

Budget Monitoring Report
Council Fund Variances

MONTH 5 - SUMMARY

Service	Movement between Periods (£m)	Narrative for Movement between Periods greater than £0.025m
Social Services		
Older People		
Localities	0.033	Transfer out of short term vacancy savings.
Minor Variances	0.004	
Disability Services		
Resources & Regulated Services	0.027	Increased service user demand within Physical Disabilities & Sensory Impairment (PDSI).
Disability Services	-0.055	Increased contributions from Betsi Cadwaladr University Health Board.
Minor Variances	-0.001	
Mental Health Services		
Residential Placements	0.053	Increase in recharge from Wrexham County Borough Council for the recovery service.
Minor Variances	0.023	
Children's Services		
Professional Support	-0.062	Allocation of £0.100m from contingency reserve for Victim contact team, offset by additional demand within Children's Integrated Disability Service (CIDS).
Minor Variances	0.023	
Development & Resources		
Vacancy Management	-0.153	Transfer of short term vacancy savings from across the portfolio.
Minor Variances	0.022	
Total Social Services (excl Out of County)	-0.086	
Out of County		
Children's Services	-0.220	This variance is mostly due to placements ending earlier than previously anticipated.
Education & Youth	0.105	The change in variance relates to a number of providers confirming placement costs/rates, replaces previous estimates. Updated payment schedules received from other LA's which confirm inflationary increases. Includes 2 x placements which have ended.
Total Out of County	-0.115	
Education & Youth		
Minor Variances	-0.032	
Total Education & Youth	-0.032	A number of small variances each less than £0.025m.
Schools	0.000	
Streetscene & Transportation		
Highways Network	0.062	Additional urgent road patching repairs following road condition surveys £0.054m. Minor variances £0.008m.
Other Minor Variances	0.016	
Total Streetscene & Transportation	0.078	
Planning, Environment & Economy		
Community	-0.029	An increase in current service demand for Pest Control during August has resulted in an unexpected increase in fee income.
Minor Variances	0.040	A number of variances each less than £0.025m.
Total Planning & Environment	0.011	

People & Resources		
HR & OD	0.010	Minor variances.
Corporate Finance	-0.003	Minor variances.
Total People & Resources	0.007	
Governance		
ICT	-0.028	A number of smaller variances such as reduction of training costs and utilisation of a reserve.
Minor Variances	0.016	A number of small variances each less than £0.025m.
Total Governance	-0.012	
Strategic Programmes		
Minor Variances	0.000	
Total Strategic Programmes	0.000	
Housing & Assets		
Administrative Buildings	0.063	Revised projection in outturn due to delays in demolition of phases three and four.
Property Asset And Development	0.086	Additional work identified, consultants required.
Industrial Units	-0.095	Reserves identified to offset shortfall in rent.
Minor Variances	-0.012	
Total Housing & Assets	0.043	
Chief Executive's	-0.014	Minor changes.
Central and Corporate Finance	3.103	<p>£1.400m has transferred to the Contingency Reserve as recommended in the Month 4 Revenue Budget Monitoring report for the Minimum Revenue Provision underspend.</p> <p>£1.940m has transferred to the Contingency Reserve as recommended in the Month 4 Revenue report for the VAT rebate.</p> <p>£0.254m underspend on inflation, of which £0.144m has been identified from the previous year to contribute towards the 2019/20 Budget.</p> <p>£0.017m minor variances</p>
Grand Total	2.982	

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MONTH 5 - 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	17.078	16.980	-0.099	-0.131	Residential and Nursing Care reflects a projected overspend of £0.370m due to increased numbers of funded placements following the increase in the capital limit to £40,000. Domiciliary Care reflects a projected underspend of £0.267m based on existing service users, however there are challenges due to capacity of external supply markets which are currently having to be met within Provider services. Other underspends include a projected underspend of £0.034m on day care due to reduced demand, £0.039m in Intake/First contact due to vacancy savings and £0.032m on Minor Adaptations. Locality Teams staffing reflects a projected underspend of £0.092m due to mainly to some posts being filled at below the top of grade. Overall net minor variances amount to a net underspend of £0.004m.	Continue to monitor and review.
Community Equipment Contribution	0.478	0.334	-0.144	-0.144	Following review and implementation of an updated Section 33 partnership agreement for the North East Wales Community Equipment Store (NEWCES), the contribution levels of partners have reduced. In the longer term this saving has been earmarked for funding of some of the revenue costs for the new extra care facilities.	These savings have been earmarked for future realignment to meet some of the revenue costs funding requirement for the new Flint Extra Care facility - Llys Raddington.
Resources & Regulated Services	6.531	6.364	-0.167	-0.142	The main influences on the net projected underspend of £0.167m is within extra care schemes where there is a projected underspend of £0.289m due mainly to the delay to the opening of the new Llys Raddington, Flint extra care facility. This is offset by a projected overspend of £0.108m on Home Care due to the need to cover capacity gaps in purchased Domiciliary Care. There are also other minor projected overspends amounting to a total of £0.014m in Residential Care and Day Centres.	Continue to monitor and review.
Minor Variances	0.826	0.864	0.039	0.009		
Disability Services						
Resources & Regulated Services	23.198	23.084	-0.114	-0.141	The projected underspend of £0.114m is mainly due to demand influences within externally provided Supported Living	Continue to monitor and review
Disability Services	0.533	0.431	-0.102	-0.047	The projected underspend is mainly due to increased levels of contributions from Betsi Cadwalader University Health Board (BCUHB) for 2 service users.	Continue to monitor and review
Administrative Support	0.182	0.130	-0.052	-0.049	The projected underspend is due to short term vacancy savings and some staff not being at top of grade	Continue to monitor and review
Minor Variances	0.810	0.774	-0.036	-0.038		
Mental Health Services						
Residential Placements	1.184	1.527	0.343	0.290	Ongoing pressure due to the numbers of long term residential placements including four new placements, despite maximisation of opportunities to secure joint funding contributions from BCUHB	Continue to monitor and review and consider pressure item within 2019/20 budget process
Minor Variances	2.635	2.641	0.006	-0.017		

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Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Last Month Variance (£m)	Cause of Major Variance	Action Required
Children's Services						
Family Placement	2.564	2.791	0.227	0.221	The projected overspend is due to the number of children in care. There has been an increase in the number of children who are subject to Foster Care/Special Guardianship/Adoption who have moved through the age barriers. Other influences include new adoption and Special Guardianship Order (SGO) payments and new Foster Carers entering the system, foster carers progressing from Level 1, 2, 3 and 4. Travel costs and Christmas and birthday allowances.	Continue to monitor and review
Professional Support	4.907	5.043	0.135	0.197	The projected overspend is due mainly to ongoing service pressures particularly within Prevention and Support, and is influenced by the need to support wider regional work on child protection issues which has been partly mitigated by an allocation of £0.100m from the contingency reserve. There are also pressures of £0.096m within the Children's Integrated Disability Services (CIDS) which is mostly due to service user demand for support via direct payments	Continue to monitor and review
Minor Variances	1.692	1.718	0.026	0.010		
Development & Resources						
Charging Policy income	-2.469	-2.588	-0.119	-0.108	The projected underspend is due to surplus income which is mainly caused by changes to disregard rules on financial assessments which came into effect from August 2016	Continue to monitor and review.
Business Support Service	1.170	1.095	-0.075	-0.078	The projected underspend of £0.075m is due to a number of short term vacancy savings and some posts currently occupied by staff who are below top of grade	Continue to monitor and review
Good Health	0.896	0.840	-0.055	-0.061	The projected underspend is mainly due to funding of a post from a grant in the short term, plus some reductions of hours following staff returning from maternity leave	Continue to monitor and review.
Vacancy Management	0.000	-0.153	-0.153	0.000	Short term vacancy savings transferred from across portfolio	
Minor Variances	2.511	2.547	0.036	0.012		
Total Social Services (excl Out of County)	64.725	64.421	-0.305	-0.219		
Out of County						
Children's Services	4.191	4.830	0.639	0.859	There is a projected overspend of £0.639m in Social Services Children's Services which is based on current clients and packages and which is likely to be subject to variation during the year	Continue close monitoring arrangements.
Education & Youth	3.083	3.906	0.823	0.718	Variance relates to Out of County placements. A substantial increase in the number of new educational placements for 2018/19.	Continue close monitoring arrangements.
Total Out of County	7.274	8.736	1.462	1.577		
Education & Youth						
School Improvement Systems	1.797	1.726	-0.072	-0.052	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. Includes other minor variances from across service area.	
Total Education & Youth	7.908	7.817	-0.091	-0.059		
Schools	89.937	89.937	0.000	-0.000		

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Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Last Month Variance (£m)	Cause of Major Variance	Action Required
Streetscene & Transportation						
Ancillary Services & Performance	3.888	4.028	0.140	0.151	<p>Delay in the development of the new Rockcliffe HRC site resulting in additional running costs of two existing sites continuing to operate until October totalling £0.050m.</p> <p>Shortfall in Recycling Income due to falling plastic, card and paper recycling prices resulting from external market factors £0.185m.</p> <p>Additional income of £0.100m above the original projections following the rollout of brown bin charges.</p> <p>Minor variances £0.05m</p>	
Highways Network	8.460	8.871	0.412	0.350	<p>Additional cost of Vehicle Insurance Premiums totalling £0.072m.</p> <p>Following increased car park charges from May 2018, together with charges in Flint being implemented for the first time, initial forecasts have indicated lower than anticipated income levels compared to original projections. In addition, officers have recently been appointed to meet the necessary demands of parking enforcement requirements across the County. The overall variance totals £0.260m.</p> <p>Additional urgent road patching repairs as a result of road condition surveys £0.054m</p> <p>Minor variances £0.026m.</p>	
Transportation & Logistics	9.150	9.413	0.263	0.242	Additional pressure as a result of the provision of additional transport for pupils from John Summers to Connahs Quay, Buckley and Mold campuses £0.242m. Minor variances £0.021m.	
Workforce	8.129	8.254	0.125	0.125	Increased Agency and Overtime costs as a consequence of current sickness levels (9%) of the workforce operatives	
Other Minor Variances	0.225	0.255	0.030	0.023		
Total Streetscene & Transportation	29.851	30.820	0.969	0.891		
Planning, Environment & Economy						
Community	0.921	0.953	0.032	0.061	Full cost recovery income targets have not been achieved in recent years and are unlikely to be achieved in 2018/19. The Pest Control Service is customer demand led with competition from external commercial organisations.	Monitor Fee income levels. Service to be reviewed during the second half of the financial year
Development	0.040	-0.098	-0.138	-0.152	Higher than expected levels of Planning Fee Income received in the first quarter of the financial year. The projection is dependant on the number and value of the applications received, resulting in a changeable outturn to ensure an accurate reflection. An award of Legal Fees from a Planning Appeal in FCCs favour	Continue to monitor Planning Fee Income levels and adjust projection accordingly
Management & Strategy	1.181	1.268	0.087	0.070	Staffing related Business Planning Efficiencies yet to be achieved pending all Service Review outcomes within the Portfolio.	Vacancy savings across the Portfolio can assist in mitigating the unachieved efficiencies in the short term. Continue to monitor & review
Minor Variances	3.478	3.514	0.036	0.027		
Total Planning & Environment	5.620	5.637	0.017	0.006		
People & Resources						
HR & OD	2.386	2.348	-0.038	-0.047	Minor variances	Continue to monitor and review
Corporate Finance	1.955	2.000	0.045	0.048	Minor variances	Continue to monitor and review
Total People & Resources	4.341	4.349	0.007	0.001		

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Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Last Month Variance (£m)	Cause of Major Variance	Action Required
Governance						
Legal Services	0.698	0.724	0.026	0.026	Minor variances	
Democratic Services	2.016	2.029	0.013	0.011	Minor variances	
Internal Audit	0.449	0.426	-0.023	-0.022	Minor variances	
Procurement	0.320	0.331	0.010	0.002	Minor variances	
ICT	4.522	4.522	0.000	0.028	Minor variances	
Customer Services	0.380	0.443	0.063	0.057	Additional registration services income estimated to be in the region of £0.024m. Prior year efficiency in respect of Contact Centres unlikely to be achieved in 201/19 £0.100m. Other minor variances £0.013m underspend.	Monitor and Review.
Revenues	-0.228	-0.466	-0.238	-0.238	Anticipated surplus on the Council Tax Collection Fund £0.179m. Additional collection following the conclusion of the Single Persons Discount Review £0.025m. Vacancy savings of £0.030m. Other minor variances £0.004m underspend.	Continue to review on a monthly basis and report on any significant variances or movements.
Total Governance	8.158	8.009	-0.149	-0.136		
Strategic Programmes						
Minor Variances	5.164	5.164	0.000	0.000		
Total Strategic Programmes	5.164	5.164	0.000	0.000		
Housing & Assets						
Administrative Buildings	1.179	1.230	0.052	-0.011	NDR efficiency target unlikely to be achieved in 18.19 due to delays in the demolition of Phases 3&4	Continue to monitor
Caretaking & Security	0.274	0.222	-0.053	-0.057	Underspend resulting from staff vacancies and changes to staff (£0.52m)	Continue to monitor
CPM & Design Services	0.588	0.490	-0.098	-0.098	(£0.85m) additional income estimated. (£0.13m) minor variances.	Continue to monitor
Industrial Units	-1.134	-1.011	0.123	0.218	£0.123m shortfall in industrial rent to be mitigated by underspends within the service.	Continue to monitor
Benefits	10.653	10.614	-0.039	-0.028	Projected underspend on the Council Tax Reduction Scheme (CTRS) (£0.059m). Additional cost of IT related expenditure such as software and external printing £0.038m. Other savings from across the service (£0.018m).	Continue to review and report on significant variances on a monthly basis.
Disabled Facilities Grant	-0.029	0.012	0.041	0.041	Unachieved framework income for Energy Efficiency projects within 2017/18 £0.050m. Other minor variances.	Continue to review and report on significant variances on a monthly basis.
Minor Variances	1.266	1.294	0.027	-0.053		
Total Housing & Assets	13.421	13.474	0.053	0.010		
Chief Executive's	2.961	2.681	-0.280	-0.266	Variances due to a number of vacancies resulting from a number of workforce changes during the year.	Keep under review and consider as part of 19-20 budget
Central and Corporate Finance	24.968	23.586	-1.382	-4.484	Increased Coroners Costs £0.040m. Pension deficit recovery, an underspend of £1.022m, this is due to an increase in contributions, while the repayment figure has remained static. Apprentice Tax Levy, underspend of £0.065m. Auto Enrolment, numbers are less than estimated, which gives a favourable variance of £0.273m. Inflationary underspend of £0.254m of which £0.144m has been identified to contribute towards the 2019/20 budget. An underachievement on the income target of £0.200m. Minor variances £0.008m.	Continue to review all variances alongside the continuing work on the MTFS.
Grand Total	264.328	264.631	0.303	-2.679		

2018/19 Efficiencies Outturn - Under or Over Achieved

Portfolio	Original Efficiency	Revised Efficiency	(Under)/Over
	2018/19 £(m)	2018/19 £(m)	Achievement 2018/19 £(m)
Central & Corporate Finance			
Theatre C/wyd tax relief	0.075	0.075	0.000
County Hall (NDR Element)	0.060	0.060	0.000
Audit fee reduction	0.127	0.127	0.000
Total Central & Corporate Finance	0.262	0.262	0.000
Governance			
Records management; Reduce records in storage.	0.010	0.010	0.000
ICT - Digital Print	0.048	0.048	0.000
Customer Services; New customer service models	0.050	0.050	0.000
Flintshire Connects; More flexible service in conjunction with potential income	0.056	0.056	0.000
Registration; Chargeable declaration of births	0.012	0.012	0.000
Revenues; Increase in collection rates enables adjustment to bad debt provision (one off).	0.094	0.094	0.000
Revenues; Second year windfall for single person discount review (one off)	0.140	0.140	0.000
Single Person Discount additional efficiency	0.160	0.185	0.025
Total Governance	0.570	0.595	0.025
Social Services			
Disability Service; Review current contract with external agency to deliver	0.030	0.030	0.000
Disability Service; Reduction of posts.	0.110	0.110	0.000
Workforce Development; Additional Income from QCF assessors through	0.030	0.030	0.000
Business Support and Management; Rationalisation of rented	0.015	0.015	0.000
Increase in domiciliary care charging.	0.220	0.220	0.000
Integrated Care Fund	0.500	0.500	0.000
Care Fees	0.514	0.514	0.000
Merger of Out of Hours Service	0.020	0.020	0.000
Total Social Services	1.484	1.484	0.000
Education & Youth			
Early Entitlement; Reduce sustainability grant payments and remodel	0.020	0.020	0.000
Business Support; Staff reduction	0.010	0.010	0.000
Nursery Education; Staff reductions	0.040	0.040	0.000
Total Education & Youth	0.070	0.070	0.000
Schools			
Schools Demography	0.288	0.288	0.000
Total Schools	0.288	0.288	0.000
Strategic Programmes			
Leisure, Libraries and Heritage; Continuation of previous years' business plan	0.416	0.416	0.000
Total Strategic Programmes	0.416	0.416	0.000
Housing & Assets			
Valuation Service; Property rationalisation through closure and amalgamation of services into other more efficient assets.	0.050	0.050	0.000
Valuation Service; Increase farm income through renewal of grazing licences.	0.021	0.021	0.000
Valuation Service; Community Asset Transfer process, efficiencies through reduced costs.	0.010	0.010	0.000
Valuation Service; Restructure of service as part of move to a commissioning client.	0.020	0.020	0.000
Valuation Service; Remove caretaking/security services at County Offices, Flint.	0.015	0.015	0.000
Corporate Property Maintenance; Restructure of service as part of move to a commissioning client.	0.080	0.080	0.000
Design and Project Management Services; Restructure of service as part of move to a commissioning client.	0.040	0.040	0.000
NEWydd Catering and Cleaning Services; Continuation of previous Business and Marketing plans.	0.050	0.050	0.000
County Hall	0.240	0.140	(0.100)
New Homes; Return anticipated trading surplus to the Council.	0.030	0.030	0.000
Regional Training courses delivered by GT officer	0.003	0.003	0.000
Welfare Rights; Some activity to be absorbed into single financial assessment team.	0.032	0.032	0.000
Benefits; Adjustment to bad debt provision (one off).	0.050	0.050	0.000
Benefits; Council Tax Reduction Scheme.	0.250	0.250	0.000
Benefits; Remove duplication and provide a single financial assessment service.	0.050	0.050	0.000
Reduction of senior management team	0.050	0.050	0.000
Total Housing & Assets	0.991	0.891	(0.100)
Streetscene & Transportation			
Waste Strategy; Charges for garden waste	0.800	0.900	0.100
Car Park Charges	0.450	0.250	(0.200)
Total Streetscene & Transportation	1.250	1.150	(0.100)
Planning, Environment & Economy			
Development management; Production of planning statements and to undertake private appeals	0.015	0.015	0.000
Highways Development Control; Introduce further charges. Review current charges. Retain supervisory function of highway works in the Building Control; Review charges. Introduce charges. Increase partnership working. Increase authorised commencements inspections.	0.015	0.015	0.000
Built Environment; Charing for preapplication advice	0.030	0.030	0.000
Flooding and Drainage; Fees for capital project work.	0.010	0.010	0.000
Energy; Fees for energy efficiency assessment.	0.010	0.010	0.000
Minerals and Waste; Maximise regulatory compliance income. Review day rate charging.	0.050	0.050	0.000
Rights of Way; Increase charging and reduce expenditure.	0.020	0.020	0.000
Economic Development; Workforce efficiency if regional service developed.	0.020	0.020	0.000
Total Planning, Environment & Economy	0.180	0.180	0.000
		%	£
Total 2017/18 Budget Efficiencies		100	5.511
Total Projected 2017/18 Budget Efficiencies Underachieved		3	0.175
Total Projected 2017/18 Budget Efficiencies Achieved		97	5.336

Movements on Council Fund Unearmarked Reserves

	£m	£m
Total Reserves as at 1 April 2018	13.697	
Less - Base Level	(5.769)	
Total Reserves above base level available for delegation to Cabinet		7.928
Less – amount committed as part of balancing 2018/19 budget		(1.945)
Less – One off contribution to Schools agreed at Council on 1 March 2018		(0.460)
Less – Contribution to fund shortfall in MEAG funding (M2)		(0.058)
Add – transfer from revenue for amount recovered in-year due to change in accounting policy for the Minimum Revenue Provision		1.400
Add – transfer from revenue for the amount of the VAT rebate recieved		1.940
Less – allocation to meet additional in-year budget pressure for the agreed pay award above the 1% included in the 2018/19 budget		(1.084)
Less – allocation for ongoing resourcing of the Victim Contact Team		(0.100)
Less – projected outturn overspend		(0.303)
Total Contingency Reserve as at 31st March 2019		7.318

Budget Monitoring Report
Housing Revenue Account Variances

MONTH 5 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Last Month Variance (£m)	Cause of Major Variance	Action Required
Housing Revenue Account						
Income	(34.381)	(34.163)	0.218	0.126	A pressure of £0.218m is anticipated on income. £0.073m of this pressure relates to loss of rental income on properties being void longer than anticipated and £0.063m due to delays on handover/delays on new build schemes. £0.029m of the pressure relates to loss of income on garages which are not tenanted. £0.036m of the pressure relates to removal of the early payment discount on the Welsh Water contract. The remaining £0.017m relates to minor pressures.	
Capital Financing - Loan Charges	8.694	8.412	(0.282)	(0.146)	The projected underspend of £0.282m relates to expected borrowing costs for SHARP. £0.051m of the underspend relates to the Minimum Revenue Payment (loan repayment) which is lower than budgeted because borrowing levels were as high on the 31st March as expected. The remaining £0.231m relates to interest charges. Batch 3 schemes will now start on site later than anticipated and this means expenditure will be spread across financial years. In-year interest charges will therefore be lower than originally anticipated.	
Estate Management	1.617	1.576	(0.041)	(0.010)	Minor Variance	
Landlord Service Costs	1.415	1.421	0.006	0.011	Minor Variance	
Repairs & Maintenance	8.159	8.178	0.019	0.034	Minor Variance	
Management & Support Services	2.297	2.227	(0.070)	(0.077)	A saving of £0.070m is anticipated on Management and Support costs. £0.092m relates to vacancy savings. The remaining £0.022m relates to minor pressures elsewhere.	
Capital Expenditure From Revenue (CERA)	12.170	12.251	0.081	(0.007)	The planned overspend of £0.081m relates to an increase in the contribution from revenue towards capital costs. This increase is possible because of decreased costs elsewhere in the HRA. Contributing towards the capital budget from revenue reduces the requirement to borrow.	
HRA Projects	0.047	0.049	0.002	0.002	Minor Variance	
Contribution To / (From) Reserves	(0.018)	0.049	0.067	0.067	The projected HRA outturn is an underspend of £0.067m which has the impact of bringing the closing un-earmarked reserves balance to £1.165m.	
Total Housing Revenue Account	0.000	(0.000)	(0.000)	(0.000)		