

## Appendix 5 - Service Variance Narrative

Service	Financial Outturn £000	Description
<b>Communities and Customers</b>	-114	The majority of the underspend relates to vacancy savings and staff not being at the top of grades and maximisation of grant income. In addition some maintenance costs at both Ruthin and Llangollen Youth Centres have been funded by Property which were expected to be paid from the service.
<b>Education and Children's Service</b>	1,034	This includes all current high cost residential and independent fostering placements costed to realistic timescales. No allowance has been made for any further new placements within the financial year. The placement pressure has been caused by 7 new residential placements and 11 new independent fostering placements which commenced this financial year. The highest cost residential placement is £6,360 per week. As can be seen each individual placement can be extremely expensive so any increase in numbers can have a large effect on the budget. The Education element of Out of County and Recoupment is now projected to overspend by £214k following the finalisation of pupil numbers which has resulted in increased numbers and a further shortfall in income from other Local Authorities attending our special schools.
<b>Business Improvement and Modernisation</b>	-111	The underspend is largely due to a number of vacancy savings and an increase in the utilisation of Project Managers working on chargeable projects within the Council. Also additional funding has been received by the service for the Digital Futures Projects which had previously been assumed would be funded by the service.
<b>Legal, HR and Democratic Services</b>	-182	Registrars income has increased by £58k compare to 2018/19 (now a cost neutral service 1 year in advance of Audit requirement even after future savings have been deducted). Additional grant for election reform and translation services work has also been applied in year. There were also underspends relating to vacancy savings in preparation of a service review.
<b>Finance and Property</b>	-53	The underspend relates to the maximisation of capital recharges of staff time and ongoing vacancy savings including the ongoing Chief Accountant post which has been delayed due to the Covid 19 restrictions.
<b>Highways, Facilities and Environmental Services</b>	-5	The service had been projecting an overspend for most of the year, however there has been a delay in the implementation of the Legacy Tips solution due to the Floods and pandemic priorities. These costs will now need to be incurred in 2020/21. It should be noted that the Waste service is currently £1.6m overspent, but is utilising £1.2m from the Waste Services Reserve. This is only possible for one more year and a pressure of £1.4m has been included in the Budget Proposals for 2020/21.
<b>Planning and Public Protection</b>	495	The service has overspend due to the transfer of School Transport to this service (£680k overspend offset by service underspends). School Transport has been allocated £900k additional funds during the two previous budget rounds and a pressure of £600k has been included in the Budget Proposals for 2020/21. However as highlighted in previous years the service remained an area of concern and is very much linked to policy and service changes within Education.

Service	Financial Outturn £000	Description
<b>Community Support Services</b>	656	The demographic and inflationary costs of service provision in this area are well known and have been a feature of budget round discussions for a number of years. The overspend is after the application of the remaining service reserve of £821k and a number of late grant awards by WG for winter pressures. A pressure of £2.6m has been included in the 2020/21 Budget that was approved in January.
<b>Leisure - ADM</b>	37	The projected overspend relates to income losses due to the Lockdown in response to the Covid 19 pandemic.
<b>Schools Non-delegated</b>	-71	Minor underspends across a number of areas
<b>Corporate &amp; Miscellaneous</b>	-2,401	See body of report for details
<b>Precepts &amp; Levies</b>	0	There are no risks in this area
<b>Capital Financing</b>	-313	An underspend has occurred in this area largely due to the slippage of schemes following the Covid 19 pandemic.
<b>Council Services &amp; Corporate Budget</b>	<b>-1,028</b>	