%	£
Met from Contingency Reserve			11.282
Revised Efficiency Target		100	10.521
Total Projected 2016/17 Budget Efficiencies Underachieved		11	1.123
Total Projected 2016/17 Budget Efficiencies Achieved		89	9.398

APPENDIX 4

Movements on Council Fund Unearmarked Reserves

	£m	£m
Total Reserves as at 1 April 2016	10.144	
Less - Base Level	(5.769)	
Total Reserves above base level available for delegation to Cabinet		4.375
Less - allocation from contingency reserve to meet historic child claims		(0.146)
Less - allocation from contingency reserve to meet costs of summer play schemes		(0.076)
Less - allocation from contingency reserve to meet shortfall in the essential car user allowance efficiency		(0.211)
Less - allocation from contingency reserve to meet shortfall in the community asset transfers efficiency		(0.200)
Less - allocation from contingency reserve to meet shortfall in the rationalisation of household recycling centres efficiency		(0.250)
Less - allocation from contingency reserve to meet shortfall in the Flint car park income efficiency		(0.100)
Less - allocation from contingency reserve to meet shortfall in the County Hall car park income efficiency		(0.100)
Less - allocation from contingency reserve to meet the resource requirements for specialist social work for child protection		(0.100)
Plus - projected underspend as at Month 8		1.076
Total projected Contingency Reserve as at 31st March 2017		4.268

Budget Monitoring Report
Housing Revenue Account Variances

MONTH 8 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Last Month Variance (£m)	Cause of Major Variance	Action Required
Housing Revenue Account						
Income	(31.796)	(31.906)	(0.110)	(0.046)	The projected underspend of £0.110m relates to additional rent income of £0.034m. This is partly because tenants have moved into Custom House properties earlier than expected and also because void rent loss is less than budgeted. £0.077m relates to savings on revenue costs associated with void properties such as council tax and costs of respite. These are included in the income line to show the total rent loss for voids. This saving will be used to fund the additional WHQS costs on void properties.	
Capital Financing - Loan Charges	7.285	7.098	(0.187)	(0.161)	The projected underspend of £0.187m relates to a reduction in the anticipated borrowing costs apportioned to the HRA. This is due to the reduction in Flintshires total borrowing requirement and the reduction in interest rates following the BREXIT referendum	
Estate Management	1.530	1.499	(0.031)	(0.021)	Minor variance	
Landlord Service Costs	1.207	1.206	(0.001)	(0.000)	Minor variance	
Repairs & Maintenance	9.546	9.419	(0.127)	0.203	The projected underspend of £0.127m consists of £0.106m savings on staff costs because of vacant positions. £0.065m relates to anticipated savings on fleet recharges. This is because some of the expenditure relating to work on disabled adaptations can be capitalised. £0.036m relates to reduced expenditure on materials. £0.080m relates to a reduction in recharges to other departments.	
Management & Support Services	2.232	2.271	0.040	0.062	Minor variance	

Budget Monitoring Report
Housing Revenue Account Variances

MONTH 8 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Last Month Variance (£m)	Cause of Major Variance	Action Required
Capital Expenditure From Revenue (CERA)	10.077	10.530	0.453	(0.000)	The movement of £0.453m relates to a contribution from revenue budgets towards WHQS work on void properties. £0.386m of this was previously reported as void revenue expenditure and has been re-classified as capital. The remaining £0.067m is using the movements on other areas of the HRA to contribute to these costs to avoid the costs of having to borrow.	
Contribution To / (From) Reserves	(0.080)	(0.118)	(0.037)	(0.037)	Minor variance	
Total Housing Revenue Account		(0.000)	(0.000)	0.000		