

**MONTH 4 - SUMMARY**

Service	Approved Budget (£m)	Projected Outturn (£m)	Annual Variance (£m)	Impact of Covid-19 (£m)	In-year Variances (£m)	Cause of Major Variances greater than £0.050m	Action Required
<b>Social Services</b>							
<b>Older People</b>							
Localities	19.495	18.557	-0.938	-0.058	-0.880	The net cost of Residential Care is £0.654m underspent. This includes the costs of residential care placements net of the income received for this service, 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, with a projection being made that day care provision will not resume until September. Domiciliary and Direct Payments are reporting a combined underspend of £0.051m and are projected based on recent levels of care provision. The Localities Teams staff budget is underspending by £0.109m due to a number of staff not on top of scale, some temporary reduced hours and in-year saving on travel costs. The Minor Adaptations budget is £0.048m underspent based on expected activity.	It is requested for a budget virement of £0.300m is approved to transfer budget for Older People Localities to the Older People Resources and Regulated Services budget.
Resources & Regulated Services	7.680	7.939	0.258	0.292	-0.034	The Councils in-house care provision is reporting an overspend of £0.258m. Day Care is reporting an an overspend of £0.014m, day centres are currently closed and will be for the foreseeable future, day centre staff have been redeployed to residential care. However, the costs are still recorded against the day-care budget. Homecare is overspent by £0.101m. Staff costs are incurred as a result of the amount of care delivered. Costs are projected based on last years levels of activity as costs have been slightly lower than expected for the first few months of 20/21 but these are likely to return to expected levels as the year progresses. Residential care is overspent by £0.292m, the majority of which is due to staffing as mandatory levels must remain in place for residential homes to operate safely, additional costs are incurred when covering staff absences. Overspends also arise from repairs and maintenance costs, catering costs, shortfall in client contribution income and supplies and services. Extra care is underspending by £0.419m as Plas yr Ywen in Holywell has not yet opened and a full compliment of staff is not yet recruited. Care staff already recruited are currently redeployed to alternative in-house care services, which has avoided significant costs caused by COVID-19.	It is being assumed that Plas Yr Wern extra care facility in Holywell will open after October and the projectd costs reflect this.
Impact of Covid-19	0.000	-0.000	-0.000	-0.000			
Minor Variances	1.217	1.190	-0.027		-0.027		
<b>Adults of Working Age</b>							
Administrative Support	0.321	0.236	-0.084		-0.084	The underspend is due to not all staff being paid at top of scale and some staff being seconded. There is also a reduction on staff transport costs.	

**MONTH 4 - SUMMARY**

Service	Approved Budget (£m)	Projected Outturn (£m)	Annual Variance (£m)	Impact of Covid-19 (£m)	In-year Variances (£m)	Cause of Major Variances greater than £0.050m	Action Required
Residential Placements	1.297	1.894	0.597		0.597	The outturn is the cost of social care for people supported within the Mental Health Service. These costs include nursing and residential care, domiciliary care and Direct Payments.	Individual care needs vary over time, sometimes suddenly, costs within the budget are therefore subject to the same volatility.
Minor Variances	29.602	29.421	-0.181		-0.181	Accumulation of minor variances of less than £0.050m.	
<b>Children's Services</b>							
Family Placement	2.621	2.830	0.209		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.	
Legal & Third Party	0.204	0.529	0.325		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.	
Professional Support	5.270	5.590	0.320		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.	
Minor Variances	1.491	1.524	0.034		0.034		
<b>Safeguarding &amp; Commissioning</b>							
Charging Policy income	-3.060	-3.148	-0.088		-0.088	Charging policy income is expected to exceed the budgeted income and is based on the weekly charge cap and the number of service users who financial contribute to their care.	
Business Support Service	1.214	1.160	-0.054		-0.054	Most of the variance is due to staff costs, whereby staff are not being paid at top of scale and some staff opting out from the pension scheme.	
Management & Support	-2.057	-2.180	-0.123		-0.123	The underspend is due to not having to pay a financial contribution to the Regional Collaboration Unit for 2020/21	
Minor Variances	2.935	2.921	-0.014		-0.014		
<b>Total Social Services (excl Out of County)</b>	<b>68.228</b>	<b>68.463</b>	<b>0.234</b>	<b>0.234</b>	<b>-0.000</b>		
<b>Out of County</b>							
Children's Services	7.437	7.552	0.115		0.115	The projected overspend is based on the current cohort of placements and reflects the continuing high demand for Out of County care provision. The service remains highly volatile and the effects of lockdown may lead to further increases in the number of placements as we approach the second half of the year.	Continue to keep under close review and explore future opportunities for cost mitigation.

MONTH 4 - SUMMARY

Service	Approved Budget (£m)	Projected Outturn (£m)	Annual Variance (£m)	Impact of Covid-19 (£m)	In-year Variances (£m)	Cause of Major Variances greater than £0.050m	Action Required
Education & Youth	4.504	4.238	-0.266		-0.266	The projected underspend reflects the current cohort of Education placements. It should again be noted that the service is highly volatile and there is a potential for increased demand for Out of County provision post lockdown following return to the changed school environment with the possibility that some of the challenges this will present may not be able to met from local provision.	Continue to keep under close review and explore opportunities for cost mitigation.
<b>Total Out of County</b>	<b>11.940</b>	<b>11.789</b>	<b>-0.151</b>	<b>0.000</b>	<b>-0.151</b>		
<b>Education &amp; Youth</b>							
Integrated Youth Provision	1.351	1.127	-0.224	-0.148	-0.076	Includes a projected underspend of -£0.148m on Youth Centres due to closures arising from COVID-19 safety measures producing savings on building cleaning and some relief staffing costs. Also includes a total saving of -£0.074m on the Youth Justice Service mainly due to a delay in recruitment to a new post and savings on equipment purchase and training.	Continue to review as part of the ongoing challenge of non essential spend.
School Improvement Systems	1.709	1.573	-0.136	-0.136		Variance relates to significantly lower Summer Term 20 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.	
School Planning & Provision	0.676	0.608	-0.068		-0.068	Projected underspend of -£0.043m on insurance liability claims plus other minor underspends	
Minor Variances	5.016	4.990	-0.026		-0.026		
<b>Total Education &amp; Youth</b>	<b>8.752</b>	<b>8.299</b>	<b>-0.453</b>	<b>-0.284</b>	<b>-0.169</b>		
<b>Schools</b>							
<b>98.508</b>	<b>98.508</b>	<b>-0.000</b>					
<b>Streetscene &amp; Transportation</b>							
Service Delivery	8.685	8.940	0.256		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 recovery of this pressure via Welsh Government Grant Claims as a direct result of COVID-19.	

**MONTH 4 - SUMMARY**

Service	Approved Budget (£m)	Projected Outturn (£m)	Annual Variance (£m)	Impact of Covid-19 (£m)	In-year Variances (£m)	Cause of Major Variances greater than £0.050m	Action Required
Highways Network	7.659	7.820	0.161		0.161	A pressure has previously been reported due to the Insurance Premium Tax Levy which was introduced over the last few years. The pressure has been reported over a period of time commencing in the latter part of 2018-19 and formed a part of the overall financial position of the Streetscene Portfolio. Inflation in relation to Street Lighting energy is projected to be increased by £0.075m, but it is anticipated that this can be met from a central inflation allocation from Month 5. Any costs incurred as a direct result of the impact of COVID-19 and any associated risk thereon have been redirected to the COVID code and are now reported separately in order to stringently monitor progression toward successful application for Welsh Government Grant funding.	
Transportation	9.297	9.247	-0.050		-0.050	Increased transport provision to Children placed Out of County of £0.044m. Discussions are ongoing with Social Services colleagues around this. 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	4.980	0.240		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 some £0.120m during the year. All best efforts are being used to identify any potential mitigations which may be available. It should be noted that disposals of kerbside waste to Parc Ader, Thornclyffe and LWT have increased over the past few months and are currently around 12% higher when comparing to last year. This has resulted in increased costs of disposal. At month 4 the impact of this is approximately £0.105m and this is included in the associated forecast position for Streetscene. A business Case for upgrades to the Standard Transfer Station includes a value for the replacement of ageing plant and equipment. This is currently assessed in 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. Car Parking Income continues to cause a pressure as income is not reaching budgeted levels; any income loss as a result of the suspension of charges and falling recycling income levels have been reported to Welsh Government in line with the recently submitted Income loss survey. All costs and associated risk in relation to the impact of COVID have been redirected to the COVID code in order that progression on successful Grant funding applications can be undertaken.	

MONTH 4 - SUMMARY

Service	Approved Budget (£m)	Projected Outturn (£m)	Annual Variance (£m)	Impact of Covid-19 (£m)	In-year Variances (£m)	Cause of Major Variances greater than £0.050m	Action Required
Impact of Covid-19	0.000	0.855	0.855	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 4 they include; £0.150m Agency and overtime, £0.550m net car parking income loss (reduced following receipt of the first tranche of Welsh Government Income Loss 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.
<b>Total Streetscene &amp; Transportation</b>	<b>30.380</b>	<b>31.841</b>	<b>1.461</b>	<b>0.855</b>	<b>0.606</b>		
<b>Planning, Environment &amp; Economy</b>							
Business	1.684	1.736	0.053		0.053	Historic income target £0.025m remains unrealised, minor variances across the service	
Development	0.015	0.203	0.188	0.295	-0.107	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 £0.200m for the financial year, with £0.050m able to offset this from the WG Income Loss fund. 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, with £0.020m recoverable from the WG Income Loss fund. Planning fee income is forecast to be £0.210m short in a full year, but this is offset by £0.105m funding from the WG Income Loss Fund for April to June. The overall variance is further mitigated by a confirmed Fee increase for planning and related applications of approx 20% with effect from 24 August, 2020.	
Access	1.307	1.361	0.053	0.050	0.003	Minor variances across the service each below £0.025m	
Regeneration	0.508	0.659	0.151	0.110	0.041	There has been a significant impact on income levels following the closure of Markets in the first quarter of the financial year.	
Minor Variances	2.208	2.228	0.020		0.020		
<b>Total Planning &amp; Environment</b>	<b>5.723</b>	<b>6.187</b>	<b>0.465</b>	<b>0.455</b>	<b>0.010</b>		
<b>People &amp; Resources</b>							
HR & OD	2.383	2.376	-0.007				
Corporate Finance	2.073	2.080	0.007				
<b>Total People &amp; Resources</b>	<b>4.456</b>	<b>4.456</b>	<b>0.000</b>	<b>0.000</b>			
<b>Governance</b>							

**MONTH 4 - SUMMARY**

Service	Approved Budget (£m)	Projected Outturn (£m)	Annual Variance (£m)	Impact of Covid-19 (£m)	In-year Variances (£m)	Cause of Major Variances greater than £0.050m	Action Required
Legal Services	0.730	0.903	0.173		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.	
ICT	4.427	4.362	-0.065		-0.065	In year efficiency on Telecommunications due to contract 'free minutes' £0.033m. Minor variances across the service each less than £0.025m	
Customer Services	0.724	0.795	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, after taking account of WG Income Loss funding for April to June.	
Revenues	0.034	0.571	0.537	0.537		The national lockdown restrictions have resulted in the cessation of all recovery activities for the in-house bailiff team including enforcement duties. The level of financial risk will be dependent on how long enforcement restrictions are in place. Only when lockdown restrictions ease sufficiently to allow enforcement duties to resume will income levels increase however this will be mitigated by the potential for an additional resource to assist in clearing the backlog of cases.	
Minor Variances	3.274	3.177	-0.097		-0.097	Accumulation of minor variances of less than £0.050m.	
<b>Total Governance</b>	<b>9.188</b>	<b>9.807</b>	<b>0.619</b>	<b>0.608</b>	<b>0.012</b>		
<b>Strategic Programmes</b>							
Strategic Programmes	5.018	4.815	-0.203		-0.203	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.	
<b>Total Strategic Programmes</b>	<b>5.018</b>	<b>4.816</b>	<b>-0.202</b>	<b>0.000</b>	<b>-0.203</b>		
<b>Housing &amp; Assets</b>							
Enterprise Centres	-0.217	-0.128	0.090		0.090	Pressure due to loss of income in respect of void units	
Property Asset And Development	0.442	0.353	-0.088		-0.088	Mainly staffing cost savings pending completion of restructure	
Caretaking & Security	0.262	0.198	-0.064		-0.064	Staffing savings not needing to be covered whilst Council buildings are only partly occupied	
Centralised Costs	3.353	2.610	-0.743		-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.	

**MONTH 4 - SUMMARY**

Service	Approved Budget (£m)	Projected Outturn (£m)	Annual Variance (£m)	Impact of Covid-19 (£m)	In-year Variances (£m)	Cause of Major Variances greater than £0.050m	Action Required
Benefits	11.616	11.839	0.223	0.119	0.104	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.	Additional staffing costs due to COVID-19 were funded by the WG emergency assistance fund between April and June. We will continue to pursue this by seeking further WG emergency funding support for the ongoing pressure of £0.119m.
Council Fund Housing	-0.328	-0.163	0.165		0.165	Reduction of internal Housing Support grant allocation due to eligibility issues and pressure arising from new service contract for Carelink	
Minor Variances	0.916	0.990	0.074		0.074	Accumulation of minor variances of less than £0.050m.	
<b>Total Housing &amp; Assets</b>	<b>16.044</b>	<b>15.700</b>	<b>-0.344</b>	<b>0.119</b>	<b>-0.463</b>		
<b>Chief Executive's</b>	<b>2.800</b>	<b>2.543</b>	<b>-0.257</b>		<b>-0.257</b>	Vacant posts across the Service	
<b>Central &amp; Corporate Finance</b>	<b>24.950</b>	<b>24.561</b>	<b>-0.389</b>		<b>-0.389</b>	Over recovery of planned pension contributions recoupment against actuarial projections based on the level contributions received to date and forecast to the end of the financial year.	
<b>Grand Total</b>	<b>285.987</b>	<b>286.970</b>	<b>0.983</b>	<b>1.987</b>	<b>-1.004</b>		