

PERTH & KINROSS COUNCIL - GENERAL FUND 2020/21 PROJECTED OUTTURN - SERVICE ANALYSIS
(Based on Expenditure to 31 January 2021)

SERVICE	Variance £'000	Variance £'000	Summary of Service Variances
Education & Children's Services			
Total	829		
			Devolved School Management (DSM)
		(475)	Staff Costs Teachers salaries projected to under spend by £1,439,000 and single status by £1,092,000 due to staff turnover. However, the budgeted slippage target for 2020/2021 is £2,056,000 which, at this stage, will not be met.
		(174)	Property Costs Projected under spend on non domestic rates (NDR) in part due to Bertha Park High School reduction in NDR bills by 1.6% by Scottish Government (£154,000) and on painting works at Perth Grammar as work will not be completed by 31 March 2021 (£20,000).
		(300)	Supplies & Services Projected under spend on materials due to reduced activity because of restrictions.
		(48)	Transport Costs Projected under spend on travel & subsistence due to Covid-19.
		78	Income Projected shortfall from Community Campus lets due to Covid-19 (£36,000) and per capita income from home economics (£42,000).
		919	There is a projected net under spend of £919,000. The maximum carry forward under the DSM scheme is 10%.
			Pupil Equity Fund
		(450)	The majority of schools within Perth & Kinross Council have been allocated a share of £1,699,113 of Pupil Equity Funding from the Scottish Government as a ring fenced grant. It is anticipated that £450,000 will be carry forward into 2021/22 for staffing and other commitments as the grant covers the academic rather than the financial year.
		450	Projected carry forward of Pupil Equity Funding.
			Early Learning & Childcare 1140 Expansion Funding
		(2,250)	There is a projected under spend on Early Learning & Childcare funding from the Scottish Government for the implementation of 1140 hours in 2020/21 of £2,250,000. Of this, £1,034,000 was front loaded by the Scottish Government with the remainder being slippage in the current year. This is a ring-fenced grant with any underspend carried forward into the 2021/22 financial year or used to fund Covid-19 expenditure related to education.
		666	Additional expenditure in relation to Partner Providers and Childminders for essential workers and vulnerable young people (£577,000) and Children's Activity Centres (£89,000) has been incurred.
			Other Education & Children's Services Sectors:
		(1,354)	Staff Costs Projected under spend due to additional staff slippage (£1,354,000). This is made up of over and underspends in various sectors and cost centres and after accounting for a slippage budget of £1,164,000. This reflects difficulties faced by the Service in recruiting qualified staff in certain professions.
		2,026	Projected expenditure on additional teachers (£1,204,000) and support staff (£80,000) to cover return to education which are offset by income. There are also additional costs on teachers supply (£400,000) and support staff (£304,000) for casual/supply workers covering the period April to June 2020 as per agreements with unions on average earnings.
		(1,284)	Additional grant income to support education recovery
		(150)	Property Costs Projected under spend on non-domestic rates rebate (£151,000), rents for music camps due to cancellation (£45,000), savings against the Unitary Charge for IIL Schools (£28,000), catering fixture & fittings (£40,000), reduced recharge from Housing Offices (£27,000) and Scott Street Rent (£8,000). This is partially offset by increased costs in relation to the daily cleaning of schools (£270,000) and feasibility studies (£6,000).

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		205	<p>Supplies and Services Projected over spend on catering equipment (£40,000), PPE (£197,000) and school meals (£468,000). This is partially offset by projected under spends on food insecurity (£81,000), breakfast clubs due to new delivery model (£81,000), sanitary products based on expenditure to date (£30,000), savings on miscellaneous budgets (£117,000), instrumental Music - pipes & drumming (£81,000); Highland Perthshire Learning Partnership (£90,000) and historical child abuse Case Review (£20,000) .</p>
		(256)	<p>Transport Costs Projected under spend due to reduced car allowances and travel and subsistence costs within various cost centres.</p>
		893	<p>Home to School Transport Projected over spend due to costs of returning children to school (£386,000) less grant funding (£101,000) and additional demand on Additional Support Need e.g. young people transferring to external placements (£444,000) / general demand (£164,000).</p>
		69	<p>Transfer Payments Projected overspend on school clothing grants due to increased number of applications, in part due to new criteria for entitlement within PKC from last financial year.</p>
		(331)	<p>Third Party Payments Projected under spends on partner provide payments due to less demand (£225,000), external hall hire (£51,000), service level agreement payments (£56,000) and support for care experienced young people (£45,000). This is partially offset by a projected over spend and self directed support (£46,000).</p>
		122	<p>Residential Schools/Foster Care and Kinship Care: The budget for young people with Additional Support Needs (ASN) who are educated outwith 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.</p>
		(465)	<p>The budget for young people with complex behavioural issues which includes a number of pupils placed within residential schools is projected to under spend based on current activity levels.</p>
		206	<p>Based on the latest demand information, there is a projected over spend on foster care (£5,000) and kinship care (£278,000).</p>
		2,732	<p>Income Projected shortfall in income of £2,732,000 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; Recharge to capital projects due to staff working on other Covid-19 priorities (£69,000); School Lets (£85,000); Kids Clubs (£557,000); Instrumental Music Tuition and Central Groups (£262,000); Breakfast Clubs (£167,000); Paid School Meals (£1,771,000), Renewable Heat Initiative Grant (£42,000) and Recharge to Grants (£33,000). Additional income from Axiom insurance rebate on ILL schools (£177,000); Inter-Agency Adoption Fees (£32,000) and Unaccompanied Asylum Seeking Child (£45,000).</p>

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Communities			
Total	4,308		
			Service-Wide Budgets
		1,530	Additional expenditure projected across the Service due to the COVID19 response, PPE and Cleaning Supplies (£545,000), Food and Distribution costs (£320,000), Property costs including additional ventilation works in schools & offices (£435,000) and Other costs (£230,000)
		(340)	Staff slippage in excess of budgeted target
		25	Corporate Health & Safety - Income shortfall
		(100)	Under spend on non-recurring procurement funding to deliver remaining Corporate procurement savings target.
		429	Projected shortfall in staff recharge to capital projects across Communities .
		743	Contribution from Council towards August weather event
			Roads & Transport
		(300)	VAS and 20mph slippage due to resourcing issues
		65	Shortfall in departure charges Income due to Covid-19
		(110)	Projected saving on street lighting energy budget
		(100)	Contribution from Housing Developer towards Public Transport tendered services
		(104)	Saving on bridge strengthening project
		(235)	Projected underspend in the current year, across flooding revenue budgets due to COVID and repairs/capital work related to the recent flooding events
		430	Revenue contribution to Almondbank Flood Protection Scheme
		85	Additional expenditure on completing works at North Muirton Reservoir
		1,200	Projected Winter Maintenance costs in excess of budget
		(50)	Projected additional income from statutory road network works
		(120)	Smart Cities - Phase 2 projected underspend
			Parking
		2,200	Shortfall in income from on and off street parking and penalty charge notices due to removal of Parking charges from mid March to end of July, due to COVID19 and ongoing impact of restrictions.
			Regulatory Services
		(210)	Projected under spend across regulation supplies and services and 3rd party payments
			Operations & Fleet Management
		(365)	Projected saving on loan charges due to delayed deliveries on planned vehicle replacement programme from COVID19
		450	Shortfall in commercial waste income due to Covid-19
		80	Shortfall in waste income / sale of recyclates due to Covid-19
		75	Shortfall in public conveniences income due to Covid-19
		(150)	Projected saving on fuel costs
			Community Greenspace
		110	Shortfall in Income - North Inch Golf Course, Events and Hanging Baskets - due to Covid 19
		(25)	Saving on grounds maintenance contract due to Covid 19
		(27)	Saving on summer bedding and hanging baskets due to Covid 19
		(50)	Saving on Bloom activities due to Covid 19
		(5)	Saving on repairs and maintenance budget due to Covid 19
		100	Projected shortfall in Bereavement Income
		(117)	Slippage on planned improvement works at North Inch Golf Course
		(45)	Slippage on planned Public Realm works
			Waste Strategy
		20	Fly Tipping Fund
		(145)	Slippage on Eating Well Living Well, Community Food Initiative and Food Fund monies
			Innovation
		25	Review of Communications / Design- savings not achievable
		(10)	Savings in supplies and services

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			<u>Cultural and Communities</u>
		150	Delay in the delivery of approved savings
		(140)	Reduction in SLA to Culture Perth & Kinross
		(30)	Projected under spend on non-domestic rates
		170	Transfer to Culture earmarked Reserve
		(150)	Savings on property costs/ supplies and services and third party payments.
			<u>Planning & Economic Development</u>
		350	Shortfall in planning and building warrant income
		110	Commercial Rent Income projected shortfall
		(115)	Net under spend on Events budget
		(115)	Delays in planned spend on the Rural and International events budgets due to Covid-19
		(50)	Rural Employment Incentive Grant underspends
		(40)	Micro Business Loans underspend
		(250)	Projected underspend in Economic Development budgets due to impact of COVID19
		(65)	Projected under spend on Climate Change initiatives
			<u>Housing</u>
		28	Bad debt provision increase and void rent loss
		(13)	Savings in non-staff budgets
		(465)	Underspend in Care & Repair due to COVID19
			<u>Housing Support</u>
		(71)	Underspend as a result of the new Housing Support contract
			<u>Planning & Commissioning</u>
		45	Payments to Digital Inclusion Scotland

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Corporate & Democratic Services			
Total	(830)		
			Core Costs
		26	Payment of Tayside Contracts standing charges
		250	Projected over spend due to slippage on the delivery of approved savings.
		43	Miscellaneous net over spends
			Legal Services
		(61)	Projected savings on supplies & services due to restrictions
		(55)	Projected savings on transport costs due to restrictions
		219	Non-achievement of income including licensing and capital recharges
		4	Projected non achievement of staff slippage target.
			Finance
		57	Extension of fixed term contracts within Procurement
		(43)	Projected net under spend due to non achievement of staff slippage and non-staff costs.
		31	Non-achievement of income
			Human Resources
		(126)	Staff slippage in excess of target.
			Information Technology
		105	Projected over spend due to non achievement of staff slippage.
		20	Miscellaneous other net over spends
		(38)	Additional grant income and projected under spend on staff costs
			Revenues & Benefits and Customer Service Centre
		(80)	Net projected under spends across the function
		93	Overtime in relation to Covid-19
			Property
		(591)	Realised savings on energy costs based on current budget position and closure of schools and some office buildings due to COVID19.
		(430)	Projected savings on energy costs due to reductions in price
		(110)	Realised savings on water costs based on current budget position and closure of schools and some office buildings due to COVID19.
		(91)	Projected underspend in Property Maintenance due to COVID19 shutdown of construction industry
		(44)	Projected under spend on the Unitary Charge
		(9)	Miscellaneous other projected under spends
TOTAL	4,307		