

Appendix 2 - Service Variance - Overspend and Underspend Risks Narrative

Service	Variance Last Month £000	Variance This Month £000	Change £000	Description
Housing and Communities	102	82	-20	Budget overspend due to libraries saving proposal being implemented two months into the financial year and from pressures across the service including not achieving a full-year saving on some of the proposals. A small reduction in these projected overspend this month.
Education and Children's Service	1,891	1,956	65	Budget pressure in Children's Social Care (£1.543m) mainly due to a significantly complex placement after budget was set, increased this month by £69k due to changes to some placement costs. All placements have been costed to realistic timescales, however no allowance has been made for any new or changes to placements for this year. Budget pressure in Education services (£413k) due to education placements and additional learning needs reduced this month £4k by some small efficiencies.
Corporate Support: Performance, Digital, Assets	6	74	68	Pressures from non-achievement of full-year savings on the asset saving proposals
Corporate Support: People	-52	-52	0	Budget underspend from non-replacement of staff offsetting pressures within the budget from increased translation costs. Non-replacement of staff enables early-realisation of 25/26 savings.
Finance and Audit	0	0	0	Balanced budget projected
Highways and Environmental Services	1,124	1,124	0	Budget overspend from not achieving full-year savings from the saving proposals from across the service (£554k) and on winter maintenance (£570k) based on the level of costs incurred in 2023/24; the extent of the pressure from additional support to safeguard highways during severe weather conditions will become clearer during the winter months up to the year-end. Costs associated with the roll-out of the new waste collection model is netted off by a windfall payment (£1.2m) as a result of the refinancing of the North Wales Residual Waste Treatment Partnership contract.
Planning, Public Protection and Countryside	220	237	17	Budget pressure reflects a projected shortfall against the car parking and traffic income saving proposal for 2024/25 and further pressures this month across the service. There continues to be risks, outside of the Council's control, in under-achieving income budgets for both planning and parking fees. There are also risks around School Transport budget due to emergency and/or discretionary transport requirements throughout the school year.
Adult Social Care and Homelessness	-510	-578	-68	The £578k underspend is due to a budget underspend in Homelessness (-£1.3m) netted off by overspend in Adult Social Care services (£721k). The pressures in Adult Social Care, reduced by £68k this month, are due to pressures from costs and demand for Complex Disabilities, Mental Health and Older People and Community living. Good progress is being made with implementing the saving proposals which helps to offset these pressures. A risk remains as new demand on the service may create a budget pressure where that increased demand also has more complex need requirements. The underspend in Homelessness (-£1.3m) is due to a reduction in emergency temporary accommodation placements.
Leisure - Retained Budgets	0	0	0	Balanced budget projected
Corporate & Miscellaneous	-3,260	-7,128	-3,868	Budget saving from release of contingencies with the savings achieved in 2023/24 projected to recur; pension costs (£500k) and energy (£1m) and a release of the contingency held for the pay and grading review (£1.76m) due to delays in the process nationally. The movement this month is due to a Welsh Government grant award towards the costs of the Teachers' pension costs and NJC pay pressures.
Precepts & Levies			0	Balanced budget projected
Capital Financing			0	The position on capital financing is very much related to progress on capital projects and variances do not fully crystallise until the final outturn is known.
Council Services & Corporate Budget	-479	-4,285	-3,806	