

Appendix 2 - Service Variance Narrative

Service	Variance Last Month £000	Variance This Month £000	Change £000	Description
Communities and Customers	-111	-129	-18	The increase in the underspend relates to a confirmed secondment role and a delay to planned works in libraries. Minor variances account for the variance from last month.
Education and Children's Service	725	641	-84	This is despite new monies of £1.5M being allocated to Children's Services this financial year. The majority of the increase from last month is the financial impact of a further new high cost residential placement. The current levels of overspend are reflected in the current Medium Term Financial Plan going forward. Children's Services outturn has reduced from £570K down to £469K, reduction of £101K. This reduction is mainly due to the maximisation of grants by transferring as much spend as possible to any relevant grants.
Business Improvement and Modernisation	-34	-51	-17	Underspend due to a vacancy saving and one-off external income for a specific project. The underspend will be placed in the new reserve set up to help fund future improvements to Ruthin Gaol.
Legal, HR and Democratic Services	-100	-89	11	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	-206	-206	The service has reduced the annual Repairs and Maintenance work due to Covid and the service would like to carry that forward in order to 'catch up' with this work in 2021/22. This 'underspend' was initially forecast to be offset by service costs and loss of income but WG Covid Funding has now been confirmed for these areas.
Highways, Facilities and Environmental Services	368	-424	-792	The movement from last month relates to confirmation of payment of the Quarter 4 loss of Covid income grant relating to School Catering benefitting and further funding for costs relating to the recent flooding and the Circular Economy.
Planning and Public Protection	-137	-411	-274	The movement from last month relates to the impact of the ongoing decrease in transport costs due to the confirmation of Quarter 4 Covid Income Grant for loss of income now confirmed for Parking Services.
Community Support Services	217	66	-151	The projection 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 have been very difficult this year to the changing WG grants available and obviously the rapidly changing situation in Care Homes. The projected overspend has reduced this month following confirmation of DCC's share of a Regional ICF Grant which was larger than anticipated. However, the projection is may change slightly, pending the reconciliation work for advance payments to some providers and confirmation of receivable income.
Leisure - ADM	221	284	63	The movement from last month relates to additional Business Rates that we have been charged. We are currently appraealing these decsions relating to dual use sites and we hope that these amounts will be refunded during 2021/22.
Corporate & Miscellaneous	-1,867	-1,999	-132	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 the final outturn is known.
Council Services & Corporate Budget	-718	-2,318	-1,600	