

Appendix 2 - Service Variance Narrative

| Service | Variance Last Month £000 | Variance This Month £000 | Change £000 | Description |
|-------------------------------------------------|--------------------------|--------------------------|---------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Communities and Customers | 0 | -3 | -3 | Income loss grant received. |
| Education and Children's Service | 685 | 700 | 15 | This is despite new monies of £1.5M being allocated to Children's Services this financial year. The movement from last month largely relates to a reduction in Out of County income and an increase in residential recharges. No costs have been included for any new placements commencing throughout the year that we don't currently know about. The budget will obviously be monitored carefully over the coming months. |
| Business Improvement and Modernisation | -72 | -67 | 5 | Underspend due to a vacancy saving and one-off external income for a specific project. Some of this underspend will be placed in the new reserve set up to help fund future improvements to Ruthin Gaol. |
| Legal, HR and Democratic Services | -50 | -79 | -29 | Underspends due to vacancy savings following delay due to Covid 19 - minor changes across a range of areas accounts for the movement from last month. |
| Finance and Property | 0 | 0 | 0 | The overspend previously reported earlier in the year related to a shortfall in income due to the decision to forego rents for industrial units for April to July in response to the Covid pandemic alongside a reduction in income generally on the coastal portfolio. Most of this loss of income has now been approved and paid as part of Q1 Tranche 2. The remaining costs are offset by vacancy savings (Chief Accountant post) due to the lockdown and an overall cost reduction exercise. |
| Highways, Facilities and Environmental Services | 1,762 | 1,039 | -723 | £1.25m of the overspend relates to the loss of income from schools meals - this projection assumes no income for term 3 and a reduced level for the beginning of term 1. A further £337k relates to Waste due to reduced income in quarter (green waste, trade waste etc). The main reason for the decrease relates to the receipt of Q2 income loss grant (largely for School catering) and revised costings and timings relating to the Legacy Tips issue. |
| Planning and Public Protection | 256 | 3 | -253 | The service has received £253k Income Loss grant relating to reduced footfall in car parks. School Transport is currently projected to overspend by £309k, however it is assumed that the net overspend of £309k will be claimable from WG Covid Grant. If this is not the case then the overspend in PPP will increase by this amount. |
| Community Support Services | 714 | 662 | -52 | The project is due to additional costs over and above the £2.6m estimated and included in the budget for 2020/21. The main areas of concern are homelessness and Community Care packages. The projection assumes that the service will again receive the £800k Workforce & Sustainability Grant. No assumption has been made about grant funding for winter pressures which tend to be announced by WG in the autumn and during the winter itself. The movement from last month relates to the receipt of the Q2 Covid Income Grant. |
| Leisure - ADM | 2,197 | 221 | -1,976 | Movement relates to application of Q2 Covid Income Claim. |
| Corporate & Miscellaneous | 0 | 0 | 0 | See body of report for details |
| Precepts & Levies | 0 | 0 | 0 | There are no risks in this area |
| Capital Financing | 0 | 0 | 0 | The position on capital financing is very much related to progress on capital projects and variances do not crystallise until later in the financial year. |
| Council Services & Corporate Budget | 5,492 | 2,476 | -3,016 | |