

Budget Monitoring Report
Council Fund Variances

MONTH 7 - SUMMARY

Service	Approved Budget (£m)	Projected Outturn (£m)	Annual Variance (£m)	Last Month Variance (£m)	Cause of Major Variances greater than £0.050m	Action Required
Social Services						
Older People						
Localities	18.814	17.779	-1.035	-0.734	Residential and Nursing Care is projecting a £0.539m underspend due to fluctuation in demand for residential and nursing care placements and increases to capital limits. Staff budgets are underspending within Intake/First Contact and Localities Teams, not all staff are currently top of grade and there are in-year savings due to short term vacancies. One off funding for Additional Winter Pressures Grant £0.320m.	ICF Grant funding is used to fund residential care to reduce the amount of time people spend in hospital. Due to a reduced demand for this funding within the independent sector residential homes some of this funding will be allocated to Council run residential homes for the same purpose.
Reablement Services	0.542	0.460	-0.082	-0.096	This service is expected to underspend due to in-year savings from vacancies.	
Resources & Regulated Services	7.018	7.606	0.588	0.653	Council provided residential care is £0.391m 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	0.717	0.725	0.008	0.006		
Adults of Working Age						
Resources & Regulated Services	24.170	23.736	-0.434	-0.531	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 months financial projections. There also remains potential for providers to request increases in their fees.
Transition & Disability Services	0.765	0.707	-0.058	-0.061	This service is expected to underspend due to not all staff paid at top of scale and one-off in-year vacancy savings.	
Residential Placements	1.241	1.738	0.497	0.476	The overspend is due to the number of residential placements currently funded.	
Professional Support	0.821	0.760	-0.061	-0.062	Salary underspends due to staff not at top of grade and in-year vacancy savings.	
Minor Variances	2.957	2.866	-0.090	-0.070		
Children's Services						
Family Placement	2.564	2.869	0.305	0.325	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 carers, foster agencies and special guardianship payments.	

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Family Support	0.371	0.532	0.161	0.150	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 level whereby, under employment regulations, sessional workers are required to be issued fixed term contracts.	Sections of this service are being reviewed with a view to making it more cost efficient.
Legal & Third Party	0.178	0.492	0.314	0.299	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	4.375	4.429	0.054	0.072	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	1.132	1.153	0.021	0.027		
Safeguarding & Commissioning						
Charging Policy income	-2.923	-3.078	-0.155	-0.174	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	1.235	1.137	-0.099	-0.107	There are a number of short term vacancy savings and some posts currently occupied by staff who are not top of grade.	
Safeguarding Unit	0.923	0.848	-0.075	-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	-1.114	-0.907	0.207	0.198	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	-0.304	-0.224	-0.224	Short term vacancy savings transferred across the portfolio.	
Minor Variances	2.262	2.254	-0.008	0.002		
Total Social Services (excl Out of County)	65.970	65.802	-0.167	0.070		
Out of County						

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Children's Services	5.288	6.884	1.596	1.655	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 three-fold 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	4.374	0.629	0.567	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 three-fold 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	11.258	2.225	2.221		
Education & Youth						
Inclusion & Progression	4.076	3.998	-0.078	-0.084	Savings identified as part of the challenge of non-essential spend carried out at month 6	To ensure service areas continue to identify non-essential spend
Integrated Youth Provision	1.290	1.227	-0.063	-0.083	Underspends across the whole of the service identified through the challenge of non-essential spend	
School Improvement Systems	1.702	1.566	-0.136	-0.137	In year savings identified through the challenge of non-essential spend across School Improvement and Early Entitlement	
Minor Variances	1.437	1.422	-0.015	-0.021		
Total Education & Youth	8.505	8.212	-0.293	-0.325		
Schools	91.960	91.960	0.000	-0.000		
Streetscene & Transportation						
Service Delivery	8.536	8.678	0.142	0.129	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 recently been notified as unsuccessful and the service is now working to mitigate these costs. 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.	

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Transportation	8.598	9.656	1.058	1.195	The pressures 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. There is also an increase in number of school days in 2019-20. The Transportation service have successfully reviewed high cost routes and retendered contracts where a more favourable rate may be secured. The impact of this to date is a further reduction in the forecast position from £1.195m variance figure reported last month to £1.058m and work is ongoing to mitigate this further. Included in this variance figure is the increased transport provision to Social Services of £0.048m. The Transportation service are looking to mitigate this pressure through a route optimisation exercise.	It can be seen that the impact of the route reviews is taking effect and it is anticipated that there will be further reductions over the coming weeks.
Regulatory Services	4.841	4.943	0.102	0.180	Further minor Car Parking income shortfalls have been reflected. However, the closure of car parking space at Flint is anticipated to mitigate this to some degree going forward. The waste strategy service are now likely to have an improved position of up to £0.100m, based on the commissioning period for the North Wales Residual Waste Treatment Project (NWRWTP) being shorter than anticipated compared to when the £0.425m pressure was calculated. Maximum WG grant funding is available from the full service period commencement which is projected to be in December 2019.	Car Parking income will continue to be closely monitored and an updated position on full service period commencement for the NWRWTP will be provided when this is confirmed
Other Minor Variances	8.360	8.322	-0.037	-0.018		
Total Streetscene & Transportation	30.335	31.599	1.264	1.487		
Planning, Environment & Economy						
Business	1.583	1.641	0.058	0.052	Extension of two EHO contracts has been agreed due to increasing service pressures and demands	
Access	1.337	1.402	0.065	0.065	Historic income target not realised due to the cessation of Environment Single Revenue Grant in March, 2019 £0.027m. Service Review in Rights of Way resulting in increased staffing costs £0.028m. Minor Variances £0.009m.	
Management & Strategy	1.390	1.313	-0.076	-0.066	Vacant posts across the service: Land Drainage and Planning Policy	
Minor Variances	1.598	1.554	-0.044	-0.028		
Total Planning & Environment	5.907	5.910	0.003	0.024		
People & Resources						

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HR & OD	2.367	2.433	0.066	0.076	The launch of the salary sacrifice scheme for AVSC was undertaken earlier this year and all existing employees paying AVSC have been written to encouraging them to take up the scheme together with information for all staff via the infonet workforce news. To date only £0.009m has been achieved through this scheme and this has been estimated to a full year efficiency at £0.018m.	
Corporate Finance	2.083	2.092	0.009	0.009		
Total People & Resources	4.451	4.525	0.075	0.085		
Governance						
Legal Services	0.723	0.882	0.159	0.172	Overspend as a result of employing locums to December, 2019 covering absence to ensure continuing client service delivery in the area of child protection £0.090m. Previous years efficiency target that was dependant on demand reduction in another service that has not occurred, thereby preventing the consequent achievement of the efficiency £0.114m. Mitigated by the fee income and commitment challenge within the service £0.046m.	Absence monitoring and monitor fee income levels
Internal Audit	0.834	0.788	-0.045	-0.028	Vacancy Savings	
ICT	4.335	4.340	0.005	0.037	ICT Information and Business Services - alterations and improvements carried out £0.018m. Records Management is a customer demand led service, therefore the projected cost is dependant on service need £0.020m. Minor variances across the service £0.014m.	The Secure Destruction Contract has been relet with potential for efficiencies into 2020.21
Revenues	0.197	0.149	-0.049	-0.046	Early indication of a potential surplus on the Council Tax Collection Fund	Continue to monitor collection data
Minor Variances	3.088	3.015	-0.073	-0.085	Minor Variances across the Portfolio	
Total Governance	9.177	9.173	-0.004	0.051		
Strategic Programmes						
Minor Variances	5.272	5.273	0.000	0.000		
Total Strategic Programmes	5.272	5.273	0.000	0.000		
Housing & Assets						
Caretaking & Security	0.263	0.206	-0.057	-0.055	Savings identified arising from the review and challenge of non-essential spend, of which £0.034m relates to staff cost savings arising from vacancies and reduced overtime payments. A further £0.015m saving on R and M of Buildings arose from the challenge of non essential spend making a total of £0.049m for this service. The remaining £0.008m of the projected underspend relates to other minor savings.	Continue to review and challenge all non essential spend in future months.
CPM & Design Services	0.673	0.603	-0.070	-0.069	Mainly due to a surplus of income recovered via Service Level Agreements (SLAs) and also £0.012m arising from the review and challenge of non-essential spend.	Continue to review and challenge all non essential spend in future months.

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Benefits	11.566	11.290	-0.275	-0.275	Projected underspend on the Council Tax Reduction Scheme (CTRS).	
Minor Variances	2.669	2.689	0.019	-0.000		
Total Housing & Assets	15.171	14.788	-0.383	-0.398		
Chief Executive's	2.760	2.603	-0.157	-0.141	Vacant Posts	
Central & Corporate Finance	22.810	22.439	-0.371	-0.377	Over recovery of planned pension contributions recoupment against actuarial projections due to pay award increase mitigated by the under achievement of Income efficiencies and Workforce efficiencies.	
Grand Total	271.350	273.543	2.193	2.698		