



Adnoddau | Corporate
Corfforaethol | Resources

BUDGET FOR CONSULTATION – ENVIRONMENT AND REGENERATION SCRUTINY FEBRUARY 2024



DRAFT REVENUE 2024/25 AND MEDIUM TERM FINANCIAL PLAN

REVENUE BUDGET HEADLINES

- Really challenging budget process and some of the elements we are reporting as pressure points are emerging in the national picture.
- November report set out adjusted Cost Pressures circa £21m against approx. £38m unadjusted Cost Pressures
- Work undertaken assess ability to mitigate unawarded cost pressures.
- This includes only 75% funding of assumed pay pressures for 2024/25
- Priority in funding to Social Care, Schools and Homelessness – mitigating issues seen in Schools in 2023/24 budget, ALN growth, LAC growth and increased complexity, Increased complexity and growth Adults Social Care, Growth in Homelessness and Inflationary pressures.

REVENUE BUDGET HEADLINES

- Settlement as anticipated, only 3.1% approx. £20k difference
- Council Tax increase proposed 6.7% allowing some reduction in savings e.g. protection for supported bus services.
- Savings requirement £7.8M – unprecedented level – Some Tactical and Some Transformational. Higher level of savings in discretionary services one small saving in Schools linked to energy reduction
- Significant pressures in future years too, £9.4M 2025/26 – need to think about the need to Transform – work undertaken to consider what the organisation will need to look like in 2030 and how we get there.
- Fees and charges 6.7% CPI requirement



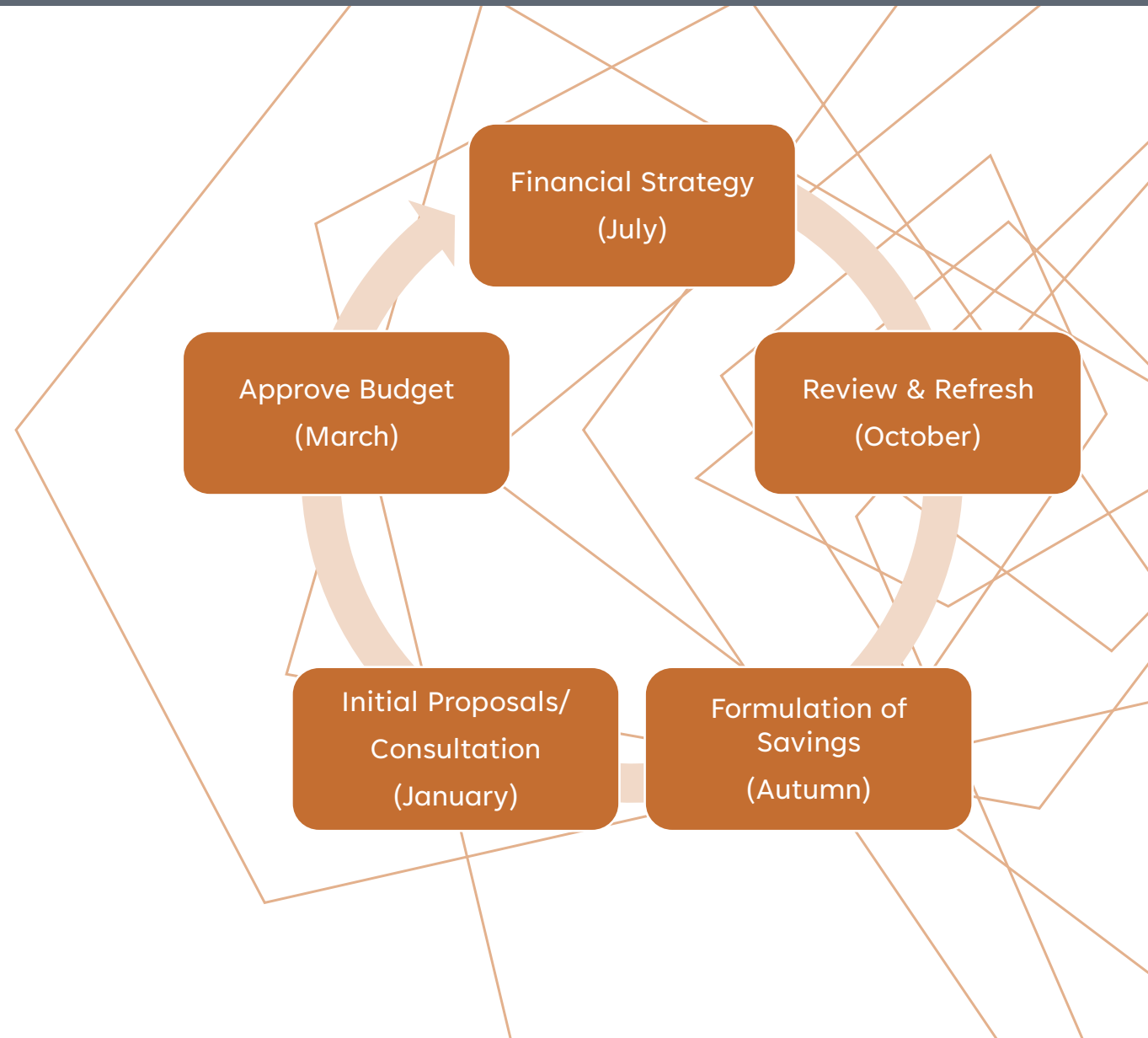
The Council launched its Let's Talk about Life in the Vale Survey in August 2023. It is being run on behalf of the Council by independent researchers at Data Cymru.

This survey is different to other Vale wide surveys that the Council has run in the past. It doesn't simply ask how satisfied people are with Council services. Instead, there is a genuine attempt to understand what life is like for people living in the Vale and how public services affect this.

Cost of Living is a significant issue for residents. Over 60% had purposely not put their heating on in the last six months and only 44% said they could pay an unexpected but necessary payment of £850. Residents were asked about their priorities and to rank their importance. The top priority for 42% of the population was 'Easily accessible care and health care services when I or my family need them' and 78.1% ranked this in their top three priorities. Second at 26.6% was 'buy or rent a good quality home' and 47.6% ranked this in their top three. It is reassuring that these are areas that the Council is focussing resources on through its Financial Strategy

BUDGET PLANNING CYCLE

- Cost Pressures Submitted Start of September
- Initial Review by SLT
- 2 Rounds of Budget Working Groups with Finance/HR/Leader/Directors and Head of Service and Cabinet Members.
- Initial Review and refinement of cost pressures feeding into Update Cabinet Report in November.
- Budget Forum Session
- Second BWG focusing on Savings proposals and Transformation.
- Further review by SLT and Business Cabinet of Savings.
- Following receipt of Provisional Settlement update for SLT and Business Cabinet



SUMMARY FIVE YEAR POSITION

	2024/25	2025/26	2026/27	2027/28	2028/29
	£000's	£000's	£000's	£000's	£000's
Funding					
Government Grant	6,099	2,089	2,110	2,131	2,152
Council Tax (6.7% dropping to 3.9%)	7,454	3,937	4,090	4,250	4,416
Use of General Fund Reserves	-496	0	0	0	0
Use of Smoothing Reserves	-56	-1,799	-500	-445	0
Total Funding	13,001	4,227	5,700	5,936	6,568
Spending					
Investment	318	1,262	1,000	0	0
Demography	5,064	2,635	2,543	2,543	2,543
Inflationary - Pay	6,150	3,658	3,731	3,805	3,882
Inflation	5,193	5,110	5,075	5,075	5,075
Capital Financing	50	285	496	187	0
Pressure	4,073	702	365	252	623
Total Spending Pressures	20,848	13,652	13,210	11,862	12,123
Gap	7,846	9,425	7,510	5,926	5,555

2024/25 DRAFT REVENUE SUMMARY BY AREA

	Learning & Skills	Schools	Social Services	Others	Total Pressures
	£'000	£'000	£'000	£'000	£'000
Original Budget	16,439	114,239	88,891	74,853	294,422
Centralisation Recharges	-2,389	0	-3,631	6,020	0
Adjusted Original Budget	14,050	114,239	85,260	80,873	294,422
Pressures					
Investment	-	318	-	-	318
Demography	-	897	4,015	152	5,064
Inflation	231	4,192	6,077	843	11,342
Other Pressures	-	-469	2,767	1,775	4,073
Capital Financing	-	-	-	50	50
Total Pressures	231	4,939	12,858	2,820	20,848
Use of Reserves	-	900	-	-348	552
Savings	-354	-180	-1,755	-5,558	-7,847
Net Funding Increase	-123	5,659	11,103	-3,086	13,552
% Increase /(Decrease)	-0.88%	4.95%	13.02%	-3.82%	4.60%
Net Budget 2024/25	13,927	119,898	96,363	77,787	307,974

COST PRESSURES AWARDED

Place	2024/25 £'000	2025/26 £'000	Category
Creation of a new Head of Project Management (HoPM) It is intended this post will become self financing through income after the first year.	84	-84	Pressure

SAVINGS PROPOSALS SUMMARY

Service Area	2024/25 £'000s
Schools	180
Directorate Learning and Skills	356
Directorate Social Services	1,755
Directorate Neighbourhood and Housing	1,903
Directorate Place	286
Directorate Corporate Resources	1,348
Policy	1,969
Corporate	50
Total Savings	7,847

Service Area	2024/25 £'000s
Transformational	1,360
Tactical	6,488
Total Savings	7,847

Energy Saving in Schools

Non Maintained Nursery Settings, Income in Adult and Community Learning and Use of Grant in Youth Services.

Review Accommodation, Service Review in Community Care, Remodelling Day Services, Introducing New Charges and Expanding Telecare.

Reduction in service levels, Expanding charging in Waste, Asset reviews, School Crossing Patrols, Parking Charges. Est 12 fte

Reduction in budgets, increase in charges and new charges in Planning space, Restructuring teams. Est 3 fte

Office Accommodation changes, Supplier Spend, Fees and Charges and £339k reduction in Headcount approx. 9.5fte

FIVE THEMES OF TRANSFORMATION

Issues around our processes, people, structure, governance and technology. How should we look and function to deliver our priorities and core activity.

Service Transformation

Target Operating Model

What can we do to transform specific services in relation to how we deliver and improve outcomes.

What can we do as enablers and facilitators rather than direct providers and what does this mean for our relationships with partners.

Strengthening Communities

Digital

How can we ensure that digital innovation is at the heart of what we do and secures efficiency across the board.

How do we 'level up' and ensure our Place based approach is effective. Jobs and better jobs.

Economic Resilience

SAVINGS NEIGHBOURHOOD SERVICES

Description of Saving Proposal	Saving	£'000	£'000		
	Category	2024/25	2025/26	Overall RAG Status	Comments/Narrative
Increase in fees and charges	Generating Income	10	-	Green	Increase fees and charges for some NS and T services above inflation and move to full cost recovery.
Parking Charging Review	Generating Income	100	-	Amber	Introduce charges for Residents permits, additional carparks for charging, overnight motorhomes to be considered. Other Car Parks to be considered for closure or transfer where charging is not viable.
Expand Construction and Design Team	Generating Income	150	-	Amber	Increase income for team BUT dependant on work incoming RISK with falling capital budgets.
Rationalisation of Public Conveniences	Corporate Asset Strategy	100	-	Amber	Formally close Park Crescent, Barry Multistory, Thompson Street and Boverton Road Toilets. Review toilet cleaning at Country Parks. Rationalise other toilets and review opening hours.
Review Charges for Coastal Toilets	Target Operating Model	5	-	Amber	Introduce charging for resort toilets. Infrastructure would be needed. Income may well be higher but infrastructure costs need to be paid back. Consider funding from Invest to save reserve.
Review Planting in Parks	Service Review	40	-	Amber	Bedding plants only bought if sponsored otherwise move to shrubs requiring less maintenance. Less staffing covered elsewhere as a saving.
Review Street Lighting Contract and Energy Costs	Service Review	25	-	Amber	Review Street lighting contract to reduce cost and ensure system is efficient. Consideration of part night LED/light reduction.

SAVINGS NEIGHBOURHOOD SERVICES

Description of Saving Proposal	Saving	£'000	£'000		
	Category	2024/25	2025/26	Overall RAG Status	Comments/Narrative
Reassess Tracking Information to rationalise fleet	Service Transformation	10	10	Amber	To be done as part of fleet review.
Garage Generation of additional income	Service Transformation	10	-	Amber	Increase price of MOTs to £54.75 (maximum allowed) . Promote MOTs to increase income (additonal 120 MOTs per annum). This is not full cost recovery and charges are restricted by Government.
Charging for public use of Electric vehicle chargers	Service Transformation	7	-	Amber	Work with energy team to progress.
School Crossing Patrols	Service Review	100	-	Amber	Service Review ask schools to consider taking on SCP. Non statutory but assists road safety of all at school times. If not potential loss of 11 part time posts.
Increase income charges for highway development	Generating Income	50	-	Amber	Increase income for team BUT dependant on work incoming RISK due to resource levels and difficulty recruiting at salaries offered.
Additional concessions	Service Transformation	20	-	Amber	Commercial Opportunities for additional concessions
Various Vacant Posts to be deleted	Service Review	200	-	Amber	Posts gone less resource. Make business suport more resilient by combining across housing and neighbourhood services.

SAVINGS NEIGHBOURHOOD SERVICES

Description of Saving Proposal	Saving	£'000	£'000		
	Category	2024/25	2025/26	Overall RAG Status	Comments/Narrative
Limit black bags at Barry and Llandow Civic Amenity Sites	Service Review	10	-	Amber	Helps us meet our statutory recycling targets as well as creating a saving to black bag disposal
Rationalise Winter Maintenance Gritting Routes	Service Review	15	-	Amber	One less gritter and less areas salted. Less standby.
Waste Maintenance collections at Flats and Apartments	Service Review	150	-	Amber	Challenging. There will be a service impact but the duty for these areas are with the landowners who need to be more proactive with their tenants
School Grass Cutting full cost recovery	Service Review	50	-	Amber	This will remove the schools grounds maintenance team which is heavily subsidising school service. Schools will be offered full cost recovery service
Remove Green Flag Park status from all 8 Council parks	Service Review	140	-	Red	Service standards and agency staffing reduced at parks . Reduction of 2 vehicles. Service standards reduced. Less resource to react to park issues. Could be more ASB and vandalism.
Alleygates in Barry and Penarth Service Review	Service Review	25	-	Amber	Review provision of alleygates in areas of Barry and Penarth. Including alternative funding available.
Directorate Business Support, Performance, Commercial Opportunities and Finance Review	Service Transformation	25	-	Amber	Revised Housing and Neighbourhood Services Business Support Unit to ensure support fits businesses.

SAVINGS NEIGHBOURHOOD SERVICES

Description of Saving Proposal	Saving	£'000	£'000		
	Category	2024/25	2025/26	Overall RAG Status	Comments/Narrative
Expansion of Commercial Recycling Collections	Target Operating Model	50	50	Amber	Additional commercial recycling customers following introduction of Source Separated Recycling for Commercial sector.
Review of Street Cleansing Service	Service Review	191	-	Amber	This will reduce service standards such as delayed response to litter and refuse events and the physical removal of 50% of existing bins as it will not be possible to service the amount of bins that are present in the community. No dedicated town sweepers. All sweepers mobile
Deploy an additional Enforcement car	Service Review	10	-	Amber	Investment required for car. Income depends on compliance with traffic orders. Potential expansion to undertake other enforcement functions eg DVLA/ Moving Traffic Offences.

SAVINGS PLACE

Description of Saving Proposal	Saving	£'000	£'000		
	Category	2024/25	2025/26	Overall RAG Status	Comments/Narrative
Review of facilities contracts	Corporate Asset Strategy	23	-	Amber	Negotiations are underway regarding termination of the lease at VEC, this is an Invest to Save scheme that is subject to a business case.
Review of visitor attractions in country parks	Service Review	22	-	Amber	Medieval village will remain open to the public but associated support will be removed
Review planning and additional fee income (e.g. PPAs)	Generating Income	20	-	Budget Adjustment	Income will be achieved from a combination of fee increases for preapplication and submissions and planning performance agreements as well as raising the fee target for planning applications
Regeneration - General Budget Cutting	Service Review	21	-	Amber	Reducing budgets to a base minimum to function. In some cases teams are left with several hundred pounds remaining on their budgets.
Tourism marketing budget reduction	Service Review	15	-	Amber	Leaves only £10k publicity budget for the Vale
Facilities admin role	Service Review	15	-	Amber	Facilities administration will be picked up as required by the remaining team.
Planning - General Budget Cutting	Service Review	11	-	Amber	
Business Support Post Deletion recently Vacated Post	Service Review	33	-	Green	£33k to be achieved in 2024/25 through a review of vacant posts

SAVINGS PLACE

Description of Saving Proposal	Saving	£'000	£'000		
	Category	2024/25	2025/26	Overall RAG Status	Comments/Narrative
Countryside -Increased contribution Dunraven	Target Operating Model	40	-	Amber	Transformation project - working with Dunraven estate to fund the Heritage Coast facilities at Dunraven beach.
Close reception at Cosmeston	Service Review	36	-	Amber	Reception building will be made available for vending offer including drinks and food.
Building Control	Generating Income	10	-	Amber	Additional Income on Building Control Fees
Country Parks income	Service Transformation	20		Amber	Re-explore opportunities for income in the parks including expanding parking area, concessions, lease renewals and other opportunities.
ANPR Income Country Parks	Generating Income	20	-	Amber	Dependent on installation of ANPR and includes possible overnight parking

USE OF RESERVES

- Use of reserves £2.7m as part of these proposals – Mainly Homelessness and Energy
- Some Risk Based Reserves e.g. Pay Pressures, Legal Reserve, Corporate Landlord
- Reserves established to support Transformation – Risk, Reshaping and Investment and Digital Reshaping have been increased
- Need further review additional reserves for Final Proposals
 - Set aside for Social Services
 - Set aside funding for Budget Risk.

NEXT STEPS

Date	Body	Activity
19 January 2024	Community & Partners, including Trade Unions and Public Service Board	Consultation on budget proposals
February 2024	Scrutiny	Review estimates and savings proposals. First meeting 6 February Healthy Living & Social Care to last 15 February Corporate Performance & Resources.
16 February 2024	Community & Partners, including Trade Unions and Public Services Board	Consultation on the budget proposals closes
29 February 2024	Cabinet	Draft Budget
Late February/Early March 2024	Welsh Government	Final Grant Settlement
6 March 2024	Council	Agree Budget

DRAFT CAPITAL PROPOSALS 2024/25 TO 2028/29

DRAFT CAPITAL PROPOSALS

- The report sets out the Council's proposed Draft Capital Programme for 2024/25 to 2028/29.
- On 19th December 2023, the Welsh Government (WG) announced the provisional 2024/25 General Capital Funding (GCF) settlement. The amount awarded to the Council is £6.986m, being made up of £3.540m grant and £3.446m of supported borrowing.
- This is a decrease of £11k from the 2023/24 general capital funding of £6.997m
- As no further indication has been received from Welsh Government, it has been assumed that from 2025/26 onwards, the level of capital funding will be flatlined at £6.986m and will then remain constant for the remainder of the period of this programme.

DRAFT CAPITAL PROPOSALS

- A summary of the five year Capital Programme is provided below

Directorate	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	2028/29 £000
Learning and Skills	21,360	2,360	3,750	4,435	2,000
Social Services	1,297	975	100	100	100
Environment	9,519	5,662	3,685	3,685	3,685
Housing	38,745	38,209	41,970	39,634	47,217
Place	3,643	1,605	1,305	1,305	1,150
Corporate Resources	704	250	569	862	862
City Deal	1,069	1,117	844	0	930
Pipeline Schemes	28,108	43,750	17,057	3,000	0
Total	104,445	93,928	69,280	53,021	55,944

DRAFT CAPITAL PROPOSALS

Capital bids were requested to be returned by the 20th October and in total 47 bids were submitted. Gross capital bids over the five year period total £56.8m.

Directorate	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	2028/29 £000
Learning and Skills	4,323	3,494	2,700	2,800	2,900
Social Services	385	555	0	0	0
Environment and Housing	11,771	6,570	5,245	5,245	4,500
Place	2,054	1,900	1,695	0	0
Corporate Resources	666	0	0	0	0
Total Gross Capital Bids	19,199	12,519	9,640	8,045	7,400
Less Available s106	0	0	0	0	0
Less Specific Grant	300	0	0	0	0
Total Net Capital Bids	18,899	12,519	9,640	8,045	7,400

- Capital Bids have been considered by Insight Board and the Senior Leadership Team.
- In order to be able to fund high priority bids that have been submitted a further review of the Capital Programme has been undertaken.
- The risks associated with not progressing some of these high priority bids is significant and there will be some opportunity cost associated with identifying this level of funding. It is considered that the risk associated with not identifying this funding could be more significant than the risk associated with some high cost schemes within the programme that the Council are currently not able to progress.

DRAFT CAPITAL PROPOSALS

Schemes that are proposed to be removed from the Capital Programme are set out below. However, Llanmaes Construction is being added back in for the final proposals:-

Schemes Removed	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£000
Bridge Structures	0	1,425	0	0	0	0	1,425
New household Waste Recycling Centre	750	1,205	0	0	0	0	1,955
Fleet Parking	0	2,569	0	0	0	0	2,569
Social Services Residual Schemes	15	0	0	0	0	0	15
Social Services Asset Renewal	15	0	0	0	0	0	15
Llanmaes Construction	518	0	0	0	0	0	518
Unallocated All Services Asset Renewal	0	366	1,369	1,257	1,257	1,257	5,506
Total	1,298	5,565	1,369	1,257	1,257	1,257	12,003

DRAFT CAPITAL PROPOSALS

- Bids proposed to be funded which are relevant to this Scrutiny Committee are highlighted in the table below (These figures are in addition to amounts already approved within the Capital Programme):

Directorate	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	2028/29 £000
Carriageway resurfacing/Surface treatments	1,550	1,250	1,250	1,250	1,250
Penarth Leisure Centre - High Level Glazing & Cladding Phase 2	150	0	0	0	0
Penarth Marina Landslip - Slope Stabilisation Works	2,500	2,000	0	0	0
Tree Planting Programme	100	100	100	100	100
Cyclical Tree Maintenance	75	75	75	75	75
Windsor Road Retaining Wall	200	0	0	0	0
HWRC Llandow Improvements	100	0	0	0	0
Total	4,675	3,425	1,425	1,425	1,425

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VALE of GLAMORGAN



BRO MORGANNWG

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Corporate

Resources

DIOLCH

Uchelgais • Ambitious

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