

Appendix 2 - Service Variance Narrative

Service	Variance Last Month £000	Variance This Month £000	Change £000	Description
Communities and Customers	0	0	0	No Variances to report at this stage.
Education and Children's Service	386	347	-39	This Pressure all relates to high cost residential and Independent Fostering placements. The reduction from last month's figure reported to Cabinet relates to a reduction in inter-authority recoupment costs based on September pupil numbers (this was highlighted as a risk last month prior to schedules being received). However the figures remain volatile at this stage. All residential and independent fostering placements have been costed to realistic timescales however no allowance has been made for any further new placements throughout the year.
Business Improvement and Modernisation	-37	-37	0	Underspend due to a vacancy savings. It is anticipated that the underspend will be placed in the new reserve set up to help fund future improvements to the heritage offer at Ruthin Gaol.
Legal, HR and Democratic Services	-29	-33	-4	The underspend relates the net effect of the detailed monitoring (eg vacancies).
Finance and Property	0	0	0	There are ongoing pressures within this service relating to the ongoing reduction in the Housing Benefit Administration Grant - currently we are hoping to identify one-off funding to once again mitigate this pressure.
Highways, Facilities and Environmental Services	340	442	102	The reported overspend relates to ongoing pressures in Waste Service relating to increases in costs and decreases in income received for recyclable waste. The figure reported assumes that we will continue to be able to claim for Covid related costs. The increase from last month relates to increased projections across the service relating to an increase in use of external contractors to help with staffing shortages and an increase in material prices.
Planning and Public Protection	0	464	464	As noted in previous reports the position with school transport wasn't going to be clear until the contracts for September school re-opening were finalised. the financial implications of those changes have been investigated in detail over the last few weeks and the current estimated overspend is estimated to be £464k. This is largely as a result of shortages of staff and increase in fuel prices which have meant that there are fewer providers and contract costs have increased. Planning income is still down on pre-pandemic levels but it is hoped this will increase over the coming months.
Community Support Services	0	0	0	Although an additional pressure of £2.4m was included in the budget for 2021/22 Homelessness in particular remains an area of pressure which is largely being claimed from the Covid Hardship Fund. There is an SLT working group which is tasked with identifying and providing in-house provision which will improve the level of service and reduce costs in the future. There is a great deal of uncertainty around grant funding for pressures in the sector which will be monitored closely over the coming months, however the financial position in year indicates that financial pressures are being kept within current budget allocations this financial year.
Leisure - ADM	-4	-4	0	The movement relates to minor variances.
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 the final outturn is known. Any spare capacity this year is likely to be required to fulfill the investment target in Highways agreed by Council. It can now be confirmed that due to capital receipts received in year that £900k additional investment in Highways has been allocated.
Council Services & Corporate Budget	656	1,179	523	