

Budget Monitoring Report
Council Fund Variances

MONTH 5 - 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	19.495	18.861	-0.633	-0.058	-0.938	The net cost of Residential Care is £0.419m underspent. This includes the cost of residential care placements net of income received, such as property charges and contributions from Health. There is currently a decline in the demand for residential care placements due to COVID-19. Day Care is £0.058m under budget and it is projected that Day Care provision will not resume until later in the year. Domiciliary and Direct Payments are reporting a combined overspend of £0.015m and are projected on recent levels of care provision. The Localities Team staff budget is underspending by £0.116m due to a number of staff not yet paid at top of grade, some temporary reduced hours and in-year savings on travel costs. The Minor Adaptations budget is £0.048m underspent based on expected activity and there is also a small underspend on SLAs paid to the third sector of £0.009m.	Continue to monitor and review
Resources & Regulated Services	7.680	7.533	-0.147		0.258	The Councils in-house care provision is reporting an underspend of £0.147m. Day Care is reporting an overspend of £0.013m. Day centres are currently closed due to the ongoing pandemic and will continue to be for the foreseeable future, the staff are currently deployed to support residential care. The overspend on day centres is due to several small variances. Homecare is underspent by £0.005m, costs are projected based on last years levels of activity as current costs have been lower than expected in the year to date. However, these are likely to return to expected levels as the year progresses. Residential care is overspent by £0.027m due to a number of small variances. Extra care is underspending by £0.183m. Plas Yr Ywen in Holywell has not yet opened (expected November, 2020) and a full compliment of staff has not yet been recruited. Care staff already recruited are currently redeployed to alternative in-house care services and this has avoided significant costs due to COVID-19.	Continue to monitor and review
Impact of Covid-19	0.000	-0.000	-0.000	-0.000	-0.000		
Minor Variances	1.217	1.188	-0.029		-0.027		
Adults of Working Age							
Administrative Support	0.321	0.232	-0.088		-0.084	Not all staff are currently paid at top of scale and some staff have been seconded. There are also in-year savings on staff travel costs.	
Residential Placements	1.297	1.890	0.593		0.597	This outturn is the cost of social care for people within the Mental Health Service. These costs include nursing and residential care, domiciliary and Direct Payments. Care needs for individuals within this service vary from time to time, sometimes at short notice, and costs are impacted by these changes.	Agreed changes to care packages are discussed at regular panel meetings, any increases or decreases to costs are recorded.
Minor Variances	29.602	29.462	-0.139		-0.181		
Children's Services							
Family Placement	2.621	2.792	0.172		0.209	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.	Continue to monitor and review
Legal & Third Party	0.225	0.566	0.341		0.325	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.	Continue to monitor and review
Professional Support	5.270	5.662	0.392		0.320	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 to be able to meet the challenges and demands of Childrens Services.	Continue to monitor and review
Minor Variances	1.469	1.474	0.004		0.034		
Safeguarding & Commissioning							
Charging Policy income	-3.060	-3.136	-0.076		-0.088	Charging Policy income is expected to exceed the budget. This is based on the weekly charge cap and the number of service users who financially contribute to their care.	
Management & Support	-2.057	-2.183	-0.125		-0.123	The underspend is due to not having to pay a financial contribution to the Regional Collaboration Unit for 2020/21	
Impact of Covid-19	0.000	0.000	0.000	0.000	-0.000		
Minor Variances	4.168	4.114	-0.054		-0.068		
Total Social Services (excl Out of County)	68.247	68.458	0.211	-0.058	0.234		
Out of County							
Children's Services	7.437	7.781	0.345		0.115	A recent influx of new placements (10 in total) has resulted in a significant increase in the projection which has fully utilised the contingency provision for new placements which had been included in projections in earlier months. The increase in projection is further influenced by a number of recent placement changes some of which were at higher cost and some at a lower cost with a net adverse impact.	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	4.300	-0.204		-0.266	The projected underspend has reduced due to 6 new placements having recently been agreed by the Out of County panel with a minor offsetting adjustment due to one placement ending.	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	12.081	0.141	0.000	-0.151		
Education & Youth							
Inclusion & Progression	4.275	4.261	-0.014		-0.016		
Integrated Youth Provision	1.351	1.135	-0.215	-0.148	-0.224	Includes a projected underspend of -£0.148m on Youth Centres due to closures arising from COVID-19 safety measures producing	Continue to review as part of the ongoing challenge of
School Improvement Systems	1.709	1.560	-0.149	-0.149	-0.136	Variance relates to significantly lower Summer Term 2020 payments due to COVID-19. Hours paid are based on an average for Jan/Feb resulting in considerably lower expenditure in comparison to previous years	
Minor Variances	5.692	5.606	-0.086		-0.094	Cumulative Minor Variances	
Total Education & Youth	8.752	8.302	-0.450	-0.297	-0.453		
Schools	98.508	98.508	-0.000		-0.000		

Budget Monitoring Report
Council Fund Variances

MONTH 5 - 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
Streetscene & Transportation							
Service Delivery	8.685	8.957	0.273		0.256	The service has incurred additional revenue pressures from responding to and resolving previously reported security measures and remedial actions following vandalism at the Household Recycling Centres. This matter has been widely reported during 2019-20 and has not abated. The monthly costs are now running at up to £0.006m per month, mainly due to the introduction of a night time presence on the sites. In addition a pressure has arisen around Hire of Plant in operations which is a direct result of the delayed delivery of equipment from JCB due to staff being currently on furlough, every effort is being made to secure coverage of this pressure via Welsh Government Grant Claims as a direct result of COVID 19. A reduction in the use of baseline agency and overtime relating to the agreed demand plan has resulted in an improved position within workforce.	
Highways Network	7.659	7.751	0.092		0.161	The anticipated pressure in the Insurance Premium has now been removed following confirmation of the actual premium. Inflation in relation to Street Lighting energy increased by £0.075m in 2020/21 and this has been met from a central inflation allocation from Month 5. However, a pressure for Fuel NSI increases remains within the figures, despite fuel prices being deflated during the initial phase of the Pandemic, prices are now increasing rapidly alongside increases in volumes of consumption. A stringent review has taken place around levels of commitment within Street Lighting and this has given rise to an increase in the forecast whilst work is ongoing as part of the Non-Essential spend review to continually challenge increased commitments.	
Transportation	9.297	9.261	-0.036		-0.050	Increased transport provision to Children placed Out of County of £0.044m and Adult Social Care of £0.063m. Discussions are ongoing with Social Services colleagues around any potential transfer of resource into this budget. Following Welsh Government Guidance a number of operators have been supported by receiving 75% of their contracted values and the consequential mitigation of these payments has to date covered the pressures identified above.	
Regulatory Services	4.740	4.918	0.178		0.240	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 £0.120m. All best efforts are being made to identify any potential mitigations to reduce this. It should be noted that disposals of kerbside residual waste to both Parc Adfer and Thornclyffe, including haulage by LWT, have increased over the past few months and are currently at around 12% higher when comparing to last year. This has resulted in increased costs of disposal. At month 5 the impact of this is approximately £0.105m. In addition to this, the position for Parc Adfer has improved at month 5 in relation to the receipt of the actual value for the NNDR charge, reducing forecast overspend position. There has also been an increase in the volume of co-mingled recycling (tins/plastic bottles) being disposed of directly without separation at the Standard Transfer Station. This is in part due to increased recycling volumes and the sites incapacity to process the material due to volume limits and the breakdown of machinery. Funding has been secured/bid for to upgrade the site but this is causing financial impact now to the sum of approximately £0.030-£0.040m. There has also been a downturn in the rebate for co-mingled waste due to a considerable drop in the value per ton of approximately £70 - £80 per ton. As reported above, all recycling income loss has been projected to be funded by Welsh Government.	
Impact of Covid-19	0.000	0.755	0.755	0.755	0.855	Following a full reconciliation and review of Streetscene expenditure and income loss relating to the Coronavirus Pandemic, all relevant pressures 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 are now recorded in this forecast and at month 5 they include; £0.050m Agency and overtime (reduced from £0.150m at month 4), £0.550m car parking income loss (amended following receipt of the first tranche of Welsh government funding, £0.080m in relation to additional vehicles and fuel and £0.075m in relation to additional private contractors and plant hire.	It should also be noted that following the disallowing of expenditure from claims to Welsh Government of the Grass Cutting contract, let due to all operatives being diverted to waste routes, an application for £0.042m has been made for the release of part of the £3m COVID-19 Contingency Reserve allocation.
Other Minor Variances	0.000	0.075	0.075		0.000		
Total Streetscene & Transportation	30.380	31.643	1.263	0.755	1.461		
Planning, Environment & Economy							
Business	1.684	1.731	0.047		0.053	Historic income target £0.025m remains unrealised, minor variances across the service	
Development	0.015	0.225	0.210	0.295	0.188	Pressure within the Building Control service is due in the main, to delays in sourcing core materials means that the construction industry is operating at a low level of capacity. This is resulting in a projected Building Control fee income loss of £0.180m for the financial year. There has been a lull in the property market affecting a reduced need for Land Charge searches adding to the overspend. An estimated reduction of 60% on fees and charges would result in a shortfall of £0.095m for the financial year. The overall variance is mitigated by a confirmed Fee increase for planning and related applications of approx 20% with effect from 24 August, 2020.	
Access	1.307	1.354	0.047	0.050	0.053	Minor variances across the service each below £0.025m	
Regeneration	0.508	0.665	0.157	0.110	0.151	There has been a significant impact on income levels following the closure of Markets in the first quarter of the financial year.	
Impact of Covid-19	0.000	0.000	0.000	0.000	-0.000		
Minor Variances	2.208	2.207	-0.002		0.020		
Total Planning & Environment	5.723	6.182	0.459	0.455	0.465		
People & Resources							
HR & OD	2.383	2.364	-0.019		-0.007		
Corporate Finance	2.073	2.071	-0.002		0.007		
Impact of Covid-19	0.000	0.000	0.000	0.000	0.000		
Holding Accounts	0.000	0.000	0.000		0.000		
Total People & Resources	4.456	4.435	-0.021	0.000	0.000		
Governance							

Budget Monitoring Report
Council Fund Variances

MONTH 5 - 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
Legal Services	0.730	0.907	0.177		0.173	Overspend as a result of employing locums covering absence to ensure continuing client service delivery in the area of child protection £0.132m; together with 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 £0.091m. Total overspend is mitigated by vacant posts, expected fee income and commitment challenge across the service.	
Democratic Services	2.094	2.039	-0.056		-0.043	Favourable variance following reduced take up of Members Allowances £0.024m Minor Variances across the service each less than £0.010m.	
Internal Audit	0.822	0.818	-0.003		-0.038		
Procurement	0.320	0.304	-0.016		-0.016		
ICT	4.427	4.383	-0.044		-0.065	Minor variances across the service	
Customer Services	0.724	0.786	0.062	0.071	0.071	Within the Registration Service there is an estimated loss of income for the remainder of the year due to fee income from the cancellation and suspension of wedding ceremonies due to the pandemic. This is mitigated in part by vacancies and commitment challenge	
Revenues	0.030	0.462	0.432	0.432	0.537	The national lockdown restrictions have resulted in the cessation of all recovery activities, especially enforcement/bailiff duties during periods 01 to 05. All debt recovery activities, with the exception of enforcement/bailiff duties, re-commenced in August, starting with the issue of 1st reminder notices. The level of financial risk from fee income will be dependent on re-commencement of court action to secure Liability Orders - income from fees is expected to re-commence in Period 07 as court summonses are issued, however this will be mitigated by the potential for an additional resource to assist in clearing the backlog of cases and provide service resilience. This is mitigated in part with an increasing surplus on the Council Tax Surplus fund.	
Impact of Covid-19	0.000	0.000	0.000	0.000	-0.000		
Minor Variances	1.142	1.123	-0.019		-0.054		
Total Governance	9.147	9.699	0.553	0.503	0.619		
Strategic Programmes							
Minor Variances	5.018	4.803	-0.215		-0.202	The Climate Change Levy (formerly the Carbon Reduction Levy) was in prior years paid as a separate one-off charge. However, from 2019/20, the energy provider changed the way they issued costs for CCL and these charges are now included in service specific utility bills within the centralised budgets in Housing & Assets, thus providing a projected £0.202m underspend from the centrally held budget in Strategic Programmes.	
Total Strategic Programmes	5.018	4.803	-0.215	0.000	-0.202		
Housing & Assets							
Enterprise Centres	-0.217	-0.123	0.094		0.090	Pressure due to loss of income in respect of void units	
Caretaking & Security	0.262	0.198	-0.064		-0.064	Mainly staffing cost savings pending completion of restructure	
Centralised Costs	3.353	2.580	-0.773		-0.743	Overall savings predominantly as a result of the demolition of Phase 3 & 4 of County Hall. A reduction in gas and electric prices also contributing to the underspend.	
Benefits	11.657	11.874	0.217	0.119	0.223	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 £0.058m of WG emergency funding support in respect of the April to June element of the overall pressure but the £0.750m is not included in the variance figures. Variance includes pressure of £0.119m on staffing costs due the additional demand caused by the COVID-19 pandemic and overpayments.	
Council Fund Housing	-0.328	-0.164	0.163		0.165	Reduction of internal Housing Support grant allocation due to eligibility issues and pressure arising from new service contract for Carelink	
Minor Variances	1.358	1.339	-0.019		-0.014		
Total Housing & Assets	16.085	15.703	-0.382	0.119	-0.344		
Chief Executive's	2.781	2.523	-0.259		-0.257	Vacant posts across the Service	
Impact of Covid-19	0.000	-0.000	-0.000	-0.000	-0.000		
Central & Corporate Finance	24.950	24.571	-0.379		-0.389	Over recovery of planned pension contributions recouped against actuarial projections based on the level of contributions received to date and forecast to the end of the financial year.	
Impact of Covid-19	0.000	-0.000	-0.000	-0.000	-0.000		
Grand Total	285.987	286.908	0.921	1.477	0.983		