

PERTH AND KINROSS COUNCIL - GENERAL FUND 2017/18 PROJECTED OUTTURN - SERVICE ANALYSIS
(Based on Expenditure to 31 August 2017)

| SERVICE | Variance £'000 | Variance £'000 | Summary of Service Variances |
|---|-------------------|-------------------|---|
| <u>Education & Children's Services (ECS)</u> | | | |
| Total | (660) | | |
| | | | <u>Devolved School Management (DSM)</u> |
| | | (549) | Staff Costs Teachers salaries are projected to under spend by £1,910,000 due to staff turnover. Single Status staff are projected to under spend by £336,000 also due to staff turnover. This is offset by a slippage target for 2017/2018 of £1,697,000. |
| | | (160) | Income Projected additional income of £160,000 offsets additional expenditure on staff costs included above for secondments and SQA work. |
| | | 709 | The projected DSM carry forward for 2017/18 is £709,000 which is a reduction of £393,000 on the balance brought forward from 2016/17. This level of carry forward represents approximately 0.84% of the overall DSM budget. |
| | | | <u>Pupil Equity Fund</u> |
| | | (30) | The majority of schools within Perth and Kinross Council have been allocated a share of £1,608,000 of Pupil Equity Funding from the Scottish Government as a ring fenced grant. The funding covers the school academic year (i.e. to 30 June 2018) and at this early stage in the academic year it is projected that £30,000 will be carried forward to 2018/19 for staffing commitments. |
| | | 30 | Projected carry forward of Pupil Equity Funding. |
| | | | <u>Other Education & Children's Services Sectors:</u> |
| | | (1,310) | Staff Costs This projected under spend is made up of movements across all sectors and cost centres and is after recognising a slippage target of £746,000. |
| | | (40) | Property Costs Projected under spend in relation to Non-Domestic Rates for 2017/18 based on the latest valuations. |
| | | (250) | Supplies and Services Projected under spend in Early Learning and Childcare provision (£150,000) and Evidence to Success (£100,000) funding which has now been mainstreamed. |
| | | (45) | Transport Costs Projected under spend on car allowances and travel. |
| | | 216 | Home to School Transport Projected over spend due to changing demand patterns within Additional Support Need provision e.g. young people transferring to external placements and reduced supply in the local market leading to above inflation contract increases. |
| | | (401) | Third Party Payments There is a projected under spend due to Partner Providers (£281,000) less places than budgeted for and in Continuing Care (£183,000) due to delays in young people choosing this option for care at this time. These are partially offset by projected over spends within Children Young People and Families, Supporting Young People (£47,000), Direct Payments and Personal Home Care (£8,000) and Unaccompanied Asylum Seeking Children (£8,000). |
| | | | <u>Residential Schools/Foster Care and Kinship Care:</u> |
| | | 89 | The budget for young people with Additional Support Needs (ASN) who are educated out with the Council's mainstream school provision is projected to over spend in the current financial year based on the number of known placements at this time. |
| | | 460 | The budget for young people with complex behavioural issues which includes a number of pupils placed within secure schools is projected to over spend based on current activity levels. |
| | | 50 | Support in the Community is projected to over spend based on the existing number of placements. |
| | | (236) | The foster care / kinship care budget is projected to under spend based on current levels of activity. |

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| | | 21 | Loan Charges Projected over spend on prudential borrowing loan charges due to revised projections for land disposals. |
| | | 86 | Income Projected additional income from Out of School Kids Clubs (£32,000); recharging other authorities for Fostercarer Placements (£18,000) and Secondment to Education Scotland (£11,000). This additional income is offset by reduced income from Wellbank House rents (£4,000); reduced income from breakfast clubs (£59,000) and reduced school meal uptake (£84,000). |
| | | 300 | Transfer to Earmarked Reserves The Council approved a review and remodelling of residential care (children and young people) on 16 August 2017 (Report No. 17/262 refers). Subject to the delivery of this overall projected underspend this amount will be earmarked to support the delivery of the project. |
| | | 400 | The Strategic Policy and Resources Committee has previously approved the creation of an earmarked Reserve towards the set up costs of the new secondary school at Bertha Park (Report No. 15/395 refers). Subject to the delivery of this overall projected under spend this amount will be transferred to the earmarked Reserve for Bertha Park. |

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| Housing and Community Safety | | | |
| Total | (588) | | |
| | | 128 | <p><u>Housing (including Homeless Temporary Accommodation)</u></p> <p>There are projected over spends at Greyfriars, St Catherine's and Dispersed Tenancies (£179,000) due to the under recovery of income as a consequence of reduced occupancy levels. There is also a projected over spend on RIO due to loan charges and property costs pending the sale of the building (£22,000). In addition, the transition to the new model for the Care & Repair Scheme is currently projecting an over spend (£41,000) due to interim staffing arrangements and there is also now a projected over spend on Private Sector Housing Grant payments (£60,000). These projected over spends are partially offset by projected under spends on staff costs (£102,000) due to vacancies, bed & breakfast (£19,000) due to reduced usage, supplies & services (£45,000) as the Service completes the transformation to the Homefirst model and a small over-recovery of income (£8,000) at Double Dykes.</p> |
| | | (486) | <p><u>Finance and Support Services</u></p> <p>The projected under spend relates to improved Sherriff Officers activity (£50,000), a projected under spend on Housing Benefit Subsidy due to a reduction in the loss on rent allowances (£16,000), additional staff slippage (£152,000) principally due to the interim management arrangements across the Service and the implementation of new staffing structures in some teams and a projected under spend on supplies & services (£45,000) across all teams. There is also the accelerated delivery of approved 2018/19 savings (£223,000).</p> |
| | | (155) | <p><u>Strategic Planning & Commissioning, Customer & Community Engagement</u></p> <p>There is a projected under spend due to the accelerated delivery of approved 2018/19 savings (£78,000), non recurring income (£30,000) and a projected under spend on SLA/contract spend (£91,000). These are partially offset by small overspends across all teams (£44,000).</p> |
| | | 16 | <p><u>Mental Health Officers (Community Mental Health Teams)</u></p> <p>There is a projected over spend across all teams due to staff slippage targets not being met as all posts are currently filled.</p> |
| | | (64) | <p><u>Community Safety</u></p> <p>Projected under spend in relation to staff slippage.</p> |
| | | (27) | <p><u>Learning & Development</u></p> <p>Projected under spend in relation to staff slippage.</p> |

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| <u>The Environment Service</u> | | | |
| Total | (235) | (200) | <p><u>Service-Wide Staffing Budgets</u> Projected staff slippage in excess of target across the Service predominantly derived from accelerated voluntary severance savings</p> <p><u>Planning & Development</u> 50 Projected shortfall in income at Perth Harbour 40 Operating expenditure associated with River Tay boat trip pilot programme</p> <p><u>Roads & Transport</u> (50) Projected additional income from statutory road closures and site notices</p> <p><u>Public Transport</u> (100) Projected saving in tendered services predominantly due to the commercialisation of two previously subsidised services</p> <p><u>Car Parking</u> 134 Investment in infrastructure at Mill Street (134) Contribution from Car Park Reserves.</p> <p><u>Operations, Waste Strategy & Fleet Management</u> (75) Projected additional income from sale of recyclates and trade waste permits (200) Projected saving on waste disposal contract payments due to improved recycling rates and lower than anticipated gate fee for retendered residual waste contract</p> <p><u>Property</u> 100 Projected increase in energy costs due to higher than anticipated price increase in electricity (c£300,000) and costs of Electric Vehicle Charging points (c£60,000) offset by lower than anticipated price increase in gas and oil (c£130,000), savings on Carbon Reduction Commitment payments due to reduced energy consumption (c£100,000) and additional Renewable Heat Incentive income (c£30,000). (100) Projected saving on water costs. 300 Projected shortfall in fees arising from non-fee earning work</p> |

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| <u>Corporate and Democratic Services</u> | | | |
| Total | (302) | | <p><u>Core Costs</u></p> <p>(6) Projected net under spend on staff costs due to slippage.</p> <p><u>Legal Services</u></p> <p>(44) Projected under spend on staff costs due to vacancies.</p> <p>65 Projected over spend on other costs across the Division, primarily publications and photocopying.</p> <p>(28) Projected additional income due to the cyclical nature of a number of the income streams.</p> <p><u>Finance</u></p> <p>(10) Projected net under spend primarily due to staff slippage in excess of budgeted levels.</p> <p><u>Human Resources</u></p> <p>(34) Projected under spend on Modern Apprentice programme based on latest placements</p> <p>(25) Various net projected under spends across staff costs, supplies and services, third party payments and transport costs</p> <p><u>IT</u></p> <p>(66) Projected under spend on staff costs due to vacancies.</p> <p>(60) Projected over recovery of income</p> <p><u>Strategic Commissioning & Organisational Development</u></p> <p>(124) Projected net under spend primarily due to staff slippage in excess of budgeted levels.</p> <p>(15) Projected net under spend on third party payments and supplies and services</p> <p>45 <u>Projected costs of Local Government By Election</u></p> |
| TOTAL | (1,785) | | |