

## PERTH &amp; KINROSS COUNCIL - GENERAL FUND 2021/22 PROJECTED OUTTURN - SERVICE ANALYSIS

(Based on Expenditure to 31 October 2021)

SERVICE	Variance £'000	Variance £'000	Summary of Service Variances
<b>Education &amp; Children's Services</b>			
Total	(1,709)		
			<b>Devolved School Management (DSM)</b>
			There are 66 primary schools, 7 secondary schools, 4 all through schools, 46 nurseries and early learning 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.
		(381)	<b>Staff Costs</b> Teachers salaries projected to under spend by £1.709 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.
		(385)	<b>Supplies &amp; Services</b> Projected under spend on materials including supply issues for IT equipment.
		(40)	<b>Transport Costs</b> Projected under spend due to reduced travelling during Covid-19.
		776	There is currently a projected net under spend of £776,000, but this is in advance of detailed spending plans being submitted by individual schools. The maximum carry forward under the DSM scheme is 10%.
			<b>Pupil Equity Fund</b>
		(600)	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 £600,000 will be carry forward into financial year 2022/23 for staffing and other commitments as the grant covers the academic year.
		600	Projected carry forward of Pupil Equity Funding.
			<b>Other Education &amp; Children's Services Sectors:</b>
		(576)	<b>Early Learning &amp; Childcare 1140 Expansion Funding</b> There is a projected under spend in the current financial year of £576,000 within Early Learning & Childcare funding from the Scottish Government for the implementation of 1140 hours, due primarily to additional staff slippage.
		576	Proposed transfer to earmarked Reserves to support future expansion plans.
		(923)	<b>Staff Costs</b> Projected under spend on staff costs due to slippage in excess of the budgeted target of £1.161m across the whole Service.
		(381)	<b>Property Costs</b> 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).
		(1,338)	<b>Supplies and Services</b> Projected under spend school meals and breakfast clubs (£1.173 million) (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 (£33,000).
		(15)	<b>Transport Costs</b> Projected under spend due to reduced car allowances and travel and subsistence costs within various cost centres.
		(124)	<b>Home to School Transport</b> Projected under spend based on latest projections. This includes non-recurring funding of £445,000.
		7	<b>Transfer Payments</b> Projected over spend on school clothing grants based on demand.

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		(99)	<b>Third Party Payments</b> Projected under spends on facilities management (£23,000), hall hires (£39,000) and supporting care experienced young people (£37,000).
		(77)	<b>Residential Schools/Foster Care and Kinship Care:</b> 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.
		83	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.
		304	Based on the latest demand information, there is a projected over spend on kinship care (£334,000) partially offset by a projected under spend on foster care (£30,000).
		314	<b>Income</b> 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 (£195,000), breakfast clubs (£137,000); paid school meals (£72,000), school lets (£38,000), Renewable Heat Initiative Grant (£48,000) and cancelled music camps (£59,000). This is partially offset by additional grant income relating to unaccompanied asylum seeking children (£225,000) and rent at Wellbank House (£10,000).
		270	<b>Transfer to Reserves</b> Proposed transfer to earmarked Reserve for the new Bertha Park Primary School.
		300	Proposed transfer to earmarked Reserve for temporary (decant) accommodation.

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<b>Communities</b>			
Total	(2,158)		
			<b>Service-Wide Budgets</b>
		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
			<b>Planning &amp; Economic Development</b>
		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
			<b>Roads &amp; Transport</b>
		(140)	Projected additional income from statutory road network works
		200	Additional urgent works maintenance
		(100)	Anticipated contribution from Scottish Government towards urgent works maintenance
		(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
			<b>Regulation</b>
		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
			<b>Operations &amp; Fleet Management</b>
		(380)	Projected saving on loan charges due to delayed deliveries on planned vehicle replacement programme from COVID19
		200	Projected additional cost of waste disposal contract due to an increase in general waste tonnages
		(150)	Projected additional income from sale of recyclates due to favourable market prices
		100	Projected shortfall in commercial waste income
			<b>Waste Strategy</b>
		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
			<b>Bereavement Service</b>
		80	Projected shortfall in income.
			<b>Community Greenspace</b>
		(105)	Slippage in North Inch Golf Course project due to uncertainty around delivery timescales of the new starters
		(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
			<b>Public Transport</b>
		75	Cost of resurfacing works at Perth Bus Station

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			<p><b>Innovation</b></p> <p>(20) Slippage in No Wrong Door style training</p> <p>(13) Slippage due to year 2 costs for the enhanced occupational health contract.</p> <p><b>Culture &amp; Communities</b></p> <p>(30) Projected underspend on non-domestic rates</p> <p>(20) Projected underspend across supplies and services</p> <p>(95) Slippage in the promotion of digital inclusion</p> <p>(80) Slippage on progressing food fund initiatives</p> <p><b>Housing</b></p> <p>45 Increased void rent loss and bad debt provision in Greyfriars due to the need to keep occupancy levels lower than normal.</p> <p>30 Cost of Local House Condition Survey to inform the Local Housing Strategy</p> <p>(105) Slippage within Care &amp; Repair</p> <p>(20) Reduced bad debt provision across dispersed tenancies.</p> <p>(30) Slippage due to year 2 staff costs for the visitor monitoring project.</p> <p>(35) Slippage on third party sector work</p> <p>(30) Slippage to cover year 2 costs for the community safety CCTV project</p> <p>(40) Slippage in new Crieff community safety measures</p> <p>(70) Projected underspend in community safety budgets</p>

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<b>Corporate &amp; Democratic Services</b>			
Total	(672)		
			<b><u>Legal &amp; Governance Services</u></b>
		(40)	Staff slippage in excess of budgeted targets
		(5)	Projected net under spend on other budgets
		(38)	Projected savings on transport costs due to restrictions
		(141)	Income levels have been returning quicker than anticipated
		226	Grant payments to taxi drivers and operators
		(226)	Assumed funding from Scottish Government in relation to taxi drivers and operators
			<b><u>Finance</u></b>
		(62)	Staff slippage in excess of budgeted targets
			<b><u>Human Resources</u></b>
		30	Additional licensing costs
		9	Net projected overspend on other costs
		(107)	Additional income from Scottish Government for administering the £500 social care payments and some miscellaneous other sources
			<b><u>Information Technology</u></b>
		(45)	Additional grant income
			<b><u>Revenues &amp; Benefits and Customer Service Centre</u></b>
		(134)	Staff slippage in excess of target.
		(128)	Projected savings on supplies & services and third party payments
		65	Projected over spend on self isolation grants based on activity to date
		(65)	Assumed funding from Scottish Government for self isolation grants
		17	Projected overspend on Low Income Pandemic Payments based on activity to date
		(17)	Assumed funding from Scottish Government for Low Income Pandemic Payment
			<b><u>Property</u></b>
		(151)	Projected under spend on energy costs due to reduced cost and usage.
		(57)	Projected under spend on staff costs partially offset by additional costs in relation to compliance
		375	Projected over spend on reactive, compliance and cyclical maintenance
		(250)	Projected under spend on maintenance - cemetery walls.
		250	Contribution to Property Maintenance Earmarked Reserve
		(76)	Projected savings on other property costs including unitary charge.
		(104)	Projected under spend on loan charges following removal of Central Energy Efficiency Fund.
		(14)	Miscellaneous other projected net under spends.
			<b><u>Core Costs</u></b>
		123	Summer and Autumn payments to eligible families on behalf of the Scottish Government
		(123)	Assumed funding from the Scottish Government
		16	Staff slippage
<b>TOTAL</b>	<b>(4,539)</b>		