

CABINET

Date of Meeting	Tuesday 20th December, 2022
Report Subject	Revenue Budget Monitoring Report 2022/23 (Month 7)
Cabinet Member	Cabinet Member for Finance, Inclusion, Resilient Communities including Social Value and Procurement
Report Author	Corporate Finance Manager
Type of Report	Operational

EXECUTIVE SUMMARY

This monthly report provides the latest detailed overview of the budget monitoring position in 2022/23 for the Council Fund and Housing Revenue Account for the financial year and presents the position, based on actual income and expenditure as at Month 7.

This report projects how the budget would stand at the close of the financial year, without new actions to reduce cost pressures and/or improve the financial return on efficiency planning and cost control is:

Council Fund

- An operating deficit of £0.094m (excluding the impact of the pay award which will need to be met by reserves), which is an adverse movement of £0.061m from the deficit figure reported at Month 6.
- A projected contingency reserve available balance as at 31 March 2023 of £4.055m (after the impact of final pay awards)

Housing Revenue Account

- Net in-year revenue expenditure forecast to be £3.321m higher than budget
- A projected closing balance as at 31st March, 2023 of £3.153m

Hardship Funding from Welsh Government helped secure £16m of direct financial help last year and we have continued to claim payments in 2022/23 for Self-isolation and Statutory Sick Pay Enhancement, along with Free School Meals direct payments within their eligible periods.

RECOMMENDATIONS

1	To note the report and the estimated financial impact on the 2022/23 budget.
2	To approve the carry forward requests included in paragraph 1.07

REPORT DETAILS

1.00	EXPLAINING THE REVENUE BUDGET MONITORING 2022/23
1.01	<p>Council Fund Projected Position</p> <p>The projected year end position, without mitigation to reduce cost pressures and improve the yield on efficiency planning, is as follows:</p> <ul style="list-style-type: none"> • An operating deficit of £0.094m (excluding the impact of the pay award which will need to be met by reserves), which is an adverse movement of £0.061m from the figure reported at Month 7. • A projected contingency reserve available balance as at 31 March 2023 of £4.055m (after the impact of pay awards) <p>To assist with managing risks and mitigating the overall projected overspend, the review of non-essential spend and a vacancy management process continues.</p>
1.02	<p>Hardship Funding from Welsh Government helped secure over £16m direct financial help last year and we have continued to claim payments in 2022/23 for Self-isolation and Statutory Sick Pay Enhancement, along with Free School Meals direct payments within their eligible periods. From the end of September, Winter Fuel Payments are also eligible to be claimed.</p>

1.03 **Table 1. Projected Position by Portfolio**

The table below shows the projected position by portfolio:

Portfolio/Service Area	Approved Budget	Projected Outturn	In-Year Over / (Under) spend
	£m	£m	£m
Social Services	77.969	78.641	0.672
Out of County Placements	15.101	16.207	1.105
Education & Youth	9.953	9.472	(0.481)
Schools	108.401	108.401	0.000
Streetscene & Transportation	38.466	39.538	1.072
Planning Env & Economy	6.797	6.240	(0.557)
People & Resources	4.324	4.259	(0.065)
Governance	10.772	10.152	(0.620)
Strategic Programmes	6.116	6.111	(0.005)
Assets	0.333	0.282	(0.051)
Housing & Communities	14.662	14.663	0.001
Chief Executive	2.235	2.152	(0.083)
Central & Corporate Finance	31.552	30.659	(0.893)
Total	326.682	326.778	0.094

1.04 The reasons for the projected variances are summarised within Appendix 1 and shows the detail of all variances over £0.050m and a summary of minor variances for each portfolio.

Significant Movements from Month 6

1.05 **Out of County Placements (£0.116m)**

- Children's Services (£0.020m) – minor movements
- Education & Youth (£0.096m) – due to the impact of over provision for accruals of costs relating to the 2021/22 financial year payable to a Local Authority.

1.06 **Governance (£0.098m)**

Revenues (£0.090m)

- Further increase (£0.050m) to the projected potential surplus on the Council Tax Collection Fund; revised projected income for fines and enforcement fees (£0.040m).

Minor variances across the Portfolio account for the remainder (£0.008m).

1.07	<p>Housing & Communities £0.232m</p> <p>The movement relates to a request for projected underspend of £0.240m on the Council Tax Reduction Scheme (CTRS) in the Benefits Service be carried forward to reserves to provide resilience against expected service budget pressures in future years.</p> <p>Minor movements across the Portfolio account for the remainder (£0.008m)</p> <p>In addition, a request for the carry forward of £0.093m which relates to unbudgeted amounts for the administration of grants received in respect of the Winter Fuel Support Scheme, self -isolation support and unpaid carers. This would provide further cover for the expected future pressures arising from overpayments of Benefits and the need to make an appropriate provision for bad debts.</p>
1.08	<p>There are a number of minor variances across the other Portfolios each below £0.030m that account for the remainder of the overall movement (£0.079m).</p>
1.09	<p>Tracking of In-Year Risks and Emerging Issues</p> <p>Members were made aware when setting the budget that there were a number of open risks that would need to be kept under close review. An update on these is provided below.</p>
1.10	<p>Council Tax Income</p> <p>'In-year' Council Tax collection levels, up to October 2022, are 66.4% compared to 66.5% in the previous year. Collections remain challenging as the rising costs-of-living are impacting on the ability of some households to make payment of council tax on time. The marginal 0.1% drop in collection levels is also consistent with other Welsh local authorities who are also seeing similar trends.</p>
1.11	<p>Pay Award (Teacher and Non-Teacher)</p> <p>The offer from the National employers for NJC employees of £1,925 on all spinal column points has now been accepted with back pay made to employees in November. This equates to an increase of 2.54% on the highest scale point to 10.5% on the lowest point.</p> <p>The Minister for Education has confirmed the pay award for teachers at 5%.</p> <p>The Council has provided for an uplift of 3.5% for Teaching and Non-Teaching staff – the increase above this level requires the Council to utilise reserves to fund the difference in the current financial year.</p> <p>The impact on 2022/23 is as follows:</p> <p>The in-year additional cost of the 2022/23 pay awards that will need to be met from reserves in-year has been recalculated to £3.955m after taking into account the reversal of the additional 1.25% rate of National Insurance (NI) from November.</p>

	<p>The above will also impact on the MTFs with the full year impact of the teachers' pay award increasing the impact for 2023/24 to £6.107m.</p> <p>There will also be an additional efficiency in 2023/24 for the full year NI reduction of £1.331m.</p>
1.12	<p>Other Tracked Risks</p> <p>In addition, there are a number of risks being tracked which may be subject to change and these are summarised below.</p>
1.13	<p>Medium Term Financial Strategy (MTFS) Impact</p> <p>An update on the latest budget position was reported in November prior to the formal Overview and Scrutiny Process in December which showed a potential increase in the additional budget requirement for 2023/24 to around £32m. An update to the overall position and feedback from the overview and scrutiny meetings will be reported elsewhere on the agenda.</p> <p>All Portfolios consider their financial position, the risks within their service and the impacts on the Medium Term on a monthly basis as part of their Portfolio Management Team meetings.</p>
1.14	<p>Out of County Placements</p> <p>The risks include continued high demand for placements where children and young people cannot be supported within in-house provision, and market supply limitation factors and inflationary pressures leading to higher costs.</p> <p>There is a projected overspend of £1.105m for the current cohort of placements, however, this is likely to increase if demand for new placement remains at the current levels. There have been 48 new placements in the year to date with costs totaling £3.3m within the total projected spend for the year of £16.3m, which amounts to over 20%.</p> <p>The service areas within this pooled budget will continue to do everything possible to manage these risks and additional investment has already been made to further develop in-house provision to help to mitigate against such financial pressures.</p>
1.15	<p>Benefits</p> <p>Council Tax Reduction Scheme (CTRS) – Based on current demand, costs are currently projected to be £0.610m below budget, although this will be monitored closely throughout the year due to the potential for growth.</p> <p>There is continued high demand across the whole of the Benefits service which is expected to remain the case for the foreseeable future. There is a significant pressure on recovery of overpayments which is a combination of a shortfall of recovery against the level of income target budget which is partly influenced by lower number of overpayments occurring, and also the need to increase the bad debt provision on historic debt.</p>

	<p>The increased staffing levels are still required, and those costs are now being met in full from the additional funding of £0.300m previously approved to provide the service with the additional flexibility needed to adapt to and meet the sustained increase in customer demand.</p>
1.16	<p>Homelessness</p> <p>The risk is a consequence of the cessation of funding support from the Welsh Government COVID-19 Hardship Fund at the end of 2021/22.</p> <p>Although, there is continued support via the new Homelessness – No One Left Out grant, this still falls well below the amount of support we received via the Hardship Fund in 2020/21 and 2021/22.</p> <p>Although it has been possible to contain some of the expected pressure through prepaid accommodation to the end of September 2022, which has been funded by the COVID-19 Hardship Fund, the expected continued high demand for temporary accommodation including short term Bed & Breakfast provision will continue to present significant challenges.</p> <p>We continue to strategically use increased allocations of Housing Support Grant working with external partners, but there remains a risk that the costs of statutory provision of support for Homelessness may exceed existing funding provision from base budget and available grant funding.</p>
1.17	<p>Achievement of Planned In-Year Efficiencies</p> <p>The 2022/23 budget contains £1.341m of specific efficiencies which are tracked and monitored throughout the year. The Council aims to achieve a 95% rate in 2022/23 as reflected in the MTFs KPI's and fully achieved all efficiencies in the previous financial year</p> <p>It is projected that all efficiencies will be achieved in 2022/23 and further details can be seen in Appendix 3.</p>
1.18	<p>Unearmarked Reserves</p> <p>The final level of Council Fund Contingency Reserve brought forward into 2022/23 was £7.098m as detailed in the 2021/22 outturn report (subject to Audit). In addition, the Council has set-aside a further £3.250m to the carried forward £2.066m COVID-19 Emergency Reserve being a total of £5.316m as a safeguard against the continuing impacts of the pandemic (additional costs and lost income).</p> <p>Some claims for March 2022 were disallowed by WG and Internal claims for Quarter 1 and 2 have been made in 2022/23 relating to additional costs in Schools, Streetscene & Transportation and for income losses within AURA. These total £0.991m and the balance on the COVID-19 Emergency Reserve is currently £4.325m.</p> <p>After taking into account all of the above there is a projected contingency reserve available balance as at 31 March 2023 of £4.055m (after the impact of final pay awards totalling £3.955m).</p>

1.19	Housing Revenue Account The 2021/22 Outturn Report to Cabinet on 12 July 2022 showed an un-earmarked closing balance at the end of 2021/22 of £3.616m and a closing balance of earmarked reserves of £1.622m.
1.20	The 2022/23 budget for the HRA is £37.755m which includes a movement of £2.858m to reserves.
1.21	The monitoring for the HRA is projecting in year expenditure to be £3.321m higher than budget and a closing un-earmarked balance as at 31 March 2023 of £3.153m, which at 8.35% of total expenditure satisfies the prudent approach of ensuring a minimum level of 3%. Appendix 4 attached refers.
1.22	The monthly movement from Month 6 totalled £0.003m, being net minor variances.
1.23	The budget contribution towards capital expenditure (CERA) is £10.898m with the actual contribution projected to be £13.755m at outturn.

2.00	RESOURCE IMPLICATIONS
2.01	As set out within the report.

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT
3.01	The financial impacts as set out in the report are a combination of actual costs and losses to date and estimates of costs and losses for the future. There is the possibility that the estimates will change over time. The budget will be monitored closely, and mitigation actions taken wherever possible.

4.00	CONSULTATIONS REQUIRED/CARRIED OUT
4.01	None specific.

5.00	APPENDICES
5.01	Appendix 1: Council Fund – Movement in Variances from Month 6 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

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
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6.01	Various budget records.
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7.00	CONTACT OFFICER DETAILS
7.01	<p>Contact Officer: Dave Ledsham Strategic Finance Manager</p> <p>Telephone: 01352 704503</p> <p>E-mail: dave.ledsham@flintshire.gov.uk</p>

8.00	GLOSSARY OF TERMS
8.01	<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> <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.</p> <p>Intermediate Care Fund: Funding provided by Welsh Government to encourage integrated working between local authorities, health and housing.</p> <p>Projected Outturn: projection of the expenditure to the end of the financial year, made on the basis of actual expenditure incurred to date.</p> <p>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.</p> <p>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.</p> <p>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.</p>

<p>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.</p>
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MONTH 7 - SUMMARY

Service	Movement between Periods (£m)	Narrative for Movement between Periods greater than £0.025m
Social Services		
Older People		
Localities	-0.075	Domiciliary and Direct Payment costs decreased by £0.091m based on recent activity. The residential care budget reduced by £0.083m. The Localities staffing costs increased by £0.059m mostly as a result of the requirement to extend some agency contracts. The Minor Adaptations budget increased by £0.038m due to activity based spend.
Regional Integration Fund	0.079	The Step Down Regional Integration Fund (RIF) scheme which enables quicker discharges from hospitals by placing people into short term care before it is safe for them to return home is already fully spent. Currently it is unlikely that slippage from other RIF schemes will be able to offset this additional pressure and any additional step down costs will increase this overspend unless Welsh Government provide additional funding.
Minor Variances	0.010	
Adults of Working Age		
Children to Adult Transition Services	-0.056	These are the costs for young adults who are transferring from Children's Services to Adult Social Care this financial year. Care costs are estimated early on, but once services are agreed actual costs may vary. This month has seen a reduction on expected spend for care packages.
Residential Placements	0.073	The increase in expenditure is as a result of net changes to care packages and an additional agreed care package.
Minor Variances	-0.027	
Children's Services		
Minor Variances	0.013	
Safeguarding & Commissioning		
Charging Policy income	-0.025	Income received through the charging policy is expected to increase
Management & Support	0.033	Deferment to 2023/24 of the in-year reduction to the Regional Collaboration Team contribution
Minor Variances	0.012	
Total Social Services (excl Out of County)	0.037	
Out of County		
Children's Services	-0.020	
Education & Youth	-0.096	Mainly due to the impact of over provision for accruals of costs relating to 2021/22 payable to another Local Authority which had been overstated within the recharge schedule
Total Out of County	-0.116	
Education & Youth		
Minor Variances	-0.040	Cumulative net movements across the portfolio
Total Education & Youth	-0.040	
Schools	0.000	
Streetscene & Transportation		
Service Delivery	0.029	Additional Security costs and Agency costs Increase
Transportation	0.033	School Transport costs increased due to capacity issues on a commercial bus service
Regulatory Services	-0.027	Vacancy savings due to delayed recruitment.
Other Minor Variances	-0.003	
Total Streetscene & Transportation	0.033	
Planning, Environment & Economy		
Impact of Covid-19	0.021	Costs now projected to the end of the financial year.
Minor Variances	0.001	
Total Planning & Environment	0.022	
People & Resources		
HR & OD	0.006	
Corporate Finance	-0.001	
Total People & Resources	0.005	
Governance		
Legal Services	0.024	Additional locum/agency costs
Revenues	-0.090	At Month 7 a further revision to the potential surplus on the Council Tax Collection Fund £0.050m; revised projection in income from fines £0.023m
Minor Variances	-0.031	
Total Governance	-0.098	
Strategic Programmes		
Minor Variances	0.003	
Total Strategic Programmes	0.003	
Assets		
Caretaking & Security	-0.013	
Industrial Units	-0.008	
Minor Variances	-0.012	
Total Assets	-0.033	
Housing and Community		
Benefits	0.241	Underspends which are being requested to be carried forward to reserves to provide resilience against expected service budget pressures in future years
Minor Variances	-0.009	
Total Housing and Community	0.232	
Chief Executive's	0.002	
Central & Corporate Finance	-0.010	
Centralised Costs	0.025	
Grand Total	0.061	

Budget Monitoring Report

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	20.679	20.088	-0.591		-0.516	The commissioned Older Peoples domiciliary and Direct Payment budget is expected to underspend by £0.848m based on recent months activity. There are recruitment and retention challenges within this service which is limiting the amount of care which can be purchased. The residential care budget is projecting a £0.241m overspend due to the cost of placements net of income such as Free Nursing Care, Regional Integration Fund contributions and property income. The Localities staffing budget is expected to overspend by £0.009m. There is an underspend of £0.033m for day services and the Minor Adaptations budget is expected to overspend by £0.038m.	
Regional Integration Fund	0.000	0.165	0.165		0.086	The Step Down Regional Integration Fund (RIF) scheme which enables quicker hospital discharges by placing people into short term residential care until it is safe for them to return home, has already fully spent. At this moment it seems unlikely slippage from other RIF schemes will be able to offset the additional pressure.	
Minor Variances	10.190	10.213	0.023		0.013		
Adults of Working Age							
Resources & Regulated Services	29.481	29.732	0.251		0.258	The PDSI (Physical Disability and Sensory Impairment) budget is reporting a £0.125m overspend due to net costs of care packages. The in-house Supported Living service is £0.163m overspent and will likely increase as it continues agency cover is required. The Learning Disability Daycare and Workscheme budget is £0.077m overspent due mostly to inflationary pressures. The care package costs for independently provided care for Learning Disability Services is £0.114m underspent.	
Children to Adult Transition Services	0.951	1.100	0.149		0.205	These are the costs of care for young adults who are transferring to Adult Social Care from Children's Services this financial year. Care costs are initially estimated but once service users have been agreed the actual cost may be different.	
Professional and Administrative Support	0.367	0.315	-0.052		-0.029	Some temporary vacancies are resulting in in year savings.	
Residential Placements	1.956	2.409	0.453		0.380	Cost of currently commissioned care packages within the Mental Health Service.	
Professional Support	0.774	0.834	0.060		0.040	Increased contributions to the North East Wales emergency duty team and some staffing overspends.	
Minor Variances	2.892	2.826	-0.066		-0.050		
Children's Services							
Family Placement	2.862	2.809	-0.052		-0.047	Due to current in-house fostering and special guardianship order placement costs.	
Grants	0.236	0.287	0.051		0.037	There are a few smaller variances which are contributing to the overspend on the integrated working budget. These include a £0.010m additional cost for advocacy and some variation for staff costs.	
Family Support	0.375	0.513	0.137		0.137	Costs are based upon the current activity levels over the last few months and projected forward for the rest of the year. Workforce costs, primarily seasonal staff are the primary cost driver for the service.	
Legal & Third Party	0.232	0.717	0.485		0.509	Legal costs are overspent by £0.239m due to the number of cases going through the courts and some use of legal professionals. Direct Payments also continue to increase in demand and are overspent by £0.246m	

Budget Monitoring Report

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
Residential Placements	1.312	0.981	-0.331		-0.336	The in-year operating of some Childrens Residential care settings will mean that there will be one off savings, in addition it is expected that there will be non-recurring grant from Welsh Government to support start up costs.	
Professional Support	6.173	6.438	0.265		0.243	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 minimised and additional temporary posts are sometimes required to meet the challenges and demands of Childrens Services. There is an assumption that Welsh Government will allow for flexible use of Childrens Services grants as in previous years which results in some cost pressures being offset.	
Minor Variances	0.440	0.441	0.001		-0.001		
Safeguarding & Commissioning							
Business Systems & Financial Assessments	0.831	0.908	0.077		0.063	There are additional one off costs of £0.018m for an IT system upgrade. In addition there are temporary uplifts in hours which have increased staff costs. These additional costs are funded from underspends within the Business Support Service.	
Business Support Service	1.195	1.140	-0.055		-0.054	The underspend is due to a decrease in staff costs from vacancies which are unlikely to be filled this year.	
Safeguarding Unit	1.291	1.096	-0.194		-0.214	A consultation for the updated Liberty Protection Safeguard legislation continues to be undertaken. Due to the implementation delay for this legislation there will be an in-year saving.	
Commissioning	0.679	0.628	-0.051		-0.027	Vacancies have resulted in in-year cost reductions	
Minor Variances	-4.947	-4.999	-0.052		-0.064		
Total Social Services (excl Out of County)	77.969	78.641	0.672	0.000	0.635		
Out of County							
Children's Services	10.097	11.600	1.502		1.523	The projected overspend reflects significant additional demands on the service in the year to date with 31 new placements having been made in the year to date - most of which are high cost residential placements - there is provision for a contingency sum of £0.250m, for net impacts of further new placements and other placement changes, but this may not prove to be enough.	
Education & Youth	5.004	4.607	-0.397		-0.301	The latest underspend reflects projected costs for the current cohort of placements and there have been 23 new placements in the year to date with further new placements also likely to emerge as the year progresses, for which contingency provision of £0.050m has been made.	
Total Out of County	15.101	16.207	1.105	0.000	1.222		
Education & Youth							
Inclusion & Progression	5.251	5.174	-0.077		-0.055	The latest underspend position reflects further savings within the ALN (Additional Learning Needs) by maximising grants and long term staff sickness. Also savings identified within EAL (English as an Additional Language) service, also by maximising grants against core staff. Part of the service savings have been captured as part of Plas Derwen, due to part year vacancies for senior staff.	
Integrated Youth Provision	1.035	0.978	-0.057		-0.046	The projected underspend is mainly due to staffing savings	

Budget Monitoring Report

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
School Improvement Systems	1.889	1.736	-0.154		-0.142	Payments to NMS (Non Maintained Settings) and MS (Maintained Settings) projected similar to those in 21/22. Welsh Government have announced continuation of top-up funding to £5 p/hour so give the Early Entitlement budget increasing financial capacity. Alongside this, RRRS (Recruit, Recover and Raise Standards) and Early Years Pupil Development grant increases announced allow core budget to be released. Proposed efficiency savings currently under review.	
School Planning & Provision	0.671	0.580	-0.091		-0.076	Projected underspend on insurance liability claims costs and some salary savings	
Minor Variances	1.106	1.004	-0.103		-0.123		
Total Education & Youth	9.953	9.472	-0.481	0.000	-0.442		
Schools	108.401	108.401	0.000		0.000		
Streetscene & Transportation							
Service Delivery	9.277	9.486	0.209		0.180	The service has a recurring revenue pressure of £0.100m for security costs at the Household Recycling Centres. Street lighting is also incurring a £0.070m revenue pressure on the Community Council income budget. Additional £0.100m overspend is attributable to high sickness levels/agency costs. The overall overspend is partially offset by additional income achieved through in-house construction work.	
Highways Network	8.096	8.582	0.486		0.489	Highways is incurring a revenue pressure of £0.400m in Fleet Services as a result of rising fuel costs. Also additional £0.050m increase in weed spraying contractor costs following concerns raised in Scrutiny, which cannot be covered by our existing budget.	
Transportation	10.031	10.482	0.451		0.418	Local bus subsidy is incurring an overspend of £0.100m due to the Park and Ride Service and Service 5. School Transport is incurring a revenue pressure of £0.090m, due to a shortfall in budget for 3 additional school days driven by Easter timelines in this financial year. At Period 5 there was an additional pressure of £0.200m identified in School Transport due to additional demand (PRUs/ALN) 6 routes in total equating to £270.00 per day. School transport is also facing an additional revenue pressure of £0.030m in Period 7 due to capacity issues on a commercial bus service. There may be further cost increases towards the end of this financial year due to rising transport operator costs (fuel, driver wages, insurance, energy etc).	
Regulatory Services	11.062	10.988	-0.074		-0.048	Regulatory Services has an underspend of £0.053m due to vacancies within the service. Increased rebate rates for the sale of electricity and improving car parking income has increased income by £0.020m.	
Total Streetscene & Transportation	38.466	39.538	1.072	-0.000	1.039		
Planning, Environment & Economy							
Community	0.890	0.964	0.074		0.073	Fee income shortfalls in Licensing and Pest Control and historic business planning efficiency £0.024m not realised	
Development	0.146	-0.438	-0.584		-0.589	Favourable variance following receipt of two high value one off Planning Fee each approx £0.300m	
Management & Strategy	1.385	1.293	-0.092		-0.095	Staff savings from vacant posts	
Impact of Covid-19	0.000	0.075	0.075	0.075	0.054	COVID-19 related additional cleaning costs for Countryside Service and Environmental Health Officer costs	
Minor Variances	4.376	4.346	-0.029		-0.022		

Budget Monitoring Report

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
Total Planning & Environment	6.797	6.241	-0.557	0.075	-0.579		
People & Resources							
HR & OD	2.284	2.246	-0.037		-0.043		
Corporate Finance	2.041	2.006	-0.035		-0.034		
Impact of Covid-19	0.000	0.008	0.008	0.008	0.008		
Total People & Resources	4.324	4.260	-0.065	0.008	-0.069		
Governance							
Legal Services	0.884	0.940	0.056		0.033	Additional costs for locum services covering vacant posts	
Democratic Services	2.374	2.299	-0.074		-0.079	Variance as a result of the Members Allowances new rate not being implemented until May, 2022 and lower than anticipated take up of both Broadband and Pension Allowances (£0.108m) ; mitigated by the inception of the new Climate Change Committee Chair person Allowance plus minor variances across Service	
ICT	4.960	4.893	-0.068		-0.051	Vacancy savings together with a reduced contribution to DCC for procurement	
Customer Services	1.018	0.856	-0.162		-0.160	Registrars Fee Income higher than anticipated and savings from vacant posts	
Revenues	0.201	-0.113	-0.314		-0.223	The variance results from the projected potential surplus on the Council Tax Collection Fund (£0.250m) based on current information; minor variance across the service	
Impact of Covid-19	0.000	0.001	0.001	0.001	0.001		
Minor Variances	1.336	1.277	-0.059		-0.043		
Total Governance	10.772	10.152	-0.620	0.001	-0.523		
Strategic Programmes							
Minor Variances	6.116	6.111	-0.005		-0.008		
Total Strategic Programmes	6.116	6.111	-0.005	0.000	-0.008		
Assets							
Caretaking & Security	0.264	0.170	-0.094		-0.080	Savings on staffing due to vacancies	
Minor Variances	0.069	0.112	0.043		0.062	Cumulative minor variances across the service	
Total Assets	0.333	0.282	-0.051	0.000	-0.019		
Housing and Community							
Minor Variances	14.662	14.663	0.001		-0.231		
Total Housing and Community	14.662	14.663	0.001	0.000	-0.231		
Chief Executive's	2.235	2.152	-0.083		-0.085	Variance relates to vacant post and not all staff at top of scale	
Central & Corporate Finance	28.769	27.828	-0.941		-0.931	Over recovery of planned pension contributions recouperment against actuarial projections based on the current level of contributions together with a revised projection on the Central Loans & investment Account (CLIA) reported at Month 6	
Centralised Costs	2.783	2.778	-0.005		-0.030		
Soft Loan Mitigation	0.000	0.053	0.053		0.053		
Grand Total	326.682	326.778	0.094	0.084	0.033		

2022/23 Efficiencies Outturn Tracker - Month 7

Efficiency Description	Accountable Officer	Efficiency Target	Projected Efficiency	(Under)/Over Achievement	Efficiency Open/Closed (O/C)	Confidence in Achievement of Efficiency - Based on (see below) R = High Assumption A = Medium Assumption G = Figures Confirmed
		2022/23 £m	2022/23 £m	2022/23 £m		
Portfolio						
Corporate						
Increase in Reserves	Rachel Parry Jones	0.471	0.471	0.000	C	G
Utility Inflation	Rachael Corbelli	0.085	0.085	0.000	C	G
Efficiency from Restructure	Corporate Policy Rachel Parry Jones	0.025	0.025	0.000	C	G
Recharge to HRA	Chief Executive post to HRA 50% Rachel Parry Jones	0.027	0.027	0.000	C	G
Total Corporate Services		0.608	0.608	0.000		
Housing & Assets						
Connahs Quay Power Station	Neal Cockerton	0.290	0.290	0.000	C	G
Rent Newydd	Neal Cockerton	0.020	0.020	0.000	C	G
Total Housing & Assets		0.310	0.310	0.000		
Social Services						
Sleep in Pressure not Required	Neil Ayling	0.123	0.123	0.000	C	G
Total Social Services		0.123	0.123	0.000		
Governance						
Single Person Discount Review (One Off)	Gareth Owens	0.300	0.300	0.000	O	G
Total Governance		0.300	0.300	0.000		
Total 2022/23 Budget Efficiencies		1.341	1.341	0.000		

	%	£
Total 2022/23 Budget Efficiencies	100	1.341
Total Projected 2022/23 Budget Efficiencies Underachieved	0	0.000
Total Projected 2022/23 Budget Efficiencies Achieved	100	1.341
Total 2022/23 Budget Efficiencies (Less Previously agreed Decisions)	100	0.000
Total Projected 2022/23 Budget Efficiencies Underachieved	0	0.000
Total Projected 2022/23 Budget Efficiencies Achieved	0	0.000

Corporate Efficiencies Remaining from Previous Years

Income Target Remaining	£m
Income Target Efficiency remaining from Previous Years	0.041
Fees and charges increase 1st October, 2022	(0.026)
Total Income Efficiency Remaining	0.015

(0.015)

Movements on Council Fund Unearmarked Reserves

	£m	£m
Total Reserves as at 1 April 2022	18.438	
Less - Base Level	(5.769)	
Total Reserves above base level available for delegation to Cabinet		12.669
Less - COVID-19 Emergency Funding Allocation		5.316
Less - Childrens Services Social Work Costs (approved 21/22)		0.157
Less - Children's Services front door service - agency workers (approved by Cabinet on 28th June)		0.300
Add - Total Balances Released to Reserves (Month 5)		1.208
Less - impact of the final pay awards		3.955
Less - Month 7 projected outturn		0.094
Total Contingency Reserve available for use		4.055

Budget Monitoring Report
Housing Revenue Account Variances

MONTH 7 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Last Month Variance (£m)	Cause of Major Variance	Action Required
Housing Revenue Account						
Income	(37.755)	(37.278)	0.477	0.454	We are currently projecting a variance of £0.477m due to loss of rental income in relation to void properties. Of this, £0.371m relates to void properties, £0.092m relates to utilities costs on void properties and £0.029m relates to void garages. The remaining (£0.015m) relates to other minor variances.	
Capital Financing - Loan Charges	6.723	6.723				
Estate Management	2.263	2.067	(0.197)	(0.162)	Additional cost of agency positions of £0.160m, which is offset by vacancy savings of (£0.196m) and additional funding from the Housing Support Grant of (£0.120m). Other minor variances of (£0.041m).	
Landlord Service Costs	1.265	1.327	0.062	0.061	Salary savings of (£0.044m) are currently being projected within the service which offset agency costs of £0.024m. There is a forecasted pressure on utilities costs of £0.062m. The remaining variance of £0.020m is down to other minor movements.	
Repairs & Maintenance	10.908	10.985	0.077	0.079		
Management & Support Services	2.716	2.762	0.045	0.035	Savings of (£0.072m) have been projected based on current vacancies within the service and a further (£0.100m) efficiency has been identified through a review of central support recharges. Costs of legal advice in respect of the Renting Homes Wales Act £0.017m. Pressure in relation to insurance costs currently forecasted to be £0.169m. Other minor variances of £0.031m.	
Capital Expenditure From Revenue (CERA)	10.898	13.755	2.857	2.857		
HRA Projects	0.122	0.122	(0.000)	(0.000)		
Contribution To / (From) Reserves	2.858	2.858				
Total Housing Revenue Account	(0.000)	3.321	3.321	3.324		