

Budget Monitoring Report
Council Fund Variances

MONTH 4 - SUMMARY

| Service | Approved Budget (£m) | Projected Outturn (£m) | Annual Variance (£m) | Cause of Major Variances greater than £0.050m | Action Required |
|----------------------------------|-------------------------|---------------------------|-------------------------|--|---|
| Social Services | | | | | |
| Older People | | | | | |
| Localities | 18.780 | 18.087 | -0.693 | Residential and Nursing Care is projecting a £0.456m underspend due to fluctuation in demand for residential and nursing care placements and increases in capital limits. Staff budgets are underspending within Intake/First Contact and Localities Teams, not all staff are currently paid top of grade and there are also in-year savings due to short term vacancies. | ICF Grant funding is used to fund residential care to reduce the amount of time people spend in hospital. If this funding is fully spent during the year slippage on the residential care budget is required to continue minimising hospital stays. |
| Reablement Services | 0.544 | 0.418 | -0.127 | This service is expected to underspend due to in-year savings from vacancies. | |
| Resources & Regulated Services | 6.672 | 7.308 | 0.636 | Council provided residential care is £0.420m overspent due to relief and agency cover. Relief and agency staff are required to maintain the mandatory level of staff within the residential homes, however the amount of budget to fund this is low and does not contain contingencies for sickness absences. There are also pressures from buildings expenditure such as repairs and maintenance. | |
| Minor Variances | 0.851 | 0.861 | 0.010 | | |
| Adults of Working Age | | | | | |
| Resources & Regulated Services | 24.240 | 23.559 | -0.680 | This is due to a combination of a decrease in high cost placements at the end of 2018/19 with the subsequent full year financial impact showing in 2019/20 and inflation provision for care provider fee increases not automatically passing to all providers and in some cases are only considered upon request. | This service area is subject to changes in demand for services. There are always a number of potential service users which may require services in the future. Although these service users are known to us at this time the most appropriate care package has not yet been determined and full costs associated for their care cannot yet be estimated and included within this month's financial projections. There is also potential for providers to request increases in their fees and the Council is currently negotiating with a specialist provider over a proposed uplift for 2019/20. A virement amount for £0.250m has been requested to be transferred to the Mental Health service. |
| Transition & Disability Services | 0.784 | 0.676 | -0.108 | This service is expected to underspend due to not all staff at top of grade and one off in-year vacancy savings. | |
| Residential Placements | 1.241 | 1.603 | 0.362 | The overspend is because of the number of residential placements currently funded. | This service is a demand led service and can be volatile. A budget virement for £0.250m from Disability Services is requested. |
| Professional Support | 0.823 | 0.739 | -0.084 | Salary underspends due to staff not being top of scale and vacancy savings. | |
| Minor Variances | 2.942 | 2.930 | -0.013 | | |
| Children's Services | | | | | |
| Family Placement | 2.564 | 2.872 | 0.309 | The overspend is due to current demands on the service from the number of fostering placements, which in some cases avoid making an Out of County placement. The main pressure areas are payments for foster care, foster agencies and special guardianship payments. | |

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| Family Support | 0.371 | 0.484 | 0.113 | This is due to the number of court directed contact sessions which require support workers to attend. Sessional workers were historically used, however the need to use sessional workers has increased to a point whereby, under employment regulations, sessional workers are required to be issued fixed term contracts. | Some parts of this service are being reviewed with a view to making it more cost efficient. |
| Legal & Third Party | 0.178 | 0.485 | 0.307 | Legal costs are overspent due to the number of cases going through the courts and the use of external legal professionals. Direct payments have recently seen an increase in demand. | |
| Professional Support | 5.176 | 5.403 | 0.227 | To support adequate levels of child protection the established staffing structure needs to be maintained at the required standard as much as possible. Vacancies are therefore minimised and challenges to recruitment leads to the use of agency staff, this leads to an increase in costs as agency rate is higher than non-agency staff. The use of agency staff is monitored and kept to a minimum as much as possible but it is not possible to avoid altogether. | |
| Minor Variances | 1.125 | 1.131 | 0.007 | | |
| Safeguarding & Commissioning | | | | | |
| Charging Policy income | -2.733 | -2.916 | -0.183 | Charging policy income is expected to exceed the budgeted amount due to increases in the non-residential care maximum weekly charge cap and an increase to the base number of service users. who contribute to their care. | |
| Business Support Service | 1.238 | 1.132 | -0.106 | There are a number of short term vacancy savings and some posts currently occupied by staff who are not at top of grade. | |
| Safeguarding Unit | 0.926 | 0.847 | -0.079 | The underspend is due to a number of short term vacancy savings and some posts currently occupied by staff who are not top of grade. | |
| Management & Support | -1.929 | -1.736 | 0.193 | There is a shortfall from the assumed proportion of grant allocations announced by Welsh Government which were included within the 2019/20 budget. The total shortfall across the three grants is £0.283m, although some of this is partly mitigated by one off refunds from the Regional Collaboration Unit | |
| Vacancy Management | -0.080 | -0.235 | -0.155 | Short term vacancy savings transferred from across the portfolio, offset by the inflation adjustment resulting from the implementation of the new pay model. | |
| Minor Variances | 2.266 | 2.328 | 0.062 | | |
| Total Social Services (excl Out of County) | 65.978 | 65.978 | -0.001 | | |
| Out of County | | | | | |
| Children's Services | 5.288 | 6.859 | 1.571 | The overspend is influenced by a significant increase in the number of placements and the full year impacts of new placements which emerged during 2018/19. | A threefold approach to mitigation by :- 1) - direct action e.g Commissioning Practice 2) Expenditure controls within the same service or portfolio 3) After exhaustion of 1 and 2, consider how to effect corporate level mitigation |
| Education & Youth | 3.745 | 4.168 | 0.423 | The overspend is influenced by a significant increase in the number of placements and the full year impacts of new placements which emerged during 2018/19. | A threefold approach to mitigation by :- 1) - direct action e.g Commissioning Practice 2) Expenditure controls within the same service or portfolio 3) After exhaustion of 1 and 2, consider how to effect corporate level mitigation |
| Total Out of County | 9.033 | 11.027 | 1.994 | | |

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| Education & Youth | | | | | |
| Inclusion & Progression | 4.084 | 4.078 | -0.006 | | |
| Integrated Youth Provision | 1.295 | 1.295 | -0.000 | | |
| School Improvement Systems | 1.716 | 1.615 | -0.102 | Variance largely relates to Early Entitlement, a reduction in maintained and non-maintained setting payments as a result of demography and a reduction of the number of settings requiring funding. Includes hourly reductions in established staff. A further influence is the full year impact of the cessation from January 2019 of minimum of 5 children payments for playgroups. | |
| Business Change & Support | 0.433 | 0.434 | 0.001 | | |
| School Planning & Provision | 0.702 | 0.680 | -0.023 | | |
| Archives | 0.305 | 0.303 | -0.002 | | |
| Holding Accounts | 0.000 | 0.000 | 0.000 | | |
| Minor Variances | 0.000 | 0.000 | 0.000 | | |
| Total Education & Youth | 8.535 | 8.404 | -0.132 | | |
| Schools | 91.946 | 91.946 | -0.000 | | |
| Streetscene & Transportation | | | | | |
| Service Delivery | 8.536 | 8.637 | 0.100 | Following the extreme weather event during June 2019, the service has incurred additional revenue pressures from responding and resolving flooding issues across the County. The network damage was widespread and included road foundations being undermined, particularly on roads adjacent to water courses, and road surfaces being lifted by inspection covers, due to the pressure created by the sheer volume of water within the drainage system. The costs include the additional staffing costs towards responding and repairing the highway along with costs of plant and materials. A claim to Welsh Government has been submitted for these additional costs, which is currently awaiting confirmation on eligibility and award of funding. Potential total cost up to £0.180m. The flooding has also impacted the capital programme creating an additional pressure of £0.350m for highway repairs. | Awaiting outcome of the claim to Welsh Government. |
| Highways Network | 8.360 | 8.362 | 0.002 | | |

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| Transportation | 8.598 | 9.884 | 1.286 | The pressure in school transport costs are as a result of several factors across the service. Effect of non-statutory school transport arrangements and delay in implementing policy on removing historic transport anomalies. Increase in mainstream secondary education pupil transport and Special Educational Needs (SEN) pupil transport, both in County and out of County placements, along with an increase in number of school escorts to accompany SEN pupils and growth in number of single occupancy routes. Transporting enrolment cohort to Connahs Quay High School and placing duplicate vehicles on public bus services as a response to non-eligible pupil displacement. There is also an increase in number of school days in 2019-20. The Transportation service are attempting to mitigate the £1.238m variance figure to the lower range previously provided of £0.930m. Increased transport provision to Social Services of £0.048m. The Transportation service are looking to mitigate this pressure through a route optimisation exercise. | The Transportation Service are attempting to mitigate some of the pressure. |
| Regulatory Services | 5.053 | 5.232 | 0.179 | Car Park income. The pressure is based on the average shortfall in income against monthly projections for each town following the first full ten months of implementation (received in 2018/19) of the increased tariff charges. A large section of car parking at Flint Retail Park has now been closed for development which may result in an increase in car parking income. The waste strategy service may have a slightly improved position of up to £0.100m, pending confirmation on award of grant funding from Welsh Government for the North Wales Residual Waste Treatment Project. | Keep car park income closely monitored. |
| Total Streetscene & Transportation | 30.547 | 32.114 | 1.568 | | |
| Planning, Environment & Economy | | | | | |
| Business | 1.588 | 1.656 | 0.068 | Extension of two EHO contracts has been agreed due to increasing service pressures and demands | |
| Access | 1.339 | 1.392 | 0.053 | Grant Income Target not realised due to cessation of Single Revenue Grant in March, 2019 of £0.027m. Service Review within Rights of Way team resulting in an increase in staff costs across 4 posts of £0.026m. | In-year vacancy savings across the Portfolio will be utilised to assist in mitigating increased staff costs from service reviews. |
| Management & Strategy | 1.391 | 1.347 | -0.044 | Staffing related Business Planning Efficiencies yet to be achieved fully pending all Service Review outcomes within the Portfolio. These are currently more than mitigated by vacancy savings in Planning Policy, Land Drainage and Admin services | Vacancy savings across the Portfolio will be utilised to assist in mitigating the unachieved efficiencies in the short term. |
| Minor Variances | 1.611 | 1.598 | -0.013 | | |
| Total Planning & Environment | 5.929 | 5.994 | 0.064 | | |
| People & Resources | | | | | |
| HR & OD | 2.375 | 2.405 | 0.031 | | |
| Corporate Finance | 2.089 | 2.097 | 0.007 | | |
| Total People & Resources | 4.464 | 4.502 | 0.038 | | |
| Governance | | | | | |

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| Legal Services | 0.725 | 0.892 | 0.167 | Overspend as a result of employing 3 locums covering absence to ensure continuing client service delivery in the area of child protection £0.090m Unachievable efficiency target £0.090m mitigated by fee income and commitment challenge within the service by £0.013m | Absence Monitoring and monitor income generation |
| Democratic Services | 2.068 | 2.039 | -0.029 | | |
| Internal Audit | 0.464 | 0.441 | -0.023 | | |
| Procurement | 0.320 | 0.295 | -0.025 | | |
| ICT | 4.687 | 4.710 | 0.023 | | |
| Customer Services | 0.543 | 0.572 | 0.029 | Service review completed and new structure in place | |
| Revenues | 0.200 | 0.197 | -0.002 | | |
| Total Governance | 9.007 | 9.146 | 0.139 | | |
| Strategic Programmes | | | | | |
| Leisure | 3.860 | 3.861 | 0.000 | | |
| Total Strategic Programmes | 3.860 | 3.861 | 0.000 | | |
| Housing & Assets | | | | | |
| Enterprise Centres | -0.218 | -0.163 | 0.055 | Shortfall of income recovered from Rents and Service charges | Possible mitigation from £52k remaining in reserve relating to Flintshire Enterprise |
| Agricultural Estates | -0.213 | -0.163 | 0.050 | Shortfall of income recovered from Rents | |
| CPM & Design Services | 0.675 | 0.602 | -0.073 | Surplus of income recovered via Service Level Agreements (SLAs) | |
| Industrial Units | -1.329 | -1.247 | 0.082 | Shortfall of income recovered from Rents and Service charges | Possible mitigation from £70k remaining in Rent income shortfall reserve |
| Benefits | 11.570 | 11.296 | -0.274 | Projected underspend on the Council Tax Reduction Scheme (CTRS). | |
| Minor Variances | 5.225 | 5.340 | 0.115 | | |
| Total Housing & Assets | 15.711 | 15.666 | -0.045 | | |
| Chief Executive's | 2.842 | 2.678 | -0.163 | Vacant Posts | |
| Central & Corporate Finance | 23.498 | 23.019 | -0.480 | Early analysis indicates a significant underspend on the pension contribution account in 2019/20. The main factor affecting the position is due to the financial impact of the transfer of various services being less than anticipated, together with the recovery of a higher level of contribution to the deficit due to the increased pay award. The underspend is mitigated by a £0.163m shortfall in the Income Budget due to income generation not yet achieving the required target. | The position is under review as part of the current work on the 2020/21 budget. |
| Grand Total | 271.350 | 274.333 | 2.983 | | |