

Budget Monitoring Report
Council Fund Variances

MONTH 10 - SUMMARY

Service	Approved Budget (£m)	Projected Outturn (£m)	Annual Variance (£m)	Impact of Covid-19 (£m)	Last Month Variance (£m)	Cause of Major Variances greater than £0.050m	Action Required
Social Services							
Older People							
Localities	19.215	18.666	-0.549		-0.563	The net cost of residential care is £0.471m underspent. This includes the cost of residential care placements net of income received such as property charges and contributions from health. There is a decline in the demand for residential care placements due to Covid 19. Day care is £0.058m under budget, this service is currently closed and will be reopened only when it is safe to do so. Domiciliary and Direct Payments are reporting a combined overspend of £0.218m and are projected based on recent levels of care provision. The Localities Team staff budget is underspending by £0.162m due to a number of staff not yet on top of scale, some temporary reduced hours and in-year savings on travel costs. The minor adaptations budget is £0.063m underspent based on expected activity and there is a small underspend on service level agreements paid to the third sector of £0.013m.	
Resources & Regulated Services	8.027	7.642	-0.385		-0.337	The Councils in-house care provision is reporting an underspend of £0.385m. Day care is reporting an overspend of £0.003m, day centres are currently closed and assumed to be so until it is safe to reopen. The day centre staff are deployed to residential care to assist in delivering care, however the staff costs are still recorded against the day-care budget. Homecare is underspent by £0.035m. Staff costs are incurred as a result of the amount of homecare delivered and projected forward based on estimated activity. Residential care is overspent by £0.005m due to a number of small variances. Extra care is underspending by £0.342m. Plas Yr Ywern in Hollywell has not yet opened and a full complement of staff is yet to be recruited. Care staff already recruited to Plas Yr Ywern are currently redeployed to alternative in-house care services and this has meant significant costs due to Covid 19 have been avoided. It is anticipated that Plas Yr Ywern will open on 15 March 2021.	
Impact of Covid-19	0.000	0.000	0.000	0.000	-0.000		
Minor Variances	1.228	1.195	-0.033		-0.031		
Adults of Working Age							
Resources & Regulated Services	25.464	25.406	-0.058		-0.025	The outturn represents the current cost of care packages projected to the end of the financial year.	
Disability Services	0.657	0.749	0.092		-0.041	The outturn is the net cost of care packages for young adults transferring from children service into adult services. Many of these costs are for further education placements which can be joint funded between Flintshire County Council, Welsh Government and health	
Administrative Support	0.328	0.254	-0.075		-0.073	Not all staff are currently paid at top of grade and there are also some staff seconded from this service. There have also been in-year savings on staff travel costs	
Residential Placements	1.297	2.009	0.712		0.793	This outturn is the cost of social care for people within the Mental Health service. These costs include nursing and residential care, domiciliary care and Direct Payments. Care needs for individuals within this service vary over time, sometimes suddenly, and corresponding costs are subject to the same changes.	
Minor Variances	3.463	3.231	-0.232		-0.233		
Children's Services							
Family Placement	2.621	2.770	0.149		0.165	The overspend is due to current demands on the service from the number of fostering placements, which in some instances avoid making an Out of County placement which would be more expensive. The main pressure areas are payments for foster carers, foster agencies and special guardianship payments	
Legal & Third Party	0.225	0.538	0.313		0.316	Legal costs are overspent due to the number of cases going through the courts and the use of external legal professionals. Direct Payments have also increased in demand.	
Professional Support	5.293	5.492	0.199		0.279	To support adequate levels of child protection, the established staffing structure needs to be at a sufficient level to meet mandatory safeguarding standards. Vacancies are therefore minimised and additional temporary posts are sometimes required.	
Minor Variances	1.482	1.453	-0.029		0.022		

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Safeguarding & Commissioning							
Charging Policy income	-3.060	-2.556	0.503		0.465	Previous interpretation of complex financial assessment rules has resulted in a number of service users being overcharged over a period of years. The overspend is due to the cost to reimburse service users of any overcharges. This is being partially offset by an estimated recoupment of Direct Payments.	
Business Support Service	1.224	1.158	-0.066		-0.062	This variance is due to some staff not yet paid top of scale and some staff opting out from the pension scheme.	
Management & Support	-2.057	-2.193	-0.136		-0.135	The underspend is due to not having to contribute to the Regional Collaboration Unit in 2020/21	
Impact of Covid-19	0.000	-0.380	-0.380	-0.380	-0.360	The underspend is due to hardship funding received from Welsh Government to support the Councils in-house care provision for homecare, residential care and supported living. Most additional costs incurred because of Covid are staff costs which are reported within their respective service areas.	
Minor Variances	3.058	3.038	-0.019		-0.016		
Total Social Services (excl Out of County)	68.463	68.468	0.005	-0.380	0.164		
Out of County							
Children's Services	7.437	8.215	0.778		0.787	The pressure reflects the current cohort of placements with significant numbers of new placements in recent months together with a number of placement changes at higher cost due to breakdowns of placements	Continue to robustly challenge placement proposals presented to the Out of County panel and explore opportunities for cost reductions across the whole of the current cohort.
Education & Youth	4.504	4.353	-0.151		-0.156	The projected underspend reflects the current cohort of Education placements with demand for new placements still being maintained	Continue to robustly challenge placement proposals presented to the Out of County panel and explore opportunities for cost reductions across the whole of the current cohort.
Total Out of County	11.940	12.568	0.627	0.000	0.631		
Education & Youth							
Inclusion & Progression	4.281	4.218	-0.064		-0.066	Variance is due to a delay in recruitment in the Ed Psych's service and CLASS. Savings in travel expenses have also contributed to the variance due to the COVID-19 pandemic	
Integrated Youth Provision	1.353	1.119	-0.234	-0.135	-0.248	Includes a projected underspend of -£0.123m on Youth Centres due to closures arising from COVID-19 safety measures producing savings on building cleaning and some relief staffing costs. Also includes a total saving of -£0.105m on the Youth Justice Service mainly due to a delay in recruitment to a new post and savings on equipment purchase and training.	
School Improvement Systems	1.709	1.454	-0.254		-0.205	Savings arising from the challenge of non-essential spend. Early Entitlement savings due to demography and reduced number of settings requiring funding. Covid has caused a significant reduction of non-maintained settings requiring funding	
School Planning & Provision	0.676	0.623	-0.053		-0.058	Mainly a saving against the provision for third party/public liability insurance claims	
Archives	0.304	0.304	0.000		0.000	Following a full reconciliation and review of Streetscene expenditure and income loss relating to the Coronavirus Pandemic, all relevant details have now been consolidated to one code. This has been done in order to facilitate enhanced reporting and monitoring of the impact. All risks identified have now been revised in this forecast and at month 10 they include; £99k for grass cutting and £75k for increased tonnages. A level of additional disposal expenditure as a result of increased kerbside waste collections due to people working and remaining at or close to home up to October totalling £0.133m was approved by WG. A further £0.057m for the November to March period is now reflected in the Month 10 variance position.	
Minor Variances	0.443	0.423	-0.020		-0.020		
Total Education & Youth	8.766	8.142	-0.624	-0.135	-0.596		

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Schools	98.732	98.732	-0.000		0.000		
Streetscene & Transportation							
Service Delivery	8.911	9.245	0.334		0.360	The service has incurred an additional revenue pressure of £0.050m for security costs following vandalism at the Household Recycling Centres. There has been additional costs of £0.057m on JCB purchases that were not eligible for capital grant funding and an additional £0.130m on hire & repairs in Waste Operations. Streetlighting is also incurring a £0.065m pressure on the Community Income Budget. There has been an additional £0.030m Security overspend and £0.030m for Alltami depot cleaning costs which have not been covered at budget setting and is an ongoing pressure in Operations. There has been a £0.026m underspend in the Workforce area which is slightly reducing current pressures across the service.	Late notification of grant income totalling £0.160m from WG relating to Circular Economy funding may have the potential to utilise service related costs, thus reducing the overspend in this service area.
Highways Network	7.764	7.768	0.005		-0.040	Highways Network has incurred a revenue pressure of £0.040m for private hire contractor costs in grounds/highways maintenance and additional £0.035m for staffing costs. In addition, there is a £0.090m underspend in Fleet Services following market reductions in fuel during the COVID-19 pandemic, which is due to be followed by a stringent forecast review. This has been partly offset by cumulative pressures totalling £0.020m in Highways Strategy.	The recent severe weather in January resulted in a major response from the portfolio. As a result, there are likely to be significant costs being incurred, having both Revenue and Capital implications. Welsh Government have confirmed that the Emergency Financial Assistance Scheme (EFAS) threshold will not apply for the costs incurred. Revenue costs are being claimed through the Welsh Government Hardship Fund with the Council required to meet the first £0.030m.
Transportation	9.366	8.867	-0.499		-0.452	School Transport operators have been supported during school closures by receiving 75% of their contracted values. In addition, a number of school routes have been re-procured to reflect current arrangements for operation in the school year. This has resulted in a projected net underspend in School Transport of £0.415m. It should be noted however that the improvement from the 75% will only impact during COVID-19 circumstances. There are increased cost pressures for Social Services and Children's Services transport totalling £0.080m. There are also risks around Post 16 transport and the College meeting the agreement to support this to the sum of £0.600m. However, if this additional income of £0.200m is not realised in full, the position will be impacted accordingly.	
Regulatory Services	4.609	5.008	0.398		0.356	This service has experienced a downturn in the levels of income generated by sales of Electricity and this is currently anticipated to reach a level of some £0.143m during the year. The variance also reflects the projected loss of car park income of £0.300m following amendments to WG Income Loss Funding eligibility criteria, with further car park enforcement charges loss risks shown under the COVID-19 variances.	
Impact of Covid-19	0.000	0.157	0.157	0.157	0.571	Following a full reconciliation and review of Streetscene expenditure and income loss relating to the Coronavirus Pandemic, all relevant details are consolidated in one code. This has been done to facilitate enhanced reporting and monitoring of the impact. All risks identified are now recorded in this forecast and at Month 10 they include; £0.099m for Car Park enforcements and £0.057m for waste tonnage. A level of additional disposal expenditure as a result of increased kerbside waste collections due to people working and remaining at or close to home totalling £0.057m for the November to March period is now reflected in the Month 10 variance position. The reduction at Month 10 reflects a review of outstanding COVID-19 costs and risks, resulting in reductions for Car Park income, private contractors and additional fleet costs.	
Total Streetscene & Transportation	30.650	31.045	0.395	0.157	0.796		
Planning, Environment & Economy							
Community	0.847	0.918	0.071		0.047	At month 10 revised projections on Licensing Income, lower than anticipated fee levels	

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Development	0.023	0.187	0.165	0.228	0.153	Pressure within the Building Control service is due in the main, to delays sourcing core materials meaning that the construction industry is operating at a low level of capacity. This results in a projected reduced Building Control fee income. The current economic conditions are having an adverse effect on the Planning Applications, the projection is dependant on the number and value of applications received, resulting in a changeable outturn to ensure an accurate reflection. The overall variance is mitigated by the Fee Increase for planning and related applications of approx 20% that came into effect August 2020	
Regeneration	0.511	0.577	0.066		0.048	There has been a significant impact on income levels following the closure of the markets for the year to date. Market rents remain suspended as a result of the ongoing pandemic. The overspend has been mitigated in part due to the receipt of a proportion of Welsh Government Admin Grants for COVID funding for business Grants	
Impact of Covid-19	0.000	0.000	0.000	0.044	0.000		
Minor Variances	4.381	4.406	0.025		0.062		
Total Planning & Environment	5.762	6.088	0.326	0.272	0.310		
People & Resources							
HR & OD	2.398	2.280	-0.117		-0.098	Favourable variance due to the agreed recharge for overheads claimed for the TTP project for hosting the service on behalf of the region	
Corporate Finance	2.094	2.047	-0.046		-0.043		
Impact of Covid-19	0.000	0.000	0.000	0.000	0.000		
Total People & Resources	4.491	4.328	-0.163	0.000	-0.141		
Governance							
Legal Services	0.736	0.871	0.135		0.157	Overspend as a result of employing locums covering absence to ensure continuing client service delivery in the area of child protection £0.197m. Historical efficiency target that was dependant on demand reduction in another service that has not occurred, thereby preventing the consequent achievement of the efficiency £0.091m. Total overspend is mitigated by vacant posts, expected fee income and commitment challenge across the service.	
Democratic Services	2.098	2.005	-0.093	0.004	-0.080	Favourable variance following reduced take up of Members Allowances £0.042m and savings from travelling expenses due to remote working, non requirement to resource Electoral Canvassers £0.020m Commitment challenge and minor variances across the service.	
Internal Audit	0.826	0.769	-0.058		-0.047	Vacant post within Internal Audit (£0.049m); reduced expenditure on postage within Central Despatch	
ICT	4.445	4.382	-0.063		-0.051	At month 10 reduced expenditure on Records Management costs £0.020m together with minor variances across the Service	
Revenues	0.037	-0.042	-0.079	0.293	-0.071	Favourable variance at Month 10 following review of Council Tax Surplus Fund potential surplus, committed spend against Welsh Government Admin Grants received for COVID business grants; potential fee income for Fines anticipated by March, 2021	
Impact of Covid-19	0.000	-0.000	-0.000	0.030	-0.000		
Minor Variances	1.051	1.050	-0.001		0.011		
Total Governance	9.193	9.034	-0.159	0.327	-0.081		
Strategic Programmes							
Minor Variances	4.943	4.676	-0.266		-0.266		
Total Strategic Programmes	4.943	4.676	-0.266	0.000	-0.266		
Housing & Assets							
Enterprise Centres	-0.217	-0.119	0.098		0.107	Pressure due to loss of income in respect of void units	
Caretaking & Security	0.262	0.196	-0.066		-0.062	Mainly staffing cost savings due to vacancies	

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Centralised Costs	3.353	2.409	-0.943		-0.943	£(0.943)m positive variance across utilities. NDR reduced due to the savings from County hall P3&4 demolition. Electric and Gas also reduced due to a combination of a reduction in rates and reduced usage.	
Benefits	11.665	11.819	0.154	0.119	0.174	Potential net pressure of up to £0.750m on the Council Tax reduction scheme due to additional take up arising from the COVID-19 pandemic impact on employment. This figure takes account of £0.147m of WG emergency funding support in respect of the April to September element of the overall pressure but the £0.750m is not included in the variance figures. Funding support has also now been confirmed for the remainder of 2020/21. Variance includes pressure of £0.077m on overpayments due to the suspension of recovery action caused by the COVID-19 pandemic	
Housing Solutions	1.091	1.001	-0.090		-0.060	Savings on Bed and Breakfast accommodation due to managing demand through use of temporary accommodation	
Council Fund Housing	-0.324	-0.199	0.125		0.122	Reduction of internal Housing Support grant allocation due to eligibility issues and pressure arising from new service contract for Carelink	
Impact of Covid-19	0.000	-0.010	-0.010	-0.010	-0.040		
Minor Variances	0.318	0.333	0.015		-0.022		
Total Housing & Assets	16.149	15.431	-0.718	0.109	-0.723		
Chief Executive's	2.750	2.427	-0.322		-0.319	Vacant Posts across the Service	
Impact of Covid-19	0.000	0.000	0.000	0.004	0.000		
Central & Corporate Finance	24.147	24.123	-0.024		-0.145	Further Corporate Bad Debt Provision of £0.150m to meet increased outstanding debt risk offset by one off benefit of Matrix Agency rebates (-£0.030m).	
Impact of Covid-19	0.000	-0.000	-0.000	-0.000	0.000		
Grand Total	285.986	285.062	-0.924	0.353	-0.372		