



CABINET

Date of Meeting	Tuesday 12th March, 2024
Report Subject	Revenue Budget Monitoring Report 2023/24 (Month 10)
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 for the 2023/24 financial year for the Council Fund and Housing Revenue Account and presents the position, based on actual income and expenditure as at Month 10.

The projected year end position is as follows:

Council Fund

- An operating deficit of £2.445m which is a positive movement of (£0.057m) from the deficit figure of £2.502m reported at Month 9.
- A projected contingency reserve available balance as at 31 March 2024 of £1.993m (after taking account of previously approved allocations including those approved as part of the 2024/25 Budget).

Housing Revenue Account

- Net in-year revenue expenditure is forecast to be £0.458m higher than budget which is an adverse movement of £0.408m from the figure reported at Month 9.
- A projected closing balance as at 31 March, 2024 of £2.739m

The economic outlook remains challenging due to inflation levels remaining relatively high.

To assist with managing these risks and mitigating the overall projected overspend, a moratorium on non-contractually committed spend is in place alongside a vacancy management process.

At Month 10, £1.714m of deferred and/or delayed expenditure has been identified and is analysed by service within Appendix 2. The robust challenge of budget lines

and commitments will continue for the remainder of the financial year, with further updates provided in future reports.

RECOMMENDATIONS

1	To note the report and the estimated financial impact on the 2023/24 budget.
2	To support the carry forward requests included in paragraph 1.10.

REPORT DETAILS

1.00	EXPLAINING THE REVENUE BUDGET MONITORING 2023/24
1.01	<p>The projected year end position is as follows:</p> <p>Council Fund</p> <ul style="list-style-type: none">• An operating deficit of £2.445m which is a positive movement of (£0.057m) from the deficit figure of £2.502m reported at Month 9.• A projected contingency reserve available balance as at 31 March 2024 of £1.993m (after taking account of previously approved allocations including those approved as part of the 2024/25 Budget). <p>Housing Revenue Account</p> <ul style="list-style-type: none">• Net in-year revenue expenditure forecast to be £0.458m higher than budget which is an adverse movement of £0.408m from the figure reported at Month 9.• A projected closing balance as at 31 March, 2024 of £2.739m <p>To assist with managing these risks and mitigating the overall projected overspend, a moratorium on non-contractually committed spend is in place alongside a vacancy management process.</p> <p>At Month 10, £1.714m of deferred and/or delayed expenditure have been identified and is analysed by service within Appendix 2. The robust challenge of budget lines and commitments will continue for the remainder of the financial year, with further updates provided in future reports.</p>

1.02 **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	89.305	89.931	0.626
Out of County Placements	17.285	18.876	1.591
Education & Youth (Non-Schools)	10.327	9.963	(0.364)
Schools	114.043	114.306	0.264
Streetscene & Transportation	42.227	43.538	1.311
Planning Env & Economy	7.557	6.859	(0.699)
People & Resources	4.672	4.550	(0.122)
Governance	11.943	11.751	(0.192)
Assets	11.096	10.679	(0.418)
Housing & Communities	15.990	18.587	2.597
Chief Executive	1.672	1.640	(0.032)
Central & Corporate Finance	26.003	23.887	(2.115)
Total	352.121	354.566	2.445

The changes made to the approved budget since Month 9 relate to:

- Transfer of feasibility budget of £0.025m from People & Resources (Corporate Finance) to Assets for the property surveys of commercial estates.
- Transfer of £0.070m for 3 strategic funding contracts from Assets to Social Services.

1.03 The reasons for the monthly movements over £0.025m are shown in Appendix 1 and overall projected variances over £0.050m are summarised within Appendix 2 together with a summary of minor variances for each portfolio.

Significant Movements at Month 10

1.04 **Streetscene & Transportation (£0.144m)**

The favourable movement relates to:

- **Service Delivery** (£0.074m) due to increased in-house commercial projects income.

	<ul style="list-style-type: none"> • Transportation (£0.035m) increased vacancy savings due to the moratorium and vacancy management process. <p>Minor variances across the Portfolio account for the remainder (£0.035m)</p>
1.05	<p>People & Resources £0.057m</p> <p>The adverse movement relates to the impact of the carry forward request of (£0.058m) from the current underspend in HR & OD, as outlined in paragraph 1.10.</p>
1.06	<p>Governance £0.211m</p> <p>The adverse movement follows the agreed carry forward of (£0.210m) underspend within Customer Services to the Digital Strategy Board (Month 9 Report).</p> <p>Minor variances across the Portfolio account for the remainder (£0.001m).</p>
1.07	<p>Housing & Communities (£0.086m)</p> <p>The favourable movement relates to:</p> <ul style="list-style-type: none"> • Benefits (£0.042m) – revised Bad Debt Provision • Housing Solutions (£0.044m) – Reduction to projections for Bed and Breakfast costs together with increased Housing Benefit income.
1.08	<p>Central & Corporate (£0.130m)</p> <p>A further review of the Central Loans and Investment Account at Month 9 indicates a further improvement on the position by (£0.125m).</p> <p>Minor variances account for the remainder of (£0.005m).</p>
1.09	<p>Cumulative minor variances across the Council of £0.035m account for the remainder of the total monthly movement.</p>
1.10	<p>Carry Forward Requests</p> <p>People & Resources £0.058m</p> <p><u>Employment Services £0.040m</u></p> <p>To request the in-year underspend be carried forward to enable the retention of 3 fixed term posts by extending the contract to 31st March 2025.</p> <ul style="list-style-type: none"> • Payroll Officers (G04) x 2 FTE • Payroll Assistant (G02) x 1 FTE <p>These posts are critical to minimise any further risk to service delivery with the ongoing payroll risks and anticipated increase in workload because of iTrent upgrades (and maybe re-tender).</p> <p>Staff turnover is high and vacancies are difficult to recruit to. In order to retain the current postholders it is necessary to extend the fixed term</p>

	<p>contracts to the 31st March 2025. These posts are currently funded up to August 2024.</p> <p><u>Business Partners £0.018m</u> To request the in-year underspend to be carried forward to cover future legal fees connected with the ongoing Harpur Trust claims as there is no identified budget for this.</p> <p>Governance £0.125m</p> <p>The IT Service employs two members of staff on Technician grades that were previously employed as Flintshire apprentices. Following unsuccessful business cases to extend these to higher level apprenticeships, approval was given to use salary underspend from 2022/23 to fund two fixed term contracts until 31st August 2024.</p> <ul style="list-style-type: none"> • IT Technician Networks (G04) x 1 FTE - fixed-term contract expires on 31 August 2024. This post contributes to the delivery of the Council’s Telephony and Contact Centre technologies. Currently there are two permanent engineer grade posts that deliver this service, having a technician post to support the engineers has allowed the more senior staff to focus on more complex issues and project work, leaving the technician to resolve day to day issues. Current demand would outstrip the capacity of the two engineers. The projected cost to extend the technician’s fixed-term contract to 31 March 2026 is £62,480. • IT Service Desk Technician (G04) x 1 FTE – fixed-term contract expires on 31 August 2024. This post contributes towards the delivery of the IT Service Desk support service to all Officers, Councillors as well as partners Aura Leisure and Libraries and Newydd Catering and Cleaning, who access IT facilities. Following an unsuccessful application for a new apprentice in the IT Service Desk team in 2023 and a withdrawn Budget bid for an additional permanent technician in 2022, the current temporary post was put in place to maintain existing service levels in resolving reported IT faults and fulfilling day-to-day service requests. The projected cost to extend this fixed-term contract until 31 March 2026 is £62,480. <p>Because of recruitment and retention pressures within IT Infrastructure Services, the service is projecting an underspend of £124,960 and this report seeks approval to carry forward this funding into the 2024/25 financial year.</p> <p>Please note that the impact of all of the carry forward requests is already built into the projected outturn position. Therefore, approval of this would maintain the current reported outturn position.</p>
1.11	<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>
1.12	<p>Council Tax Income</p>

	<p>The 'in-year' collection level is 93.3% which is the same level as the previous year.</p>
1.13	<p>Pay Award (Teacher and Non-Teacher)</p> <p><u>NJC (Green Book)</u></p> <p>The actual impact of the pay offer for 2023/24 was an additional £2.702m which is being met from Contingency Reserve.</p> <p><u>Teachers Pay</u></p> <p>Increases as previously outlined have been accepted by all teaching unions.</p>
1.14	<p>Pay Modelling</p> <p>No figures are currently included for any impact of the pay modelling review which is needed to try and address the difficulties currently being experienced in recruitment and retention. It is due to be completed later this year.</p>
1.15	<p>Waste Recycling Infraction Charge</p> <p>The Council did not meet the statutory minimum target, (64%) in 2021/22, for the percentage of municipal waste which must be recycled, prepared for re-use and composted, as specified in Section 3 of the Waste (Wales) Measure 2010. Welsh Government can therefore take steps to impose a penalty on the Council by way of an infraction fine. A potential penalty of up to £0.663m has been confirmed so presents a significant financial risk to the Council.</p> <p>Discussions took place in March,2023 between Welsh Government (WG) and the Council as to the reasons for not achieving the target. The Council has subsequently been instructed by WG to engage with the Waste and Resources Action Programme (WRAP) and Local Partnerships to review our waste strategy and develop a new action plan. Depending on the outcome of the review, the Minister will take a decision at that point whether to levy the fine.</p> <p>Unfortunately, the statutory recycling targets have not been achieved in 2022/23 too (non-verified), which means that a further infraction fine could be levied of around £0.470m should WG choose to do so, and monitoring of the authority's recycling performance for 2023/24 to date shows that the rates of recycling and residual waste tonnages are not improving, which could lead to not achieving the targets in 2023/24 also.</p>
1.16	<p>Homelessness</p> <p>There continues to be a significant and growing demand within the Homelessness service. The Council has a statutory duty to provide suitable temporary accommodation for Homeless persons and families who meet the Welsh Government eligibility criteria which are less stringent than in</p>

	<p>England. The growth in demand commenced in the second half of 2022/23 and continued to accelerate markedly between April and January,2024.</p> <p>One of the more significant influences of many is the sparsity of affordable accommodation in the private rented sector which is being influenced by the cost-of-living crisis and an increase in the numbers of no-fault evictions as many private rented sector landlords are leaving the sector and seeking to sell their properties. There is also an acute shortage of suitable available accommodation within the Council's own HRA housing stock and with other Registered Social Landlords (RSL's) within the area. This is particularly the case for single persons below age 55 which make up the highest proportion of those who are currently homeless in Flintshire. The Flintshire position in terms of both demand and supply pressures is known to be consistent on both a regional and national basis within Wales.</p> <p>The Council will continue to lobby Welsh Government via the WLGA in conjunction with other Welsh LA's who are experiencing these pressures to seek additional financial support.</p> <p>WG are currently providing support via the No One Left Out grant for which the 2023/24 allocation is £0.382m. One favourable impact of the increase in costs and demand is the ability to recover additional Housing Benefit income over and above the amount budgeted which is currently helping to offset the projected overspend by £0.446m.</p> <p>The mitigations options approved by Cabinet and Community and Housing Overview and Scrutiny are now being actively progressed by a Housing Options officer working group with a view to increasing the supply of accommodation for Homeless persons as alternatives to the more expensive emergency accommodation.</p>
1.17	<p>Storm Babet</p> <p>Storm Babet was an intense extratropical cyclone which affected many parts of the County from 19 October through to the end of 21 October 2023. This was followed rapidly by Storm Ciaran, which although saw less impact, still necessitated significant resources in response.</p> <p>The storm caused severe disruption to travel with many roads closed, railways flooded, schools closed, and properties being affected by flood water. Storm Ciaran also required a priority response and caused some additional costs.</p> <p>The Council has been incurring the financial impact of the emergency response, assessing damage to infrastructure and arranging the necessary remedial works to be carried out in the aftermath. This is currently estimated at £1.5m.</p> <p>There is an Emergency Financial Assistance Fund (EFAS) that Welsh Government have in place. However, Authorities are expected to make reasonable provision in their budgets to deal with contingencies, so the authority affected is expected to meet all eligible expenditure up to the level of its threshold.</p>

Thresholds are calculated at 0.2% of authority's annual budget requirement and apply to the whole financial year, not to each incident within the financial year and for Flintshire, this amounts to emergency funding being provided at 85% for costs over and above the threshold of £0.711m.

Welsh Government have now confirmed that the Scheme has been activated by the Minister and that our claim will be met in line with the terms and conditions of the scheme.

There is a Severe Weather Earmarked Reserve totalling £0.250m which will also assist in funding some of the costs.

The financial impact of Storms Babet and Ciaran is estimated as follows: -

Description	Costs to date £m	Projected future costs £m	Total Costs £m
Clean Up	0.300	0.150	0.450
Priority re-instatement works		1.000	1.000
Other storm damage costs		0.050	0.050
Total Projected Costs	0.300	1.200	1.500
Severe Weather Reserve			-0.250
EFAS Funding @ 85%*			-0.671
Projected net cost of storms			0.579

*£1.5m less £0.711m threshold = £0.789m x 85% = £0.671m

1.18 Other Tracked Risks

In addition, there are a number of risks being tracked which may be subject to change and these are summarised below.

1.19 Medium Term Financial Strategy (MTFS) Impact

The Council met to approve a balanced budget for 2024/25 on 20 February.

The budget report included an update on the medium-term position for 2025/26 and 2026/27 and work on this will continue over the coming months.

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.

1.20 Out of County Placements

The risk includes 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. An additional amount of £1m was approved in the 2023/24 budget to reflect this.

	<p>There is a total projected overspend for the current cohort of placements of £1.591m, which includes contingency provision of £0.100m within the Education element of the pooled budget. An additional amount of £1.5m has been included in the 2024/25 budget to reflect current demand.</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>
1.21	<p>Streetscene & Transportation</p> <p><u>Fleet Contract Renewal</u> The current fleet contract, which has been in operation for 7 years, was renewed for a temporary period of 6 months from October 2023. Due to the current market conditions in re-procurement of contracts of this type, the cost of the new contract is considerably more than what was previously being paid, due to being protected from inflationary increases during the previous contract life. The cost of the contract will further increase from April 2024 and provision is being made within the 2024/25 budget considerations for this.</p> <p><u>Sustainable Waste Management Grant (SWMG)</u> The Minister for Climate Change has confirmed that the SWMG grant will be retained at the same level for this financial year. However, those local authorities that are not yet meeting the statutory recycling target of 70% will be required to use the grant to reach 70% and be required to demonstrate this. Confirmation on the SWMG grant levels for 2024/25 is still awaited from WG and the current value of the grant is £0.742m per annum.</p>
1.22	<p>Education & Youth (Non-Schools)</p> <p><u>Inclusion and Progression</u> Prior to the pandemic the service had seen increasing numbers of children and young people presenting with an increased level of significant and complex needs, resulting in the council being dependent on non-Flintshire provision.</p> <p>Post pandemic the situation has worsened with increasing numbers of pre-school children needing support and challenging behaviour causing concern across both primary and secondary schools. In addition, there are increased rates of emotionally based school avoidance. As a result, levels of attendance have reduced, whilst all forms of exclusions have increased. All of which contributes to a requirement for more specialist and bespoke intervention.</p> <p>The service is taking steps to actively manage demand, alongside reviewing provision, and seeking to develop and enhance in house provision.</p> <p>The pressures are being experienced across Wales, at a time when schools and central services are implementing the Additional Learning Need (ALN) reforms.</p>

	<p>Welsh Government have made additional grants available to support schools and councils. However, there are risks over reliance on temporary grant funding and its ability to meet demand within existing budgets and available grants.</p>
1.23	<p>Harpur Trust vs Brazel Case</p> <p>The potential financial impacts are still being determined in response to the Employment Appeal Tribunal (EAT) decision in the case of Harpur Trust v Brazel. The Supreme Court upheld the EAT judgment in the Brazel case in July 2022 which impacts on the calculation of holiday pay entitlements for staff who work for part of the year (i.e., term time). An approved carry forward from 2022/23 for £0.254m will provide some funding towards these costs.</p>
1.24	<p>Achievement of Planned In-Year Efficiencies</p> <p>The 2023/24 budget contains £9.265m of specific efficiencies which are tracked and monitored throughout the year. The Council aims to achieve a 95% rate in 2023/24 as reflected in the MTFs KPI's and fully achieved all efficiencies in the previous financial year.</p> <p>It is projected that 99% of efficiencies will be achieved in 2023/24 and further details can be seen in Appendix 3.</p>
1.25	<p>Unearmarked Reserves</p> <p>The final level of Council Fund Contingency Reserve brought forward into 2023/24 was £9.508m as detailed in the 2022/23 outturn report (subject to Audit).</p> <p>The brought forward balance on the COVID-19 Hardship Reserve was £3.743m. Internal claims for Quarters 1 to 3 in 2023/24 totalling £0.531m for Holywell Leisure Centre, Cambrian Aquatics, Streetscene & Transportation and Free School Meals covering the Christmas holiday period have previously been approved and the remaining balance of £3.212m will be added to our Base Level of Reserves in 2024/25 as approved by Council.</p> <p>The projected contingency reserve available as at 31 March, 2024 is £1.993m (after taking account of previously approved allocations including those approved as part of the 2024/25 budget) and is shown in Appendix 4.</p>
1.26	<p>Housing Revenue Account</p> <p>The 2022/23 Outturn Report to Cabinet on 18th July 2023 showed an un-earmarked closing balance at the end of 2022/23 of £3.786m and a closing balance of earmarked reserves of £2.690m.</p>
1.27	<p>The 2023/24 budget for the HRA is £39.418m which includes a movement of (£0.589m) from reserves.</p>
1.28	<p>Net in-year revenue expenditure forecast to be £0.458m higher than budget with a projected closing balance as at 31st March, 2024 of £2.739m.</p> <p>The adverse movement of £0.408m is as a result of:</p>

	<ul style="list-style-type: none"> Income £0.113m – reduced Affordable Housing Grant of £0.158m due to delays in the commencement of the scheme, mitigated in part by a further reduction in the requirement to ‘top up’ the Bad Debt Provision. Estate Management £0.034m – Reduction in the Affordable Housing Grant due to delays with the scheme Repairs and Maintenance £0.249m – potential reduction of Transitional Accommodation Capital Funding (TACP) offsetting Sub contractor spend. <p>Minor variances account for the remainder £0.012m.</p>
1.29	The budget contribution towards capital expenditure (CERA) is £12.712m.

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 9 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
6.01	Various budget records.

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>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>Regional Integration Fund (RIF): funding provided by Welsh Government to encourage integrated working between local authorities, health and housing.</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>

MONTH 10 - SUMMARY

Service	Movement between Periods (£m)	Narrative for Movement between Periods greater than £0.025m
Social Services		
Older People		
Localities	0.171	Increasing demand for residential care has resulted in an increase of £0.324m. Homecare costs have reduced by £0.071m as demand is becoming more manageable. Employee costs have also reduced, by £0.076m, as posts continue to remain vacant.
Resources & Regulated Services	-0.101	In-house homecare has reduced by £0.025m due to current homecare staffing levels. Residential care has reduced by £0.036m due to increased client income. Extra Care has reduced by £0.038m as additional costs anticipated for the Christmas and New Year rota cover were less than anticipated.
Minor Variances	0.002	
Adults of Working Age		
Resources & Regulated Services	0.092	There have been two additional high-cost emergency placements
Transition & Disability Services Team	-0.039	Use of grant funding has reduced projected salary costs
Minor Variances	-0.065	
Children's Services		
Family Placement	-0.042	A reduction to committed care agency costs
Legal & Third Party	0.103	An emergency child placement was required and the increase is due to care worker costs
Professional Support	-0.061	There has been a reduction in the projected costs for Direct Payments for children with disabilities (£0.033m) and staffing cost reductions within the Permanency Team (£0.021m). Minor variances account for the balance.
Minor Variances	-0.004	
Safeguarding & Commissioning		
Minor Variances	-0.029	
Total Social Services	0.028	
Out of County Placements		
Children's Services	-0.020	
Education & Youth	0.007	
Total Out of County Placements	-0.013	
Education & Youth		
School Planning & Provision	0.034	Mainly due to reduced underspend on Repair and Maintenance of buildings
Minor Variances	-0.013	
Total Education & Youth	0.021	
Schools	0.016	
Streetscene & Transportation		
Service Delivery	-0.074	In-house Commercial Projects Income
Transportation	-0.035	Vacancy savings due to moratorium on spending.
Other Minor Variances	-0.034	
Total Streetscene & Transportation	-0.144	
Planning, Environment & Economy		
Minor Variances	0.048	Minor movements across all service areas
Total Planning, Environment & Economy	0.048	
People & Resources		
HR & OD	0.059	Inclusion of carry forward requests for Employment Services £0.040m and Business Partners £0.018m at Month 10.
Corporate Finance	-0.001	
Total People & Resources	0.058	
Governance		
Customer Services	0.200	Carry forward of (£0.210m) underspend to Digital Strategy Board agreed at Month 9 mitigated by minor variances £0.010m
Minor Variances	0.011	
Total Governance	0.211	
Assets		
Administrative Buildings	-0.029	Reduced projection for Repair and Maintenance of Buildings
Minor Variances	-0.019	
Total Assets	-0.048	
Housing and Communities		
Benefits	-0.042	Reduction of bad debt provision increase
Housing Solutions	-0.044	Reduced projection for Bed and Breakfast costs and increased Housing Benefit income
Minor Variances	-0.000	
Total Housing and Communities	-0.086	
Chief Executive's	-0.017	
Central & Corporate Finance	-0.130	Further review of the Central Loans & Investment Account (CLIA) indicates a positive movement of (£0.125m)
Grand Total	-0.057	

Budget Monitoring Report - Month 10

Service	Approved Budget (£m)	Projected Outturn (£m)	Annual Variance (£m)	Last Month Variance (£m)	Month 6-9 Moratorium (£m)	Month 10 Moratorium (£m)	In-year Moratorium (£m)	Cause of Major Variances greater than £0.050m	Action Required
Social Services									
Older People									
Localities	23.279	23.677	0.398	0.227	-0.111		-0.111	Residential care costs for people over the age of 65 are projecting an overspend of £0.380m due to service demand. This amount is net of client income from property recharges and any expected reimbursements for deputyship and assets held in trust. Homecare is £0.220m overspent. Locality workforce and professional support budgets are underspent by £0.173m and day care is underspending by £0.024m. The minor adaptations budget is £0.005m underspent.	
Resources & Regulated Services	10.264	10.000	-0.265	-0.164			0.000	In-house residential care is expected to overspend by £0.051m due to staff and running costs. Homecare is predicted to underspend by £0.285m. The Extra Care budget is projecting an overspend of £0.078m due to staff costs and day care is underspent by £0.108m.	
Minor Variances	1.360	1.328	-0.032	-0.034			0.000		
Adults of Working Age							0.000		
Resources & Regulated Services	33.768	33.839	0.071	-0.022			0.000	The PDSI (physically disabled and sensory impaired) budget is reporting a £0.512m overspend due to net costs of care packages. The in-house supported living service is £0.188m overspent due to care hours and agency costs, a £0.390m contribution from reserves is currently offsetting further costs. The care package costs for independently provided care for learning disability services is £0.523m underspent. The learning disability service day and work provision is £0.106m underspent.	
Children to Adult Transition Services	1.001	0.754	-0.248	-0.224			0.000	This is the cost of care packages for young adults transferring from Childrens Services to Adult Social Care. Care packages are new this financial year and require estimating in the first instance, which can result in variances once care cost are confirmed.	
Professional and Administrative Support	0.468	0.358	-0.109	-0.097	-0.011		-0.011	This variance is due to in-year vacancies.	
Transition & Disability Services Team	0.818	0.718	-0.101	-0.062	-0.007	-0.039	-0.046	Delays in recruiting to vacant posts has resulted in the underspend.	
Residential Placements	2.607	2.838	0.232	0.250			0.000	This is the overall cost of care packages for people with mental ill health. This can be a volatile service and additional needs can be identified throughout the year leading to increased costs.	
Professional Support	0.859	0.804	-0.055	-0.058	-0.100		-0.100	The underspend is the result of in-year vacancies.	
Substance Misuse	0.385	0.311	-0.073	-0.054			0.000	A few posts have been vacant at different times during the year which has led to the underspend.	
Minor Variances	1.617	1.581	-0.036	-0.042			0.000		
Children's Services							0.000		
Family Group Meetings	0.126	0.211	0.084	0.091	-0.005		-0.005	Service demand is resulting in increased of sessional worker usage.	
Family Placement	3.175	3.043	-0.132	-0.090			0.000	The number of in-use foster carer numbers are below those which we have historically had.	
Integrated Working	0.210	0.260	0.050	0.060			0.000	Pressures are due to contributions towards the Integrated Family Support Service and a shortfall with Supported People Funding.	
Family Support	0.416	0.469	0.053	0.053	-0.020		-0.020	Demand is high for this service which has resulted in additional sessional worker usage.	

Budget Monitoring Report - Month 10

Service	Approved Budget (£m)	Projected Outturn (£m)	Annual Variance (£m)	Last Month Variance (£m)	Month 6-9 Moratorium (£m)	Month 10 Moratorium (£m)	In-year Moratorium (£m)	Cause of Major Variances greater than £0.050m	Action Required
Inclusion & Progression	5.577	5.441	-0.137	-0.142	-0.110		-0.110	In year savings identified within the Additional learning Needs and Travellers service. Previously committed expenditure of £0.050m to offset the Primary School Additional Learning Needs Band C overspend, has now been funded from the Local Authority Education Grant - ALN Learner Provision funding. A further £0.060m was identified with the Traveller/EAL service from the 2022-23 budget c/f of £0.095m. The £0.095m committed for Trauma training has not been fully met due to only one course being run this year. The service made the decision not to run further courses and to give up as a saving instead.	
Integrated Youth Provision	0.959	0.857	-0.101	-0.098	-0.030		-0.030	Savings from staff vacancies	
School Improvement Systems	1.866	1.683	-0.183	-0.175			0.000	In year savings have been identified within the School Improvement service from the Digital Advisor post. This role was not appointed to until September 2023. Other savings in the service relate to unexpected grant income from several grants, including Adult Community Learning - to offset manager time. Other additional grants such as Shared Prosperity Fund Multiply, used to offset manager time until the appointment of the Project Manager, £0.003m from the Citizens Curriculum grant and £0.004m from secondment work to Estyn. The saving within the Early Entitlement service has come from a reduction in the payments to settings due to demography. The top-up subsidy continuing and other Welsh Government grants, allowing core budget to be released within the service.	
Minor Variances	1.925	1.982	0.057	0.030			0.000		
Total Education & Youth (Non-Schools)	10.327	9.963	-0.364	-0.385	-0.140	0.000	-0.140		
Schools	114.043	114.306	0.264	0.248					
Streetscene & Transportation									
Service Delivery	10.843	10.993	0.151	0.225	-0.077		-0.077	Service Delivery have implemented tight controls to the allocation of PPE, materials and receptacles through the in-house stores. Changes to the security provision in the Alltami Depot, Greenfield transfer station and HRC sites have generated savings as per MTFS 2023/24, following a review of the service needs. Cleaning costs have also been reviewed and reduced. The service is subject to increasing inflationary pressures and demand for temporary repairs on the road network, largely due to a lack of funding and investment in the highway network and fluctuating costs of tar and traffic management for repairs. Any overall overspend, is partly offset by performance of the in-house construction team delivering work such as the 20mph scheme rather than contracting the work externally.	
Highways Network	8.594	9.904	1.311	1.333			0.000	The renewal of the fleet contract through contract extension from October 2023 has realised an in-year contract overspend of £0.658m (£0.532m being attributable to the centralised fleet budget). The remaining variance of £0.170m is related to increases in costs for both road fuel and streetlighting energy.	Fleet Budget pressure being recommended within the 2024/25 MTFS budget considerations
Transportation	11.350	11.107	-0.243	-0.208	-0.190	-0.035	-0.225	Vacancies within Transport Strategy and moratorium on recruitment are contributing to the overall underspend.	

Budget Monitoring Report - Month 10

Service	Approved Budget (£m)	Projected Outturn (£m)	Annual Variance (£m)	Last Month Variance (£m)	Month 6-9 Moratorium (£m)	Month 10 Moratorium (£m)	In-year Moratorium (£m)	Cause of Major Variances greater than £0.050m	Action Required
Regulatory Services	11.440	11.533	0.093	0.104	-0.120		-0.120	The overspend variance is due to sustained high volumes of residual black waste being collected, together with the reduction in income levels for both recyclable materials and a reducing return on electricity generation from gas and solar at the former landfill sites.	
Total Streetscene & Transportation	42.227	43.538	1.311	1.454	-0.387	-0.035	-0.422		
Planning, Environment & Economy									
Development	0.138	-0.206	-0.343	-0.327	-0.021		-0.021	Receipt of a one off high value Planning Fee (£0.300m for Northern Gateway)	
Access	1.618	1.713	0.095	0.081	-0.047		-0.047	Projected cost of Ash Die Back works projected to March, 2024 mitigated by savings from vacant posts and maximisation of grant income.	
Climate Change	0.183	0.113	-0.070	-0.070	-0.007		-0.007	Staff savings from vacant posts	
Regeneration	0.813	0.700	-0.114	-0.136	-0.020		-0.020	Staff savings from vacant posts, Wales Rally GB budget saving, and maximising grant income	
Management & Strategy	1.409	1.169	-0.240	-0.248	-0.046		-0.046	Staff savings from vacant posts	
Minor Variances	3.396	3.370	-0.026	-0.047	-0.082		-0.082		
Total Planning, Environment & Economy	7.557	6.859	-0.699	-0.747	-0.223	0.000	-0.223		
People & Resources									
HR & OD	2.419	2.401	-0.019	-0.077	-0.046		-0.046	Staff savings from vacant posts. Inclusion of £0.058m carry forward requests at Month 10.	
Corporate Finance	2.252	2.150	-0.103	-0.101	-0.097		-0.097	Staff savings from vacant posts, reduction in projected feasibility studies expenditure	
Total People & Resources	4.672	4.550	-0.122	-0.179	-0.143	0.000	-0.143		
Governance									
Legal Services	0.992	1.185	0.193	0.202			0.000	Additional costs for locum services covering vacant posts	
Internal Audit	1.051	0.982	-0.069	-0.074	-0.043		-0.043	Staff savings from vacant posts, deferred expenditure on Agency/consultancy resulting from moratorium , revised projection for postage costs	
Procurement	0.320	0.271	-0.049	-0.049	-0.027		-0.027	Revised projection for FCCs contribution to Denbighshire County Council for the procurement service	
Revenues	0.655	0.411	-0.244	-0.243			0.000	Projected surplus on the Council Tax Collection Fund	
Minor Variances	8.925	8.902	-0.024	-0.239	-0.212		-0.212		
Total Governance	11.943	11.751	-0.192	-0.403	-0.282	0.000	-0.282		
Assets									
CPM & Design Services	0.713	0.522	-0.191	-0.191			0.000	Due to increased fee income	
Industrial Units	-1.502	-1.561	-0.059	-0.059			0.000	Additional rent income	
Minor Variances	0.789	1.039	0.251	0.250	-0.020	-0.029	-0.049		
Total Assets	11.096	10.679	-0.418	-0.370	-0.020	-0.029	-0.049		
Housing and Communities									

Budget Monitoring Report - Month 10

Service	Approved Budget (£m)	Projected Outturn (£m)	Annual Variance (£m)	Last Month Variance (£m)	Month 6-9 Moratorium (£m)	Month 10 Moratorium (£m)	In-year Moratorium (£m)	Cause of Major Variances greater than £0.050m	Action Required
Housing Solutions	2.334	4.978	2.643	2.687			0.000	The Housing Solutions service is currently reflecting a net projected overspend of £2.643m. This is mainly due to a projected overspend of £3.550m on temporary accommodation within Hotels and Bed and Breakfast provision, which is being offset by additional Housing Benefit income of (£0.446m). There are also other projected underspends and mitigation impacts within the wider Housing Solutions service amounting to a net figure of £0.461m, including additional internal allocation of HSG to fund salary costs, use of reserves, minor salary savings due to vacancies and use of WG grant income. The service are actively implementing a number of mitigation measures, some of which may have operational impacts on other parts of the wider Housing service, which will be incorporated within an action plan to reduce the current level of projected overspend within the Homelessness service.	
Minor Variances	13.656	13.609	-0.047	-0.004	-0.030	-0.042	-0.072		
Total Housing and Communities	15.990	18.587	2.597	2.683	-0.030	-0.042	-0.072		
Chief Executive's	1.672	1.640	-0.032	-0.016	-0.010		-0.010		
Central & Corporate Finance	26.003	23.887	-2.115	-1.985			0.000	The initial projection on the Central Loans and Investment Account (CLIA) was reported as an underspend of (£1.550m) due to the Council having not taken out any new short or long term borrowing and continuing to invest a significant amount of funds. This pattern has continued from the previous financial year resulting in no short term borrowing costs being incurred and the Council generating increased income from investments, which have increased in line with bank interest rates. The favourable variances improved further following the receipt of an NDR Windfall (£0.048m) at Month 6. Further reviews on the CLIA during October (£0.100m), November (£0.250m), December (£0.100m) and January (£0.125m) have positively increased the variance further up to the (£2.125m).	
Grand Total	352.121	354.566	2.445	2.502	-1.548	-0.166	-1.714		

2023/24 Efficiencies Outturn Tracker - Month 10

Efficiency Description	Accountable Officer	Efficiency Target	Projected Efficiency	(Under)/Over Achievement	Efficiency Open/Closed (O/C)	Reason for variation	Mitigating Action if Amber or Red
		2023/24 £m	2023/24 £m	2023/24 £m			
Portfolio							
Corporate							
Reduction In CLIA	Chris Taylor	0.364	0.364	0.000	C		
Actuarial Review	Gary Ferguson	1.874	1.874	(0.000)	C		
NI Reversal	Rachel Parry Jones	0.474	0.474	0.000	C		
Total Corporate Services		2.712	2.712	(0.000)			
Chief Executives / Assets							
Transport Savings	Neal Cockerton	0.010	0.010	0.000	C		
Vacancy Savings	Neal Cockerton	0.048	0.048	0.000	C		
3rd Sector Budget	Neal Cockerton	0.041	0.041	0.000			
Total Chief Executives		0.099	0.099	0.000			
People & Resources							
Modern Apprentices HR&OD	Sharon Carney	0.072	0.072	0.000	C		
Vacancy Savings Corporate Finance	Gary Ferguson	0.086	0.086	0.000	C		
Transport and Training Savings Corporate Finance	Gary Ferguson	0.016	0.016	0.000	C		
Total People & Resources		0.174	0.174	0.000			
Assets - ADMs							
Newydd	Rachael Corbelli	0.019	0.019	0.000	C		
Newydd NI	Rachael Corbelli	0.023	0.023	0.000	C		
Total Assets - ADMs		0.042	0.042	0.000			
Housing & Communities							
CTRS Reduction	Vicky Clark	0.147	0.147	0.000	C		
Total Housing & Communities		0.147	0.147	0.000			
Governance							
Members Support Budget	Gareth Owen	0.016	0.016	0.000	C		
Members Allowances	Gareth Owen	0.060	0.060	0.000	C		
Central Despatch	Gareth Owen	0.022	0.022	0.000	C		
Mold & Buckley Connects	Gareth Owen	0.060	0.060	0.000	C		
Total Governance		0.158	0.158	0.000			
Planning, Environment & Economy							
Vacancy Savings	Andrew Farrow	0.020	0.020	0.000	C		
Fee Income	Andrew Farrow	0.180	0.180	0.000	C		
Total Planning, Environment & Economy		0.200	0.200	0.000			
Streetscene & Transportation							
Enhanced Enforcement for Recycling	Katie Wilby					Side waste enforcement is already taking place with FPNs being issued, but the next steps for enforcing against those who do not habitually recycle will be to take enforcement action if residents place recyclable waste in their black bin. To introduce this will first require a period of education and engagement. Additional x3 recycling officers are currently being recruited and, once appointed, the aim is for these officers to support with door-knocking campaigns and community events in advance of introducing enhanced enforcement	Likely introduction is January 2024.
		0.046	0.046	0.000	O		
Part night Street Lighting	Katie Wilby	0.018	0.000	(0.018)	O	Difficult to implement in year due to the consultation required, and the limited opportunity following previous roll-outs. This will also require investment in the equipment to allow the switch-offs	Discussions being held with an update to come how we can achieve this saving.
Review Provision of Public Conveniences	Katie Wilby	0.012	0.000	(0.012)	O	The efficiency is largely reliant on the review of sites following the implementation of the Local Toilet Strategy and capital investment in FY 24/25-26/27.	
Extend, Repair & Reuse Initiatives	Katie Wilby	0.010	0.000	(0.010)	O	When this was put forward, we stated that the initiative would be dependent on investment funding either from WG Circular Economy grant funding or capital programme. We are still awaiting the outcome of our bid to WG, which is now unlikely given the current economic climate. Without the grant funding the initiative cannot be introduced and the efficiency will not be met.	
Waste & Recycling Round Review	Katie Wilby	0.075	0.075	0.000	C		
In House Highways Service	Katie Wilby	0.025	0.025	0.000	C		
Review of Security Arrangements Alltami Depot	Katie Wilby	0.050	0.050	0.000	C		
Apprenticeship Trainee Scheme Reduction	Katie Wilby	0.035	0.035	0.000	C		

Efficiency Description	Accountable Officer	Efficiency Target	Projected Efficiency	(Under)/Over Achievement	Efficiency Open/Closed (O/C)	Reason for variation	Mitigating Action if Amber or Red
		2023/24 £m	2023/24 £m	2023/24 £m			
Portfolio							
Increase Car Parking Charges	Income Generation	Katie Wilby	0.187	0.187	0.000	C	Decision approved and new charges will come into effect from October 2023 (original date planned was July 2023). Additional initiatives e.g. Free after Three and extension to parking times will mean that the original efficiency will be difficult to achieve unless the utilisation levels increase beyond current levels. Delays in being implemented.
Introduce Car Parking Charges on all Council Owned Car Parks	Income Generation	Katie Wilby	0.035	0.000	(0.035)	O	
Fleet Workshop	Income Generation	Katie Wilby	0.010	0.010	0.000	C	
Training Facility	Income Generation	Katie Wilby	0.010	0.010	0.000	C	
Funeral Services	Income Generation	Katie Wilby	0.010	0.010	0.000	C	
Total Streetscene & Transportation			0.523	0.448	(0.075)		
Social Services							
Contribution to Regional Team	Reduction in Contribution	Neil Ayling	0.050	0.050	0.000	C	
Reduced Contribution to EDT	Contract Costs Reduced	Neil Ayling	0.011	0.011	0.000	C	
Retendering of HFT	Contract Costs Reduced	Neil Ayling	0.040	0.040	0.000	C	
Total Social Services			0.101	0.101	0.000		
Education & Youth							
Central Management Budget	Schools Buildings Insurance / Temp	Claire Homard	0.060	0.060	0.000	O	
ALN Advocacy	Offset costs from LAEG ALN Grant	Claire Homard	0.020	0.020	0.000	O	
ALN Legal	Offset costs from LAEG ALN Grant	Claire Homard	0.010	0.010	0.000	O	
ALN Resource Provisions	Offset costs from LAEG ALN Grant	Claire Homard	0.100	0.100	0.000	O	
Early Years Entitlement	Budget Reductions	Claire Homard	0.095	0.095	0.000	O	
Youth Club Buildings	Building Closure	Claire Homard	0.017	0.017	0.000	O	
Youth Services	Vacant Posts (1 FTE 1 PT)	Claire Homard	0.056	0.056	0.000	O	
Youth Justice	Offset costs from Grant	Claire Homard	0.016	0.016	0.000	O	
Total Education & Youth			0.374	0.374	0.000		
Schools							
3% Reduction in Delegated Funding		Claire Homard	3.103	3.103	0.000	O	
NI Reversal (Schools & Teachers)		Claire Homard	0.857	0.857	0.000	O	
Actuarial Review		Claire Homard	0.776	0.776	0.000	O	
Total Schools			4.736	4.736	0.000		
Total 2023/24 Budget Efficiencies			9.265	9.190	(0.075)		

	%	£
Total 2023/24 Budget Efficiencies	100	9.265
Total Projected 2023/24 Budget Efficiencies Underachieved	-1	(0.075)
Total Projected 2023/24 Budget Efficiencies Achieved	99	9.190
Total 2023/24 Budget Efficiencies (Less Previously agreed Decisions)	100	0.000
Total Projected 2023/24 Budget Efficiencies Underachieved	0	0.000
Total Projected 2023/24 Budget Efficiencies Achieved	0	0.000

Movements on Council Fund Unearmarked Reserves

	£m	£m
Total Reserves as at 1 April 2023	19.162	
Less - Base Level	(5.769)	
Total Reserves above base level available for delegation to Cabinet		13.393
Less - COVID-19 Hardship Funding Allocation		(3.743)
Less - Children's Services Legal Costs		(0.142)
Add - Transfer to Reserve Budget 2023/24		0.006
Less - Clwyd Theatr Cymru (Month 2)		(0.100)
Less - actual impact of the pay award		(2.702)
Add - Total Balances Released to Reserves (Month 5)		0.648
Add - Council Tax Balance Released to Reserves (Month 7)		0.250
Less - Month 10 projected outturn		(2.445)
Less - Approved "Budget Risk" Reserve 2024/25		(3.000)
Less - Approved Time Limited Pressures 2024/25		(0.172)
Total Contingency Reserve available for use		1.993

Brought Forward 9.508

Budget Monitoring Report
Housing Revenue Account Variances

MONTH 10 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Last Month Variance (£m)	Cause of Major Variance	Action Required
Housing Revenue Account						
Income	(38.829)	(38.577)	0.252	0.140	There is a net pressure relating to void properties of £0.241m. This relates to costs such as void rent loss, council tax charges and service charges and is net of additional income relating to new build properties and voids moving to target rent. We are anticipating a variance of approximately £0.024m on garage rents. We are forecasting a reduction in the requirement to top up the Bad Debt Provision of (£0.185m). £0.158m reduction in Affordable Housing Grant as a result of delays to SHARP scheme.	
Capital Financing - Loan Charges	7.010	7.010				
Estate Management	3.125	2.921	(0.204)	(0.239)	Projected underspend of (£0.204m). Vacancy savings of approximately (£0.304m) which is being offset by agency costs of £0.191m. Additional allocation of Housing Support Grant (£0.080m). Other minor variances of (£0.011m).	
Landlord Service Costs	1.617	1.486	(0.131)	(0.133)	Projected underspend of (£0.131m). Vacancy savings of approximately (£0.160m). We are also forecasting an increase in fleet costs of £0.033m and materials and hire of £0.045m. There is an anticipated reduction in subcontractor spend of (£0.032m). Other minor variances of (£0.017m).	
Repairs & Maintenance	12.150	12.653	0.502	0.253	Projected overspend of £0.502m. Vacancy savings of approximately (£0.145m). Increased Fleet Contract renewal costs of £0.126m. Anticipated increase of £0.500m for void Sub Contractor spend due to a reduction in TACP funding. £0.021m Minor variances.	
Management & Support Services	2.678	2.710	0.032	0.028		
Capital Expenditure From Revenue (CERA)	12.712	12.712				
HRA Projects	0.126	0.132	0.005	0.000		
Contribution To / (From) Reserves	(0.589)	(0.589)				
Total Housing Revenue Account	(0.000)	0.458	0.458	0.049		