

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	20.868	20.385	-0.483		-0.538	The commissioned Older People Domiciliary and Direct Payment budget is projecting a £0.979m underspend based on current level of demand. There continues to be recruitment and retention challenges within the care sector which limits the amount of homecare that can be commissioned. The residential care budget is projecting a £0.461m overspend due to the cost of placements net of income such as Free Nursing Care, Regional Integration Fund (RIF) contributions and property income. The Localities workforce budget is expected to overspend by £0.016m. There is an underspend on Day Care of £0.032m and an overspend of £0.050m on the Minor Adaptations budget.	
Regional Integration Fund	0.000	0.151	0.151		0.151	The Step Down Regional Integration Fund (RIF) scheme, which enables quicker hospital discharges by placing people into short term care before they can return home safely, has been spent in full and additional funding has not been provided.	
Resources & Regulated Services	9.472	9.422	-0.050		0.010	In-house residential care is expected to overspend by £0.095m due to employee and running costs and in-house homecare is estimated to underspend by £0.066m. The Extra Care budget is underspent by £0.026m and day care by £0.053m.	
Impact of Covid-19	0.000	0.000	0.000	0.000	0.000		
Minor Variances	1.315	1.312	-0.002		0.001		
Adults of Working Age							
Resources & Regulated Services	29.890	30.215	0.325		0.461	The PDSI (physically disabled and sensory impaired) budget is reporting a £0.092m overspend due to net costs of care packages. The in-house supported living service is £0.427m overspent, there have been significant recruitment challenges which have lead to increased agency costs, additionally there has been increased hours of support required due to care needs. The day care and workscheme budget is underspending by £0.009m. Learning Disability care package costs are £0.186m under budget.	
Children to Adult Transition Services	0.951	1.067	0.116		0.115	These are the costs of care for young adults who are transferring to Adult Social Care services from Childrens Services within this financial year. Care costs are initially estimated but once services have been confirmed the actual costs may be different.	
Professional and Administrative Support	0.439	0.373	-0.065		-0.038	Savings from vacant posts	
Transition & Disability Services Team	0.847	0.766	-0.081		-0.058	There has been an allocation of RIF funding towards a post	
Supporting People	-0.323	-0.460	-0.137		-0.094	Additional Supporting People funding has been allocated within this financial year	
Residential Placements	1.956	2.386	0.430		0.496	Overspend is due to the net cost of care packages to support people with mental ill health	

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Minor Variances	3.115	3.031	-0.084		-0.040		
Children's Services							
Family Placement	2.862	2.705	-0.156		-0.136	Reduced numbers of in-house foster carers are resulting in lower costs, however this will mean an increased number of Independent Foster Agency placements, which are more expensive, within the Out of County budget.	
Family Support	0.403	0.478	0.075		0.094	Costs are based upon the current activity levels over the last few months and projected forward for the rest of the year. Employee costs, which are mostly sessional staff, are the primary cost driver for this service.	
Legal & Third Party	0.232	0.605	0.373		0.407	Legal costs are overspent by £0.222m due to the number of cases going through the courts and some use of external legal professionals. Direct Payments are subject to high demand and are overspending by £0.151m.	
Residential Placements	1.312	0.641	-0.672		-0.630	The in-year opening of in-house Childrens Residential Care settings will mean one off cost savings. There are also a number of Welsh Government grants being used to offset expenditure.	
Professional Support	6.447	6.972	0.525		0.588	To support adequate levels of child protection, the established staffing structure needs to be at a sufficient level to meet mandatory safeguarding standards. Vacancies need to be minimised and additional temporary posts are sometimes required to meet the challenges and demand of Childrens Services.	
Minor Variances	0.717	0.718	0.002		-0.003		
Safeguarding & Commissioning							
Business Systems & Financial Assessments	0.906	1.061	0.156		0.059	There are additional costs for an IT system upgrade and also for development of a Social Services finance system. There are also temporary uplift in hours and additional support assistants, which is being funded from the underspend projected in the Business Support Service.	
Charging Policy income	-3.104	-3.182	-0.078		-0.081	Income is generated by demand for chargeable services and based upon each individuals ability to pay resulting from a financial assessment.	
Business Support Service	1.282	1.226	-0.056		-0.072	The underspend is due to vacant posts which are highly unlikely to be recruited to this financial year.	
Finance /Deputyship	0.027	0.079	0.052		0.041	There is an overspend on workforce costs for £0.027m and a shortfall in projected income of £0.022m plus minor variances equalling £0.003m.	
Safeguarding Unit	1.344	1.153	-0.191		-0.216	A consultation for updated Liberty Protection Safeguard legislation continues to be undertaken. Due to the delay in implementing the legislation there will be an in-year saving. In addition there has been some Welsh Government grant funding to offset in-year costs.	
Good Health	0.748	0.691	-0.057		-0.008	Welsh Government have provided an in-year grant of £0.040m which is offsetting costs within this service.	
Impact of Covid-19	0.000	-0.018	-0.018	-0.018	-0.020		

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Minor Variances	-1.721	-1.771	-0.050		-0.105		
Total Social Services (excl Out of County)	79.985	80.006	0.021	-0.015	0.412		
Out of County							
Children's Services	10.097	11.193	1.095		1.325	The projected overspend reflects significant additional demands on the service in the year to date with 37 new placements having been made in the year to date - most of which are high cost residential placements. The projection now includes an allocation of £0.285m from the Regional Integration Fund due to slippage on other projects	
Education & Youth	5.004	4.579	-0.424		-0.360	The latest underspend reflects projected costs for the current cohort of placements and there have been 26 new placements in the year to date with further new placements also likely to emerge in the remainder of the year, for which contingency provision of £0.050m has been made.	
Total Out of County	15.101	15.772	0.671	0.000	0.966		
Education & Youth (Non-Schools)							
Inclusion & Progression	5.496	5.489	-0.008		-0.005	Small variance within the service resulting from a budget c/f request for the underspend, which has occurred by utilising all grants to offset core budget and staff vacancies throughout the year. A c/f request of £280k for the Inclusion service has been agreed. A significant cost pressure has been identified as a portfolio risk. This c/f is required to support the education of pupils who are not attending school, either due to medical difficulties, inc mental health and anxiety, permanent exclusion and the lack of available specialist provision. There is an anticipated £300k pressure for 23-24 and the c/f would help to mitigate some of this pressure. A further £95k c/f has been requested from the EAL/Traveller service. This c/f is required to support schools in enabling them to meet the needs of a large number of children who have experienced Trauma, including the refugee learners, Looked After Children etc. The work will be part of the Corporate Strategy, to ensure that all schools are fully informed and are able to implement Trauma Informed Practice. The aim is to improve wellbeing, reduce exclusions and to increase attendance. Plas Derwen have also submitted a budget c/f request for £35k to use towards the cost of hiring two minibuses. This will enable students to continue to access a range of alternative curriculum activities to support their educational packages. Total budget c/f request = £410k	
Integrated Youth Provision	1.042	0.997	-0.044		-0.068		
Youth Justice	0.335	0.323	-0.012		-0.032		

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School Improvement Systems	1.909	1.637	-0.272		-0.216	Favourable variance relates to several Welsh Government Grants that are being used against core staff within Early Entitlement and School Improvement Service. Movement of £49k in the Early Entitlement service as a result of maximising further grant against established staff and non maintained payments to settings for the Spring Term have also been lower than anticipated.	
School Planning & Provision	0.694	0.620	-0.074		-0.078	Projected underspend on insurance liability claims costs and some salary savings	
Minor Variances	2.223	2.189	-0.034		-0.111		
Total Education & Youth (Non-Schools)	10.323	9.935	-0.388	0.000	-0.410		
Schools	108.376	108.376	0.000		0.000		
Streetscene & Transportation							
Service Delivery	10.273	10.557	0.283		0.273	The service has a recurring revenue pressure of £0.100m for security costs due to vandalism/break-ins at the Household Recycling Centres. Street lighting is also incurring a £0.070m revenue pressure on the community council income budget. The remaining £0.100m is attributable to high sickness levels/agency costs. The service is also expected to cover costs of £0.060m related to the State Funeral and Proclamation Events. The overall overspend is partially offset by additional income achieved through in-house construction work.	
Highways Network	8.165	8.631	0.466		0.478	Highways is incurring a Revenue pressure of £0.400m in Fleet services as a result of rising fuel costs. An additional £0.050m is due to an increase in contractor costs for weed spraying following recommendations made at Scrutiny Committee, which cannot be covered by existing budgets.	
Transportation	10.354	10.803	0.448		0.450	Local bus subsidy is incurring additional overspend of £0.100m due to Park and Ride Service and Service 5 re-procurement. School Transport is incurring a revenue pressure of £0.090m, due to a shortfall in budget for 3 school days driven by Easter timelines in this financial year. Additional pressure of £0.200m in School Transport due to additional routes (PRUs/ALN) for 6 routes in total equating to £2,700 extra per day. School Transport is also facing an additional revenue pressure of £0.030m due to capacity issues on a commercial bus service. Any further cost increases due to rising transport operator costs (fuel, driver wages, insurance, energy etc.) will be closely monitored.	

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Regulatory Services	11.138	11.060	-0.078		-0.072	The Service is incurring £0.060m revenue pressure due to increased residual waste tonnages, which is creating a risk in achieving WG Recycling Targets. The overspend is largely offset by an underspend of £0.053m due to vacancies within the service, increased rebate rates for the sale of electricity, recycling income and car parking income, which has increased income by £0.064m, including other minor variances with reduction in recycling disposal costs of £0.030m.	
Impact of Covid-19	0.000	0.000	0.000	0.000	0.000		
Holding Accounts	0.000	0.000	0.000		0.000		
Other Minor Variances	0.000	0.000	0.000		0.000		
Total Streetscene & Transportation	39.931	41.050	1.120	0.000	1.129		
Planning, Environment & Economy							
Community	0.973	1.038	0.064		0.061	Fee income shortfalls in Licensing and Pest Control and historic business planning efficiency £0.024m not realised	
Development	0.203	-0.458	-0.661		-0.673	Favourable variance based on projected over recovery of Fee Income which includes the receipt of two high value one off Planning Fee each approx £0.300m	
Access	1.529	1.713	0.184		0.130	Adverse variance relates to the projected costs of Ash Die Back to March, 2023, together with historic grant income target not realised	
Regeneration	0.835	0.745	-0.090		-0.089	Savings from vacant posts and expenditure on Wales Rally GB not realised as previously anticipated.	
Management & Strategy	1.411	1.482	0.071		0.052	The new Agile Case Management System requiring a commitment for a potential renewal of the contract with Civica for a further one year use of Flare.	
Minor Variances	2.269	2.282	0.013		0.012		
Total Planning & Environment	7.222	6.802	-0.419	0.000	-0.508		
People & Resources							
HR & OD	2.412	2.471	0.059		0.024	Variance relates to the Historic Business Efficiency Income Target for DBS Checks unachieved, mitigated by minor favourable movements	
Corporate Finance	2.257	2.139	-0.119		-0.131	Variance includes the receipt of a 50% Welsh Government Admin Grant for administering the Free School Meals Programme together with staff savings from vacant posts	
Total People & Resources	4.670	4.610	-0.060	0.000	-0.107		
Governance							
Legal Services	0.934	1.043	0.110		0.097	Additional costs for locum services covering vacant posts	

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Democratic Services	2.468	2.378	-0.090		-0.084	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 the service	
Internal Audit	1.050	0.969	-0.082		-0.086	Vacancy savings together with revised/reduced projected cost for Postage within Central Despatch	
Revenues	0.295	-0.051	-0.346		-0.374	The variance results from the projected potential surplus on the Council Tax Collection Fund (£0.312m) 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	6.535	6.501	-0.033		-0.108		
Total Governance	11.281	10.841	-0.440	0.001	-0.555		
Strategic Programmes							
ADM's & CAT's	6.069	6.138	0.068		0.061	Adverse variance as a result of an agreed £0.050m contribution to support the Aura Pay award, £0.018m minor variances.	
Minor Variances	0.047	0.047	0.000		-0.000		
Total Strategic Programmes	6.116	6.185	0.069	0.000	0.061		
Assets							
Caretaking & Security	0.314	0.259	-0.054		-0.055	Savings on staffing due to vacancies	
CPM & Design Services	0.694	0.541	-0.153		-0.000	Additional fee income earned above budgeted amount	
Industrial Units	-1.527	-1.608	-0.081		-0.064	Reduced costs of Repair and Maintenance plus some additional rent income	
Minor Variances	1.553	1.587	0.034		0.047		
Total Assets	1.034	0.780	-0.255	0.000	-0.071		
Housing and Community							
Minor Variances	14.964	14.973	0.009		-0.002		
Total Housing and Community	14.964	14.973	0.009	0.000	-0.002		
Chief Executive's	1.692	1.599	-0.093		-0.107	Vacancy savings and staff not at top of scale	

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Central & Corporate Finance	23.204	20.793	-2.411		-1.560	Over recovery of planned pension contributions recoupelement against actuarial projections based on the current level of contributions together with a further revised projection on the Central Loans and investment Account (CLIA) at Month 10 where as reported earlier in the year, the Council had not taken out new short or long term borrowing and has invested a significant amount of funds. This pattern has continued during the remaining months of this financial year resulting in no short term borrowing costs being incurred and the Council and generating increased income from investments, which have increased in line with bank interest rates. Mitigated at Month 11 by receipt of NDR Revaluation Windfall for FCC Schools	
Centralised Costs	2.783	2.778	-0.005		-0.005		
Soft Loan Mitigation	0.000	0.075	0.075		0.065	IFRS 9 requires that for soft loans interest is accrued at the Effective Interest Rate (EIR) rather than the Contract Interest Rate. Capital financing regulations require that soft loan accounting doesnt impact on Council Tax levels.	
Grand Total	326.682	324.576	-2.106	-0.015	-0.693		