

SUMMARY OF MAIN ADVERSE VARIANCES 2019/2020

	<u>Forecast Adverse Variance at December 2019 Forecast</u> <u>£</u>	<u>Forecast Adverse Variance at March 2020 Forecast</u> <u>£</u>	<u>Comments</u>
<u>Adverse variances in Excess of £15,000</u>			
<u>1 Corporate Services</u>			
Housing Benefits	(108,529)	(120,419)	<p>The forecast overspend is due to external audit fees (£28,536) for which there is no budget, a shortfall on the Administration Subsidy grant of £63,900 and a shortfall in HB Subsidy of £27,980 (HB payments attracting less than 100% subsidy). In the previous financial year, these costs were offset by an in year budget virement.</p> <p>A cost pressure of £107,000 has been approved as part of the 2020/2021 budget setting process. This pressure will therefore not continue into 2020/21.</p>
Resources Departmental Budget	(134,231)	(48,590)	<p>The reason for the adverse variance is due to the delayed implementation of the departments service review.</p> <p>The revised structure is now in place and therefore this cost pressure will not to continue into 2020/21. The adverse variance has reduced due to the application of funding from</p>

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			the Downsizing and Redundancy reserve to fund redundancy costs.
Council Tax Collection	50,355	(88,582)	The change of cash allocation to current debt ahead of historic has impacted upon the impairment of debt (bad debt provision) which has affected this budget in year.
Council Tax Reduction Scheme	(27,555)	(40,748)	<p>The CTRS caseload has seen a significant increase in the volume of new claims and claims amendments throughout the year. Between 2018-19 and 2019-20 new claims being processed increased by 1,238 whilst for the same period amendment to claims, for change of circumstances, increased by 6,490.</p> <p>The automation process for DWP benefits was also introduced during the year which has contributed to the increased volume of changes being processed.</p>
Democratic Representation & Management	(26,057)	(22,382)	<p>Following Community Asset Transfers of a number of buildings, the council is incurring rental costs for the occupation of Town & Community Councils and no progress has been made for charging for this accommodation.</p> <p>This is being progressed under the Assets and Property Strategic Business Review, as part of the Bridging the Gap programme.</p>

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3	<u>Education</u>			
	AWPU Clawback	(64,000)	(48,000)	The anticipated funding recovered from Schools as a result of the LA providing alternative education provision has reduced due to schools increasingly providing provision to meet pupils needs as an alternative to requiring specialist placement and as a result of the River Centre being at capacity.
	SEN Recoupment	(35,000)	8,047	New and continuing placements to Out of County Schools created the initial adverse variance. The forecast adverse variance has reduced due to an in year budget virement of £60,000 from Social Services and fluctuations in individual placement costs and charges.
	Education Departmental Budget	(34,488)	(12,234)	The use of a specific reserve to fund relevant activity has reduced the adverse variance.
	Home to School Transport	(7,000)	(41,000)	Additional transport costs in the final quarter increased the adverse variance
4	<u>Environment</u>			

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	Waste Services	(94,770)	(73,718)	<p>The adverse variance is due to:</p> <ul style="list-style-type: none"> • Sustainable Waste Management grant is lower than estimated by £45,000 due to the grant reduction being higher than anticipated. • Transfer Station costs have increased due to additional hours being worked as a result of black bag sorting and increased recycle. • Increased contract costs relating to recycling of aerosols. • Security costs at HWRC • Maintenance for the baler at the Waste Transfer Station. <p>Mitigating actions include</p> <ul style="list-style-type: none"> • “Keeping up with the Joneses” campaign has assisted in the reduction in residual waste costs. • A fence and CCTV are to be installed at the HWRC to reduce the costs in relation to security. • The waste recycling disposal contracts are being monitored and reviewed, prioritising the wood and inert waste streams.

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Meals on Wheels	(23,469)	(27,640)	This overspend is due to the income from the sale of meals not achieving the target income. Meals prices have been increased and the service will continue to be marketed to try to increase sales.
Cwmcrachen Caravan Site	(64,915)	(64,131)	The adverse variance is due to Utility costs being higher than anticipated. There is an investigation into the corporate utility bill arrangements at the site. There are also investigations into electricity theft.
Littering and dog control orders	(33,500)	(4,325)	Overall, the overspend is due to the cost of the contract being more than the income received from fines, albeit the actual amount of income from fines increased from the December 2019 forecast. New Contract negotiated from March 1 st , which should be cost neutral to the Authority.
Winter Maintenance	0	(35,890)	Due to a review/increase of employee standby payments.
Coroner's Court	(25,516)	(18,803)	Additional costs following service being brought back in house and recovery of 2018/19 overspends.
5 <u>Social Services</u>			

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Payment to Foster Parents	(163,374)	(141,346)	This continues to be a cost pressure due to current demand
Legal Costs – Care Proceedings	(307,100)	(427,589)	This continues to be a cost pressure, with external legal support beng provided to support the current demand within looked after children
Direct Payments	(53,730)	(54,505)	The number of Direct Payments have increased gradually, therefore the original budget provision has become insufficient
Cwrt Mytton	(97,937)	(138,410)	The adverse variance is due to staffing costs the service is under constantly review.
Frailty	0	(20,131)	This adverse variance is due to pay award and incremental drift encountered during the financial year.
Intermediate Care Fund (ICF)	0	(43,058)	This adverse variance is due to staff cost pressures within certain projects, offset by the overall underspend within Adult Services.
Community Care	(332,515)	(174,940)	The adverse variance is due to additional support requirements and care fee uplift, and a reduction in CHC funding received, partially offset by the ICF Winter Pressure Grant.
Emergency Standby	(14,090)	(15,279)	The cost of the collaborative arrangement has continually increased due to staffing costs which has resulted in the original budget becoming insufficient.