

Meeting of:	<b>Cabinet</b>
Date of Meeting:	<b>Thursday, 21 July 2022</b>
Relevant Scrutiny Committee:	Corporate Performance and Resources
Report Title:	<b>Closure of Accounts 2021/22</b>
Purpose of Report:	The accounts are complete and this report is to inform Cabinet of the provisional financial position of the Council for the 2021/22 financial year.
Report Owner:	<b>Report of the Leader</b>
Responsible Officer:	<b>Head of Finance/Section 151 Officer</b>
Elected Member and Officer Consultation:	This report is to be referred to Corporate Performance and Resources Scrutiny Committee. This report does not require Ward Member consultation
Policy Framework:	This is a matter for Executive decision by Cabinet.
<p>Executive Summary:</p> <ul style="list-style-type: none"> <li>• The year end revenue position was an adverse variance of £13K after net transfers to reserves of £18.151M, made up of £642K transferred into the Council Fund, £18.818M transferred into specific reserves from revenue, £118K drawn down from the Insurance Fund and £1.191M drawdown from reserves to fund the capital programme. The Council Fund now stands at £12.510M as at 31st March, 2022.</li> <li>• A revenue savings target of £500K was set for 2021/22 and there was a shortfall of £120K against this target in the year, the delivery of these savings will continue to be monitored during 2022/23.</li> <li>• The Housing Revenue Account was also able to increase the level of its ringfenced reserve to £17.439M after achieving a £5.439M surplus.</li> </ul>	

## **Recommendations**

1. That the report and the financial measures taken and proposed be approved.
2. To approve the Final amended 2021/22 budget as shown in Appendix 1.
3. That the report is referred to Corporate Performance and Resources Scrutiny Committee.

## **Reasons for Recommendations**

1. To approve the report and the financial measures taken and proposed.
2. To approve the amended budget for 2021/22 for an increase in Revenue Support Grant awarded by Welsh Government during 2021/22
3. To enable the Scrutiny Committee responsible for finance to review the year end position.

## **1. Background**

- 1.1 Following the end of the financial year, Cabinet is provided with provisional outturn figures for the Council. It is anticipated that the Statement of Accounts will be approved by Council in the early part of November 2022, which will follow the audit by Audit Wales.
- 1.2 This report is to be referred to Corporate Performance and Resources Scrutiny Committee and separate reports will be presented to the other respective Scrutiny Committees.

## **2. Key Issues for Consideration**

### **Impact of COVID-19**

- 2.1 The revenue position for 2021/22 was challenging with additional pressure for the Council both operationally and financially as a result of the COVID-19 pandemic. This was pressure as a result of incurring additional expenditure and also from a loss of income.
- 2.2 Since March 2020, Welsh Government (WG) has provided financial support to cover additional expenditure incurred through the Local Authority Emergency Hardship Grant. For the period April 2021 to March 2022 the Council received £15.184M.
- 2.3 Not all grant figures are finalised and Items currently on hold in the main relate to free schools meals where WG has asked for further analysis of the claim.
- 2.4 In addition, WG also provided grant support to cover the loss of income and just over £1.353M was received for the year. The basis of this calculation was to

compare income received in 2021/22 to the income received pre pandemic in the 2019/20 financial year.

- 2.5** The Council has also received other specific grant funding from WG to cover additional costs relating to COVID-19 as shown in the table below.

<b>Grant Name</b>	<b>Funding Body</b>	<b>Amount Received 2021/22 £'000</b>
Local Authority Hardship Grant	WG	15,184
Loss of Income	WG	1,353
Schools - Accelerated Learning Programme	WG	3,694
Additional Learning Needs	WG	383
Homelessness and Housing Related Support	WG	4,712
Intervention fund for supporting child and family well-being	WG	98
ALN School and Special Unit COVID recovery	WG	152
Covid Grant Admin Support	WG	207
Parenting Support for Covid Recovery	WG	12
Post 16 Transition	WG	462
Winter of Wellbeing	WG	455
Winter of Wellbeing	WLGA	19
Covid Community Testing Grant	WG	5
Council Tax Shortfall Funding	WG	1,249
<b>TOTAL</b>		<b>27,984</b>

- 2.6** The impact of the COVID-19 pandemic will be discussed in further detail throughout this report.

### **Cost of Living Crisis**

- 2.7** To support the response to the emerging Cost of Living crisis £825K was allocated to fund the Discretionary Cost of Living scheme that will be delivered by the Council during 2022/23 this funding has been allocated to a specific reserve as at 31<sup>st</sup> March, 2022.

### **Council Fund**

- 2.8** Council on 10th March, 2021 agreed the Council's budget requirement for 2021/22. This represented budgeted net expenditure for the Authority of £251.653m. Total expenditure was to be financed by Revenue Support Grant (£124.398M), National Non-Domestic Rates contribution (£43.918m) and Council

Taxpayers (£83.337M). The Standard Spending Assessment (SSA) for the year was £257.077m.

- 2.9** The directorate revenue budgets have been amended and approved by Cabinet during the financial year. Due to an additional RSG allocation of £2.448M made in the last quarter of the financial year a further amendment to the budget is required. Of the additional £2.448M, additional budget of £1.5m was awarded to Neighbourhood Services & Transport, £0.540M to fund the ongoing Oracle implementation and £0.408m to fund the purchase of electric vehicles within Social Services over future financial years. A virement is requested as set out in Appendix 1 to the report which increases the budget to £254.101M.
- 2.10** At year end there was a £13K adverse variance which was drawn down from the General Fund. Total transfers to reserves of £18.151M were made up of a £642K contribution to the Council Fund and £18.818M transferred into specific reserves, £118K drawn down from the Insurance Fund and £1.191M drawdown from reserves to fund the capital programme. Appendix 1 amends the revised budgets to take account of technical accounting adjustments and changes to recharges and additional Revenue Support Grant received late in the financial year.
- 2.11** The following table compares the amended budget and the actual expenditure, including transfers to and from reserves, for the Council. The final column shows the net transfers to specific reserves for each directorate which has been included within the actual expenditure figures.

Service	Original Revenue Budget	Amended Revenue Budget	Total Provisional Actual	Variance +Favourable (-) Adverse	Net Transfer to /(From) Reserve
Year - 2021/22	£000	£000	£000	£000	£000
<b>Learning and Skills</b>					
Schools	98,509	98,509	98,509	0	<b>6,605</b>
Strategy, Culture, Community Learning & Resources	8,167	8,298	8,298	0	549
Directors Office	233	233	233	0	2
Additional Learning Needs & Wellbeing	3,068	3,068	3,070	(2)	1,053
Standards and Provision	3,844	3,846	3,846	0	674
<b>Total Exc Schools</b>	<b>15,312</b>	<b>15,445</b>	<b>15,447</b>	<b>(2)</b>	<b>2,278</b>
<b>Social Services</b>					
Children and Young People	17,700	16,909	16,909	0	(186)
Adult Services	52,742	46,885	46,889	(4)	1,523
Resource Mgt & Safeguarding	292	6,986	6,983	3	1,188
Youth Offending Service	707	707	707	0	147
<b>Total</b>	<b>71,441</b>	<b>71,487</b>	<b>71,488</b>	<b>(1)</b>	<b>2,672</b>
<b>Environment and Housing</b>					
Neighbourhood & Transport Services	24,791	26,279	26,260	19	(595)
Building Services	0	0	(1)	1	347
Regulatory Services	1,825	1,825	1,825	0	83
Council Fund Housing	1,420	1,475	1,475	0	(99)
<b>Total</b>	<b>28,036</b>	<b>29,579</b>	<b>29,559</b>	<b>20</b>	<b>(264)</b>
<b>Managing Director and Resources</b>					
Resources	809	1,067	1,066	1	286
Regeneration	1,905	2,062	2,061	1	(13)
Development Management	1,110	973	973	0	(12)
Private Housing	1,043	1,044	1,044	0	303
<b>Total</b>	<b>4,867</b>	<b>5,146</b>	<b>5,144</b>	<b>2</b>	<b>564</b>
General Policy	33,488	33,935	37,509	(3,574)	6,356
Use of Council Fund					
<b>Total Net Budget</b>	<b>251,653</b>	<b>254,101</b>	<b>257,656</b>	<b>(3,555)</b>	<b>18,211</b>

Council Tax Surplus			(2,293)	2,293	0
Council Tax WG Grant			(1,249)	1,249	<b>1,249</b>
<b>TOTAL</b>	<b>251,653</b>	<b>254,101</b>	<b>254,114</b>	<b>(13)</b>	<b>19,460</b>

**2.12** The main reasons for the variances are set out in the following paragraphs.

## Learning and Skills

### Schools & Pupil Referral Unit - Breakeven

**2.13** Schools are permitted to carry forward any revenue variances through school balances. At the start of the 2021/22 financial year, school balances totalled £6.311M, with two schools in a deficit position. By the end of the 2021/22 financial year, school balances had increased by another £6.46M to £12.771M. No schools ended the financial year in a deficit position.

**2.14** Not all schools' balances increased over the period, there were increases to 51 school balances totalling £6.527M and decreases to three school balances totalling £67K. A table identifying school balances is attached at Appendix 5

**2.15** Fifty of the fifty five maintained schools ended the financial year with a balance in excess of 5% of annual budget share. These fifty schools have been asked to complete a planned use of balances form indicating how this excess balance will be spent over the 2022/23 financial year and the following two financial years.

**2.16** The reason there has been such a substantial increase in school balances again this year, is due to the high value of additional grants made available to schools for the 2021/22 financial year as set out in the table below a significant proportion of this funding was allocated late in the financial year.

Additional Grant Funding Schools	£'000s
Accelerated Learning Grant (Recruit, Raise Standards and Recover)	2,880
Consortium additional Regional school improvement funding	859
ALN Covid recovery Special school	86
Post 16 Transition funding	462
Winter of wellbeing grant	261
Schools Revenue Maintenance Grant	2,145
ALN new system funding	288
<b>Total Additional Grant Funding</b>	<b>6,981</b>

**2.17** A total of £74K was repaid into the Energy Management reserve as part of repayment of energy saving schemes and £71K was repaid into the ICT fund as part of schools ICT loans scheme.

## Strategy, Culture, Community Learning & Resources

**2.18** The Strategy, Community Learning & Resources service closed on target after transferring £549K to reserves.

**2.19** The transfers to reserves were as follows;

Reserve	Transfer To/(From) Reserves
	£'000s
School Investment Strategy Reserve	138
Education Pressures Reserve	152
Adult and Community Learning Reserve	21
Early Retirement and Voluntary Redundancy Reserve	138
Deferred Pensions	(20)
Welsh Immersion	80
Breakfast Clubs	22
3G Pitch at Bro Morgannwg	50
Big Fresh Catering Equipment Reserve	(42)
Long Term Sick Reserve	(104)
Schools Rationalisation Reserve	(161)
Capital Commitments Reserve	276
<b>Total</b>	<b>549</b>

**2.20** Within these figures a total of £80K was transferred to the Environment and Housing Directorate at year end to offset the school transport overspend. Local Education Authorities have a statutory duty to provide free school transport for pupils of statutory school age who reside beyond walking distance to the nearest appropriate school in addition to a statutory duty to provide transport for pupils with additional learning needs who require access to specialist provision. The Council also provides discretionary support towards pupils in further education above the age of 16. The Learning and Skills Directorate is responsible for meeting the cost of any adverse variance against this budget at year end. Despite previously projecting an adverse variance of £126K the final 2021/22 overspend transferred was £80K as illustrated in the table below.

School Transport Analysis	Variance (Adverse) /Favourable
	£'000s
Primary	-25
Secondary	-15
Further Education	-7
Additional Learning Needs	-79
Post 16 Transport	+47
<b>Total</b>	<b>-80</b>

**2.21** The reduction in the overspend is attributed to the storm day when all schools were closed and additional INSET days which were notified late and therefore not originally taken account of in the projected outturn.

The overall additional spend on the school transport budgets is due to:

- 1.** Lack of spaces in catchment schools and taxi provision required to the next nearest school with available spaces.
- 2.** Increased costs across the board as existing routes are altered to cater for pupils. This is as a result of inflationary pressures such as increased petrol costs, demand for bus drivers which has driven wages up and Ukrainian/COVID-19 consequences
- 3.** Lack of operators tendering for school routes. The competition element of bidding seems to have reduced dramatically and more than often one bid of an extremely high price is received, thus driving costs up.
- 4.** Operator hand backs – due to the issues mentioned above operators are handing routes back to us as they cannot fulfil them and the prices being submitted are a lot higher.

**2.22** The majority of the underspend prior to the reserve transfers relates to an underspend on capital borrowing payments of £323K which was transferred as planned to the Schools Investment Strategy reserve. In addition there were underspends on employee costs across the service (£40K), payments to private nursery providers overspent by £10K due to an increase in required provision. A total of £185K was transferred into the 21st Century Schools budget from the School Investment Strategy reserve to pay for the costs associated with the demountable classroom and associated works for the Learning and Wellbeing Class that was set up at Ysgol Y Deri.

**2.23** In addition £276K was transferred to the Capital Commitments Reserve to allow for slippage on delivery of capital schemes and changes to funding to maximise grant take up in 2021/22 this includes some contributions from schools.

**2.24** The centrally retained School Repairs budget underspent by £33K due to a reduction in the emergency works required, schools also made use of the Safe Return to School element of the Covid grant. An underspend of £49K also occurred against the Resources budget, the majority of this related to savings on software licence fees for the Directorate (£47K), reduced training costs (£11K) and reduced audit fees (£11K). This was partially offset by additional hardware/software costs in relation to IT equipment for staff (£14K), increased translation costs (£3K) and additional mileage costs (£3K). Some Central recharges came in under budget which led to unexpected savings of £15K.

**2.25** The Libraries budget outturned with a favourable variance of £42K. There was an underspend of £62K against staff costs. There were also savings of £22K against various non staffing costs. A total of £42K of the underspend was used towards



match funding for the Penarth Library Capital Programme Grant instead of drawing down from reserves.

- 2.26** The Arts Development budget underspent by £6k as some events were funded by Welsh Government Summer of Fun and Winter of Wellbeing grants.
- 2.27** Adult Community Learning (ACL) outturned with an underspend of £136K after transferring £21K Welsh for Adults (WFA) underspend to the ACL reserve. Throughout the year there has been reduced provision and class sizes as a result of ongoing COVID-19 restrictions the service has incurred reduced tutor and administration costs (£85K underspend) and has claimed WG Covid Loss of Income Grant to the value of £56K. There was also an additional grant transfer in for Employability (£40K) and a change to the funding schedule for Cardiff & Vale College (CAVC) franchise led to an underspend (£12K).
- 2.28** A number of variances were report in the Schools Non Delegated budget. The Directorate reported a small underspend against the unfunded pensions budget £39K. School Early Retirement and Redundancy costs were reduced due to the level of school balances and fewer schools in a budget recovery position. The balance against this budget was transferred to the Schools Invest to Save (ER/VR) reserve at year end to help with future costs. Additional expenditure has also been incurred in schools in respect of COVID-19. Most of this expenditure has been covered by grant funding but the Directorate has incurred costs of £8k.
- 2.29** A new Welsh immersion reserve was established £80k funded from the underspend in year against the base budget (£40k) and a transfer of £40K from the Schools Rationalisation reserve.
- 2.30** The Schools Long Term Supply scheme outturned with an adverse variance of £104K funded from a transfer in from the ringfenced reserve to support the scheme. The schools maternity scheme also overspent this year by £65K. As there are no reserves relating to maternity this was covered by underspends elsewhere within the Learning & Skills Directorate.
- 2.31** The 21st Century Schools Transition expenditure for Barry Co-Ed in relation to salary protection outturned at £64K. These costs were offset by transferring in £64K from the Schools Rationalisation reserve.
- 2.32** The remaining areas of the non-delegated schools budget outturned with an adverse variance of £44K after a net transfer of £8K to reserves due to variances on items such as the apprenticeship levy, insurance, Council Tax and rates adjustments. A new reserve has been set up for the renewal of the 3G pitch at Ysgol Bro Morgannwg and a transfer of £50K was made. Finally a total of £57K was transferred in from the Schools Rationalisation Reserve to fund transition costs for St Davids (£45K) and South Point Primary (previously Llancarfan Primary) (£12K).

**2.33** Since 1st January, 2020 catering services for schools and the Council have been provided by the Big Fresh Catering Company, an arm’s length trading company of the Council. There are some costs that remain the responsibility of the Directorate and this year there was a small overspend of £2K after transferring £20K to reserves. The Breakfast Clubs in schools are not part of the Big Fresh Catering Company but they do manage the service on behalf of the Council. This year there was an overall underspend of £22K against this provision which has been transferred to a Breakfast Club reserve to help mitigate any future pressures or overspends. A total of £42K was transferred in from the Catering Lease Reserve to offset expenditure incurred on catering equipment. This will be recharged to the Big Fresh Catering Company as part of the lease.

**Directors Office – Breakeven**

**2.34** The Directors Office outturned on target after transferring an underspend of £1K to the Education Pressures reserve.

**Additional Learning Needs & Wellbeing– Breakeven**

**2.35** The ALN and Wellbeing Service out-turned on target after transferring £1.053M to reserves as set out below.

Reserve	Transfer To/(From) Reserves
	£'000s
Additional Learning Needs Reserve	776
ANF Fund	72
Education Pressures	86
Communities for Work	67
Kickstart	52
<b>Total</b>	<b>1,053</b>

**2.36** This was made up of favourable variances of £15K against the Head of Service budget due to maximisation of grants.

**2.37** Prevention & Partnership – This budget outturned with a favourable variance of £86K resulting from the maximisation of grants and additional funding received. The £86K was subsequently transferred to the Education Pressures Reserve.

**2.38** The Complex Needs Team which is made up of the Casework Management Team, the Education Psychology Service and complex needs support in schools underspent by £153K. There have been a number of changes within the teams including, vacant posts, variations to working hours and retirements, some posts have been filled on a temporary basis whilst the structure is reviewed in light of changes relating to the ALN Act.

- 2.39** The Children’s Placements budget which pays for Vale pupils placed in independent schools and other local authority schools, as well as those pupils with individual arrangements in place underspent by £303K. Grants amounting to £236K were applied to this budget and offset planned expenditure. There was also an underspend of £68K against the base budget. Overall, there were less new placements in 2021/22 due to the pandemic and those that were put in place did not happen until later in the financial year. It is anticipated that there will be a significant increase in placements in 2022/23.
- 2.40** A contribution of £78K was made to the Social Services and Education Pooled CLA budget as there is an agreement in place that requires Learning & Skills to fund 10% of the total adverse variance on this budget. The 2021/22 overspend was £777K.
- 2.41** Recoupment Income –Income of £72K was received from other LAs for additional support costs for their pupils in our secondary schools, this has been transferred to an Additional Needs Fund Reserve and will be utilised to offset pressures regarding additional support for pupils.
- 2.42** The ALN Covid Recovery Grant was again received in 2021/22 (£383K). The grant was used to offset existing expenditure which has subsequently led to underspends in many areas. The funds released from applying the grant have been transferred to the Additional Learning Needs Reserve to help mitigate future pressures on the service and schools.
- 2.43** Additional sums were also received of £67K and £52K which have been transferred to reserve to help support the ongoing delivery of the Communities for Work and Kickstarter schemes.

#### **Standards and Provision - Breakeven**

- 2.44** The Standards and Provision Service outturned on target after transferring £674K to reserves as set out below.

Reserve	Transfer To/(From) Reserves
	£'000s
Youth Reserve	75
Education Pressures Reserve	178
Wellbeing and Family Reserve	693
Schools Rationalisation Reserve	(272)
<b>Total</b>	<b>674</b>

- 2.45** The Education Other Than At School (EOTAS) & Alternative Curriculum budget outturned on target after transferring £285K to reserves. Additional income of £146K from the WG Attendance Support and Community Grant was used to

offset eligible in year expenditure such as the Learning & Wellbeing class set up at Ysgol Y Deri, GROW provision at Amelia Trust Farm, Academy 21 provision and Inspired Learners. There was also an underspend of £89K against planned provision. The EOTAS provision for primary pupils underspent by £50K. This has been transferred to reserves and will be utilised to fund the summer 2022 provision.

- 2.46** The Attainment, Wellbeing, Engagement (AWE) and Out of School Tuition (OOST) budget outturned on target after transferring £136K to the new Wellbeing and Engagement reserve. The majority of the underspend occurred as additional income from the WG Attendance Support and Community Grant (£112K) was used to offset eligible in year expenditure. There were also additional net savings of £24K across the budget.
- 2.47** A new reserve has been set up for Wellbeing and Family Engagement. A total of £166K of the underspend on the EOTAS budgets has been transferred to this new reserve and will be used to fund the summer 2022 primary provision as well as a new tailored provision for EOTAS in September 2022 in line with the closure of the Youth Engagement Programme (YEP) and the need for new provision pending the opening of the Centre for Learning & Wellbeing. The balance of the underspend on EOTAS (£120K) and the underspend on AWE/OOST (£136K) will be used to fund temporary Engagement and Attendance Liaison posts in 2022/23. They will provide further support for pupils in years 7 to 9 and will act as a conduit between the learner, parent/carers and the school on any matters concerning non-attendance and non-engagement with school provision. The funding within the rationalisation reserve earmarked last year for costs in relation to the Centre for Learning & Wellbeing and EOTAS (£272K in total) has also been transferred to the new reserve so that all relevant reserves are in one place.
- 2.48** The Youth Engagement and Progression budget outturned with a favourable variance of £75K after transferring £75K to the Youth Service Reserve due to staffing underspends and additional funding received from the European Structural Fund (ESF) dating back to 2016.
- 2.49** School Improvement – This area of the budget outturned with a favourable variance of £82K prior to transferring £178K to reserves. The savings were due to the maximisation of grants during in the year. The savings against this budget (£82K) and the savings from the Inclusion and Wellbeing budget (£95K) were transferred to the Education Pressures reserve.

## **Social Services**

### **Children and Young People Services – Breakeven**

- 2.50** There were adverse variances of £1.808M. The main variance of £979K relates to increased external placement costs given the complexities of the children

currently being supported and the high-cost placements some of these children require to meet their needs. This has been further impacted by the COVID-19 pandemic and the significantly higher demand for placements and the scarcity of options available.

- 2.51** The legal costs budget overspent by £186K as a result of complex Court cases that require Counsel's involvement. Financial support increased for Special Guardianship and Residence Orders which led to an overspend of £66K. The Placements Team have increased costs relating to the significant increase in the numbers of connected persons assessments related to the assessment of kinship foster carers, which resulted in an overspend of £87K.
- 2.52** Increased costs within the Intake and Family Support Team to support children subject to care and support plans or looked after, led to an overspend by £177K. The Child Health and Disability Team had increased costs relating to transport and accommodation payments which overspent by £148K. Increased costs in supporting care leavers and those in When I'm Ready placements resulted in an overspend of £57K. Special Guardianship also had an overspend of £4K.
- 2.53** In addition, the Adoption Allowances budget had an adverse variance of £54K as there have been greater costs incurred in relation to children being placed for adoption outside the Vale, Valleys and Cardiff Adoption Collaborative area.
- 2.54** Due to high transport, childcare and therapeutic costs within the Children Looked After budget there was a resultant overspend of £50K.
- 2.55** Other Welsh government grants were secured in year which offset the expenditure listed above and are included in the year end variances, e.g. CCOVID-19 Hardship grant, Social Care Recovery Fund, Family Intervention Fund and ICF. Had these grants not been awarded then the adverse variance would be greater.
- 2.56** There have been a number of favourable variances totalling £1.638M. The Fostering placements budget had a favourable variance of £315K. The Care Planning and Proceedings Team had a favourable variance of £34K due to vacancies. The High Needs Accommodation Pilot underspent by £104K mainly due to some expenditure being funded from the Supporting People Grant. The Intake and Family Support Team had a favourable variance of £57K mainly due to some expenditure being funded by grants.
- 2.57** Additional grant funding of £1.112M was received late in the year from Welsh Government which was used to offset the total overspend within Children and Young People Services.
- 2.58** To offset the net adverse variances above the following amounts were transferred from the Social Services Pressures reserves. £100K for Legal costs, £82K for Market Supplements and £4K for a Special Guardianship Social Worker.

## **Adult Services – Adverse variance of £4K**

- 2.59** There were adverse variances totalling £7.524M. Employee budgets had an adverse variance of £1.507M however the main reasons were the additional staffing recruited to work on grant funded schemes that are run in Partnership with the Cardiff and Vale University Health Board and Cardiff Council.
- 2.60** Supplies and Services budgets had an adverse variance of £404K with the main reason being the increase in the provision for doubtful debts within the Community Care services.
- 2.61** The budgets for Third Party Payments had an adverse variance of £5.570M. £3.550M relates to additional spend on community care budgets which has been covered by Covid grants, £700K additional spend which has been funded from WG Recovery fund, £1M overspend across Community care budgets mainly within Older Mental Health budgets and £320K for additional spend which has been covered from grant funding from the Cardiff and Vale University Health Board.
- 2.62** There were also adverse variances across various other budgets including transport, repair costs and contributions to capital schemes totalling £43K.
- 2.63** There were favourable variances in year of £9.043M. There was a favourable variance relating to grant income of £7.942M. Around £3.598M of this is due to COVID-19 grant income from the Welsh Government hardship fund, £713K from the WG recovery grant, £3.5M in grants via the Cardiff and Vale Health Board and £131K from various other smaller grants.
- 2.64** There was also a favourable variance against other income of £1.101M and relates to additional income received for Community care services and also contributions received from the sale of private residences towards costs of care.
- 2.65** The overall favourable variances have allowed £1.414M to be set aside in the Social Services Legislative Changes reserve. A transfer of £109K has been made into the Telecare Reserve which is an annual planned transfer in order to set funding aside for future years to replace the equipment and to cover any additional staffing costs.

## **Resource Management and Safeguarding – Favourable variance of £3K**

- 2.66** The adverse variances totalled £2.693M. Employees budgets had an adverse variance of £872K mainly within Residential care homes due to additional staffing needs through the Covid pandemic, however the majority of this cost will have been claimed back via the WG Covid Hardship grant.
- 2.67** Third Party Payment budgets had an adverse variance of £964K due to additional payments made on several grant funded schemes.

- 2.68** Other budgets such as transport, supplies and services had an adverse variance of £165K.
- 2.69** Internal recharge budgets had an adverse variance of £635K however the majority of this was on grant funded schemes.
- 2.70** Budgets for customer receipts had an adverse variance of £57K due to lower levels of income received within the Council's residential care homes.
- 2.71** Favourable variances totalled £3.884M from grant funding. The majority of these grants were received from Welsh Government and the Cardiff and Vale University Health board which offset many of the adverse variances described above. The Council also received a grant late in the financial year from Welsh Government to offset general pressures within the Social Services budget
- 2.72** To offset the overall favourable variance above there has been a £1.182M transfer to the Social Services Legislative Changes Fund and £6K transfer to the Energy Management Fund to repay Carbon Management Initiatives

#### **Youth Offending Service - Breakeven**

- 2.73** There was a favourable variance of £70K on staffing mainly as a result of vacancies. The service also had a favourable variance on grant income of £67K and other underspends totalling £10K. The favourable variance has been offset by a transfer of £147K to the Youth Offending Team Reserve.

#### **Environment and Housing**

##### **Neighbourhood Services and Transportation - £19K favourable variance**

- 2.74** There have been adverse variances across the service of £4.682M. Employee budgets had an adverse variance of £917K. The Waste Collection service has had to incur additional resources due to the downtime involved in travelling to Cardiff to dispose of waste and recycling and additional resource costs of running the source separated recycling service alongside a co-mingled collection. Additional employee resources have been required during the COVID-19 pandemic, mainly within Waste Management & Cleansing with the majority employed at various resorts throughout the Vale, in order to ensure adequate cleansing of the resorts as well as additional requirements in public conveniences. These costs have been claimed from the Welsh Government Covid Hardship Fund.
- 2.75** Payments to third parties had an adverse variance of £208K mainly due to additional payments that had to be made to support our Leisure centre contractor through the pandemic. It has also been possible to claim these payments from the Covid Hardship fund.

- 2.76** There was an adverse variance of £1.848M on the Supplies and Services budgets. This variance has been caused by additional spending within various areas of NS&T. There has been a requirement for additional spend on salt for winter maintenance, the additional costs of food waste bags and the treatment of food waste due to the increase in demand for this service, an increase in the spend on maintaining trees due to issues associated with Ash Die Back, additional spend on open spaces and the costs of clearing fly-tipping and rubbish within lanes and alleyways, expenditure incurred in the purchase of a new asset management software package for the service.
- 2.77** There was an adverse variance of £1.659M on repair costs and premises budgets, mainly due to the increased costs of maintaining the Highway, funding the Big Fill scheme and a large increase in the number of potholes being repaired. The cost of disposing of waste also increased especially in areas such as grounds maintenance where demand for open spaces increased during the pandemic.
- 2.78** There was also an adverse variance of £62K due to contributions to various small-scale capital schemes from the revenue budget. There were other adverse variances totalling £47K from across various areas.
- 2.79** There was a favourable variance across the service totalling £2.665M.
- 2.80** There was a favourable variance on income budgets totalling £2.117M. The main reason for this additional income is the increased grants received from the WG to cover additional costs and lost income incurred by the authority due to COVID - 19. There was also additional income received for Car Parking due to the popularity of Barry Island and Ogmore, income received for Highway development fees was higher than that budgeted as well as increase due to the amount of recycling material the authority is now receiving an income for. Income received from the camera car was also higher than budgeted and this surplus has been set aside in a reserve for use in future financial years.
- 2.81** Transport costs also had a favourable variance of £548K which is mainly due to the concessionary fare payments made to operators being less than budgeted, however as this is heavily grant funded the Council would have had a corresponding shortfall in grant income against the budgeted value. There was also an underspend on the costs of providing Post 16 transport.
- 2.82** It had been reported to Cabinet during the year, that £1.5M of reserves would be required to support the Neighbourhood Services & transport budget, however as highlighted earlier in this report WG provided additional revenue support grant to Local Authorities late in the financial year of which £1.5M was allocated to NS&T therefore reducing the need to use vital reserves, which can be maintained for future years.
- 2.83** To offset the adverse variances above there was an unplanned transfer from the Council Building Fund reserve of £7K to cover additional repair costs at leisure



centres, a transfer of £38K from the Ash Die back reserve to cover additional costs related to trees, a transfer from reserves of £62K to cover costs of painting at Penarth Pier, £14K from reserves to cover St Athan Station Investigation works and £139K from the Neighbourhood Services Reserve to cover costs of the new asset management system.

**2.84** There was a planned transfer of £455K from the Neighbourhood Services reserve for Big Fill and patching and a planned transfer of £7K for works to community centres.

**2.85** Due to the surplus created by the Civil Parking Enforcement service there was also a transfer to reserve of £127K.

### **Building Services - £1K favourable variance**

**2.86** The overall position for Building Services is a £1K favourable variance. The Building Maintenance trading unit had a turnover of £6.188M and made a year-end surplus of £61K. The service provided a refund to the Housing Revenue Account of £25K which represents the surplus made by building maintenance on HRA repairs.

**2.87** The Building Cleaning & Security trading unit had a turnover of £3.212M making a surplus of £137K.

**2.88** The Building Services Twin Hat function had a favourable variance of £160K at year end. This was mainly due to vacant posts, plus underspends against transport budgets and general supplies & services budgets. The Courier service made a surplus of £15K.

**2.89** All the above were offset by a £347K transfer to the Building Services Reserve to fund the ongoing costs of apprentices and other business improvements within the area.

### **Regulatory Services - Breakeven**

**2.90** The Vale of Glamorgan Council has acted as host for a Shared Regulatory Service (SRS) since May 1st, 2015. There was a favourable variance of £83K on the Regulatory Services base budget, held by the Vale of Glamorgan Council for its own share of the service. Included within this figure is £44K which relates to the repayment to the Vale of Glamorgan of its apportionment of the underspend from the SRS during 2020/21, which was allocated following approval by the Joint Committee in September 2021. This underspend allowed a £83K transfer to the Regulatory Services reserve.

## **Council Fund Housing - Breakeven**

- 2.91** There were adverse variances totalling £193K with the majority of that figures, some £124K, due to unfunded costs of the CCTV service for the year. Recovery of housing benefit income from tenants placed in temporary accommodation was lower than anticipated by £31K during the year. There were adverse variances within the Community Safety service of £14K on Cadoxton House as running costs exceeded the rental income received on the property - officers are reviewing future capacity and opportunities for the property. There were also various smaller adverse variances totalling £30K.
- 2.92** There were favourable variances totalling £100K, with £52K relating to the Homelessness Prevention team, due mostly to staff vacancies. The Community Safety Coordinator employee budget also had a £33K favourable variance due to savings from vacancies and maternity leave within the team. A £6k budget was not needed for the Pre-Tenancy Advisor post as a regional solution has been established. There was also a £9K favourable variance on the Domestic Abuse Service as the service has sourced additional funding opportunities during the year.
- 2.93** This position allowed a net transfer of £93K from reserves - £44K into the Community safety reserve. £3K was needed from the Homelessness reserve and £10K was needed from the Supporting People reserve and £6k was needed as match funding for the Rural Housing Enabler Grant. £124K was also drawn down from the Regulatory reserve to cover the cost of the CCTV service for the year.

## **Corporate Resources**

### **Resources - Favourable variance of £1K**

- 2.94** Finance (Excl. Internal Audit Shared Service) – Favourable Variance of £248K
- 2.95** There was an adverse variance of £40K on general running expenses mainly relating to the cost of postages.
- 2.96** There were favourable variances on staff of £146K. The variances were in Housing Benefits/Council Tax/Exchequer £89K, Accountancy £34K and Fraud £23K. There were also favourable variances on income of £142K mainly attributable to Revenues court income and additional grant payments from the DWP.

### **Internal Audit Shared Service – Breakeven**

- 2.97** The existing Shared Audit Service between Bridgend and the Vale of Glamorgan Council was merged with the internal audit teams at Merthyr Tydfil and Rhondda Cynon Taf County Borough Councils to form an expanded Regional Internal Audit Service which was effective from April 2019.

- 2.98** There was an adverse variance on general running expenses of £54K mainly in relation to external staff engagement. There were favourable variances on staffing of £278K relating to vacant posts.
- 2.99** The underspend of £224K has been transferred to the Internal Audit Shared Service reserve.
- 2.100** The 2020/21 surplus to partners was paid during 2021/22 and amounted to £138K however there was a transfer of £138K from the IASS reserve during the year in relation to the 2020/21 surplus.

#### **Oracle Cloud Implementation – Adverse Variance of £1K**

- 2.101** There was an adverse variance of £636K however this has been offset by a transfer of £635K from the Computer Fund.

#### **Covid Grants/Administration Fees - Breakeven**

- 2.102** A number of WG funded grants and administration fees were received during the year:-
- 2.103** An administration fee of £158K was received from WG in respect of NDR business support. There is also a surplus of £3K in respect of the 2020/21 NDR business support administration fee received from WG. The Council also received an administration fee of £122K from WG to support the isolation payment hardship scheme. There was a surplus of £109k after employee related costs of £13K. In addition, the Council received an administration fee of £86K from WG to support the winter fuel hardship scheme. There was a surplus of £82K after employee related costs of £4K
- 2.104** The Council was received an allocation of grant of £825K in respect of the Discretionary Cost of Living Support Scheme which will be delivered during 2022/23.
- 2.105** The breakeven position is after a transfer of £352K to the Welfare Reform Reserve and a transfer of £825K to the Cost of Living Support Reserve.

#### **ICT – Adverse Variance of £148K**

- 2.106** There was an adverse variance of £356K on general running costs. The variance includes a shortfall in respect of the ICT savings target that has not been fully achieved (£200K). The variance on general running costs also includes expenditure of £201K earmarked for reserve funding. There was also an adverse variance of £79K in relation to the cost of agency staff.

**2.107** There was a favourable variance of £86K on staffing arising mainly from vacant posts. A transfer of £201K was made during the year from the Council's reshaping reserve and Computer Fund.

#### **Property and Office Accommodation – Favourable Variance of £83K**

**2.108** There was an adverse variance of £290K on recharges to capital.

**2.109** There were favourable variances on staffing of £334K relating to vacant posts and a saving of £113K on office accommodation costs. The favourable office accommodation variance related to savings on repairs/maintenance £11k, utilities £49k, security/cleaning £22K, business rates £13K and window cleaning/materials £9k and other underspends totalling £9k.

**2.110** The overall favourable variance of £83K is after a transfer of £65K to the Property reserve. There was also a transfer of £9K to reserves in respect of repayments to the energy fund.

#### **Human Resources – Adverse Variance of £1K**

**2.111** There were adverse variances on general running expenses of £87K mainly attributable to failing to meet the savings target on collaborative working. There was also a shortfall of £5K in respect of the annual income target.

**2.112** There was a favourable variance of £55K in respect of employee costs arising from staff vacancies.

**2.113** The final position is after a transfer of £36K from the Human Resources reserve.

#### **Policy & Business Transformation – Adverse Variance of £170K**

**2.114** There were adverse variances on the employee budget of £44K due to the cost of reserve funded posts. The posts were subject to a planned drawdown of £191K from departmental reserves. There was also an adverse variance of £17K on general running costs that related to ICT purchases and annual subscription costs. The variance also includes the cost of implementing the new Digital Customer Experience Platform to replace the existing on-premise Oracle CRM (£191K). The project costs were subject to a planned drawdown from reserves. Reserve funding has not been necessary.

**2.115** There was a favourable variance of £82K on departmental income as a result of securing grant funding from the WLGA & WG, contributing towards service overheads.

## **Legal & Democratic Services**

### **Management/Legal Services/Elections – Adverse Variance of £135K**

**2.116** There were adverse variances in Legal Services of £178K on staff due to the cost of reserve funded posts and agency costs. The posts are subject to a planned drawdown from reserves. There was an adverse variance of £82K on general running costs relating to consultancy/professional fees of £32K, counsel/legal fees of £19K, ICT/Communication costs of £12K, subscription costs of £9K, a compensation payment of £7K and Elections £3K. There was also an adverse variance on income of £70K resulting from a shortfall from Cardiff County Council in respect of external legal work.

**2.117** The adverse variance has been partly offset by a transfer of £124K from the Legal/Election Services Reserve and £71K from the Social Services Reserve.

### **Democratic Services – Favourable Variance of £125K**

**2.118** There was an adverse variance of £26K on general running costs mainly relating to ICT expenditure. There was also an adverse variance of £6K on the Joint Coroner service resulting from increased pathology costs and undertaker fees.

**2.119** There were favourable variances in Democratic Services of £157K arising from savings of £90K on staff costs as a result of vacancies, a saving of £14K on the Mayor's operational budget and additional income receipts of £53K mainly attributable to Registrars.

## **Child Burials**

**2.120** Funding was received from WG relating to Child Burials. At year end there was a surplus of £16K which was transferred to the Child Burial reserve.

### **Regeneration - £1K favourable variance**

**2.121** There have been a number of adverse variances totalling £187K. Revenue contributions to capital totalling £33K were needed to fund capital outlay in the country parks and business premises. Planned drawdowns from reserves totalling £86K were not needed as there were underspends elsewhere in the Division. There was an adverse variance of £68K to undertake an iTree survey for Ash die back throughout the authority.

**2.122** There were favourable variances totalling £175K. There were lower than planned staffing costs in the division due to vacancies and this resulted in a favourable variance of £31K on staffing for the Division. The Landscape Team exceeded their income target by £6K due to high levels of rechargeable works for the section and similarly the Project Management Unit exceeded their income target by £9K as more work was rechargeable. There was also a favourable variance on

workshop facilities run by the division of £17K. Additional car parking income fees of £60K were taken in-year within the service. There was also a favourable variance of £15K contingency budget set up for the Country Parks for assisting to fund anticipated capital outlay costs as mentioned in the previous paragraph. Travel costs for the Division were some £8K under budget, due largely to the reduction in pool car use during the year. There were also various smaller favourable variances totalling £29K.

**2.123** Transfers to reserve were made for Car parking fees of £60K for future re-investment in the Country Parks and £12K was transferred into a ring-fenced reserve from the underspend on a property budget at 198 Holton Road which, in agreement with the Welsh Government, can be rolled forward and used to fund future regeneration projects in the area. £125K was transferred into the Planning & Regeneration reserve to carry forward funding for the Levelling up bid. £25K was transferred in for tourism projects and £25K for future investment in Country Parks

**2.124** To offset the above there were planned drawdowns of £260K from reserves, which is broken down as follows - £68K was drawn down from the Project Zero Reserve for the iTree survey. £25K drawn down from the Regeneration fund reserve for consultant's fees for the Council's levelling up bid. £8K was drawn down from reserves for grant match funding for the Heritage Lottery Fund's Making Waves Grant. £60K for the Rural Development Programme was drawn down from reserves as there was an adverse variance on the service due to lower than anticipated external match funding income. The budget also included a planned drawdown from reserves of £99K for the year's Vale-wide events programme.

### **Development Management - Breakeven**

**2.125** There was an adverse variance totalling £94K within the division. £25K of this is due to Planning fee income being below budget. Due to favourable variances within the division there was no need to draw down a planned £52k from reserves for s106 administration fees. In addition, there were also various other small adverse variances totalling £17K

**2.126** There have been a number of favourable variances during the year totalling £130k. As work on the Local Development Plan (LDP) during the year required less spend than anticipated there is a £29K favourable variance in that budget. Staff recharges yielded the Policy section £15K income. There were £38K employee-related savings within in the division. The sum of £48K was also drawn down from the Building Control Trading Account reserve, relating to the Trading Account.

**2.127** This favourable position allowed £29K to be transferred into the LDP reserve and £7K to the Regeneration and Planning reserve to contribute to staffing costs in 2022/23.

### Private Sector Housing : Grants- Breakeven

- 2.128** There were adverse variances totalling £50K. A revenue contribution to capital of £10K was required to cover overspends on the capital project 'Disabled Access Toilets at Barry Island and Cosmeston'. There was also an adverse variance of £40K due to a lower than budgeted drawdown from reserves to fund the cost of the Occupational Therapist post in the Disabled Facility Grants Team.
- 2.129** There have been a number of favourable variances totalling £95K. Due to income from the Welsh Government Hardship Fund in 2021/22 the Disabled Facilities Grant fee income matched the 2019/20 actual receipts and this was £6K higher than the budget. There was also a favourable variance of £21K as the new IT solution for DFGs cost less than had been estimated. Staffing cost savings in the division of £30K were also realised, due to vacancies and maternity leave. Travel costs for the Division were some £5K under budget, due largely to the reduction in pool car use during the year. Administration fees and penalty fee income on Home Loans were also higher than anticipated by £4K during the year. There were also various smaller favourable variances totalling £29K.
- 2.130** This favourable position allowed £45K to be transferred into the Private Sector Housing reserve.

### Private Sector Housing : Rent Allowances - Breakeven

- 2.131** There was an adverse variance of £14K on the annual audit fee, and £49K on Housing Benefit/Administration subsidy received from the Department for Works and Pensions. The adverse variance on DWP subsidy is mainly attributable to the effects of welfare reform in terms of migrating Housing Benefit claims over to universal credit, impacting on the subsidy the Council receives on its overpayments. There was a favourable variance of £321K on the bad debt provision. The underspend of £258K has been transferred to the Welfare Reform reserve.

### General Policy - Adverse Variances £32K

- 2.132** The transfers to reserves in this budget area were as follows;

Reserve	Transfer To/(From) Reserves
	£'000s
Electric Vehicles	408
Waste Transfer Station	849
Democratic and FOI	42
Building Stronger Communities	(15)
Staff Awards	5
School Investment Strategy Reserve	(1,137)
Displaced Free School Meals Reserve	1,137

Schools Maintenance Grant	2,238
BFCC Leasing Reserve	135
Project Zero	299
Corporate Governance	(102)
Welfare Reform Reserve	(233)
Vehicles Repairs and Renewals	1,244
Elections	41
Draw down from reserves for funding displacement (Capital grants)	(1,893)
Transfer to Council Fund	642
Resurfacing and Structural Improvements	2,420
Country Park Capital Schemes	276
Total	6,356

- 2.133** There was a favourable variance at year end of £2.819M. Of this £3.057M related to capital charges. A prudent approach was taken due to the uncertainty of interest rates and the Council undertook internal borrowing in line with its Treasury Management Strategy. The Council is currently able to borrow internally due to the level of Council reserves, however, going forward the ability to internal borrow will depend on the level of reserves and these are planned to be reducing in the near future. There was a favourable variance of £42K on Town Twinning and hospitality which was transferred into the Democratic and FOI reserve, £94K relating to Energy Management Income and £204K relating to Carbon Allowances which were transferred into the Project Zero reserve.
- 2.134** There was an adverse variance of £102K on Welsh Translation and Valuation costs that were funded from a transfer from the Corporate Governance Reserve. A contribution received from BFCC to offset the costs of leased equipment in primary schools was transferred into the Catering Equipment Reserve. A budgeted contribution for election costs £41K was transferred into a reserve to offset the costs of the local election.
- 2.135** There was an adverse variance of £94K on the operation of the Penarth Pier Pavilion during 2021/22. There was a drawdown from the Welfare reform reserve to offset the costs of Discretionary rates relief that is operated by the Council. The Council also agreed to fund additional resurfacing costs required in year at a cost of £326K.
- 2.136** In addition to this sum as part of the arrangements for the Vehicles Repair and Renewals scheme recharged income and receipts from the sale of vehicles totalling £1.244M were transferred into the Vehicles Repairs and Renewals Reserve.



## **2.137 Council Tax - Breakeven**

The Council Tax budget is in surplus by £1.903M and in addition a £390K underspend on the Council Tax Reduction scheme. At year end WG provided a grant of £1.249m to help support the reduced collection rates. However the in year cash position was improved as the Council was able to collect arrears from previous years and an year increase in the Council tax base reflects an increase in development across the Vale of Glamorgan. Also the cash position is improved as in order to come to the year end Council Tax surplus an assessment has to be made of the level of arrears that has accrued during 2021/22 that will eventually be collected and this income has to be added to the actual cash collected. The Council has however decided to increase the provision for bad debt by £605K.

**2.138** With the additional WG grant, £1.249M has been transferred into reserves, this sum will be ringfenced to support the Council's ongoing response to the impact of the COVID-19 Pandemic.

## **Housing Revenue Account**

**2.139** Council on 10th March, 2021 (minute no.473) agreed the Authority's 2021/22 Housing Revenue Account (HRA) budget.

**2.140** The 2021/22 Housing Revenue Account (HRA) resulted in a surplus of £5.438m compared to the amended budget deficit of £11.085M. A breakdown is shown in Appendix 2. The HRA reserve balance opened at £12.000M and closed at £17.438M. This level is higher than the figure projected in the current Housing Business Plan, mainly due to a reduction in the required revenue contribution to capital. The level of this balance will therefore be reviewed as part of the production of the next Housing Business Plan.

**2.141** The net favourable HRA revenue budget variance of £16.523M is identified over the following areas.

**2.142** Supervision & Management General – Favourable Variance £236K

There were adverse variances on £1K to transfer to reserves.

There were favourable variances of £237K. £101K relating to vacant staff posts and apprentices, £27K on Central recharges due to a reduced contribution, £8k on premises, £90K relating to supplies and services mainly due to a reduction in leaflets, publications, surveys, hardware and software purchases for a new Housing system and £10K relating to transport due to a reduction in the use of pool cars due to COVID-19.

**2.143** Supervision and Management Special Services – Favourable Variance £90K

This budget is split into three areas, Ty Iolo Homeless Hostel, Vale Temporary Accommodation and Vale Special Services. The term 'Special Services' relates to communal costs for all housing areas throughout the Vale of Glamorgan, including sheltered accommodation, such as grass cutting, rubbish removal, communal lighting, security, warden salaries and environmental improvements.

There were adverse variances on Special Services of £1K relating to employee costs.

There were favourable variances on Special Services of £63K relating to premises cost such as Cesspit/Sewage maintenance, utilities, and fixtures & fittings.

There was also a favourable variance of £28K on supplies and services due to an underspend on Environmental improvements.

**2.144** Housing Repairs – Adverse Variance £328K

There were adverse variances on planned and cyclical maintenance mainly as a consequence catching up on works that were not completed due to COVID-19 and an increase in costs.

**2.145** Capital Financing Costs – Favourable Variance £138K

Interest charges were lower than originally estimated due to that no borrowing was required during the year to fund the Housing Investment Programme.

**2.146** Rents, Rates, Taxes and Other Charges – Favourable Variance £15K

This is mainly due to rates, general legal expenses and consultant fees.

**2.147** Increase in the Provision for Bad and Doubtful Debts – Favourable Variance £69K

This is mainly due to the tenant actual arrears being less than forecasted.

**2.148** Capital Expenditure from Revenue Account – Favourable Variance £16.110M

It was not possible to fully spend the initial 2021/22 capital budget, mainly due to delays in procurement and staff turnover on various schemes. Slippage has been requested into 2022/23 for continuation of the Holm View phase 2, Hayes Road scheme etc. Contributions from leaseholders and additional capital grants has also reduced the level of revenue contribution required to fund capital expenditure. This has led to an increased balance on the HRA Reserve.

**2.149** Dwellings Rents – Favourable variance £21kK

Dwelling rents collected were higher than budgeted.

**2.150 Non Dwelling Rents – Adverse variance £9K**

Rents collected on garages were slightly higher than budgeted.

**2.151 Interest Received – Favourable variance £15K**

The HRA reserve had a higher closing balance at year end than forecast and the interest rate during the year had increased.

**2.152 Charges for Services and Facilities – Favourable variance £31K**

This is mainly due to additional income of £14K from housing repairs recharges. Other favourable variances were £6k lighting, £3K door entry, grounds maintenance £5K and £3K on lease income.

**2.153 Contribution towards expenditure – Adverse variance £39K**

This adverse variance is largely due to the water commission received being less than budgeted by £41K. There was a favourable variance relating to the donations of £2K.

**2.154 Other Income – Favourable variance £174K**

This favourable variance is due to additional grants from Welsh Government, ICF, DWP, WLGA and Cardiff and Vale UHB.

**Insurance Fund**

**2.155** The total Insurance Fund comprises of both a provision and a reserve. The provision represents potential liabilities on known claims and the reserve relates to claims not yet made. An assessment was made as to the level of known claims, and it was considered that the level of the provision should be increased and therefore £41K was transferred into the provision to fund unknown potential claims in the future. There was a deficit on insurance transactions of £77K in year. A breakdown is shown in the following table.

	<b>Provision</b>	<b>Reserve</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
Opening Balance	<b>1,729</b>	<b>4,648</b>	<b>6,377</b>
Additional Provision Made	0	0	0
Surplus/(Deficit) on Insurance Transactions	0	(77)	(77)
Transfers In/(Out)	41	(41)	0
<b>Closing Balance</b>	<b>1,770</b>	<b>4,530</b>	<b>6,300</b>

## Trading Operations

**2.156** The Trading Organisations referred to in this section are made up of Building Maintenance, Caretaking & Security and Building Cleaning and Courier.

**2.157** The provisional figures for the Trading Services was breakeven and details are shown below:

	<b>Building Mtce</b>	<b>Building Cleaning</b>	<b>Caretaking and Security</b>	<b>Courier</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
(Surplus)/ Deficit	(61)	(51)	(86)	(15)	(213)
			Plus: Building Maintenance Twin Hat		(160)
			Less: Refund to HRA		25
			Less : Transfer to Building Services Reserve		347
			<b>SURPLUS</b>		<b>1</b>

**2.158** Explanations of the variances are shown earlier in the report.

## Reserves

**2.159** A reserve is an appropriation from a revenue account and does not constitute a cost of service until the expenditure is eventually incurred. A reserve does not cover a present obligation or liability and is a voluntary means of setting aside monies for future requirements either capital or revenue.

**2.160** A provision is a charge to revenue and is included as part of the cost of the relevant service at the point the provision is created. A provision covers a present obligation or liability that has occurred due to a past event and is compulsory under accounting regulations.

**2.161** As part of the 2021/22 and 2022/23 revenue budget setting process, each specific reserve had been reviewed and considered in light of the Council's priorities. It should be noted that there are considerable commitments which will require funding from reserves in the coming years, e.g. Band B 21st Century Schools Investment Programme.

**2.162** Attached at Appendix 4 is a schedule showing the Council's reserves as at 31st March 2022. The table below shows the net movements in reserves for 2021/22 relating to the Council Fund and for specific reserves. The table excludes the

HRA reserve as this is shown in Appendix 2 and the Insurance Fund where the movement has been detailed elsewhere in this report. The value of transfers out of reserves to fund capital expenditure is £1.191M with a net transfer into reserves of £18.151M. Transfers into reserves can be used to fund future revenue or capital expenditure.

<b>Net Movement on Reserves Excluding</b>	<b>Balance as at 31st March 2021 £000</b>	<b>Balance as at 31st March 2022 £000</b>	<b>Net Movement £000</b>
Council Fund	11,868	12,510	642
Social Services Reserves	11,293	13,778	2,485
Capital Reserves	34,149	38,640	4,491
Other Specific Reserves	21,055	25,510	4,455
Climate Change Reserves	1,975	1,671	(304)
<b>Total Movement</b>	<b>80,340</b>	<b>92,109</b>	<b>11,769</b>
Schools Reserves	6,639	13,139	6,500
<b>Total Incl Schools</b>	<b>86,979</b>	<b>105,248</b>	<b>18,269</b>
Insurance Fund	4,648	4,530	(118)
<b>Total Council Fund and Specific Reserves</b>	<b>91,627</b>	<b>109,778</b>	<b>18,151</b>

<b>Of which :-</b>	<b>£000s</b>
Reduction in reserves for Capital expenditure	(1,191)
Transfers into reserves from Revenue	+19,460
Insurance Fund	(118)
<b>Net Movement</b>	<b>+18,151</b>

**2.163** The transfers detailed above and highlighted in the narrative within the report have been included in Appendix 4.

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

- 3.1** The Council's revenue budget and therefore its expenditure is incurred in order to achieve its corporate priorities as set out in the Corporate Plan 2020-2025 through the 4 well-being outcomes.

### **4. Climate Change and Nature Implications**

- 4.1** At 31<sup>st</sup> March, 2022 the Council holds reserves specifically earmarked to support the Council's response to the Climate and Nature Emergency totalling £1.671m with further reserves earmarked within the Capital reserves shown.

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

#### **Financial**

#### **Revenue (Including Efficiency Targets)**

- 5.1** As part of the Final Revenue Budget Proposals for 2021/22, an efficiency target of £500k was set for the Council, which as a result of a positive settlement from WG, was greatly reduced from targets set in recent years. No efficiency target was set for schools. Attached at Appendix 3 is a statement detailing all efficiency targets for 2021/22.
- 5.2** Each efficiency target has been given a RAG status. Green indicates that it is anticipated that the target will be achieved in full within the year, amber indicates that it is considered that the saving in the year will be within 20% of the target and red indicates that the saving to be achieved in year will be less than 80% of the target.
- 5.3** Services were unable to fully achieve their efficiency targets this year, however will look to do so within 2022/23

#### **Employment**

- 5.4** There are no employment implications contained in this report.

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

- 5.5** The provisional outturn figures for the Council have been used in the preparation of the Statements of Accounts. Regulation 10(1) of the Accounts and Audit (Wales) Regulations 2014 (as amended) requires the Responsible Financial Officer to sign and date the Statement of Accounts and certify that they present a true and fair view of the financial position at the end of the year. This means

that for 2020/21 the Statement of Accounts should be certified by the Section 151 Officer by 31st May, 2022.

- 5.6** If it is not possible to meet this deadline the Council has to advertise that this has not happened and the reason why. Due to the pressures of the COVID-19 pandemic it was not possible to produce the Statement of Accounts by 31st May 2022 and the appropriate advert was placed. The Statement of Accounts was however be signed by the S151 Officer on 5<sup>th</sup> July, 2022.

## **6. Background Papers**

None.

	AMENDED BUDGET 2021/22 £000	Adjustments £000	FINAL AMENDED BUDGET 2021/22 £000
<b>Learning and Skills</b>			
Schools	98,509	0	98,509
Strategy, Culture, Community Learning & Resources	8,298	0	8,298
Directors Office	233	0	233
Additional Learning Needs & Wellbeing	3,068	0	3,068
Standards and Provision	3,846	0	3,846
<b>Total Learning and Skills</b>	<b>113,954</b>	<b>0</b>	<b>113,954</b>
<b>Social Services</b>			
Children and Young People	16,909	0	16,909
Adult Services	46,885	0	46,885
Resource Management & Safeguarding	6,986	0	6,986
Youth Offending Service	707	0	707
<b>Total Social Services</b>	<b>71,487</b>	<b>0</b>	<b>71,487</b>
<b>Environment and Housing</b>			
Neighbourhood & Transport Services	24,779	1,500	26,279
Building Services	0	0	0
Regulatory Services	1,825	0	1,825
Council Fund Housing	1,439	36	1,475
<b>Total Environment and Housing</b>	<b>28,043</b>	<b>1,536</b>	<b>29,579</b>
<b>Managing Director and Resources</b>			
Resources	527	540	1,067
Regeneration	1,919	143	2,062
Development Management	1,116	(143)	973
Private Housing	1,044	0	1,044
<b>Total Managing Director and Resources</b>	<b>4,606</b>	<b>540</b>	<b>5,146</b>
General Policy	<b>33,563</b>	<b>372</b>	<b>33,935</b>
Met from Reserves	0	0	0
<b>TOTAL NET BUDGET</b>	<b>251,653</b>	<b>2,448</b>	<b>254,101</b>



<b>HRA Income &amp; Expenditure</b>	<b>Amended Budget 2021/22 £000</b>	<b>Actual Outturn 2021/22 £000</b>	<b>Variance Fav +/- Adv - £000</b>	<b>%</b>
<b>Expenditure</b>				
Supervision & Management				
– General	4,043	3,807	236	6%
– Special	1,362	1,272	90	7%
Housing Repairs	3,543	3,871	-328	-9%
Capital Financing Costs	4,656	4,518	138	3%
Rent, Rates, Taxes and Other Charges	224	209	15	7%
Increase in Provision for Bad & Doubtful Debts	249	180	69	28%
Capital Expenditure from Revenue Account (CERA)	18,786	2,676	16,110	86%
	<b>32,863</b>	<b>16,533</b>	<b>16,330</b>	<b>50%</b>
<b>Income</b>				
Dwelling Rents	-20,598	-20,619	21	0%
Non Dwelling Rents	-162	-153	-9	6%
Interest	-5	-20	15	-296%
Charges for Services and Facilities	-526	-557	31	-6%
Contribution towards Expenditure	-282	-243	-39	14%
Grant Income	-205	-379	174	-85%
	<b>-21,778</b>	<b>-21,971</b>	<b>193</b>	<b>-1%</b>
<b>(Surplus)/Deficit for the year</b>	<b>11,085</b>	<b>-5,438</b>	<b>16,523</b>	<b>149%</b>

<b>HRA Reserve</b>	<b>Amended Budget 2021/22 £000</b>	<b>Actual Outturn 2021/22 £000</b>
Balance Brought Forward as at 1st April 2021	-12,000	-12,000
(Surplus)/Deficit for the Year	11,085	-5,438
Trf in re Community Benefits -New Builds		-1
<b>Balance Carried Forward as at 31st March 2022</b>	<b>-915</b>	<b>-17,439</b>

**PROGRESS ON APPROVED EFFICIENCIES 2021/22**

<b>Service</b>	<b>Total Efficiency</b>	<b>Projected Efficiency</b>	<b>RAG Status</b>	<b>Update Comments, Issues &amp; Actions</b>	<b>Relevant Scrutiny Committee</b>	<b>Project Manager</b>
	<b>£000</b>	<b>£000</b>				
<b>LEARNING AND SKILLS</b>						
Corporate Recovery and Efficiency Savings 21/22	48	48	Green		Learning & Culture	Trevor Baker
Pensions Adjustment	11	11	Green		Learning & Culture	Trevor Baker
<b>TOTAL LEARNING AND SKILLS</b>	<b>59</b>	<b>59</b>	<b>100%</b>	<b>Green</b>		
<b>SOCIAL SERVICES</b>						
Corporate Recovery and Efficiency Savings 21/22	76	76	Green	It is anticipated that savings can be achieved but this will need to be reviewed as the year progresses	Health Living & Social Care	Suzanne Clifton
Pensions Adjustment	3	3	Green		Health Living & Social Care	Suzanne Clifton
<b>TOTAL SOCIAL SERVICES</b>	<b>79</b>	<b>79</b>	<b>100%</b>	<b>Green</b>		
<b>ENVIRONMENT AND HOUSING</b>						
<b>Neighbourhood Services and Transport</b>						
Corporate Recovery and Efficiency Savings 21/22	133	65	Red	Savings have been made by increasing the income received from concessions and vacant posts within the service.	Environment & Regeneration	Emma Reed
Pensions Adjustment	3	3	Green		Environment & Regeneration	Emma Reed
Traffic Surveys	10	5	Red	There is still a high demand for traffic surveys however it is hoped some savings can be made	Environment & Regeneration	Emma Reed
Leisure Services	56	36	Red	A saving has been made at Holm View Leisure Centre	Health Living & Social Care	Emma Reed
<b>Total Neighbourhood Services and Transport</b>	<b>202</b>	<b>109</b>	<b>Red</b>			

**PROGRESS ON APPROVED EFFICIENCIES 2021/22**

<b>Service</b>	<b>Total Efficiency</b>	<b>Projected Efficiency</b>	<b>RAG Status</b>	<b>Update Comments, Issues &amp; Actions</b>	<b>Relevant Scrutiny Committee</b>	<b>Project Manager</b>
<b>General Fund Housing</b>						
Corporate Recovery and Efficiency Savings 21/22	4	4	Green		Homes & Safe Communities	Mike Ingram
<b>Total General Fund Housing</b>	<b>4</b>	<b>4</b>	Green			
<b>TOTAL ENVIRONMENT AND HOUSING</b>	<b>206</b>	<b>113</b>	<b>55%</b>	<b>Red</b>		
<b>MANAGING DIRECTOR AND RESOURCES</b>						
<b>Resources</b>						
Corporate Recovery and Efficiency Savings 21/22	62	35	Red	Approximately £35k of the target saving has been achieved permanently.	Corporate Performance & Resources	Carolyn Michael
Fraud & Income Recovery	50	50	Red	The additional fraud & income recovery saving has been added to the annual target (now set at £125k). To achieve the additional saving will depend on annual fraud income recovery during the year.	Corporate Performance & Resources	Mark Thomas
<b>Total Resources</b>	<b>112</b>	<b>85</b>	Red			
<b>Regeneration and Development Management</b>						
Corporate Recovery and Efficiency Savings 21/22	16	16	Green		Environment & Regeneration	Marcus Goldsworthy
<b>Total Regeneration and Development Management</b>	<b>16</b>	<b>16</b>	Green			
<b>Private Housing</b>						
Corporate Recovery and Efficiency Savings 21/22	2	2	Green		Homes & Safe Communities	Marcus Goldsworthy
<b>Total Private Housing</b>	<b>2</b>	<b>2</b>	Green			
<b>TOTAL MANAGING DIRECTOR AND RESOURCES</b>	<b>130</b>	<b>103</b>	<b>79%</b>	<b>Red</b>		

**PROGRESS ON APPROVED EFFICIENCIES 2021/22**

<b>Service</b>	<b>Total Efficiency</b>	<b>Projected Efficiency</b>	<b>RAG Status</b>	<b>Update Comments, Issues &amp; Actions</b>	<b>Relevant Scrutiny Committee</b>	<b>Project Manager</b>
<b>Policy</b>						
Corporate Recovery and Efficiency Savings 21/22	13	13	Green		Corporate Performance & Resources	Carolyn Michael
Pensions Adjustment	13	13	Green		Corporate Performance & Resources	Carolyn Michael
<b>TOTAL POLICY</b>	<b>26</b>	<b>26</b>	<b>100%</b>	<b>Green</b>		
<b>TOTAL</b>	<b>500</b>	<b>380</b>	<b>76%</b>	<b>Red</b>		

Green = on target to achieve in full  
 Amber = forecast within 20% of target  
 Red = forecast less than 80% of target

**ANALYSIS OF RESERVES****APPENDIX 4**

<b>Name</b>	<b>Bal 01/04/21 £000</b>	<b>In £000</b>	<b>Out £000</b>	<b>Est Bal 31/03/22 £000</b>	<b>Comments</b>
<b><u>Housing Revenue Account</u></b>	<b>12,000</b>	<b>5,439</b>	<b>0</b>	<b>17,439</b>	The fund is ring fenced by statute for use by the Housing Revenue Account (HRA). As well as acting as a working balance for the HRA, it is also used to fund repairs and the capital programme.
<b><u>General Reserves</u></b>					
Council Fund	<b>11,868</b>	<b>655</b>	<b>-13</b>	<b>12,510</b>	The working balance of the Authority can be used to support Council Fund expenditure or to reduce the Council Tax. The minimum recommended level in the view of the S151 Officer is £10m.
<b><u>Specific Reserves</u></b>					
<b><u>Learning and Skills</u></b>					
Schools Rationalisation and Improvements	<b>1,167</b>	<b>0</b>	<b>-434</b>	<b>733</b>	This reserve will meet the costs of school restructuring and reorganisation and support schools in the improvement of their teaching and learning facilities.
Education Pressures	<b>452</b>	<b>418</b>	<b>0</b>	<b>870</b>	To fund pressures faced by Learning and Skills.
Additional Learning Needs	<b>375</b>	<b>776</b>	<b>0</b>	<b>1,151</b>	Reserve established to be utilised to support the delivery of the ALN act.
Wellbeing and Family Engagement	<b>0</b>	<b>695</b>	<b>0</b>	<b>695</b>	New reserve established to support Education Other Than At Schools (EOTAS) the new centre for Learning and Wellbeing and enhanced primary provision.
Welsh Immersion	<b>0</b>	<b>80</b>	<b>0</b>	<b>80</b>	Fund to be utilised to support the expansion of Welsh Immersion provision in the Vale of Glamorgan.
School Deferred Pensions	<b>335</b>	<b>0</b>	<b>-19</b>	<b>316</b>	To initially fund pension costs for schools staff which will be reimbursed by schools over a number of years.
Schools invest to save reserve ER/VR	<b>62</b>	<b>138</b>	<b>0</b>	<b>200</b>	To assist with the cost of redundancies in schools

Sports Facilities	6	0	0	6	Funding transferred from Pen y Garth Primary School in order to provide a budget to fund ad hoc repairs and maintenance required to sports hall.
Culture Fund	290	0	0	290	To finance the improvement of Library services. £50k required in 2020/21 to matchfund the Penarth Library MALD capital project.
Adult Community Learning	118	21	0	139	To finance initial reshaping costs as a result of the anticipated changes in the way adult learning is funded across Wales.
Kickstart	0	52	0	52	
Community For Work Exit Strategy	66	67	0	133	To pay potential redundancy costs if Welsh Government grants were discontinued.
Youth Service	51	76	0	127	To assist with the implementation of the Youth Engagement & Provision Framework in schools as well as initial costs in relation to the reshaping of the Youth service. The reserve will be used to purchase a bus for the Youth service during 20/21. The remaining balance will be required to matchfund the Inspire to Work ESF project.
Catering	117	0	0	117	To support any issues relating to the Catering trading company.
Catering Equipment Renewals	88	134	-41	181	Repairs and renewal fund for catering equipment in Schools.
<b>Social Services</b>					
Legislative Changes	8,227	2,525	0	10,752	To cover additional burdens on the authority due to changes in legislation eg Social Services and Well-being (Wales) Act 2014 , Deprivation of Liberties Standards and other pressures on the service.
Social Services Pressures	1,913	0	-186	1,727	To cover short term childrens placements which have a high cost e.g. remand, that cannot be accommodated within the current operational budget.
Social Services Development	350	0	0	350	To cover costs of implementing service development and contingency for premises maintenance
Grant Exit Strategy	630	0	0	630	To pay potential redundancy costs if Welsh Government grants were discontinued.
Youth Offending Service	173	146	0	319	To assist with potential reductions in grant funding in future years and to carry out works at YOS building

**Environment and Housing**

Neighbourhood Services	<b>3,390</b>	<b>1,147</b>	<b>-850</b>	<b>3,687</b> To be used for initiatives to improve Neighbourhood Services, including Parks and Highway services plus any potential costs of waste disposal initiatives.
Bad Weather	<b>470</b>	<b>0</b>	<b>0</b>	<b>470</b> To fund necessary works during periods of severe weather conditions.
Building Services Improvement	<b>355</b>	<b>347</b>	<b>0</b>	<b>702</b> Monies set aside for improvements to the Building Services department.
Civil Parking Enforcement	<b>0</b>	<b>127</b>	<b>0</b>	<b>127</b> Fund which contains surpluses generated by the Civil Parking Enforcement function. Funds can be re-invested into future Highway/Environmental schemes or additional staffing resources.
Waste Management Contingency	<b>0</b>	<b>250</b>	<b>0</b>	<b>250</b> Funding set aside to reduce the impact on the waste management budget of any decrease in the value of income received for recycling materials collected.
Rural Housing Needs	<b>58</b>	<b>0</b>	<b>-7</b>	<b>51</b> To be used to fund Rural Enabler post.
Homelessness and Housing	<b>725</b>	<b>0</b>	<b>-3</b>	<b>722</b> This sum will be used to support homelessness prevention work.
Housing Strategy	<b>10</b>	<b>0</b>	<b>0</b>	<b>10</b> This funding will be used to produce the Housing Strategy including facilitating consultation events.
Supporting People	<b>95</b>	<b>0</b>	<b>-9</b>	<b>86</b> To continue to provide housing support.
Community Safety	<b>5</b>	<b>45</b>	<b>0</b>	<b>50</b> To fund community safety initiatives.
Gypsy Traveller	<b>1,052</b>	<b>0</b>	<b>-3</b>	<b>1,049</b> To support the provision of a Gypsy/Traveller site and Gypsy Liaison Officer.
Regulatory Improvements	<b>298</b>	<b>83</b>	<b>-125</b>	<b>256</b> Monies set aside for Regulatory Services issues and to be used for any future issues arising from the shared services collaboration.

**Place****Regeneration and Planning**

Private Sector Housing	<b>225</b>	<b>45</b>	<b>0</b>	<b>270</b> To fund initiatives for Private Sector Housing, including an Occupational Therapist within the DFG team.
Local Development Plan	<b>354</b>	<b>29</b>	<b>0</b>	<b>383</b> Set aside for costs relating to the production of the Local Development Plan.
Regeneration Fund	<b>465</b>	<b>0</b>	<b>-25</b>	<b>440</b> To fund various regeneration schemes in the Vale.

Holton Road Surplus	24	12	0	36	Ringfenced sum for Holton Road regeneration.
Regeneration & Planning	996	114	0	1,110	Monies set aside to cover various commitments within the service.
Country Car Parking Porthkerry	0	33	0	33	Ringfenced car parking income to be utilised to enhance facilities at Porthkerry Country Park.
Country Car Parking Cosmeston	0	27	0	27	Ringfenced car parking income to be utilised to enhance facilities at Cosmeston Country Park.
Planning Fees	100	0	0	100	To provide for reduction in planning fees income.
Planning Legal Challenge	50	0	0	50	To provide for reduction in planning fees income.
Building Control	212	0	-48	164	Reserve set aside to fund future deficits on the ringfenced Building Control Trading Account.
Donations	31	15	0	46	Income received from visitors which is used to fund general projects and to match-fund expenditure incurred by the Friends of the Heritage Coast.
Planning Enquiries	14	0	0	14	Funding set aside for costs associated with responding to Planning enquiries.
<b>Corporate Resources</b>					
Welfare Reforms	1,021	611	-733	899	To fund pressures on the Authority resulting from changes to the Welfare Benefit System. This reserve could be used to finance any Department for Work and Pensions projects.
Financial IT System	13	0	0	13	To fund the costs of implementing IT systems in Finance
Internal Audit	142	0	0	142	To provide training and support development of Internal Audit staff.
Shared Internal Audit Service	399	86	0	485	Balance held on behalf of the partners for the shared audit service.
Legal	415	0	-124	291	To fund the appointment of temporary posts to support the service.
Trainee Appointments	601	0	0	601	To fund the appointment of trainees and interns to support services and the Reshaping Service programme.
Legal Claims	1,870	0	0	1,870	To fund future legal cases and judicial reviews.
Child Burial	52	16	0	68	Ring fenced grant funding received from Welsh Government.
Human Resources	141	0	-37	104	Funding is used to finance the appointment of apprentices and other operational costs.



Property	0	65	0	65	Funding will be used for office accommodation improvements and other projects in Property.
Performance and Development	377	0	0	377	To fund the purchase of hardware, software and equipment and to fund the appointment of trainees and interns to support the service.
Democratic & Freedom of Information	112	7	0	119	To be used to fund IT and other equipment required to support department.
<b>Corporate</b>					
Election Expenses	453	40	0	493	Set aside for the Council and other elections costs.
Corporate Governance	338	0	-102	236	This reserve has been set aside in respect of local government governance and development issues.
Covid Response Reserve	0	1,249	0	1,249	To support the Council's ongoing response to the Covid 19 Pandemic
Early Retirement Fund	973	0	-500	473	Corporate Funding to support Early Retirement arrangements as part of reorganisation and restructures.
Cwm Ciddy Challenge Funding	16	0	0	16	Ring fenced funding for Cwm Ciddy Challenge
Discretionary Cost of Living	0	825	0	825	Ringfenced Grant Funding to support the delivery of the Discretionary Cost of Living Scheme
Socio Economic Mapping	500	0	0	500	To implement Socio Economic Mapping and Recovery
Wellbeing and Leisure	350	0	-3	347	To fund Wellbeing and Leisure initiatives
Events	180	0	-99	81	To provide funds to promote the Vale of Glamorgan particularly in respect of tourism and economic development.
Insurance Fund	4,648		-118	4,530	To fund potential future claims on the Authority based upon historical evidence. This is reviewed annually. No prediction for future use has been included at present and claims can have a long lead time.
Energy Management Fund	225	66	0	291	Energy saving schemes initially funded from this reserve and transfers in relate to the repayments to the fund from services once savings are achieved and income from renewable energy sources.
Green Infrastructure and Climate Change Reserve	1,250	0	-600	650	This reserve has been set up to provide funds for Environmental Initiatives across the Vale of Glamorgan.

Project Zero	500	298	-68	730	This reserve has been set up to provide funds for Environmental Initiatives across the Vale of Glamorgan.
Reshaping Services	517	0	-4	513	To fund one off costs that will be incurred during the implementation of the Council's Reshaping Services programme.
Digital Reshaping	220	0	0	220	Invest to save funding to support the implementation of new digital ways of working and to update current systems.
Interpretation Services for Asylum Seekers	98	0	0	98	To provide support and interpretation services for asylum seekers.
Stronger Communities Fund	206	0	-15	191	To enable community groups, the voluntary sector and town and community councils to apply for revenue and capital funding that promotes initiatives within the Vale of Glamorgan consistent with the Council's vision of "Strong communities with a bright future".
Mayors Foundation	5	1	0	6	Ringfenced funding to be issued as grants.
Staff Employment Awards	0	5	0	5	Ringfenced funding to support delivery of Staff Employment awards event.
<b>Capital</b>					
City Deal	1,898	0	0	1,898	To be used to contribute towards the City Deal which will generate significant economic growth and to improve transport and other infrastructure within the Cardiff Capital Region.
Coastal Works	607	0	-32	575	To assist in funding the ongoing liabilities that will arise following the coastal developments in the Vale, maintaining the impact of the significant investment made.
Waste Transfer Station	1,498	849	0	2,347	Establishment of a Waste Transfer Station.
ICT Fund	3,980	76	-1,324	2,732	Set aside to meet the costs of replacement and renewal of computer hardware and software, telecommunication systems and infrastructure. Transfers in include the repayment back into the fund from schools and other services relating to IT loans.
Capital Scheme Commitments	3,076	1,384	0	4,460	Set aside for capital schemes to be undertaken
Free School Meals Adaptations	0	1,138	0	1,138	Used to carry forward displaced existing capital funding as a result of receiving WG grant and to be spent on supporting the implementation of free school meals.

School Investment Strategy	<b>8,562</b>	<b>1,323</b>	<b>-1,849</b>	<b>8,036</b> To be used to fund schemes identified as part of the Schools Investment Programme including the Sustainable Communities for Learning programme.
WG Schools Capital Grant	<b>2,313</b>	<b>2,413</b>	<b>-2,313</b>	<b>2,413</b> Used to carry forward displaced existing capital funding as a result of receiving WG grant and to be spent on capital expenditure in schools.
Resurfacing and Structural Improvements	<b>0</b>	<b>2,420</b>	<b>0</b>	<b>2,420</b> To be used to fund capital expenditure on road resurfacing and structures e.g. The Eastern Shelter
Country Park Capital Schemes	<b>0</b>	<b>276</b>	<b>0</b>	<b>276</b> To be used to fund capital expenditure in the Country Parks including refurbishment of the toilets and ANPR systems in the car parks.
Capital Economic Regeneration Fund	<b>456</b>	<b>0</b>	<b>-61</b>	<b>395</b> To finance capital economic regeneration schemes.
Investment and Growth Fund	<b>2,353</b>	<b>0</b>	<b>0</b>	<b>2,353</b> This fund is to be used to support the Non Treasury Investment Strategy Investment and Growth Fund.
Council Building Fund	<b>5,889</b>	<b>0</b>	<b>-424</b>	<b>5,465</b> The fund is available in respect of repairs and maintenance of Council Buildings.
Repairs and Renewals Vehicle	<b>1,743</b>	<b>1,282</b>	<b>-1,541</b>	<b>1,484</b> This fund is primarily for the replacement of plant and vehicles. Vehicles are purchased from the fund and the transfer in represents the equivalent "rental" amount reimbursing the fund.
Ash Die Back	<b>0</b>	<b>600</b>	<b>-39</b>	<b>561</b> To be used to tackle the Ash Die back across the Vale of Glamorgan.
Carbon Vehicles Reserve	<b>215</b>	<b>0</b>	<b>-175</b>	<b>40</b> New reserve for electric pool cars
Social Services Buildings	<b>506</b>	<b>0</b>	<b>-4</b>	<b>502</b> To fund the update of Social Services premises to meet the future demands of the service.
Social Services Electric Vehicles and Licences Pilot	<b>0</b>	<b>408</b>	<b>0</b>	<b>408</b> Funds displaced from additional RSG allocated by WG to support a pilot scheme with the independent care sector utilising electric vehicles, driving lessons and licences to enhance recruitment and retention.
ICF Capital	<b>300</b>	<b>0</b>	<b>-25</b>	<b>275</b> To be used as a contribution towards the Penarth Older Persons Village scheme.
Telecare	<b>753</b>	<b>109</b>	<b>0</b>	<b>862</b> Replacement fund for Telecare equipment and other service costs.

<b>TOTAL SPECIFIC RESERVES (excl HRA)</b>	<b>73,120</b>	<b>22,949</b>	<b>-11,940</b>	<b>84,129</b>
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Schools	<b>6,311</b>	6,460	0	<b>12,771</b>	Balances held by Schools as shown in Appendix
Additional Needs	<b>102</b>	72	0	<b>174</b>	
Ysgol Bro Morgannwg 3G Pitch				<b>50</b>	
Repairs	<b>0</b>	50			
Breakfast Club	<b>33</b>	22	0	<b>55</b>	
School Long Term Supply	<b>193</b>	0	-104	<b>89</b>	
<b>TOTAL SCHOOL RESERVES</b>	<b>6,639</b>	<b>6,604</b>	<b>-104</b>	<b>13,139</b>	

31/03/22	Est. Bal.	Net	Est. Bal.
	31/03/2021	Movement	31/03/2022
	£000's	£000's	£000's
Council Fund	11,868	642	12,510
Social Services Reserves	11,293	2,485	13,778
Capital Reserves	34,149	4,491	38,640
Climate Change	1,975	-304	1,671
Other Specific Reserves	21,055	4,455	25,510
Total Council Fund Reserves (excl. Schools and HRA)	80,340	11,769	92,109
Schools	6,639	6,500	13,139
Total Incl Schools	86,979	18,269	105,248
Insurance Fund	4,648	-118	4,530
<b>Total</b>	<b>91,627</b>	<b>18,151</b>	<b>109,778</b>

	Schools Balances as at 31st March	Balance 31.03.15	Balance 31.03.16	Balance 31.03.17	Balance 31.03.18	Balance 31.03.19	Balance 31.03.20	Balance 31.03.21	Balance 31.03.22
<b>Nursery Schools</b>	Bute Cottage Nursery	£10,423	£11,277	£13,011	£7,286	£16,626	£25,080	£64,096	£73,411
	Cogan Nursery	£32,686	£21,320	£23,342	£29,633	£27,041	£23,370	£78,664	£102,609
	<b>Total Nursery</b>	<b>£43,109</b>	<b>£32,597</b>	<b>£36,353</b>	<b>£36,919</b>	<b>£43,667</b>	<b>£48,450</b>	<b>£142,760</b>	<b>£176,020</b>
<b>Primary Schools</b>	Albert Primary	£62,501	£67,991	£97,944	£92,943	£97,269	£46,720	£112,591	£164,844
	All Saints Primary	£46,968	£20,523	£29,026	£61,781	£86,424	£58,021	£78,258	£152,724
	Barry Island Primary	£33,440	£76,811	£46,140	£33,287	£42,247	£2,976	£51,837	£113,260
	Cadoxton Primary	£18,400	£47,444	£11,567	£585	£71,851	£55,250	£170,253	£210,108
	Cogan Primary	£68,982	£119,178	£154,325	£65,066	£57,837	£39,913	£92,481	£135,142
	Colcot Primary	£13,317	£57,867	£51,715	£27,206	£34,257	<b>-£13,997</b>	£54,834	£79,832
	Dinas Powys Primary	£38,369	£4,691	£140	£16,662	£38,252	<b>-£18,872</b>	£130,199	£165,811
	Evenlode Primary	£31,443	£38,668	£10,072	£14,216	£14,511	£8,180	£108,453	£232,976
	Fairfield Primary	£30,796	£692	<b>-£35,471</b>	£0	£39,718	<b>-£29,219</b>	£20,824	£76,441
	Gladstone Primary	£34,991	£74,968	£77,848	£36,173	£43,676	<b>-£83,577</b>	<b>-£66,769</b>	£82,054
	Gwenfo Primary	£44,123	£87,600	£90,914	£69,376	£87,011	£15,738	£72,859	£128,976
	High Street Primary	£25,647	£34,027	£20,121	£23,624	£28,090	£19,051	£104,394	£189,596
	Holton Primary	£41,907	£73,207	£62,743	£58,740	£4,277	<b>-£39,992</b>	£123,000	£155,636
	Jenner Park Primary	£59,640	£70,073	£17,478	£64,626	£66,611	£36,562	£133,525	£235,529
	South Point Primary	£11,246	£8,485	£26,590	£35,199	£79,961	£97,519	£79,628	£51,722
	Llandough Primary	£29,889	£34,211	£57,378	£58,011	£72,049	£35,997	£45,683	£80,195
	Llanfair Primary	£10,827	£7,792	£14,516	£15,501	£23,359	£8,901	£59,013	£96,287
	Llangan Primary	£24,625	£35,781	£32,190	£56,781	£50,840	£35,195	£36,232	£13,744
	Llansannor Primary	£16,332	£16,497	£29,519	£77,881	£58,978	£10,726	£94,031	£150,957
	Oakfield Primary	£6,515	£15,727	£4,570	£60,695	£44,240	£28,365	£52,978	£153,479
	Palmerston Primary	£39,570	£20,702	£55,133	£73,552	£62,527	£2,395	£13,114	£44,240
	Pendoylan Primary	<b>-£8,922</b>	<b>-£38,751</b>	<b>-£40,573</b>	<b>-£49,736</b>	<b>-£23,465</b>	<b>-£15,161</b>	£37,680	£66,521
	Peterston Super Ely Primary	£20,192	£29,608	£30,689	£30,199	£29,239	£27,107	£49,754	£86,720
	Rhws Primary	£37,620	£47,681	£11,682	£17,094	£32,886	<b>-£44,486</b>	£23,726	£76,923
	Romilly Primary	£1,052	£25,765	£28,558	£23,776	£15,679	£5,775	<b>-£12,999</b>	£222
	St Andrews Major Primary	£12,207	£6,371	£20,914	£40,747	£39,942	£48,305	£108,755	£175,666
	St Athan Primary	£45,832	£49,755	£31,263	£54,815	£60,116	£44,007	£94,918	£148,588
	St Brides Major Primary	£159,432	£133,314	£128,531	<b>-£9,247</b>	£55,747	£13,648	£73,516	£173,615
	St David's Primary	£14,313	£10,508	£11	£15,398	£0	<b>-£10,671</b>	£25,683	£9,287
	St Helen's Primary	£65,198	£62,367	£30,608	£51,502	£25,902	£20,244	£102,140	£174,382
	St Illtyd Primary	£83,252	£68,477	£59,646	£57,392	£69,872	£29,785	£20,085	£146,979
	St Joseph's Primary	£24,935	£15,159	£12,649	£56,048	£39,743	£25,611	£87,327	£119,008
	St Nicholas CIW Primary	£16,082	£65,158	£69,470	£105,230	£73,061	£56,676	£88,316	£115,353
	Sully Primary	£47,166	£88,255	£73,299	£69,911	£77,263	£58,819	£168,509	£187,990
	Victoria Primary	£90,349	£83,350	£45,767	£41,212	£79,456	£34,759	£117,275	£257,582
	Wick & Marcross Primary	£90,789	£143,094	£71,813	£50,863	£86,718	£60,818	£141,179	£238,623
	Y Bont faen Primary	£43,937	£45,150	£50,098	£64,998	£55,340	£66,162	£134,721	£148,391
	Ysgol Dewi Sant	£148,280	£92,441	£41,205	£55,557	£38,984	£39,778	£108,246	£134,085
	Ysgol Gymraeg Gwaun Y Nant	£70,498	£48,040	£40,261	£30,501	£28,282	£16,041	£109,023	£207,619
	Ysgol Gymraeg Pen Y Garth	£31,813	£15,720	£0	£23,963	£23,662	£0	£21,273	£108,006
	Ysgol Gymraeg Sant Baruc	£10,148	<b>-£1,363</b>	<b>-£8,390</b>	£18,905	£46,421	£29,928	£133,011	£216,332
	Ysgol Iolo Morganwg	£87,039	£49,453	£26,633	£18,460	£35,645	£21,931	£74,876	£99,082
	Ysgol Sant Curig	£58,751	£61,094	£39,232	£32,003	£2,673	<b>-£55,697</b>	£96,494	£231,691
	Ysgol Y Ddraig	£37,661	£32,613	£22,299	£65,024	£58,011	£14,475	£336,678	£388,872
	<b>Total Primary</b>	<b>£1,877,152</b>	<b>£2,046,194</b>	<b>£1,640,123</b>	<b>£1,806,520</b>	<b>£2,055,162</b>	<b>£803,707</b>	<b>£3,707,604</b>	<b>£6,225,090</b>
<b>Age 3-19 school</b>	Ysgol Bro Morgannwg	£149,871	£250,546	£55,514	<b>-£52,067</b>	<b>-£23,075</b>	<b>-£112,535</b>	£204,895	£619,913
	<b>Total All-through</b>	<b>£149,871</b>	<b>£250,546</b>	<b>£55,514</b>	<b>-£52,067</b>	<b>-£23,075</b>	<b>-£112,535</b>	<b>£204,895</b>	<b>£619,913</b>
<b>Secondary Schools</b>	Whitmore High	£26,020	£53,110	£175,682	£22,298	£15,706	£7,317	£256,827	£799,563
	Pencoedtre High	£230,765	£320,939	£250,651	£246,711	£2,449	<b>-£160,884</b>	£189,226	£891,150
	Cowbridge Comprehensive	£589	£41,882	£22,207	£70,782	£72,883	<b>-£9,054</b>	£475,555	£973,071
	Llantwit Major Comprehensive	£85,214	£51,746	£98,824	£92,322	£99,723	£63,547	£331,122	£748,439
	St Cyres Comprehensive	<b>-£47,392</b>	<b>-£175,447</b>	<b>-£141,388</b>	£85,273	£32,039	<b>-£2,208</b>	£217,668	£563,493
	St Richard Gwyn Comprehensive	£2,673	£26,550	£54,310	£139,274	£132,459	£117,137	£276,328	£460,678
	Stanwell Comprehensive	£274,368	£188,044	£69,013	£75,130	£260,696	£1,563	£218,148	£534,797
	<b>Total Secondary</b>	<b>£572,237</b>	<b>£506,824</b>	<b>£529,299</b>	<b>£731,790</b>	<b>£615,955</b>	<b>£17,418</b>	<b>£1,964,874</b>	<b>£4,971,190</b>
<b>Special School</b>	Ysgol Y Deri	£65,762	£110,187	£60,528	£99,571	<b>-£11,807</b>	£82,010	£291,026	£779,017
	<b>Total Special</b>	<b>£65,762</b>	<b>£110,187</b>	<b>£60,528</b>	<b>£99,571</b>	<b>-£11,807</b>	<b>£82,010</b>	<b>£291,026</b>	<b>£779,017</b>
	<b>GRAND TOTAL</b>	<b>£2,708,131</b>	<b>£2,946,348</b>	<b>£2,321,817</b>	<b>£2,622,733</b>	<b>£2,679,902</b>	<b>£839,050</b>	<b>£6,311,159</b>	<b>£12,771,230</b>
	<b>Change on previous Year</b>		<b>£238,217</b>	<b>-£624,531</b>	<b>£300,916</b>	<b>£57,169</b>	<b>-£1,840,852</b>	<b>£5,472,109</b>	<b>£6,460,071</b>
	<b>Change on previous Year %</b>		<b>8.8%</b>	<b>-21.2%</b>	<b>13.0%</b>	<b>2.2%</b>	<b>-68.7%</b>	<b>652.2%</b>	<b>102.4%</b>

Nursery and Primary schools with balances in excess of £50,000	42	91%
Secondary, Special, 3-19 schools with balances in excess of £100,000	9	100%
Schools with balances of 5% or more of budget share	52	95%
Schools with balances of 10% or more of budget share	41	75%
Schools in deficit	0	0%