

Meeting of:	<b>Learning and Culture Scrutiny Committee</b>
Date of Meeting:	<b>Monday, 18 March 2024</b>
Relevant Scrutiny Committee:	Learning and Culture
Report Title:	Quarter 3 Revenue Monitoring 2023/24
Purpose of Report:	To advise Committee of the Quarter 3 Revenue Monitoring position for 2023/24
Report Owner:	Director of Learning and Skills
Responsible Officer:	Matt Bowmer Head of Finance/Section 151 officer
Elected Member and Officer Consultation:	None
Policy Framework:	This is a matter for Executive decision by Cabinet.

**Executive Summary:**

The table below sets out the Original Budget and Revised Budget for approval by Directorate.

Directorate	Amended Budget 2023/24 £000's	Projected Outturn 2023/24 £000's	Variance £000's	Unplanned Use of Reserves £000's	Residual Variance 2023/24 £000's	Use of Reserves 2023/24 £000's
Schools	114,239	115,089	850	-850	0	9,600
Learning and Skills	14,090	14,668	578	-578	0	1,292
Social Services	85,460	93,098	7,638	-5,052	2,586	9,051
Environment and Housing	32,009	33,359	1,350	-300	1,050	550
Corporate Resources	16,641	16,356	-285	0	-285	430
Place	3,401	3,503	102	-102	0	495
Policy	30,678	27,327	-3,351	0	-3,351	-42
Use of Reserves	-2,096	-2,096	0	0	0	2,096
<b>Total</b>	<b>294,422</b>	<b>301,304</b>	<b>6,882</b>	<b>-6,882</b>	<b>0</b>	<b>23,472</b>
Housing Revenue Account	<b>15,538</b>	<b>15,538</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Adjusted Total</b>	<b>309,960</b>	<b>316,842</b>	<b>6,882</b>	<b>-6,882</b>	<b>0</b>	<b>23,472</b>

The revenue position for 2023/24 continues to reflect challenging demand and inflationary pressures, with increasing demand in respect of Children’s and Adults Social Care and significant increases in the cost of placements and care packages, Support for Additional Learning Needs continues to be an area of significant pressure within Learning and Skills. The Council is also experiencing continued inflationary pressures in respect of School Transport. Across services inflationary pressures are also being experienced in respect of pay, most notably where market forces are being utilised and for the funding gap between provision for the 2023/24 pay award and the flat rate pay award for 2023/24.

The Council has identified a number of steps to be taken in year to help mitigate this emerging overspend and safeguard reserves, this includes tighter controls on expenditure and recruitment and a review of the Capital programme. The Corporate Resources Directorate has identified a potential underspend of £285k to be offset against emerging overspends and there is a projected underspend of £1m against Council tax income due to the projected collection of arrears, new properties, changes in allowances and premiums on empty homes in addition to surpluses on investment income and borrowing costs.

Challenging savings and efficiency targets have been set for 2023/24; this includes a target of £2.75M for schools and £4.628M of Corporate savings. The progress against these savings targets is reflected in the Appendix and summarised in the table below.

Directorate	Target	Projected	% Achieved	Mitigation	Mitigation Achieved %	Shortfall	Shortfall %
	£'000s	£'000s		£'000s		£'000s	£'000s
Policy	1,615	1,615	100%	-	0%	-	0%
Resources	582	331	57%	250	43%	1	0%
Neighbourhood and Housing	1,000	640	64%	40	4%	320	32%
Learning and skills	564	383	68%	-	0%	181	32%
Social Services	681	556	82%	-	0%	125	18%
Place	265	173	65%	-	0%	92	35%
<b>Total</b>	<b>4,707</b>	<b>3,698</b>	<b>79%</b>	<b>290</b>	<b>6%</b>	<b>719</b>	<b>15%</b>

- Projected transfers to and from reserves are set out in the table below.

As at	Balance 01/04/2023	Capital Funding	Planned Transfer (from) reserves	Planned Transfer to reserves	Unplanned Drawdown from Reserves	Estimated Balance 31/03/2024
	£'000	£'000	£'000	£'000	£'000	£'000
General Fund	11,523	-	-496	0	-850	10,177
Insurance	4,877	-	0	0	0	4,877

Service Reserves	22,521	-154	-6,325	2,842	-6,031	12,853
Risk and Smoothing Reserves	29,802	-1,302	-3,780	-944	-	23,776
Capital	17,726	-10,825	443	-1,898	-	5,446
Schools	7,254	-	-174	0	-6,677	403
Housing Revenue Account	16,486	-15,537	0	0	0	949
<b>Total</b>	<b>110,190</b>	<b>-27,818</b>	<b>-10,331</b>	<b>-0</b>	<b>-13,558</b>	<b>58,481</b>

## Recommendations

1. That the position with regard the Authority's 2023/24 Revenue Budget be noted.
2. That Committee note the Budget Virements for 2023/24 presented in this report.

## Reasons for Recommendations

1. To inform Committee of the projected revenue outturn for 2023/24.
2. To update the revised budget for a proposed virement for increased energy costs in Council Buildings and to correct the allocation of funding between Adult Services and Children and Young People Services.

## 1. Background

- 1.1 Council on 6th March, 2023 approved the revenue budget for 2023/24 (minute no 779) and earlier in the year Council on 11th January, 2023 approved the Housing Revenue Account budget for 2023/24 (minute number 607). There is an approved drawdown from the Council Fund of £496K during 2023/24 and £2.8M from other specific reserves.

## 2. Key Issues for Consideration

### Emerging Corporate Pressures

- 2.1 The revenue position for 2023/24 continues to be challenging for the Council both operationally and financially due to the ongoing implications of the Cost of Living Crisis, support for Ukrainian refugees and other resettlement schemes, inflationary pressures. The Council has continued to see additional pressures as a result of these factors particularly across Education, Housing and Social Services.

### Revenue Financial Position

- 2.2 The table below details the revised budget and reflects any requested virements. The use of reserves will be necessary to address emerging inflationary pressures and deliver projects across the service.
- 2.3 In recognition of the deterioration of the in year revenue monitoring position based on the previous Quarter 2 full year projections and the need to identify in year savings, safeguard reserves for future volatility and maximise the accuracy of the projections a number of steps have been taken by the Senior Leadership Team and managers across the Council in recent months as set out below.
  - Tighter controls around non essential expenditure and recruitment.
  - Senior Leadership Team review of **capital programme**

- Senior Leadership Team review of **use of reserves**, with all requests for use routed via Section 151 Officer and Chief Executive
- Senior Leadership Team to determine savings to **bring forward into 2023/24**

2.4 The overall position at Quarter 3 shows continued and sustained pressures across Social Care and continuation of pressures in respect of road maintenance and school transport which have been consistent in both 2022/23 and 2023/24 some of this pressure is addressed as part of the 2024/25 budget proposals on this agenda. Pressure is also reported in respect of unrealised savings and income across services. The overall position reflects in unplanned use of reserves of £6.9m in 2023/24 plus a further £6.7m of school balances.

2.5 The Council is fortunate to have sizable reserves that will help it manage some of this emergent in year volatility. These reserves will also need to be utilised to implement initiatives to enable transformational change to adapt services and utilise opportunities around the use of digital solutions and alternative ways of working to continue to deliver the Annual Delivery Plan objectives and safeguard services for the vulnerable. The scale of pressures in the Social Care, Education and Housing sectors are significant and pose a challenge both in year and over the medium term financial plan and this is explored further later in this report.

Table 1 – Forecast Outturn 2023/24

Directorate/Service	Revised Budget	Budget Virements	Revised Budget	Projected Outturn	Variance	Use of Reserves
	£000	£000	£000	£000	£000	£000
<b>Learning and Skills</b>						
Schools	115,439	-	115,439	116,289	850	7,550
Use of Reserves (Schools)	-1,200	-	-1,200	- 2,050	- 850	2,050
Strategy, Culture, Community Learning and Resources	6,714	40	6,754	7,230	476	679
Directors Office	252	-	252	252	-	-
Additional Learning Needs and Wellbeing	4,113		4,113	4,228	115	647
Standards and Provision	2,971	-	2,971	2,958	- 13	- 34
Additional Savings/Unplanned Use of Reserves	0	-	0	- 578	-578	-
<b>Total Learning and Skills (incl. Schools)</b>	<b>128,289</b>	<b>40</b>	<b>128,329</b>	<b>128,329</b>	<b>-</b>	<b>10,892</b>
<b>Social Services</b>						
Children and Young People	18,514	105	18,619	22,989	4,370	3,980
Adult Services	58,301	-105	58,196	61,424	3,228	4,692
Resource Management and Safeguarding	7,729	200	7,929	8,136	207	379
Youth Offending Service	716	-	716	549	- 167	

Additional Savings/Unplanned Use of Reserves	0	-	0	- 5,052	-5,052	-
<b>Total Social Services</b>	<b>85,260</b>	<b>200</b>	<b>85,460</b>	<b>88,046</b>	<b>2,586</b>	<b>9,051</b>
<b>Environment and Housing</b>						
Neighbourhood Services and Transport	28,207	200	28,407	29,757	1,350	500
Building/Cleaning Services	0	-	0	-	-	50
Regulatory Services	1,668	-	1,668	1,668	-	-
Council Fund Housing	1,934	-	1,934	1,934	-	-
Public Sector Housing (HRA)	15,538		15,538	15,538	-	-
Additional Savings/Unplanned Use of Reserves		-		- 300	- 300	
<b>Total Environment and Housing</b>	<b>47,347</b>	<b>200</b>	<b>47,547</b>	<b>48,597</b>	<b>1,050</b>	<b>550</b>
<b>Corporate Resources</b>						
Resources	16,389	683	17,072	16,787	- 285	430
Housing Benefit	692	-1,123	-431	- 431	-	-
<b>Total Corporate Resources</b>	<b>17,081</b>	<b>-440</b>	<b>16,641</b>	<b>16,356</b>	<b>- 285</b>	<b>430</b>
<b>Place</b>						
Regeneration	1,494	-	1,494	1,494	-	221
Development Management	1,726	-	1,726	1,726	-	130
Private Housing	181	-	181	283	102	42
Additional Savings/Unplanned Use of Reserves	0	-	0	-102	- 102	102
<b>Total Place</b>	<b>3,401</b>	<b>0</b>	<b>3,401</b>	<b>3,401</b>	<b>-</b>	<b>495</b>
<b>Policy</b>						
General Policy	30,678	-	30,678	27,327	-3,351	-42
<b>Total Policy</b>	<b>30,678</b>	<b>0</b>	<b>30,678</b>	<b>27,327</b>	<b>- 3,351</b>	<b>- 42</b>
Use of Reserves	-2,096	0	-2,096	- 2,096	-	2,096
<b>Grand Total</b>	<b>309,960</b>	<b>0</b>	<b>309,960</b>	<b>309,960</b>	<b>0</b>	<b>23,172</b>

## Budget Virements Requested

2.6 Table 1 reflects the proposed 2023/24 Revised Budget and this includes the following.

- A budget virement request totalling £440k transferring £200k to Social Services to contribute to increased energy costs in Council run Care Homes, £200k to meet additional energy costs in Leisure Centres and £40k to meet additional energy costs at the Penarth Pier Pavilion.
- There is also a virement requested for £105k to reduce Adult Services and Increase Children and Young People's Services and this corrects the allocation of cost pressures associated with supplier uplifts as part of the 2023/24 budget process.
- There is a virement is requested within Corporate Resources to correct the reallocation of recharges made as part of the Q2 monitoring.

## Learning and Skills

- 2.7 The Learning and Skills revised budget was set at £128.289m as part of the Q2 Monitoring for 2023/24 and includes use of reserves of £1.2M to support the schools budget. There is a further virement request as part of this report of £40k to fund additional revenue costs at Penarth Pier Pavilion. The Budget assumed £2.75M efficiencies for schools and £564K corporately.
- 2.8 It is currently projected that schools will outturn with a net £850k shortfall which will necessitate a contribution from the Council's General Fund. Work will continue with schools to try and achieve balanced budgets and schools are being challenged where appropriate and work is ongoing to support schools in reducing deficits where possible.
- 2.9 The projected outturn for Learning and Skills in 2023/24 is an adverse position of £578k which will need to be mitigated by additional savings identified in year or a draw down from the services' reserves and is further detailed in Appendix A.
- 2.10 Key pressures within the directorate include the following:
- Retirement and Redundancy costs in schools - Schools are responsible for paying the early retirement costs for any staff that leave but a scheme has been in place for a number of years where the Early Retirement/Voluntary Redundancy budget pays the one-off costs related to a teacher leaving and then the cost is recharged to the school over an agreed number of years. The additional net costs for this year will be in the region of £53k. A total of £299k will therefore be transferred from the Corporate Pay Pressures Reserve to offset these additional costs.
  - School Transport costs - there is currently a projected overspend of £646k which is an increase of £79k from quarter 2.
  - Reduction in Out of County Income for pupils from other Local Authorities attending Special Schools and Resource Bases. The projected income is dropping significantly each year as out of county pupils leave the school. This £195k shortfall will be met from reserves unless any in-year savings are found however, this is not sustainable.
  - Children's Placement Costs - This budget pays for provision at out of county and independent schools and is currently projected to overspend by £265k. This is an increase of £139k since quarter 2. A total of £118k will be funded from the ALN Implementation Grant and the balance of £147k will be funded from reserves.
  - Additional Welsh Medium Provision – Due to increased need a new Welsh Medium Resource Base is being set up at Gwaun Y Nant from January 24. The existing provision at Whitmore Resource Base and Hafan Resource Base (Gladstone school) was increased from September 2023. The estimated costs for this financial year are in the region of £225k. These costs will be funded from the ALN Implementation Grant in 2023/24.
- 2.11 Likely use of reserves includes the following:

- £850K transferred to reserves from the 2022/23 surplus to support pupils with Additional Learning Needs in Schools.
- £200K transferred to reserves from the 2022/23 surplus to support schools in Special Measures.
- Additional costs for temporary demountables at Ysgol Y Deri £181k
- £299K from the Pay Pressures reserve to fund the costs of Early Retirement and Redundancy in Schools.
- Other transfers are detailed in the appendix.

## Social Services

- 2.12 The Social Services revised budget set at £85.260m for 2023/24 at Q2 Monitoring. A virement of £200k is requested to reflect the increased energy costs associated with Council run care homes. A further virement of £105k is also requested to reallocate funding for supplier uplifts between Children and Young People's Services and Adult Services. The Budget assumed £600k efficiencies which are currently on track to be achieved in year.
- 2.13 The Social Services Budget programme continues in 2023/24 and will utilise a contribution of £1.828M of funding and additional efficiency savings of £81K to reduce the use of reserves as part of the agreed five year programme period. It is proposed that, in the context of the significant cost pressures being reported by the service during the 2023/24 financial year and also in future years, these funding requirements should be consolidated with the other Directorate cost pressures to enable a single and more strategic programme of transformation to be developed for future years.
- 2.14 The Social Services budget is also expected to utilise £2M of step in funding from the Social Services reserve as commissioning of Social Services care hours has increased in excess of the initial projections for 2023/24.
- 2.15 The projected outturn for Social Services in 2023/24 is an adverse variance of £7.638M which will need to be mitigated by additional savings identified in year or the unplanned use of reserves.
- 2.16 The planned drawdown from reserves for 2023/24 is £3.999M with a further £5.052M required to offset the additional adverse variance this poses significant additional budgetary pressures that will need to be addressed as part of the 2024/25 budget proposals and will leave the balance in the Social Services reserve at £964k. To manage volatility in future years an additional £3m of reserves has been allocated to the Social Services Reserves in 2023/24 through a review of reserve balances and this is reflected in the reserves table below and the Final Budget Proposals report.
- 2.17 Key pressures in addition to the reserves funding set out below within the directorate include the following:
- Rising cost associated with placements for Children and Young People.



- Additional legal costs associated with increased complexity and incidence of care proceedings.
- Increase in care hours required for adults which can in part be explained by a return to care following Covid and also Demographic pressures as well as an increase in complexity care giving rise to more double handed care arrangements.
- The service is also reporting an increase in residential and nursing placements, an increase in direct care placements and respite.

2.18 Likely use of reserves includes the following:

- £2M use of reserves to reflect increased take up of commissioned hours at a more rapid pace than the budget has allowed for, the base budget will be corrected as part of the planning for 2024/25.
- £1.363M use of reserves for Children’s Services to support additional costs associated with Market forces payments, adoption allowances and legal costs.
- £257k for Resource Management and Safeguarding as part of the Social Services budget programme.
- £379k for Adult Services as part of the Social Services budget programme.
- Additional use of reserves to offset the additional costs of placements and care hours is likely to be required to reflect the increased need £2.435M.
- Additional use of reserves to offset additional costs of Children’s placements and legal costs £2.617M.

## **Environment and Housing**

2.19 The Environment and Housing budget revised budget is requested to be amended to £32.009M which reflects a further budget virement is requested of £200k for additional energy costs in Leisure Centres as required as part of the Parkwood Contract.

2.20 The Budget assumed £1M efficiencies some of which are on track to be achieved, some are delayed and some have been mitigated by projected additional income generated in year.

2.21 The projected outturn for Environment and Housing in 2023/24 is an adverse variance of £1.150M after an unplanned drawdown from reserves of £300k to address the emerging highways patching and potholes overspend.

2.22 Key pressures within the directorate include the following:

- Highways patching and pot holes projected overspend £1.3m.
- Staffing budgets – market forces payments to HGV drivers approximate costs £350k.
- These overspends are offset by £300k underspend rates rebate on sites across Neighbourhood Services sites including car parks.
- Ash die back – work continues and £200k drawdown from reserves is assumed for this.

- Additional costs associated with Parkwood Leisure contract due to increased energy costs as part of the contract £200k which will be met by a virement from Corporate Resources requested as part of this report.
  - Accommodation to meet the need of homeless people and families currently resettled within the Vale.
  - Cost of providing support to assist Ukranian families moving into the Eagleswell school site.
- 2.23 Likely use of reserves includes the following:
- £200k for Ash die Back
  - Unplanned drawdown from Neighbourhood Services reserves of £300k.
- 2.24 Trading Estate - The Building Maintenance and Building Cleaning and Security Trading Accounts are currently projected to outturn on budget. There is a planned drawdown from reserves of £50K to fund the cost of apprenticeship posts.
- 2.25 Public Sector Housing (HRA) - The HRA is expected to outturn on target and any under/overspends in year will be offset by changes to the contributions to capital expenditure thus changing the drawdown from the Housing Revenue Account reserve. The Revised budget reflects the amended 2023/24 budget which is further detailed in the specific HRA report included on the Cabinet agenda for 16th November 2023.

### **Corporate Resources**

- 2.26 The Corporate Resources revised budget for 2023/24 is set at £17.081M after a transfer for Corporate Recharges of £12.701M made as part of the Q2 monitoring. A further virement is now requested to transfer £440k of the additional energy provision in 2023/24 to service departments the amended budget for Corporate Resources will be £16.641M. A virement within Corporate Resources is also requested to correct the allocation of central recharge adjustments within the Directorate.
- 2.27 The Budget assumed £582K efficiencies which whilst some are delayed in year will be mitigated by underspends elsewhere in the service so the savings target will be achieved in year.
- 2.28 The projected outturn for Corporate Resources in 2023/24 is a favourable variance of £285k and largely relates to the Office Accommodation budget.
- 2.29 Key pressures within the directorate include the following:
- Delays to the implementation of 2023/24 savings initiatives such as the reorganisation of Council Office space which impacts savings proposals for Docks Office and Contact OneVale.
  - Coroner Services Overspend £70K.
  - Legal Services Income Shortfall

- Annual Microsoft Licencing Cost

2.30 Likely use of reserves consists of £430K from reserves for staffing costs.

### **Place**

2.31 The Place revised budget was set at £3.401M as part of the Q2 Monitoring.

2.32 The Budget assumed £265K efficiencies which are currently on track to be achieved in year with the exception of £20K against private housing which is delayed due to the delayed review of the provision of Disabled Facilities Grants.

2.33 The projected outturn for Place in 2023/24 is an adverse variance of £102k after planned use of reserves of £393K. This overspend will need to be offset by a contribution of £102K from Place reserves.

2.34 Key pressures within the directorate include the following:

- Vale Enterprise Centre – closure of buildings.
- Planning Fee income.
- Private Housing fee income.

2.35 Likely use of reserves includes the following:

- £100k for costs associated with the Local Development Plan.
- £61k towards consultancy support for Levelling Up bid.
- £25K Research Pilot on Visitor Data.
- £80K Match Funding for Place Making Plan WG Grant
- £40K towards Project Manager's fees on Barry Regeneration projects.
- £42K for Occupational Therapist post.
- Additional £102K from Place reserves to offset a projected overspend in the Private Housing budget.

### **Policy**

2.36 Policy – The Policy Budget was amended £30.678M reflecting a £2.610M transfer of corporate recharges to the Corporate Resources budget line. It is currently projected that all savings targets as set out in Appendix B will be achieved in 2023/24.

2.37 The projected outturn for Policy in 2023/24 is a favourable variance of £3.351M as detailed below. Of this a sum of £2.966M will be utilised to offset the costs of emerging overspends in year, and £385K is allocated to offset the additional costs associated with additional permanent capacity in Children's Services that will be progressed as a priority cost pressure as part of the 2024/25 budget proposals.

2.38 Projected Favourable Variances - Due to the improved performance on the Council's Treasury Management Investment during 2023/24 as a result of the base rate rises throughout the period there is projected to be a surplus on investment income of approximately £1.150M. As in previous years the Council

continues to utilise an approach of maximising internal borrowing. As this approach reduces the external borrowing costs that are met by the Authority it is currently projected that a surplus will be reported against this budget in 2023/24 of £1.201M.

- 2.39 Likely transfer to reserves include the following:
- Planned transfer to reserves £42k towards the cost of future Local Elections.
- 2.40 Council Tax – The current projection is that the Council Tax will report a £1m surplus at year end which takes in to accounts projected reduced arrears, empty homes premiums and new properties and changes in allowances.
- 2.41 A significant increase in provision for arrears was made as part of the closure in accounts for 2022/23 and if arrears are reduced this should have a positive impact on income balances in 2023/24. At the end of December the collection rate position was 85.2% compared to 84.6% at the end of December 2022. For the end of Q3 this has meant the Council has now increased on its collection position compared to the end of Q3 in 2022 by 0.6%. In year recovery began in earnest from October 2023, with the recovery action taken up to that point largely focused on the arrears position due to the previous hiatus in recovery in 2022/23. During the first 9 months of this financial year there has been a continued improvement in the reduction of the overall arrears position (pre in-year Council Tax) by now having reduced these by over £1,500,000 more than had been reduced in arrears by in the same period of 2022/23. As such the overall arrears position has reduced by £1,200,000 more in the first 9 months of this financial year, compared with the whole of 2022/23. Quarter 3 of the Welsh Authorities collection position has been published, and the Vale of Glamorgan presently in 3rd position for collection across the group for 2023/24.

### **Efficiency Targets**

- 2.42 As part of the Final Revenue Budget Proposals for 2023/24, an efficiency target of £7.378M was set for the Council, this is a far higher level of savings than has been set for a number of years.
- 2.43 Of this sum £2.75M has been delegated to schools and the schools budgets and budget recovery plans are in the process of being compiled by schools with the support of colleagues in HR and the Education Finance team.
- 2.44 The current position in respect of the 2023/24 savings is detailed in Table 2 below.

Table 2 – Progress against 2023/24 Savings

Directorate	Target	Amount Projected	% Achieved	Mitigation	Mitigation Achieved %	Shortfall	Shortfall %
	£'000s	£'000s		£'000s		£'000s	£'000s
Policy	1,615	1,615	100%	-	0%	-	0%
Resources	582	331	57%	250	43%	1	0%
Neighbourhood and Housing	1,000	640	64%	40	4%	320	32%
Learning and skills	564	383	68%	-	0%	181	32%
Social Services	681	556	82%	-	0%	125	18%
Place	265	173	65%	-	0%	92	35%
<b>Total</b>	<b>4,707</b>	<b>3,698</b>	<b>79%</b>	<b>290</b>	<b>6%</b>	<b>719</b>	<b>15%</b>

- 2.45 The shortfall against Neighbourhood Services may be mitigated in year by additional car parking and enforcement income and work is underway to quantify this sum.
- 2.46 Whilst Social Services may not achieve the savings target in full during 2023/24 this is due to the need to handle any placement moves very carefully and the savings are expected to be achieved for 2024/25.
- 2.47 The shortfall in Place relates to issues around means testing, a lack of available contractors to carry out the capital works, as well as potential applicants delaying applications until the Council adopts the new Independent Living Policy and is proposing to offset the shortfall from reserves in 2023/24.
- 2.48 Attached at Appendix B is a statement detailing all savings targets for 2023/24 and the current progress against them.

### Use of Reserves

- 2.49 Reserves are a way of setting aside funds from budgets in order to provide security against future levels of expenditure and to manage the burden across financial years. The Council has always taken a prudent approach with regard to Specific Reserves and uses them to mitigate known risks (financial and service) and contingent items, e.g. Insurance Fund. Other reserves have been established to fund Council priorities and in particular the Capital Programme. The Housing Revenue Account Reserve is ring fenced to Housing and the majority will be used to fund improvements to the Council's housing stock.
- 2.50 Table 3 below sets out the use of reserves for a variety of purposes including planned usage to fund Capital Expenditure, planned revenue usage in accordance with the earmarked purpose of the reserve, unplanned usage to fund emerging overspends during 2023/24 and planned transfers to reserves to set aside fund for specific purposes.

2.51 The below analysis reflects the unplanned use of reserves outlined in this report, the Council will continue to seek to mitigate emerging overspends in year as outlined in this report to safeguard reserves to help mitigate the emerging challenging funding position for the Council outlined in the Medium Term Financial Plan.

Table 3 – Use of Reserves

As at	Estimated Balance 31/03/23	Capital Funding	Planned Transfer (from) reserves	Un Planned Transfer to/(from) reserves	Budget Use of Reserve	Transfer into Reserves	Estimated Balance 31/03/24
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>General Fund</b>	<b>11,523</b>	-	-		<b>-496</b>	-	<b>11,027</b>
Schools Net Deficit	0	0	0	-850	-	-	-850
<b>Total General Fund</b>	<b>11,523</b>	<b>0</b>	<b>0</b>	<b>-850</b>	<b>-496</b>	<b>0</b>	<b>10,177</b>
<b>Insurance</b>	<b>4,878</b>	-	-	-	-	-	<b>4,878</b>
<b>Service Reserves</b>							
Learning and Skills	4,131	-91	-1,869	-578		-	1,593
Social Services	10,015	-	-3,999	-5,052	-	3,000	3,964
Neighbourhood Services	3,078	-17	-	-300	-	-200	2,561
Corporate Resources	733	-	-95	-	-	-	638
Place	2,096	-46	-268	-102	-	-	1,680
Other Service Reserves	1,625	-	6	-	-	42	1,673
Other Corporate	842	-	-100	-	-	-	742
<b>Risk and Smoothing Reserves</b>		-	-	-	-	-	<b>0</b>
Homelessness and Housing Reserve	4,456	-	-	-	-200	-	4,256
Cost of Living	854	-	-329	-	-200	-	325
Pay Pressures	4,168	-	-299	-	-	-	3,869
Energy Pressures	3,885	-1	-	-	-2,400	-	1,484
Legal	2,000	-	-95	-	-	-	1,905
Project Zero	2,325	-388	-128	-	-	-500	1,310
Investment and Growth Fund	2,353	-	-	-	-	-2,353	0
Reshaping Risk and Investment	2,523	-	-140	-	-	1,609	3,992
Corporate Landlord	5,707	-736	-	-	-	-700	4,271
Digital Reshaping	1,531	-177	11	-	-	-	1,365

Budget Risk	0	-	-	-	-	1,000	1,000
<b>Capital Reserves</b>		-	-	-	-	-	0
Capital	17,726	-10,825	523	-	-	-2,898	4,526
Capital Regeneration	0	-	-80	-	-	1,000	920
<b>Sub Total</b>	<b>86,450</b>	<b>-12,281</b>	<b>-6,862</b>	<b>-6,882</b>	<b>-3,296</b>	<b>0</b>	<b>57,129</b>
<b>Ring Fenced Reserves</b>							
Schools	6,677	0	-	-6,677	-	-	0
Other Schools	576	0	-174	-	-	-	403
Housing Revenue Account	16,486	-15,537	-	-	-	-	949
<b>Total Reserves</b>	<b>110,190</b>	<b>-27,818</b>	<b>-7,035</b>	<b>-13,559</b>	<b>-3,296</b>	<b>0</b>	<b>58,481</b>

### 3. How do proposals evidence the Five Ways of Working and contribute to our Well-being Objectives?

- 3.1 The revenue budget has been set in order to support services in the delivery of the Council's Well-being objectives. It is therefore important for expenditure to be monitored to ensure that these objectives are being delivered.
- 3.2 The revenue budget has been set and is monitored to reflect the 5 ways of working.
- 3.3 **Looking to the long term** - The setting of the revenue budget requires planning for the future and takes a strategic approach to ensure services are sustainable and that future need and demand for services is understood.
- 3.4 **Taking an integrated approach** - The revenue budgets include services which work with partners to deliver services e.g. Health via ICF.
- 3.5 **Involving the population in decisions** – As part of the revenue budget setting process there has been engagement with residents, customers and partners.
- 3.6 **Working in a collaborative way** – The revenue budgets include services which operate on a collaborative basis e.g. Shared Regulatory Service, Vale Valleys and Cardiff Adoption Service.
- 3.7 **Understanding the root cause of issues and preventing them** – Monitoring the revenue budget is a proactive way of understanding the financial position of services in order to tackle issue at the source as soon as they arise.

### 4. Climate Change and Nature Implications

- 4.1 The Council has identified dedicated funding in the 2023/24 reserves to support the delivery of Project Zero. Additional funding is ringfenced in the Capital Programme to support schemes.
- 4.2 All savings and cost pressures will be reviewed for Climate Change and Nature Implications prior to implementation.

## **5. Resources and Legal Considerations**

### **Financial**

5.1 As detailed in the body of the report.

### **Employment**

5.2 As detailed in the body of the report.

### **Legal (Including Equalities)**

5.3 There are no legal implications.

## **6. Background Papers**

None.



## Appendix A

### Directorate Monitoring: Learning and Skills

The Delegated Schools Budget for 2023/24 is set out in the table below.

	2023/24 Budget	Virements	Adjusted 2023/24 Budget	Projected Outturn	Variance	Use of Reserves
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Delegated Schools	115,439	-	115,439	124,016	-8,577	7,727
Transfer from Reserves	-1,200	-	-1,200	-1,200	0	1,200
Transfer from General Fund						850
Grand Total for Schools	114,239	0	114,239	122,816	(8,577)	9,777

The delegated schools budget for 2023/24 is projected to outturn with an overspend of £850k after transferring in £7.727M from reserves and a further £1.2M planned as part of the 2023/24 budget proposals to smooth emerging revenue pressures.

The projected outturn for the delegated schools budget for 2023/24 assumes a drawdown of £6.7M from school reserves according to budgets submitted by schools for the 2023/24 financial year. Schools have submitted three year budgets in line with the statutory deadline of 30th June 2023. There are now 22 schools with deficit budgets for the 2023/24 financial year, with total deficits estimated at £3.4M. The regulations require that schools that find themselves in a deficit position should submit a balanced recovery plan showing how the deficit will be eradicated over the next few years, this is also referenced in the Councils Fair Funding scheme for schools which dictates that the period for a balanced recovery plan should be three to five financial years. Currently only three of the schools in a deficit position has a balanced recovery plan and is showing a balanced budget for 24/25, the other 19 schools are all in non-recoverable budget deficits.

It is currently projected that schools will outturn with a net £850k shortfall which will necessitate a contribution from the General Fund. Work will continue with schools to try and achieve balanced budgets. Schools are being challenged where appropriate and work is ongoing to support schools in reducing deficits where possible.

### Key Pressures for 2023/24 in the delegated schools budget

- £2.3M ringfenced funding for Energy costs has been set aside as part of the 2023/24 budget proposals and will be allocated based on actuals.
- Additional funding for Additional Learning Needs support in mainstream schools of £850k was identified as part of the 2022/23 outturn and has been added to the Education Pressure Reserve. This has been transferred to schools via the funding formula
- Additional funding for schools in special measures of £200k was also identified as part of the 2022/23 outturn. The funding has been allocated to Pencoedtre and Ysgol Pen Y Garth to support the schools with additional staff and training.
- Schools were allocated an efficiency savings target of £2.75M within the 2023/24 delegated budget, which was cut from school budgets via the schools funding formula.

The Central Learning and Skills Budget for 2023/24 is set out in the table below. The budget is being adjusted for a £40k virement to fund additional energy costs at Penarth Pier Pavilion.

	Revised 2023/24 Budget	Virements	Adjusted 2023/24 Budget	Projected Outturn	Variance	Use of Reserves	Variation after Reserve Transfer
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Director	252	0	252	252	0	0	0
ALN & Wellbeing	4,113	0	4,113	4,885	-772	647	-125
Standards & Provision	2,971	0	2,971	2,924	47	-34	13
Strategy, Resources, Culture & Community Learning	4,730	40	4,770	5,762	-830	478	-514
Schools Non Delegated	1,937	0	1,937	2,091	-316	201	47
Catering	46	0	46	46	0	0	0
<b>Total</b>	<b>14,049</b>	<b>40</b>	<b>14,089</b>	<b>15,960</b>	<b>-1,871</b>	<b>1,292</b>	<b>-579</b>

The Central Learning and Skills budget for 2023/24 is projected to outturn with an adverse variance of £579k after transferring in £1,292k from reserves.

### **Key Pressures for 2023/24 in the Central Learning and Skills budget**

- Strategy, Resources, Culture & Community Learning: Although the budget for Education transport is held within the Environment and Housing Directorate, the Learning and Skills Directorate is responsible for meeting the cost of any adverse variance which is included in the estimated directorate overspend referenced above. There is currently a projected overspend of £646k which is an increase of £79k from quarter 2.

Additional Learning Needs (£136k overspend) – The projected overspend has increased due to additional routes being required and price increases on existing routes where pupils have been added. New routes have been put in place for pupils attending the new Ysgol Y Deri Hafan (based at Gladstone Primary) and there have been a number of late requests for transport to Ysgol Y Deri (Penarth and the Old St Baruc sites) resulting in new services being put in place.

Primary (£227k overspend) – Additional costs have been incurred due to price increases on routes where pupils have been added.

Secondary (£281k overspend) - This is due to price increases on routes where pupils have been added and local service bus passes purchased for a number of pupils where there was no capacity on existing school transport. This was a cheaper option than putting on an additional dedicated school transport service.

Further Education (£30k overspend) - The spend on St David's College has increased dramatically due the operator requesting an uplift on their daily rate. The services were tentatively put out to tender to see if the request was in line with the current market rate and all submissions came back with a higher daily price. The most cost effective option was therefore to award the uplift

Post 16 (£28k underspend) - This may change when more information is received from colleges about who has enrolled. Local bus service costs have increased and some colleges are no longer running their own buses so combinations of train and bus transport will be required.

- Strategy, Resources, Culture & Community Learning: As part of the efficiency savings for the Directorate the Arts Service was set an income target of £65k. At the moment this has not been achieved and a number of options are being considered including exploring external funding avenues. At the moment this is just shown as an overspend but should the income not be fully achieved then the Department will look at funding from reserves.

- Strategy, Resources, Culture & Community Learning: As part of the efficiency savings for the Directorate the £90k budget for School Repairs and Maintenance was cut. However, expenditure of at least £22k will be incurred for various essential works that have had to be carried out that would normally have been funded from the Repairs and Maintenance budget. The projected overspend of £23k is being funded from savings that have occurred as a result of additional grant funding.
- Schools Non-Delegated: Early Retirement/Voluntary Retirement (ER/VR) budget - It is a statutory requirement that redundancy costs in schools are funded centrally. The ERVR budget is currently projected to overspend by £351k due to increased redundancy costs in schools this year. Schools are responsible for paying the early retirement costs for any staff that leave but a scheme has been in place for a number of years where the ER/VR budget pays the one-off costs related to a teacher leaving and then the cost is recharged to the school over an agreed number of years. The additional net costs for this year will be in the region of £53k. A total of £299k will therefore be transferred from the Corporate Pay Pressures Reserve to offset these additional costs. The position will change if more voluntary redundancy and early retirement costs are received from schools.
- ALN & Wellbeing: Out of County Income – Due to the increase in Vale of Glamorgan pupils requiring specialist placements at Ysgol Y Deri, there is no capacity to admit new pupils from other Local Authorities. As a result, the projected income is dropping significantly each year as out of county pupils leave the school. This £195k shortfall will be met from reserves unless any in-year savings are found however, this is not sustainable.
- ALN & Wellbeing: The Children’s Placements budget - This budget pays for provision at out of county and independent schools and is currently projected to overspend by £265k. This is an increase of £139k since quarter 2. A total of £118k will be funded from the ALN Implementation Grant and the balance of £147k will be funded from reserves. Due to increasing numbers of placements and the increasing cost of those placements the overspend is likely to increase by year end.

Learning & Skills pick up 10% of Joint pooled CLA budget overspend or receive back 10% of any underspend. The latest external placements panel report showed a projected overspend of £1.494M meaning that the Directorate will need to make a contribution of £149k at year end. This is an increase of £31k since quarter 2

- ALN & Wellbeing: Due to increased need a new Welsh Medium Resource Base is being set up at Gwaun Y Nant from January 24. The existing provision at Whitmore Resource Base and Hafan Resource Base (Gladstone school) was increased from September 23. The estimated costs for this financial year are in the region of £225k. These costs will be funded from the ALN Implementation Grant in 23/24. Cost pressures have been put forward for the ongoing costs.

## Savings Tracker Update

The progress against the 2023/24 savings for the Directorate is detailed in Appendix F.

### Planned Drawdown on Reserves in Year

#### Central Learning & Skills

<b>Reserve Name</b>	<b>Brief Description of purpose of drawdown</b>	<b>Planned 2023/24 Drawdown £000's</b>
Education Pressures & Improvement Reserve	Additional lump sum allocation for Breakfast Clubs at St Helens and Dinas Powys due to split sites - will be included in the formula from 24/25	20
Education Pressures & Improvement Reserve	Additional costs for temporary demountables at Ysgol y Deri which have been put in place whilst the expansion of the school takes place.	181
Education Pressures & Improvement Reserve	Strategy & Resources additional temporary staff costs	156
Education Pressures & Improvement Reserve	Shortfall in income received for out of county pupils placed at Ysgol Y Deri	195
Education Pressures & Improvement Reserve	Projected increase in child placements at out of county schools and independent provision (overspend part funded from grant - £118k)	148
Education Pressures & Improvement Reserve	ALN & Wellbeing additional temporary staff costs	130
Education Pressures & Improvement Reserve	Underspend in 23/24 created as a result of additional grant funding transferred into reserves to fund temporary Attendance Officer post at Pencoedtre in 24/25	(34)
Culture & Communities Reserve	Welsh for Adults – transfer to cover increased costs, grant has remained static	23
Additional Needs Fund Reserve	Transfer from reserves to partially offset projected overspend of £243k. The balance left after using the reserve will be transferred back to school budgets	174

Corporate Pay Pressure Reserve	Redundancy costs for schools plus actuarial costs related to early retirements	299
	<b>Total Projected Reserve Transfer for Central Learning &amp; Skills</b>	<b>1,292</b>

**Note:** Should there be any underspends across the Directorate by year end then the planned drawdown of reserves outlined above may reduce

### Schools

Reserve Name	Brief Description of purpose of drawdown	Planned 2023/24 Drawdown £000's
School Reserves	Draw down to balance school budgets	6,677
Education Pressures & Improvement Reserve	Additional funding for Additional Learning Needs support in mainstream	850
Education Pressures & Improvement Reserve	Additional funding for schools in special measures	200
General Fund	Additional draw down to balance school budgets	850
	<b>Total Projected Reserve Transfer for Schools</b>	<b>8,577</b>

## Appendix B Savings Tracker

Directorate	Description of Saving Proposal	Lead Officer	Equality Impact Assessment	FTE Impact 2023/24	Saving Category	Target Value		Overall RAG Stat	Comments/Narrative	Value Achieved/ Expected to be Achieved 2023/24	Percentage Achieved %
						£'000 2023/24	£'000 2024/25				
<b>Directorate Learning and Skills</b>											
Learning and Skills	Payments to Non Maintained Nursery Providers	Lisa Lewis	Yes	0	Service Review	20	14	Green	Notice given to St Donats	20	100%
Learning and Skills	Removal of schools emergency repairs budget	Lisa Lewis	Budget Adjustment	0	Service Review	90		Amber	Even though the budget has been cut there is an ongoing pressure relating to emergency repairs in schools. This is relatively small at the moment but may increase by year end. This area will be kept under review	62	69%
Learning and skills	Move to cost recovery position for ACL	Trevor Baker	2024/25	0	Generating Income	-	80				n/a
Learning and skills	Makerspace income generation for letting out of makerspace rooms in Barry and Penarth libraries	Trevor Baker	Yes	0	Generating Income	20		Amber	Budget has been set including new income target. There was a delay in opening the Makerspace provision in Barry and the rooms have not been fully utilised. The shortfall in income has been offset in the budget due to vacancies within the Service. It is hoped that the income will increase in 24/25	2	10%
Learning and skills	External income -income generation for letting to external organisations for filming and events	Trevor Baker	Yes	0	Generating Income	20		Amber	Budget has been set including new income target. There has been a very small amount of new income generated for filming and events (£383). As outlined above the lack of income this year has been offset by savings due to staff vacancies. It is hoped that the income will increase in 24/25		0%
Learning and skills	Stop providing newspapers and DVDs in libraries	Trevor Baker	Yes	0	Service Review	15		Green	Budget has been cut, service will no longer purchase DVDS	15	100%
Learning and skills	Increase libraries fees and charges by 12%	Trevor Baker	Yes	0	Generating Income	5		Green	fees have been increased in the budget	5	100%
Learning and skills	Review Arts Provision	Trevor Baker	Yes	2	Service Review	65		Red	Re -evaluation of options proposals developed following extensive consultation to be reconsidered in light of current financial situation and savings required. This will not be achieved in 23/24. The budget has been cut and the overspend will be funded from in-year savings within the Directorate. Options will be looked at again for 24/25		0%
Learning and Skills	Reshaping of Out of School Tuition	Martin Dacey	Yes	0	Service Review	89		Green	The way in which OOST is delivered has been altered so that most tuition is delivered online rather than face to face. This is not ideal but is not out of sync with many other LAs. Budget saving will be achieved but service affected	89	100%
Learning and Skills	Increase in retained element of Post 16 WG grant for school improvement administration	Morwen Hudson	Budget Adjustment	0	Service Review	50		Green	Post 16 grant for schools has been top-sliced to contribute towards the central costs of the Learning and Skills Directorate. £50k has been included as an ongoing budgeted income	50	100%
Learning and skills	Review use of alternative funding sources to support service delivery	Morwen Hudson	Budget Adjustment	0	Service Review	190		Green	Shared Prosperity Fund grant has increased not decreased as anticipated. Staff roles within the Youth Service have been reassigned to work on the shared prosperity grant funded project	136	72%
<b>Subtotal Directorate Learning and Skills</b>				<b>2</b>		<b>564</b>	<b>94</b>			<b>379</b>	<b>67%</b>
<b>Directorate Social Services</b>											
Social Services	Closer to Home Residential Care (C&YPs)	Rachel Evans	Yes (Scoping)	0	Invest to Save	200	100		Delays on Building Programme and Recruitment of Staff, need to go through registration process- Likely to be utilised in Autumn of 2023 with first placement currently being reviewed. Likely to be between £65k and £85k	75	38%
Social Services	Reduced building rental	Head of Adult Services/Lorna Cross	2024/25	0	Corporate Asset Strategy	-	50		Part of wider asset reorganisation review overall costs and savings position.	0	0%
Social Services	Closer to Home Supported Living (LD)	Jason Bennett /Linda Woodley	2024/25	0	Invest to Save	-	100		Further smart houses planned, additional work required to review potential for savings.	0	0%
Social Services	Budget Programme Savings 2023-24	Jason Bennett		?	Invest to Save	81			Potential to identify 2023/24 target from review of high cost packages of care and commitments and health funding further review work to be undertaken.	81	0%

Appendix B Savings Tracker

Directorate	Description of Saving Proposal	Lead Officer	Equality Impact Assessment	FTE Impact 2023/24	Saving Category	Target Value		Overall RAG Stat	Comments/Narrative	Value Achieved/ Expected to be Achieved 2023/24	Percentage Achieved %
						£'000	£'000				
						2023/24	2024/25				
Social Services	Additional Income	Gaynor Jones	Yes (Scoping)	0	Generating Income	400			Budget Adjustment	400	100%
<b>Subtotal Directorate Social Services</b>						<b>681</b>	<b>250</b>			<b>556</b>	<b>82%</b>
<b>Directorate Neighbourhood and Housing</b>											
Neighbourhood and	Increase in fees and charges	Emma Reed	Fees and Charges	0	Generating Income	30		Green	Fees & Charges increased for 23/24	30	100%
Neighbourhood and	Parking Charging Review	Emma Reed	Yes	0	Generating Income	20	100	Amber	Residents permits - Cabinet Report due to be taken delayed due to 20mph work		0%
Neighbourhood and	Review Car Park Provison	Emma Reed	Yes	0	Corporate Asset Stra	50	-	Amber	Court Road Car Park- Awaiting the result of the Public Consultation plan before this can		0%
Neighbourhood and	Stop provision of sandbags	Mike Clogg	Yes	0	Service Review	5	-	Green	Achieved	5	100%
Neighbourhood and	Expand Construction and Design Team	Mike Clogg	2024/25	0	Generating Income	-	25				n/a
Neighbourhood and	Rationalisation of Public Conveniences	Colin Smith	2024/25	0	Corporate Asset Stra	-	50				n/a
Neighbourhood and	Review Charges for Coastal Toilets	Colin Smith	2024/25	0	Generating Income	-	5				n/a
Neighbourhood and	Mobile Cleansing Service	Colin Smith	2024/25	0	Service Review	-	50				n/a
Neighbourhood and	Mobile Parks Service	Colin Smith	2024/25	0	Service Review	-	50				n/a
Neighbourhood and	Review Planting in Parks consider use of shrubs/drought resitant planting and sponsorship	Colin Smith	2024/25	0	Service Review	-	15				n/a
Neighbourhood and	Do not apply for Green Flag and Coastal Awards	Colin Smith	Yes	0	Service Review	5	-	Red	Senior Management instructed that Green Flag & Coastal Awards should continue. No a		0%
Neighbourhood and	Allotment Charging	Emma Reed	Yes	0	Generating Income	3	-	Green	Charges increased for 23/24 to reflect cost recovery and letters have now gone out.		0%
Neighbourhood and	Double Shift Mechanical sweepers (2 vehicles plus one spare)	Kyle Phillips	Yes	0	Service Review	40	-	Green	Has been achieved by transferring 2 members of staff to vacant posts within clenasing c		0%
Neighbourhood and	Review use of external suppliers	Emma Reed	2024/25	0	Service Review	-	25				n/a
Neighbourhood and	Reduce Grass cutting schedule to 5 cuts a year	Colin Smith	Yes	0	Service Review	40	-	Red but mitigated	Tender price higher than anticipated therefore savings not achieved	-	0%
Neighbourhood and	<b>Enforcement Income</b>				<b>Income Generation</b>			<b>Green</b>	<b>Enforcement used to mitigate the above</b>	<b>-</b>	<b>N/A</b>
Neighbourhood and	Jenner Park alternative model	Emma Reed	2024/25	0	Corporate Asset Stra	-	65				n/a
Neighbourhood and	Commercial Opportunities and Business Support review	Emma Reed	Yes	0	Service Review	50	130	Green	Reception at Alps closed. 2 x posts vacant within support	50	100%
Neighbourhood and	Reassess Tracking Information to rationalise fleet	Kyle Phillips	2024/25	0	Service Review	-	10				n/a
Neighbourhood and	Charge for Post 16 Transport	Kyle Philips	No Saving	0	Generating Income		-				n/a
Neighbourhood and	Waste Collection for Black Bags to 3 weeks	Colin Smith/Emma Reed	Yes	Agency Staff	Service Review	150	-	Amber	Due to commence from 1st July 2023 Shortfall due to delayed sta	100	67%
Neighbourhood and	Green Bag Subscription Charge	Colin Smith/Emma Reed	Yes	0	Generating Income	500	-	Amber	Commenced in July £350k collected to date opportunity to increa	350	70%
Neighbourhood and	Commercial Waste electric vehicles invest to save - business case	Colin Smith/Emma Reed	2024/25	0	Invest to Save	-	50				n/a
Neighbourhood and	Garage Generation of additional income	Kyle Philips	2024/25	0	Generating Income	-	10				n/a
Neighbourhood and	Charging for public use of Electric vehicle chargers	Kyle Philips	Yes	0	Generating Income	2	3	Amber	Not able to move forward with this in 23/24	-	0%
Neighbourhood and	Reduced Contribution Regulatory Services	Helen Picton	Budget Adjustment	0	Service Review	21		Budget Adjustme	Budget Adjustment	21	100%



Appendix B Savings Tracker

Directorate	Description of Saving Proposal	Lead Officer	Equality Impact Assessment	FTE Impact 2023/24	Saving Category	Target Value		Overall RAG Stat	Comments/Narrative	Value Achieved/ Expected to be Achieved 2023/24	Percentage Achieved %
						£'000	£'000				
						2023/24	2024/25				
Neighbourhood and	Budget Adjustment Pre Tenancy Adviser and VATs budget	Mike Ingram	Budget Adjustment	0	Service Review	26		Achieved - budget adjusted.	Budget Adjustment	26	100%
Neighbourhood and	Review Senior Officer Recharges to HRA to ensure no cross subsidisation	Mike Ingram	Budget Adjustment	0	Generating Income	33		Achieved - budget adjusted.	Budget Adjustment	33	100%
Neighbourhood and	Review Support Function - Vacant Properties	Mike Ingram	Yes	0	Service Review	25		Achieved - budget adjusted.	Budget Adjustment	25	100%
<b>Subtotal Directorate Neighbourhood and Housing</b>						<b>1,000</b>	<b>588</b>			<b>640</b>	<b>64%</b>
<b>Directorate Place</b>											
Place	General Efficiencies within Regeneration service	Phil Chappell	Budget Adjustment	0	Service Review	25		Budget Adjustment		25	100%
Place	Review of facilities contracts	Phil Chappell	Yes	0	Corporate Asset Strategy	10	23	Amber	This is an agreed Invest to Save scheme. Savings should be achieved, subject to final agreement being reached		0%
Place	Administration target for Creative Communities team	Phil Chappell	Budget Adjustment	0	Generating Income	15		Budget Adjustment		15	100%
Place	Review of Regeneration & Economic Development Support Services	Phil Chappell	Yes	1	Service Review	62		Amber	Review of Regeneration structure is largely complete. Total savings will not be made this year but the shortfall will be covered by alternative income sources	50	80%
Place	Reduce events grants budget	Phil Chappell	Budget Adjustment	0	Service Review	3		Budget Adjustment		3	100%
Place	Review of visitor attractions in country parks	Phil Chappell	Yes	1.42	Service Review	50	22	Amber	It has been agreed that the Cosmeston Medieval Village will remain open to the public but associated support will be removed	-	0%
Place	Review planning and additional fee income (e.g. PPAs)	Ian Robinson	Budget Adjustment	0	Generating Income	36		Budget Adjustment	Developers are being offered the opportunity to enter agreements with the Council to ensure that applications are processed as quickly and efficiently as possible.	36	100%
Place	Review of Business Support function	Ian Robinson	Yes	1.6	Service Review	44		Green	Staff savings achievable	44	100%
Place	Increased DFG provision (removal of means testing)	Phil Chappell	Yes	0	Generating Income	20		Red	Unlikely due to the delay in the establishment of a single Adaptations Team. A new Independent Living Policy has now been adopted by the Authority, incorporating the principles of Discretionary Adaptations Grants. This should ensure that the number of applications that qualify for funding will increase and this should have a positive impact on fee income which will assist in achieving this savings target going forward.	-	0%
<b>Subtotal Directorate Place</b>						<b>265</b>	<b>45</b>			<b>173</b>	<b>65%</b>
<b>Directorate Corporate Resources</b>											
Resources	Mayor's Supplies and Services Budget	Jeff Rees	Budget Adjustment	0	Service Review	4		Achieved - budget adjusted.		4	100%
Resources	Democratic Supplies and Services Budget	Jeff Rees	Budget Adjustment	0	Service Review	1		Achieved - budget adjusted.		1	100%
Resources	Registrars Supplies and Services Budget	Jeff Rees	Budget Adjustment	0	Service Review	1		Achieved - budget adjusted.		1	100%
Resources	Legal Services Supplies and Services Budget	Debbie Marles	Budget Adjustment	0	Service Review	17		Achieved - budget adjusted.		17	100%
Resources	Budget Supplies and Services Adjustments	Tom Bowring	Budget Adjustment	0	Service Review	9		Achieved - budget adjusted.		9	100%
Resources	Supplies and Services Budget Adjustments	Lorna Cross	Budget Adjustment	0	Service Review	17		Achieved - budget adjusted.		17	100%

Appendix B Savings Tracker

Directorate	Description of Saving Proposal	Lead Officer	Equality Impact Assessment	FTE Impact 2023/24	Saving Category	Target Value		Overall RAG Stat	Comments/Narrative	Value Achieved/ Expected to be Achieved	Percentage Achieved
						£'000	£'000				
						2023/24	2024/25				
Resources	Supplies and Services Budget Adjust	Tracy Dickinson	Budget Adjustment	0	Service Review	9		Achieved - budget adjusted.	9	100%	
Resources	Supplies and Services Budget Adjust	Matt Bowmer	Budget Adjustment	0	Service Review	20		Achieved - budget adjusted.	20	100%	
Resources	Supplies and Services Budget Adjust	Nick Wheeler	Budget Adjustment	0	Service Review	13		Amber	12	92%	
Resources	Registrars' Income	Jeff Rees	Fees and Charges	0	Generating Income	30		Green	30	100%	
Resources	O2 Mobile Phone Contract	Nick Wheeler	Procurement	0	Contract/Procurement	55		Green	55	100%	
Resources	Managed Print Service	Nick Wheeler	Procurement	0	Contract/Procurement	-	70			n/a	
Resources	Annual RSA Support Costs - Reduce	Nick Wheeler	Procurement	0	Contract/Procurement	22		Green	22	100%	
Resources	Review C1V Office Accommodation	Tony Curliss/Lorna Cross	Yes	0	Corporate Asset Strategy	50		Amber		0%	
Resources	Review Docks Office Site	Lorna Cross	Yes	0	Corporate Asset Strategy	200	100	Amber		0%	
Resources	Remove Vacant Posts	Lorna Cross	Yes	0	Workforce Review	43		Green	43	100%	
Resources	Shared Cost AVCs	Tracy Dickinson	Yes	0	Generating Income	25		Green	25	100%	
Resources	e-Billing in Revenues	Suzanne Jones	Yes	0	Digital Strategy	7		Green	7	100%	
Resources	Hybrid Mail - Housing Benefits	Suzanne Jones	Yes	0	Digital Strategy	20		Green	20	100%	
Resources	Vale proportion of Vacant Post	Head of IASS	Yes	0	Workforce Review	15		Achieved - Vale share of post removed from establishment.	15	100%	
Resources	Vale proportion of miscellaneous supplies and services savings from budget	Head of IASS	Budget Adjustment	0	Service Review	2		Achieved - Vale share of budget adjusted	2	100%	
Resources	Counter fraud budget reduction	Head of IASS	Budget Adjustment	0	Service Review	22		Achieved - budget adjusted	22	100%	
<b>Subtotal Directorate Corporate Resources</b>						<b>582</b>	<b>170</b>		<b>331</b>	<b>57%</b>	
<b>Policy</b>											
Policy	Mayor's hospitality budget and twin	Jeff Rees	Budget Adjustment	0	Service Review	40		Achieved Budget Adjustment	40	100%	
Policy	Appropriation of Debt to HRA - Savings against borrowing costs	Gemma Jones	Budget Adjustment	0	Service Review	25		Achieved Budget Adjustment	25	100%	
Policy	Temporary Capital Financing Headro	Gemma Jones	Budget Adjustment	0	Service Review	1,000	- 500	Achieved Budget Adjustment	1,000	100%	
Policy	Additional Investment Income (Tem	Gemma Jones	Budget Adjustment	0	Generating Income	550	- 300	Dependent on Income Generation	550	100%	
<b>Subtotal Policy</b>						<b>1,615</b>	<b>- 500</b>		<b>1,615</b>	<b>100%</b>	
<b>Total Savings</b>						<b>4,707</b>	<b>647</b>		<b>3,694</b>	<b>78%</b>	
<b>Subtotal Directorate Learning and Skills</b>						<b>564</b>	<b>94</b>		<b>379</b>	<b>67%</b>	
<b>Subtotal Directorate Social Services</b>						<b>681</b>	<b>250</b>		<b>556</b>	<b>82%</b>	
<b>Subtotal Directorate Neighbourhood and Housing</b>						<b>1,000</b>	<b>588</b>		<b>640</b>	<b>64%</b>	
<b>Subtotal Directorate Place</b>						<b>265</b>	<b>45</b>		<b>173</b>	<b>65%</b>	
<b>Subtotal Directorate Corporate Resources</b>						<b>582</b>	<b>170</b>		<b>331</b>	<b>57%</b>	
<b>Subtotal Policy</b>						<b>1,615</b>	<b>- 500</b>		<b>1,615</b>	<b>100%</b>	
<b>Total Savings</b>						<b>4,707</b>	<b>647</b>		<b>3,694</b>	<b>78%</b>	