

PERTH & KINROSS COUNCIL - GENERAL FUND 2021/22 PROJECTED OUTTURN - SERVICE ANALYSIS
(Based on Expenditure to 31 January 2022)

SERVICE	Variance £'000	Variance £'000	Summary of Service Variances
Education & Children's Services			
Total	(1,620)		
			Devolved School Management (DSM)
			There are 66 primary schools, 7 secondary schools, 4 all through schools, 46 nurseries and early learning childcare centres and 1 special school within the Council's DSM scheme. Each school has an individual budget, primarily based on pupil numbers. Headteachers are responsible for the annual budgets devolved to them in April each year. The total DSM budget for 2021/22 is £111.445 million including carry forwards.
			Within the scheme there is a facility allowing for DSM balances, whether surplus or deficit, to be brought forward from the previous financial year. In addition to the resources devolved, balances may also be available to headteachers of schools that have a carry forward. In 2020/21, £1,530,000 of DSM balances were brought forward.
		(418)	Staff Costs Teachers salaries projected to under spend by £1.746 million and single status by £742,000 due to staff turnover. This contributes to a budgeted slippage target of £2.070 million in 2021/22.
		(50)	Property Costs Projected under spend due to slippage on repairs & maintenance works at various schools.
		(422)	Supplies & Services Projected under spend on materials including supply issues for IT equipment.
		(30)	Transport Costs Projected under spend due to reduced travelling during Covid-19.
		920	There is currently a projected net under spend of £920,000 based on current spending plans from schools for the current academic year that runs to June 2022. The maximum carry forward under the DSM scheme is 10%, the current projection is 0.83%.
		(900)	Pupil Equity Fund The majority of schools within Perth & Kinross Council have been allocated a share of £2.038 million of Pupil Equity Funding from the Scottish Government as a ring fenced grant. At this time, it is anticipated that £900,000 will be carry forward into financial year 2022/23 for staffing and other commitments as the grant covers the academic year.
		900	Projected carry forward of Pupil Equity Funding.
		(2,408)	Other Education & Children's Services Sectors: Staff Costs Projected under spend on staff costs due to slippage in excess of the budgeted target of £1.165m across the whole Service. This includes funding for additional teachers and support staff that has not been fully utilised due to when appointments were made.
		1,165	Proposed transfer to earmarked Reserves for teachers and support staff
		(381)	Property Costs Projected under spend due to savings on non-domestic rates following a revaluation and reduced charge (£252,000); on rent following the cancellation of music camps (£45,000) (partially offset by reduced income), savings on the unitary charge for investment in learning schools (£57,000) and recharges for area offices (£27,000).
		(828)	Supplies and Services Projected under spend school meals and breakfast clubs (£743,000) (offset by reduced income), pipes and drums (£90,000), Highland Perthshire Learning Partnership (£60,000), Life Life Well (£70,000) and savings on central budgets (£50,000). This is partially offset by projected over spends on legal fees relating to adoption (£37,000), kinship care (£35,000) and permanence orders (£43,000).
		(15)	Transport Costs Projected under spend due to reduced car allowances and travel and subsistence costs within various cost centres.

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		(124)	<p>Home to School Transport Projected under spend based on latest projections. This includes non-recurring funding of £445,000.</p>
		(15)	<p>Transfer Payments Projected under spend on school clothing grants based on demand.</p>
		(196)	<p>Third Party Payments Projected under spends on facilities management (£23,000), hall hires (£39,000), meal subsidies (£89,000) and supporting care experienced young people (£45,000).</p>
		(117)	<p>Residential Schools/Foster Care and Kinship Care: The budget for young people with Additional Support Needs (ASN) who are educated out with the Council's mainstream school provision is projected to under spend based on current activity levels.</p>
		382	<p>The budget for young people with complex behavioural issues which includes a number of pupils placed within residential schools is projected to over spend based on current activity levels.</p>
		375	<p>Based on the latest demand information, there are projected over spends on kinship care (£364,000) and foster care (£11,000).</p>
		542	<p>Income Projected shortfall in income due to Covid-19 and services not being provided and assumed reduction in provision until later in the financial year. The main areas are as follows; out of school clubs (£197,000), breakfast clubs (£130,000); paid school meals (£188,000), school lets (£36,000), Renewable Heat Initiative Grant (£48,000), cancelled music camps (£59,000) and Instrumental Music Tuition and Central Groups (£117,000). This is partially offset by additional grant income relating to unaccompanied asylum seeking children (£225,000) and rent at Wellbank House (£8,000).</p>

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Communities			
Total	(2,292)		
			Service-Wide Budgets
		50	Project management costs in relation to Tay Cities Deal
		250	Delay in the identification of Capital Financed from Current Revenue to meet this increased target
		(110)	Projected under spend on commercialisation, digitalisation and transformation project
			Planning & Economic Development
		70	Commercial Rent Income projected shortfall
		120	Perth Harbour - increase in operating costs / shortfall in income
		(115)	Projected additional income from planning applications and building warrants
		30	Additional staff costs relating to increased activity in planning applications and building warrants
		(45)	Slippage in Growbiz, entrepreneurs funding
		(45)	Slippage in Rural Employment Incentive Grant
		(100)	Slippage in Perth and Kinross Skills Passport funds
		(130)	Slippage in Business Crowdfunding funds
		(50)	Slippage in Support for Businesses.
		(210)	Slippage in Adapt Your Property funds
		(25)	Slippage in Market Development Grants
		(50)	Slippage in Open For Business Fund
		(40)	Slippage in international events to support the Glasgow Warriors event in 2022
		(100)	Projected underspend in core events budget due to only small scale events this year
			Roads & Transport
		(250)	Projected additional income from statutory road network works
		(175)	Projected saving on street lighting energy costs due to the impact of the LED replacement programme.
		(200)	Slippage on programme of installing Vehicle-Activated Signs, predominantly due to international shortage of semi conductors.
		(100)	Slippage on programme of flood risk studies
		200	Projected over spend on winter maintenance based on activity across 2021/22.
			Regulation
		25	Projected shortfall in income.
		(50)	Slippage in Investment in regulatory services due to the delays in recruitment.
		(30)	Projected slippage on the public analyst
			Operations & Fleet Management
		(380)	Projected saving on loan charges due to delayed deliveries on planned vehicle replacement programme from COVID19
		100	Projected additional cost of waste disposal contract due to an increase in general waste tonnages
		(200)	Projected additional income from sale of recyclates due to favourable market prices
		180	Projected shortfall in commercial waste income
			Waste Strategy
		10	Fly Tipping Fund
		40	Dry mixed recyclates - additional costs relating to engagement to mitigate contamination.
		(60)	Slippage in the management review of operational assets
			Bereavement Service
		80	Projected shortfall in income.
			Community Greenspace
		(45)	Slippage on public realm environmental enhancement works due to additional funding bids and community consultation.
		(20)	Projected slippage on the food growing project due to community consultation.
		(160)	Projected slippage on the Loch Leven Heritage Trail project due to additional funding bids and community consultation
		(100)	Slippage in marketing of PKC visitor management budget, mainly in relation to the development of plans for the waste disposal point.
		(30)	Projected slippage on the Community Environmental Challenge Fund
		(30)	Projected slippage in Planned Maintenance

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		75	Public Transport Cost of resurfacing works at Perth Bus Station
	(20)		Innovation Slippage in No Wrong Door style training
	(13)		Slippage due to year 2 costs for the enhanced occupational health contract.
	(30)		Culture & Communities Projected underspend on non-domestic rates
	(20)		Projected underspend across supplies and services
	(95)		Slippage in the promotion of digital inclusion
	(80)		Slippage on progressing food fund initiatives
	51		Contribution to Scottish Crannog Centre
	40		Housing Increased void rent loss and bad debt provision in Greyfriars due to the need to keep occupancy levels lower than normal.
	30		Cost of Local House Condition Survey to inform the Local Housing Strategy
	(310)		Slippage within Care & Repair
	(20)		Reduced bad debt provision across dispersed tenancies.
	(30)		Slippage due to year 2 staff costs for the visitor monitoring project.
	(35)		Slippage on third party sector work
	(30)		Slippage to cover year 2 costs for the community safety CCTV project
	(40)		Slippage in new Crieff community safety measures
	(70)		Projected underspend in community safety budgets

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Corporate & Democratic Services			
Total	(1,106)		
			<u>Legal & Governance Services</u>
		(41)	Staff slippage in excess of budgeted targets
		(13)	Projected net under spend on other budgets
		(37)	Projected savings on transport costs due to restrictions
		(191)	Income levels have been returning quicker than anticipated
			<u>Finance</u>
		(73)	Staff slippage in excess of budgeted targets
		(8)	Net under spend across various budgets
			<u>Human Resources</u>
		32	Additional licensing costs
		(37)	Net projected under spend on other budgets
		(97)	Additional income from Scottish Government for administering the £500 social care payments and some miscellaneous other sources
			<u>Information Technology</u>
		(2)	Additional grant income
			<u>Revenues & Benefits and Customer Service Centre</u>
		(188)	Staff slippage in excess of target.
		(271)	Projected savings on supplies & services and third party payments
		1,209	Projected over spend on self isolation grants based on activity to date
		(1,209)	Assumed funding from Scottish Government for self isolation grants (£561,000 received to date)
			<u>Property</u>
		(261)	Projected under spend on energy costs due to reduced cost and usage.
		(152)	Projected net under spend on staff costs
		387	Projected over spend on reactive, compliance and cyclical maintenance
		(74)	Projected savings on other property costs including unitary charge.
		(106)	Projected under spend on loan charges following removal of Central Energy Efficiency Fund.
		(45)	Miscellaneous other projected net under spends.
			<u>Core Costs</u>
		71	Miscellaneous projected net over spends
TOTAL	(5,018)		