

THE VALE OF GLAMORGAN COUNCIL

CABINET: 11<sup>TH</sup> JANUARY, 2024

REFERENCE FROM CORPORATE PERFORMANCE AND RESOURCES  
SCRUTINY COMMITTEE: 13<sup>TH</sup> DECEMBER, 2023

“653 QUARTER 2 REVENUE MONITORING 2023/24 (DCR) –

The report was presented by the Head of Finance/Section 151 Officer, the purpose of which was to advise the Committee of the Quarter 2 Revenue Monitoring position for 2023/24, as follows:

- The revenue position for 2023/24 continued to reflect challenging demand and inflationary pressures (as was the case in Quarter 1), with increasing demand in respect of Children’s and Adults’ Social Care and significant increases in the cost of placements and care packages. Support for Additional Learning Needs continued to be an area of significant pressure within Learning and Skills. Overspends in these areas would be funded in year from Reserves. The Council was also experiencing continued inflationary pressures in respect of School Transport and overspends in Highways Maintenance.
- The Committee were informed that the budget for Corporate Resources was generally in good order, with the revised budget proposal set at £17.081m after a transfer for Corporate Recharges of £12.701m.
- The Council had identified a number of steps to be taken in year to help mitigate the emerging overspend, which included tighter controls on expenditure and recruitment, safeguard as well as review reserves, and a review of the Capital Programme. The Corporate Resources Directorate had identified a potential underspend and therefore a favourable variance of £300k to be offset against emerging overspends and there was a projected underspend of £1m against Council Tax income due to the projected collection of arrears, new properties, changes in allowances and premiums on empty homes. In addition, the situation around arrears had improved since the Pandemic.
- The Council also continued to maximise internal borrowing, thereby reducing external borrowing costs for the Council with current projections that the Council would have a surplus against this budget in 2023/24 of almost £1.4m.
- Key pressures on Corporate Resources included delays to the implementation of 2023/24 savings initiatives (i.e. the reorganisation of Council office space), Coroner Services Overspend of £70k, Legal Services income shortfall and the Annual Microsoft Licencing costs.
- Challenging savings and efficiency targets had been set for 2023/24 which included a target of £2.75m for schools and £4.628m of corporate savings. The Council reserves remained healthy but a large number were committed to delivering the Capital Programme. These were used for funding Council priorities, manage known risk and ringfenced budgets as well as investment. Transfers included those areas that needed to see a ‘smoothing’ out of pressures over the medium term, i.e. energy and homelessness. However, projected

reserves for year-end were forecast at £57m, down from £110m at the start of the year.

Following the presentation of the report, Councillor Dr. Johnson and the Vice-Chair, in the Chair, raised a number of comments and queries, which included:

- The ongoing importance of anticipating potential demands on and increased costs in key services provided by the Council, as well as other potential challenges or risks when setting the budget and reserves.
- The need for an equal focus on Education as well as Social Services, and on concerns that a number of schools within the Vale of Glamorgan were in deficit and therefore faced an impasse as they cannot have their budgets signed off due to structural and legislative constraints.
- Future reporting should breakdown and 'split' information on Additional Learning Needs (ALN) and Welsh Language information and resources with regards to education.
- The importance of monitoring the Capital Programme and Housing Revenue Account (HRA) effectively, in order to mitigate slippages and over / underspends as much as possible and ensure the 'synchronisation' of financial reports (revenue and capital).
- On the slippage of new builds and if overspends were being seen in other Welsh Local Authorities relating to Social Services, etc.

In response to these queries, etc., the Head of Finance/Section 151 Officer stated the following:

- The issues raised by Councillor Dr. Johnson were all areas that were of concern to the Finance team, particularly with regard to budget setting and in expectation of such budgetary pressures, additional resources had been provided to critical areas such as Social Services, which was challenging due to the increasingly complex issues and demands such services faced, in part linked to the effects of the Pandemic on children and young people and demands on Adult Services, in light of increasing challenges around funding. These trends were also being experienced by other Welsh Local Authorities.
- Currently, those Vale of Glamorgan schools in deficit could not have their budgets signed off, hence the use of the term 'in limbo'. The Council continued to manage and monitor the situation and assist as best it could, but it would be a challenge and require considerable resources in order to resolve. This appeared to be a structural issue and the Council stepping in to run the schools and their finances directly would not ultimately prove effective.
- On the HRA, Councillor Dr Johnson was correct on his summary of its position in relation to the Capital Programme and the relevant report had gone to Homes and Safe Communities Scrutiny Committee and Cabinet. HRA continued to strive in delivering the Capital Programme, but there remained challenges in terms of forecasting and the actual implementation i.e. the adverse impact of bad weather on construction / house building projects.
- On slippages on new builds this would be looked into and on overspends for other Local Authorities on Social Services, this trend was seen elsewhere, although this may be done to various, potentially different factors to those seen in the Vale of Glamorgan.

Scrutiny Committee, having considered the report,

RECOMMENDED –

(1) T H A T the position with regard the Authority's 2023/24 Revenue Budget be noted.

(2) T H A T the Revised Budget 2023/24 presented in this report be noted.

(3) T H A T the following comments from the Committee be referred to Cabinet for their consideration:

- The ongoing importance of anticipating potential demands on and increased costs in key services provided by the Council, as well as other potential challenges or risks when setting the budget and reserves.
- The need for an equal focus on Education as well as Social Services, and on concerns that a number of schools within the Vale of Glamorgan were in deficit and therefore faced an impasse as they cannot have their budgets signed off due to structural and legislative constraints.
- Future reporting should breakdown and 'split' information on Additional Learning Needs (ALN) and Welsh Language information and resources with regards to education.
- The importance of monitoring the Capital Programme and Housing Revenue Account (HRA) effectively, in order to mitigate slippages and over / underspends as much as possible and ensure the 'synchronisation' of financial reports (revenue and capital).

Reasons for recommendations

(1&2) Having regard to the contents of the report and discussions at the meeting.

(3) For Cabinet to consider the comments made by the Committee in relation to revenue and financial reporting going forward.”

Attached as Appendix – Report to Corporate Performance and Resources Scrutiny Committee: 13<sup>th</sup> December, 2023

Meeting of:	<b>Corporate Performance and Resources</b>
Date of Meeting:	<b>Wednesday, 13 December 2023</b>
Relevant Scrutiny Committee:	Corporate Performance and Resources
Report Title:	Quarter 2 Revenue Monitoring 2023/24
Purpose of Report:	To advise Committee of the Quarter 2 Revenue Monitoring position for 2023/24
Report Owner:	Director of Corporate Resources
Responsible Officer:	Matt Bowmer Head of Finance/Section 151 officer
Elected Member and Officer Consultation:	None
Policy Framework:	This is a matter for Executive decision by Cabinet.

**Executive Summary:**

The table below sets out the Revised Budget by Directorate.

Directorate	Revised Budget 2023/24 £000's	Projected Outturn 2023/24 £000's	Variance £000's	Unplanned Use of Reserves £000's	Residual Variance 2023/24 £000's	Use of Reserves 2023/24 £000's
Schools	114,239	114,410	171	171	0	8,921
Learning and Skills	14,050	14,671	621	621	0	1,718
Social Services	85,260	93,529	8,269	5,884	2,385	9,912
Environment and Housing	31,809	33,009	1,200	0	1,200	295
Corporate Resources	17,081	16,781	-300	0	-300	519
Place	3,401	3,493	92	92	0	485
Policy	30,678	27,393	-3,285	0	-3,285	-42
Use of Reserves	-2,096	-2,096	0	0	0	-2,096
<b>Total</b>	<b>294,422</b>	<b>301,190</b>	<b>6,768</b>	<b>6,768</b>	<b>0</b>	<b>19,712</b>
Housing Revenue Account	<b>15,538</b>	<b>15,538</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Adjusted Total</b>	<b>309,960</b>	<b>316,728</b>	<b>6,768</b>	<b>6,768</b>	<b>0</b>	<b>19,712</b>

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

The Council has identified a number of steps to be taken in year to help mitigate this emerging overspend and safeguard reserves, this includes tighter controls on expenditure and recruitment and a review of the Capital programme. The Corporate Resources Directorate has identified a potential underspend of £300k to be offset against emerging overspends and there is a projected underspend of £1m against Council tax income due to the projected collection of arrears, new properties, changes in allowances and premiums on empty homes.

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

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

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

As at	Balance 01/04/2023	Capital Funding	Planned Transfer (from) reserves	Planned Transfer to reserves	Unplanned Drawdown from Reserves	Estimated Balance 31/03/2024
	£'000	£'000	£'000	£'000	£'000	£'000
General Fund	11,523	-	- 496	0	- 171	10,856
Insurance	4,877	-	0	0	0	4,877
Service Reserves	22,521	- 672	- 6,329	42	- 6,666	8,896
Risk and Smoothing Reserves	29,802	- 3,276	- 3,966	0	-	22,560
Capital	17,726	- 10,331	0	403	-	7,798
Schools	7,254	-	-	0	- 6,500	754
Housing Revenue Account	16,486	- 15,537	0	0	0	949
<b>Total</b>	<b>110,190</b>	<b>- 29,816</b>	<b>- 10,791</b>	<b>445</b>	<b>- 13,337</b>	<b>56,690</b>

## Recommendations

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

## Reasons for Recommendations

1. To inform Committee of the projected revenue outturn for 2023/24.
2. To update the original budget for 2023/24 to remove internal corporate recharges and other accounting budget adjustments.

## 1. Background

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

## 2. Key Issues for Consideration

### Emerging Corporate Pressures

- 2.1 The revenue position for 2023/24 continues to be challenging for the Council both operationally and financially due to the ongoing implications of the Cost of Living Crisis, support for Ukrainian refugee, inflationary pressures and the continuing impact of the COVID-19 pandemic. The Council has continued to see additional pressures as a result of these factors particularly across Education, Housing and Social Services.
- 2.2 Welsh Government issued a statement on its own financial position on 17 October following a written statement by the First Minister in August that the Welsh budget was worth £900M less than when initially set in 2021. A package of measures was put together and is set out below. There is no further detail available at this time and the potential impact on the Vale of Glamorgan is not clear.

Table 1: Welsh Government Package of Financial Measures

	Changes (£m)	
	Revenue	Capital
Health & Social Services	425.1	0
Finance & Local Government	-28.5	-8.0

Climate Change	82.6	-42.3
Education & Welsh Language	-74.7	-40.0
Economy	-28.6	-36.5
Rural Affairs	-17.3	-20.2
Central Services & Administration	-27.5	0
Social Justice	-7.0	0
	324.1	-147.0

### Revenue Financial Position

- 2.3 The table below details the original budget and reflects any requested virements. The use of reserves will be necessary to address emerging inflationary pressures and deliver projects across the service.
- 2.4 In recognition of the deterioration of the in year revenue monitoring position based on Quarter 2 full year projections and the need to identify in year savings, safeguard reserves for future volatility and maximise the accuracy of the projections a number of steps have been taken by the Senior Leadership Team and managers across the Council in recent months as set out below.
- Tighter controls around non essential expenditure and recruitment.
  - Senior Leadership Team review of **capital programme**
  - Senior Leadership Team review of **use of reserves**, with all requests for use routed via Section 151 Officer and Chief Executive
  - Senior Leadership Team to determine savings to **bring forward into 2023/24**
- 2.5 The proposals from the review of the Capital Programme are included within the Q2 Capital Monitoring report also on this agenda and the impact on reserve balances is reflected in the reserve projections included as part of this report.
- 2.6 The Council is fortunate to have sizable reserves that will help it manage some of this emergent in year volatility and implement initiatives to enable transformational change to adapt services and utilise opportunities around the use of digital solutions and alternative ways of working to continue to deliver the Annual Delivery Plan objectives and safeguard services for the vulnerable. The scale of pressures in the Social Care, Education and Housing sectors are significant and pose a challenge both in year and over the medium term financial plan and this is explored further later in this report.



Table 2 – Forecast Outturn 2023/24

Directorate/Service	Original Budget	Budget Adjustments	Revised Budget	Projected Outturn	Variance	Use of Reserves
	£000	£000	£000	£000	£000	£000
<b>Learning and Skills</b>						
Schools	115,439	-	115,439	115,610	171	7,550
Use of Reserves (Schools)	-1,200	-	-1,200	-1,371	-171	1,371
Strategy, Culture, Community Learning and Resources	8,911	-2,197	6,714	7,252	538	687
Directors Office	252	-	252	252	0	0
Additional Learning Needs and Wellbeing	4,113		4,113	4,208	95	382
Standards and Provision	3,163	- 192	2,971	2,959	-12	28
Additional Savings/Unplanned Use of Reserves	0	-	0	-621	-621	621
<b>Total Learning and Skills (incl. Schools)</b>	<b>130,678</b>	<b>-2,389</b>	<b>128,289</b>	<b>128,289</b>	<b>0</b>	<b>10,638</b>
<b>Social Services</b>						
Children and Young People	19,645	- 1,131	18,514	22,509	3,995	1,363
Adult Services	60,026	-1,725	58,301	62,150	3,849	2,408
Resource Management and Safeguarding	8,452	- 723	7,729	8,246	517	257
Youth Offending Service	768	- 52	716	624	- 92	0
Additional Savings/Unplanned Use of Reserves	0	-	0	-5,884	- 5,884	5,884
<b>Total Social Services</b>	<b>88,891</b>	<b>-3,631</b>	<b>85,260</b>	<b>87,645</b>	<b>2,385</b>	<b>9,912</b>
<b>Environment and Housing</b>						
Neighbourhood Services and Transport	30,663	-2,456	28,207	29,407	1,200	200
Building/Cleaning Services	0	-	0	0	0	50
Regulatory Services	2,084	-416	1,668	1,668	0	0
Council Fund Housing	2,213	-279	1,934	1,934	0	45
Public Sector Housing (HRA)	10,672	4,866	15,538	15,538	0	0
<b>Total Environment and Housing</b>	<b>45,632</b>	<b>1,715</b>	<b>47,347</b>	<b>48,547</b>	<b>1,200</b>	<b>295</b>
<b>Corporate Resources</b>						
Resources	3,688	12,701	16,389	16,089	-300	519
Housing Benefit	692	-	692	692	0	0
<b>Total Corporate Resources</b>	<b>4,380</b>	<b>12,701</b>	<b>17,081</b>	<b>16,781</b>	<b>-300</b>	<b>519</b>
<b>Place</b>						
Regeneration	1,932	- 438	1,494	1,494	0	221
Development Management	2,162	- 436	1,726	1,726	0	130
Private Housing	227	- 46	181	273	92	42

Additional Savings/Unplanned Use of Reserves	0	-	0	-92	-92	92
<b>Total Place</b>	<b>4,321</b>	<b>-920</b>	<b>3,401</b>	<b>3,401</b>	<b>0</b>	<b>485</b>
<b>Policy</b>						
General Policy	33,288	- 2,610	30,678	27,393	-3,285	-42
<b>Total Policy</b>	<b>33,288</b>	<b>-2,610</b>	<b>30,678</b>	<b>27,393</b>	<b>-3,285</b>	<b>-42</b>
Use of Reserves	-2,096	-	-2,096	-2,096	0	-2,096
<b>Grand Total</b>	<b>305,094</b>	<b>4,866</b>	<b>309,960</b>	<b>309,960</b>	<b>0</b>	<b>19,724</b>

### Revised Budget 2023/24

2.7 Table 2 reflects the proposed 2023/24 Revised Budget and this includes a budget adjustment transferring expenditure of £12.7m to Corporate Resources to remove internal recharges for central services such as the Contact Centre, Communications, Human Resources, ICT, Finance, Property and Office Accommodation, Legal and Democratic Services as well as the administration of NNDR and Council Tax.

2.8 The Council is proposing to remove these allocations for a number of reasons set out below:

- The allocation of these charges to Corporate Resources improves transparency and more clearly shows the lines of control and reporting for these services areas which is particularly important for the accurate consideration of any potential savings in this area.
- The allocations are arbitrary and time consuming and are often based on outdated or misleading data. The Council is also required to strip corporate recharges out of the financial data in the accounts when preparing the Council's statement of accounts.
- Having reviewed the practice across Wales it is considered that the majority of Welsh Authorities do not prepare their management accounts with corporate services recharged and therefore we are an outlier in this area.
- Some Corporate recharges are maintained within the budget where they are required for ringfenced accounts this include, licensing, Building control, the Housing Revenue Account and the trading accounts for Building Services and Building Cleaning and Security.

### Learning and Skills

2.9 The Learning and Skills budget was set at £130.711M for 2023/24 and included use of reserves of £1.2M to support the Schools budget. The Budget assumed £2.75M efficiencies for schools and £564K corporately.

2.10 Budget Adjustments of £2.389m are requested as part of this report to remove the impact of corporate central recharges on the budget and more accurately

reflect the controllable budget of the Directorate. This gives a revised budget for 2023/24 of £128.289m.

- 2.11 It is currently projects that schools will outturn with a net £171k shortfall which will necessitate a contribution from the Council's General Fund. Work will continue with schools to try and achieve balanced budgets and schools are being challenged where appropriate and work is ongoing to support schools in reducing deficits where possible.
- 2.12 The projected outturn for Learning and Skills in 2023/24 is an adverse position of £621k which will need to be mitigated by additional savings identified in year or a draw down from the services' reserves and is further detailed in Appendix A.
- 2.13 Key pressures within the directorate include the following:
- Retirement and Redundancy costs in schools
  - Reduction in Out of County Income for pupils from other Local Authorities attending Special Schools and Resource Bases.
  - Children's Placement Costs - Due to increasing numbers of placements and the increasing cost of those placements.
  - Additional Welsh Medium Provision – establishment of a new Welsh Medium Resource Base is being set up at Gwaun Y Nant from September 23 and the existing provision at Whitmore Resource Base and Hafan Resource Base (Gladstone school) is being increased.
- 2.14 Likely use of reserves includes the following;
- £850K transferred to reserves from the 2022/23 surplus to support pupils with Additional Learning Needs in Schools.
  - £200K transferred to reserves from the 2022/23 surplus to support schools in Special Measures.
  - £299K from the Pay Pressures reserve to fund the costs of Early Retirement and Redundancy in Schools.
  - Other transfers are detailed in the appendix.

## **Social Services**

- 2.15 The Social Services budget was adjusted to £88.891M for 2023/24 at Q1 Monitoring. The Budget assumed £600K efficiencies which are currently on track to be achieved in year. The budget position is detailed in Appendix B.
- 2.16 The Social Services Budget programme continues in 2023/24 and will utilise a contribution of £1.828M of funding and additional efficiency savings of £81K to reduce the use of reserves as part of the agreed five year programme period. It is proposed that, in the context of the significant cost pressures being reported by the service during the 2023/24 financial year and also in future years, these funding requirements should be consolidated with the other Directorate cost pressures to enable a single and more strategic programme of transformation to be developed for future years.

- 2.17 The Social Services budget is also expected to utilise £2M of step in funding from the Social Services reserve as commissioning of Social Services care hours has increased in excess of the initial projections for 2023/24.
- 2.18 The projected outturn for Social Services in 2023/24 is an adverse variance of £8.269M which will need to be mitigated by additional savings identified in year or the unplanned use of reserves and further detailed in Appendix B.
- 2.19 The planned drawdown from reserves for 2023/24 is £4.028M with a further £5.884M required to offset the additional adverse variance this poses significant additional budgetary pressures that will need to be addressed as part of the 2024/25 budget proposals and will leave the balance in the Social Services reserve at nil. To safeguard reserves additional in year savings will continue to be explored and reserve allocations reviewed.
- 2.20 Key pressures in addition to the reserves funding set out below within the directorate include the following;
- Rising cost associated with placements for Children and Young People.
  - Additional legal costs associated with increased complexity and incidence of care proceedings.
  - Increase in care hours required for adults which can in part be explained by a return to care following Covid and also Demographic pressures.
  - The service is also reporting an increase in residential and nursing placements, an increase in direct care placements and respite.
- 2.21 Likely use of reserves includes the following;
- £2M use of reserves to reflect increased take up of commissioned hours at a more rapid pace than the budget has allowed for, the base budget will be corrected as part of the planning for 2024/25.
  - £1.363M use of reserves for Children's Services to support additional costs associated with Market forces payments, adoption allowances and legal costs.
  - £257K for Resource Management and Safeguarding as part of the Social Services budget programme.
  - £408K for Adult Services as part of the Social Services budget programme.
  - Additional use of reserves to offset the additional costs of placements and care hours is likely to be required to reflect the increased need £3.114M.
  - Additional use of reserves to offset additional costs of Children's placements and legal costs £2.770M.

### **Environment and Housing**

- 2.22 The Environment and Housing budget was set at £34.960M for 2023/24 with a further £10.672M for the Housing Revenue Account as part of the Q1 Revenue Monitoring Report. It is proposed that the revised budget is set at £31.809M after a transfer for Corporate Recharges of £3.151M.

- 2.23 The Budget assumed £1M efficiencies some of which are on track to be achieved, some are delayed and some have been mitigated by projected additional income generated in year. The budget position is detailed in Appendix C.
- 2.24 The projected outturn for Environment and Housing in 2023/24 is an adverse variance of £1.2M and this is further detailed in Appendix C.
- 2.25 Key pressures within the directorate include the following:
- Highways patching and pot holes projected overspend £850k
  - Staffing budgets – market forces payments to HGV drivers approximate costs £350K.
  - Transport budgets – increased costs of fuel/parts/depreciation
  - Ash die back – work continues and £200K drawdown from reserves is assumed for this.
  - Animal Welfare investigations within Regulatory Services
  - Accommodation to meet the need of homeless people and families currently based at the Copthorne Hotel.
  - Cost of providing support to assist Ukrainian families moving into the Eagleswell school site.
- 2.26 Likely use of reserves includes the following:
- £200K for Ash die Back
  - £45K from the Homelessness and Policy reserve to contribute to the cost of the Rural Housing Enabler post and running costs of Cadoxton House.
- 2.27 Trading Estate - The Building Maintenance and Building Cleaning and Security Trading Accounts are currently projected to outturn on budget. There is a planned drawdown from reserves of £50K to fund the cost of apprenticeship posts.
- 2.28 Public Sector Housing (HRA) - The HRA is expected to outturn on target and any under/overspends in year will be offset by changes to the contributions to capital expenditure thus changing the drawdown from the Housing Revenue Account reserve. The Revised budget reflects the amended 2023/24 budget which is further detailed in the specific HRA report included on the Cabinet agenda for 16th November, 2023.

### **Corporate Resources**

- 2.29 The Corporate Resources budget was amended to £4.380M for 2023/24 as part of the Q1 Revenue Monitoring Report. It is now proposed that the revised 2023/24 budget is set at £17.081M after a transfer for Corporate Recharges of £12.701M.

- 2.30 The Budget assumed £582K efficiencies which whilst some are delayed in year will be mitigated by underspends elsewhere in the service so the savings target will be achieved in year. The budget position is detailed in Appendix D.
- 2.31 The projected outturn for Corporate Resources in 2023/24 is a favourable variance of £300M and largely relates to the Office Accommodation budget; this position is further detailed in Appendix D.
- 2.32 Key pressures within the directorate include the following:
- Delays to the implementation of 2023/24 savings initiatives such as the reorganisation of Council Office space which impacts savings proposals for Docks Office and Contact OneVale.
  - Coroner Services Overspend £70K.
  - Legal Services Income Shortfall
  - Annual Microsoft Licencing Cost
- 2.33 Likely use of reserves includes the following; £558K from reserves for staffing costs and a further £70K to support the additional Pay Award costs for the Internal Audit Shared Service.

#### **Place**

- 2.34 The Place budget was amended to £4.321M for 2023/24 as part of Q1 Monitoring it is now proposed that the revised budget is set at £3.401M after a transfer of £785M for Corporate Recharges and £135M to correct a depreciation budget.
- 2.35 The Budget assumed £265K efficiencies which are currently on track to be achieved in year with the exception of £20K against private housing which is delayed due to the delayed review of the provision of Disabled Facilities Grants. The budget position is detailed in Appendix E.
- 2.36 The projected outturn for Place in 2023/24 is an adverse variance of £92k after planned use of reserves of £243K. This overspend will need to be offset by a contribution of £92K from Place reserves and further detailed in Appendix D.
- 2.37 Key pressures within the directorate include the following:
- Vale Enterprise Centre – closure of buildings.
  - Planning Fee income.
  - Private Housing fee income.
- 2.38 Likely use of reserves includes the following:
- £100k for costs associated with the Local Development Plan.
  - £40k towards Project Manager's fees on Barry Regeneration projects.
  - £58k for Occupational Therapist post.
  - Additional £92k from Place reserves to offset a projected overspend in the Private Housing budget.

## Policy

- 2.39 Policy – The Policy Budget was amended to £33.288M for 2023/24 as part of the Q1 Revenue monitoring and assumed £1.565M of savings. It is now proposed that the revised budget is set at £30.678M reflecting a £2.610M transfer of corporate recharges to the Corporate Resources budget line. It is currently projected that all savings targets as set out in Appendix F will be achieved in 2023/24.
- 2.40 The projected outturn for Policy in 2023/24 is a favourable variance of £3.385M as detailed below. Of this a sum of £2.9M will be utilised to offset the costs of emerging overspends in year, and £385K is allocated to offset the additional costs associated with additional permanent capacity in Children’s Services that will be progressed as a priority cost pressure as part of the 2024-25 budget proposals.
- 2.41 Projected Favourable Variances - Due to the improved performance on the Council’s Treasury Management Investment during 2023/24 as a result of the base rate rises throughout the period there is projected to be a surplus on investment income of approximately £1M. As in previous years the Council continues to utilise an approach of maximising internal borrowing. As this approach reduces the external borrowing costs that are met by the Authority it is currently projected that a surplus will be reported against this budget in 2023/24 of £1.385M.
- 2.42 Likely transfer to reserves include the following:
- Planned transfer to reserves £42k towards the cost of future Local Elections.
- 2.43 Council Tax – The current projection is that the Council Tax will report a £1m surplus at year end which takes in to accounts projected reduced arrears, empty homes premiums and new properties and changes in allowances.
- 2.44 A significant increase in provision for arrears was made as part of the closure in accounts for 2022/23 and if arrears are reduced this should have a positive impact on income balances in 2023/24. At the end of September our collection rate position was 57.2% compared to 57.3% at the end of September 2022. Whilst this does remain down on the equivalent 2022/23 position, that difference has narrowed from 0.4% in July to only 0.1% in September. Whilst some in year recovery had taken place prior to the end of September, the majority of recovery action has still been on pre 2023/24 debts due to the hiatus in recovery action last year. However, in year recovery has now begun in earnest from October 2023 so expect this position to improve further going forwards. During the first 6 months of this financial year we have continued to improve reducing our overall arrears position (pre in-year Council Tax) by now having reduced these by over £1,200,000 more than we had reduced our arrears by in the same period of 2022/23. As such we have now actually reduced our overall arrears position by £500,000 more in the first 6 months of this financial year, compared with the whole of 2022/23. Quarter 2 of the Welsh Authorities

collection position has yet to be published, however we will update our position once this information is available.

### Efficiency Targets

2.45 As part of the Final Revenue Budget Proposals for 2023/24, an efficiency target of £7.378M was set for the Council, this is a far higher level of savings than has been set for a number of years.

2.46 Of this sum £2.75M has been delegated to schools and the schools budgets and budget recovery plans are in the process of being compiled by schools with the support of colleagues in HR and the Education Finance team.

2.47 The current position in respect of the 2023/24 savings is detailed in Table 3 below.

Table 3 – Progress against 2023/24 Savings

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

2.48 The shortfall against Neighbourhood Services may be mitigated in year by additional car parking and enforcement income and work is underway to quantify this sum.

2.49 Whilst Social Services may not achieve the savings target in full during 2023/24 this is due to the need to handle any placement moves very carefully and the savings are expected to be achieved for 2024/25.

2.50 The shortfall in Place relates to issues around means testing, a lack of available contractors to carry out the capital works, as well as potential applicants delaying applications until the Council adopts the new Independent Living Policy and is proposing to offset the shortfall from reserves in 2023/24.

2.51 Attached at Appendix F is a statement detailing all savings targets for 2023/24 and the current progress against them.



## Use of Reserves

- 2.52 Reserves are a way of setting aside funds from budgets in order to provide security against future levels of expenditure and to manage the burden across financial years. The Council has always taken a prudent approach with regard to Specific Reserves and uses them to mitigate known risks (financial and service) and contingent items, e.g. Insurance Fund. Other reserves have been established to fund Council priorities and in particular the Capital Programme. The Housing Revenue Account Reserve is ring fenced to Housing and the majority will be used to fund improvements to the Council's housing stock.
- 2.53 Table 3 below sets out the use of reserves for a variety of purposes including planned usage to fund Capital Expenditure, planned revenue usage in accordance with the earmarked purpose of the reserve, unplanned usage to fund emerging overspends during 2023/24 and planned transfers to reserves to set aside fund for specific purposes.
- 2.54 The below analysis reflects the capital review that is further outlined in the Q2 Capital Monitoring report also on this agenda. It also includes the unplanned use of reserves outlined in this report, the Council will continue to seek to mitigate emerging overspends in year as outlined in this report to safeguard reserves to help mitigate the emerging challenging funding position for the Council outlined in the Medium Term Financial Plan.

Table 4 – Use of Reserves

As at	Estimated Balance 31/03/23	Capital Funding	Planned Transfer (from) reserves	Un Planned Transfer to/(from) reserves	Budget Use of Reserve	Transfer into Reserves	Estimated Balance 31/03/24
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>General Fund</b>	<b>11,523</b>	-	-	-171	-496		<b>10,856</b>
<b>Insurance</b>	<b>4,878</b>	-	-	-	-		<b>4,878</b>
<b>Service Reserves</b>							
Learning and Skills	4,131	-	-1,820	-691	-		1,620
Social Services	10,015	-	-4,028	-5,884	-		103
Neighbourhood Services	3,078	-646	-	-	-		2,432
Corporate Resources	733	-	- 93	-	-		640
Place	2,096	- 26	- 224	- 92	-		1,754
Other Service Reserves	1,625	-	- 64	-	-	42	1,603
Other Corporate	842	-	-100	-	-		742

<b>Risk and Smoothing Reserves</b>							
Homelessness and Housing Reserve	4,456	-	-45	-	- 200		4,211
Cost of Living	854	-	-329	-	-200		325
Pay Pressures	4,168	-	-299	-	-		3,869
Energy Pressures	3,885	-150	-	-	-2,400		1,335
Legal	2,000	-	-129	-	-		1,871
Project Zero	2,325	-288	- 215	-	-		1,822
Investment and Growth Fund	2,353	-	-	-	-		2,353
Reshaping Risk and Investment	2,523	-490	-160	-	-		1,873
Corporate Landlord	5,707	-2,171	-	-	-		3,536
Digital Reshaping	1,531	-177	11	-	-		1,365
<b>Capital Reserves</b>		-	-	-	-		0
Capital	17,726	-10,331	-	-	-	403	7,798
<b>Sub Total</b>	<b>86,450</b>	<b>-14,279</b>	<b>-7,495</b>	<b>-6,838</b>	<b>-3,296</b>	<b>445</b>	<b>54,987</b>
<b>Ring Fenced Reserves</b>							
Schools	7,254	-	-	- 6,500	-	0	754
Housing Revenue Account	16,486	-15,537	-	-	-	0	949
<b>Total Reserves</b>	<b>110,190</b>	<b>-29,816</b>	<b>-7,495</b>	<b>-13,338</b>	<b>-3,296</b>	<b>445</b>	<b>56,690</b>

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

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

- 3.7 **Understanding the root cause of issues and preventing them** – Monitoring the revenue budget is a proactive way of understanding the financial position of services in order to tackle issue at the source as soon as they arise.

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

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

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

##### **Financial**

- 5.1 As detailed in the body of the report.

##### **Employment**

- 5.2 As detailed in the body of the report.

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

- 5.3 There are no legal implications.

#### **6. Background Papers**

None.

## Appendix A

### Directorate Monitoring: Learning and Skills

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

	2023/24 Budget	Adjustments	Revised 2023/24 Budget	Projected Outturn	Variance	Use of Reserves
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Delegated Schools	114,239	0	114,239	114,410	171	8,750
Use of Reserves	0	0	0	-171	-171	171
Total	114,239	0	114,239	114,239	0	8,921

The delegated schools budget for 2023/24 is projected to outturn with an overspend of £171k after transferring £7.55M from reserves and a further £1.2m planned as part of the 2023/24 budget proposals to smooth emerging revenue pressures.

The projected outturn for the delegated schools budget for 2023/24 assumes a drawdown of £6.5M from school reserves according to budgets submitted by schools for the 2023/24 financial year. Schools have submitted three year budgets in line with the statutory deadline of 30<sup>th</sup> June 2023. There are 21 schools that have submitted a deficit budget for the 2023/24 financial year, with total deficits estimated at £2.7M. The regulations require that schools that find themselves in a deficit position should submit a balanced recovery plan showing how the deficit will be eradicated over the next few years, this is also referenced in the Councils Fair Funding scheme for schools which dictates that the period for a balanced recovery plan should be three to five financial years. Currently only two of the schools in a deficit position have provided a balanced recovery plan, and the other 19 schools have submitted non-recoverable budget deficits.

It is currently projected that schools will outturn with a net £171k shortfall which will necessitate a contribution from the General Fund. Work will continue with schools to try and achieve balanced budgets schools are being challenged where appropriate and work is ongoing to support schools in reducing deficits where possible.

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

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

The Central Learning and Skills Budget for 2023/24 is set out in the table below. The budget is being reduced by £2.389M as the budget and expenditure for central recharges is being transferred back to Corporate Services.

	Original 2023/24 Budget	Budget Adjustment	Revised 2023/24 Budget	Projected Outturn	Variation	Use of Reserves
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Director	252	0	252	252	0	0
ALN & Wellbeing	4,113		4,113	4,208	(95)	382
Standards & Provision	3,163	(192)	2,971	2,959	12	28
Strategy, Resources, Culture & Community Learning	6,927	(2,197)	4,730	5,255	(525)	324
Schools Non Delegated	1,938	0	1,938	1,951	(13)	363
Catering	46	0	46	46	0	0
<b>Total</b>	<b>16,439</b>	<b>(2,389)</b>	<b>14,049</b>	<b>14,670</b>	<b>(621)</b>	<b>1,098</b>
<b>Additional Savings /Unplanned Use of Reserves</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-621</b>	<b>621</b>	<b>621</b>
<b>Adjusted Total</b>	<b>16,439</b>	<b>(2,389)</b>	<b>14,049</b>	<b>14,049</b>	<b>0</b>	<b>1,718</b>

The Central Learning and Skills budget for 2023/24 is projected to outturn with an adverse variance of £621k after transferring £1,098k from reserves.

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

Strategy, Resources, Culture & Community Learning:

Schools Transport

- Although the budget for Education transport is held within the Environment and Housing Directorate, the Learning and Skills Directorate is responsible for meeting the cost of any adverse variance which is included in the estimated directorate overspend referenced above. There is currently a projected overspend of £566k
- Of this sum £158k relates to transport for the Additional Learning Needs sector and is due in part to an additional 13 routes have been put in place for pupils going to the new Ysgol Y Deri Barry Site (old St Baruc School). There are also unexpected transport costs for Barry pupils attending the new Derw Newydd site. In addition to this there have been new tenders for sole transport where pupils cannot travel with others. Finally, a number of routes have been handed back and re-tendered leading to increased prices.
- The overspend for the Primary sector is £209k. This is due to four routes that have been handed back and re-tenders resulted in higher prices. Additional costs have also been incurred as transport is now required to get pupils to Ysgol St Baruc due to its relocation to Barry Waterfront
- Secondary sector (£227k overspend) - Two routes have been handed back and as with the other areas this has resulted in re-tenders coming in at higher prices. Train passes were issued to 17 Barry pupils attending Llantwit Comprehensive due to capacity issues in Barry. Recent train timetable changes have meant that alternative transport has had to be arranged at extra cost. There have also been capacity problems for Stanwell buses due to an increase in the number of pupils travelling from the new estate in Sully. As a result twenty passes have been issued for 6th form pupils to travel on local bus services
- Further Education (£28k underspend) - This may change when more information is received from colleges about who has enrolled. Local bus service costs have increased and some colleges are no longer running their own buses so combinations of train and bus transport will be required.

Arts Development

- As part of the efficiency savings for the Directorate the Arts Service was set an income target of £65k. At the moment this has not been achieved and a number of options are being considered including exploring external funding avenues. Should this not be fully achieved then the Department will look at funding from reserves. There is also an overspend of £23k projected for Penarth Pier as a result of outstanding energy bills

from previous years that the Directorate has only recently been made aware of. It is unlikely that sufficient income will be generated to offset these additional costs.

#### Non Delegated Schools

- Schools Repairs - As part of the efficiency savings for the Directorate the £90k budget for School Repairs and Maintenance was cut. However, some essential works in schools have been required during 2023/24 that would normally have been funded from the Repairs and Maintenance budget. The projected overspend of £22k is being funded from savings that have occurred as a result of additional grant funding.

#### Early Retirement/Voluntary Retirement (ER/VR) budget

- It is a statutory requirement that redundancy costs in schools are funded centrally. The ERVR budget is currently projected to overspend by £351k due to increased redundancy costs in schools this year. Schools are responsible for paying the early retirement costs for any staff that leave but a scheme has been in place for a number of years where the ER/VR budget pays the one-off costs related to a teacher leaving and then the cost is recharged to the school over an agreed number of years. The additional net costs for this year will be in the region of £53k. A total of £299k will therefore be transferred from the Corporate Pay Pressures Reserve to offset these additional costs. The position will change if more voluntary redundancy and early retirement costs are received from schools.

#### **ALN and Wellbeing**

- Out of County Income – Due to the increase in Vale of Glamorgan pupils requiring specialist placements at Ysgol Y Deri, there is no capacity to admit new pupils from other Local Authorities. As a result, the projected income is dropping significantly each year as out of county pupils leave the school. This £195k shortfall will be met from reserves unless any in-year savings are found however, this is not sustainable.
- The Children’s Placements budget - This budget pays for provision at out of county and independent schools and is currently projected to overspend by £139k. A total of £118k will be funded from the ALN Implementation Grant and the balance of £21k will be funded from reserves. Due to increasing numbers of placements and the increasing cost of those placements the overspend is likely to increase by year end.
- Learning & Skills pick up 10% of Joint pooled CLA budget overspend or receive back 10% of any underspend. The latest external placements panel report showed a projected overspend of £1.188M meaning that the Directorate will need to make a contribution of £118k at year end.

- Resource Bases: Due to increased need a new Welsh Medium Resource Base is being set up at Gwaun Y Nant from January 24. The existing provision at Whitmore Resource Base and Hafan Resource Base (Gladstone school) was increased from September 23. The estimated costs for the rest of this financial year are in the region of £225k. These costs will be funded from the ALN Implementation Grant this year but will be an ongoing pressure for future years.

### **Savings Tracker Update**

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

### **Planned Drawdown on Reserves in Year**

#### **Central Learning & Skills**

<b>Reserve Name</b>	<b>Description of purpose of drawdown</b>	<b>Planned 2023/24 Drawdown £000's</b>
Education Pressures & Improvement Reserve	Additional lump sum allocation for Breakfast Clubs at St Helens and Dinas Powys due to split sites - will be included in the formula from 24/25	20
Education Pressures & Improvement Reserve	Additional costs for temporary demountables at Ysgol y Deri which have been put in place whilst the expansion of the school takes place.	182
Education Pressures & Improvement Reserve	Strategy & Resources additional temporary staff costs	156
Education Pressures & Improvement Reserve	Shortfall in income received for out of county pupils placed at Ysgol Y Deri	195
Education Pressures & Improvement Reserve	Projected increase in child placements at out of county schools and independent provision (overspend part funded from grant (£118k)	21
Education Pressures & Improvement Reserve	ALN & Wellbeing additional temporary staff costs	166
Education Pressures & Improvement Reserve	The Education Other than at School (EOTAS), Engagement and Alternative Curriculum budget is projected to overspend by £29k due to increased provision from September plus a new post from September to March.	28



Education Pressures & Improvement Reserve	Welsh for Adults – transfer to cover increased costs, grant has remained static	30
Corporate Pay Pressure Reserve	Redundancy costs for schools plus actuarial costs related to early retirements	299
	<b>Total Projected Reserve Transfer for Central Learning &amp; Skills</b>	<b>1,097</b>

**Note:** Unless the overspend of £621k can be mitigated by savings or underspends from within the directorate this sum will also need to be funded from transfers from reserves.

### Schools

Reserve Name	Brief Description of purpose of drawdown	Planned 2023/24 Drawdown £000's
School Reserves	Draw down to balance school budgets	6,500
Education Pressures & Improvement Reserve	Additional funding for Additional Learning Needs support in mainstream	850
Education Pressures & Improvement Reserve	Additional funding for schools in special measures	200
General Fund	Additional Funding to Offset Projected School Deficits	171
	<b>Total Projected Reserve Transfer for Schools</b>	<b>7.721</b>
	<b>Budgeted Use of Reserves Schools</b>	<b>1,200</b>
	<b>Total Use of Reserves Schools</b>	<b>8.921</b>

## Appendix B

### Directorate Monitoring: Social Services

The Social Services Budget for 2023/24 is set out in the table below and reflects the removal of Corporate Recharges £3.631m and a virement of £160k between Childrens and Young People's Services and Adults Services.

	2023/24 Budget	Virements	Adjusted 2023/24 Budget	Projected Outturn	Variance	Use of Reserves Revenue
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Children and Young People	19,645	-1,131	18,514	22,509	3,995	1,363
Adult Services	60,026	-1,725	58,301	62,150	3,849	2,408
Resource Management & Safeguarding	8,452	-723	7,729	8,246	517	257
Youth Offending Service	768	-52	716	624	-92	0
<b>Total</b>	<b>88,891</b>	<b>-3,631</b>	<b>85,260</b>	<b>93,529</b>	<b>8,269</b>	<b>4,028</b>
Unplanned Use of Reserves	0	0	0	-5,884	-5,884	5,884
<b>Adjusted Total</b>	<b>88,891</b>	<b>0</b>	<b>85,260</b>	<b>87,645</b>	<b>2,385</b>	<b>9,912</b>

The projected outturn for the Social Services budget for 2023/24 is an overspend of £8.269m with a planned drawdown from Reserves of £4.028m including £2m as part of the approach to step in the uplift for 2023/24 for external providers. The remaining sum being utilised as part of the Social Services Budget Programme, additional costs associated with market forces for social services and an additional contribution of £200k from the Investment and Risk Reserve towards developing a financial strategy for Children's Services.

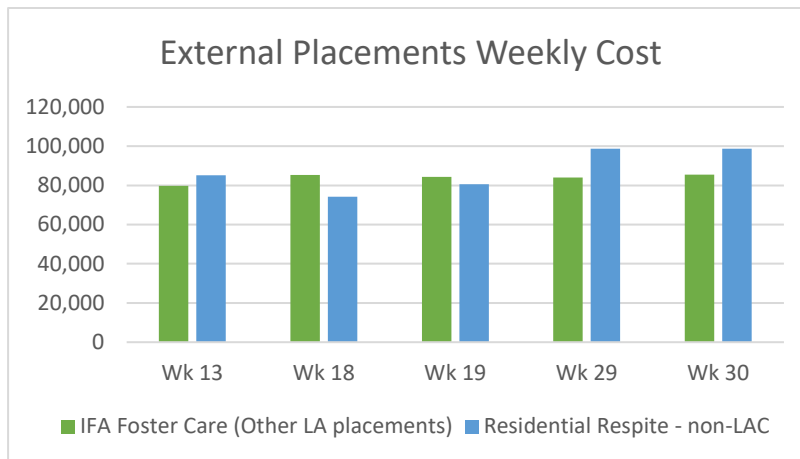
Whilst steps will be taken within the service to mitigate this overall overspend it is likely that a significant contribution to the £8.269m additional projected overspend will need to be funded from Social Services reserves (a contribution of £5.884m is assumed as part of this report) and a contribution of £2.385m from the Policy Underspend is assumed.

The current projected drawdown from reserves for 2023/24 is £9.912m whilst the £2m step in is included in current cost pressures the balance poses significant additional budgetary pressures that will need to be addressed as part of the 2024/25 budget proposals and the Social Services budget programme will need to be revised to reflect this reduction in available funding.

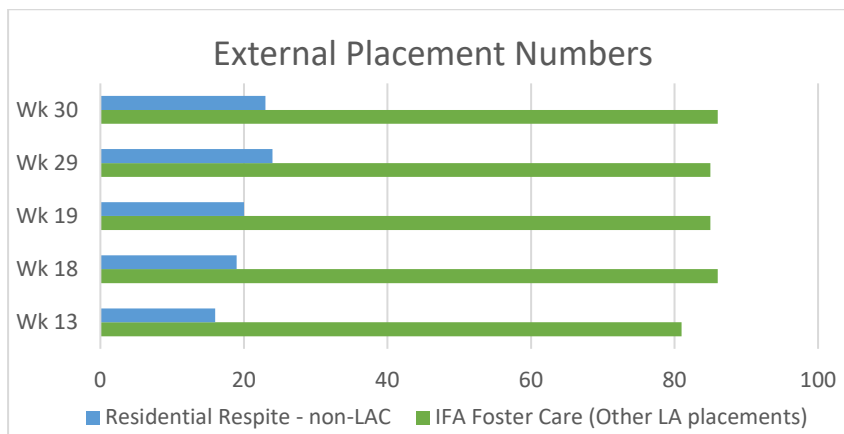
## Key Pressures for 2023/24 in the Social Services budget.

### Children and Young People Services Overspend of approximately £4.155k

- Rising costs associated with placements for Children and Young People means a projected overspend of £1,929k. The weekly cost of External Placements increased from £79,806 to £85,424 for IFA Fostering Care and from £85,105 to £98,757 for Residential Respite between Qtr. 1 (Wk 13) and Qtr. 2 (Wk 30).



- External Placement numbers increased by 5 for IFA Foster Care and by 7 for Residential Respite between Qtr. 1 (Wk 13) and Qtr. 2 (Wk 30).



- The cost for the emergency duty team is projecting a cost pressure of £35k.
- Additional legal costs associated with increased complexity and incidence of care proceedings projected overspend £406k.
- There are significant pressures with Conveyancing costs £253k, Accommodation Payments for Housing £658k, Fostering Payments £366k and Assessment Services of £225k all contributing to the overall overspend.

### Adult Services projected overspend £3.849m

- Increase in care hours required for adults which can in part be explained by a return to care following Covid and Demographic pressures. The service is also reporting an increase in residential and nursing placements, an increase in direct care placements and respite. Total projected overspend for Community Care Finance is approximately £5.1m, overspend projections usually peak around this time of year and it is possible that these projections will reduce as the year progresses and additional grant income may be identified.
- These overspends are offset by staff vacancies within the service, additional grant income this includes projected underspends against Vale Community Reablement Service due to a number of vacancies in the team (VCRS) £432k and staff vacancies in the Day Service, Teams at Llandough Hospital, New Horizons, Contact One Vale and Long Term Care £564k there is also unbudgeted income of £172k and other surpluses of £83k.

#### **Resource Management and Safeguarding projected overspend £517k.**

- Staffing cost pressures within Vale Council owned residential care homes in the region of £637k. The pressure on staffing budgets is due to the level of relief staff and agency staff required within the homes to manage sickness levels as part of arrangements implemented during the pandemic, there is also pressure in respect of recruitment gaps and vacant posts within the service.
- Increased cost of food and fuel at the residential homes is also having an impact.
- This overspend has been offset by staffing vacancies, additional grant income and underspends elsewhere within the service.

#### **Savings Tracker Update**

The Social Services Savings targets for 2023/24 are currently projected to be achieved in full in 2023/24.

#### **Planned Drawdown on Reserves in Year.**

<b>Reserve Name</b>	<b>Brief Description of purpose of drawdown</b>	<b>Planned 2023/24 Drawdown</b> <b>£000's</b>
Social Services Reserve	£2m step in funding to cover the increased cost and take up of Community Care Packages	2,000

Social Services Reserve	Children's Services to support additional costs associated with Market forces payment to staff, adoption allowances and Legal Costs	1,163
Reshaping Risk and Investment Reserve	Project to develop financial strategy for Children's services	200
Social Services Reserve	Contribution towards additional staffing capacity in Resource Management & Safeguarding	257
Social Services Reserve	Contribution towards additional staffing capacity in Adults Services	408
Social Services Reserve	Projected amount required to cover additional spend in Community Care due to an increase in number of care hours and uplifts in cost	3,114
Social Services Reserve	Projected amount required to cover additional spend in Children's Services	2,770
<b>Total Use of Reserves</b>		<b>9,912</b>

## Appendix C

### Directorate Monitoring: Environment & Housing

#### Neighbourhood & Transport Services

The Neighbourhood & Transport Services Budget for 2023/24 is set out in the table below.

	Original 2023/24 Budget	Budget Adjustment	Revised 2023/24 Budget	Projected Outturn	Variance	Revenue Use of Reserves
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Neighbourhood Services & Transportation	30,663	- 2,456	28,207	29,407	-1,200	200

It is proposed that the revised budget is set at £31.809m after a transfer for Corporate Recharges of £3.151m.

The projected outturn for the Neighbourhood Services and Transportation budget for 2023/24 is an overspend of £1.2m which reflects the projected overspend against Highways patching and potholes and the additional costs associated with the continuation of market forces payments for HGV drivers. The Neighbourhood Services reserve is fully committed for capital schemes and therefore this overspend will need to be offset by the projected additional investment income in the Policy budget.

#### **Key Pressures for 2023/24 in the Neighbourhood Services & Transportation budget.**

- One of the main pressures within the Neighbourhood services budget is again likely to be the budget for highway patching and potholes. The projected overspend in 2023/24 is £850k.
- Pressure also still remains on staffing budgets within Waste Management with the continuation of the market forces payment for HGV drivers. The annual cost of this uplift is around £350k.
- There is also still pressure on transport budgets within NS&T due to the increased cost of fuel, parts and depreciation costs of newer vehicles.
- Work on Ash die Back continues for which there is no specific budget within NS&T therefore it is proposed that this is again funded from reserves.

#### **Savings Tracker Update**

The table below shows the 23/24 savings targets for Neighbourhood Services and Transport and the current projected value for this year.

Description of Saving Proposal	Target 2023/24 £000	RAG Status	Comments	Projected 2023/24 saving £000
Increase in fees and charges	30	Green	Fees & Charges increased for 23/24	30
Parking Charging Review	20	Amber	Residents permits - Cabinet Report due to be taken delayed due to 20mph work	0
Review Car Park Provision	50	Amber	Court Road Car Park- Public Consultation plan in progress.	0
Stop provision of sandbags	5	Green	Need to do some Comms and Community Resilience Work	5
Do not apply for Green Flag and Coastal Awards	5	Amber	Review to be undertaken	0
Allotment Charging	3	Green	Charges increased for 23/24 to reflect cost recovery and letters have now gone out.	3
Double Shift Mechanical sweepers (2 vehicles plus one spare)	40	Amber	Further review required potential to mitigate	0
Reduce Grass cutting schedule to 5 cuts a year	40	Red but mitigated	Tender price higher than anticipated therefore savings not achieved. Mitigated by Enforcement Income	0
Enforcement Income	0	Green	Enforcement used to mitigate the above	40
Commercial Opportunities and Business Support review	50	Green	Reception at Alps closed. Posts to be kept vacant within support	50

Waste Collection for Black Bags to 3 weeks	150	Amber	Implemented slight shortfall due to delayed commencement in year.	100
Green Bag Subscription Charge	500	Amber	Green Bag Subscription Charge (£350k recovered to date), Potential to increase in year based on proportion of 2024 Subscription as runs March to October	350
Charging for public use of Electric vehicle chargers	2	Amber	Chargers currently being used for Council owned vehicles. Plans to rollout to staff and general public.	0
<b>Total Target 23/24</b>	<b>895</b>		<b>Total projected 23/24</b>	<b>578</b>

#### Planned Drawdown on Reserves in Year.

Reserve Name	Brief Description of purpose of drawdown	Planned 2023/24 Drawdown £000's
Ash Die Back	Ash Die Back	200

#### Building Services

The Building Services Budget for 2023/24 is set out in the table below.

	2023/24 Budget	Virements	Adjusted 2023/24 Budget	Projected Outturn	Variance	Use of Reserves Revenue
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Building Services	0	0	0	0	0	50

The projected outturn for the Building Services budget for 2023/24 is a breakeven position.

#### **Key Pressures for 2023/24 in the Building Services budget.**

- The main pressure within the Building Services budget is likely to be the pay award for 2023/24. Charges to Building Cleaning clients have increased in 23/24 however



the pay award has not yet been agreed for the current financial year, therefore if the agreed figure is greater than the estimated 6%, this is likely to put pressure on the Building Cleaning & Security Trading Account

### Savings Tracker Update

There were no savings targets for Building Services in 2023/24.

### Planned Drawdown on Reserves in Year.

Reserve Name	Brief Description of purpose of drawdown	Planned 2023/24 Drawdown £000's
Building Services Improvement Fund	Funding of Apprenticeships within service	50

### Regulatory Services

The Regulatory Services Budget for 2023/24 is set out in the table below.

	Original 2023/24 Budget	Budget Adjustment	Revised 2023/24 Budget	Projected Outturn	Variance	Use of Reserves
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Regulatory Services	2,084	-416	1,668	1,668	0	0

The table includes a budget adjustment for £416k regarding corporate support services recharges.

The projected outturn for the Regulatory Services budget for 2023/24 is currently projected to be on budget however there may be additional pressures associated with the pay award and animal welfare investigations as outlined below.

### Key Pressures for 2023/24 in the Regulatory Services budget.

- The SRS 2023-24 budget is based on an assumption that the annual pay award will be 5%. In reality, the award could be considerably higher, resulting in a budget shortfall for staff salaries.
- The Service is dealing with a number of animal welfare investigations (linked to illegal dog breeding) in which the seizure of dogs and puppies has been necessary. The animals are now being cared for, pending resolution in court, at significant cost to the Service (circa £12k per month)

### Savings Tracker Update

- £21,000 reduction in Vale base contribution – this was achieved at the start of the financial year as part of the agreed SRS budget for 23-24. As a result, there are no on-going savings to track through the year.

The Housing (General Fund) Budget for 2023/24 is set out in the table below.

	2023/24 Budget £000's	Virements	Adjusted 2023/24 Budget	Projected Outturn	Variance	Use of Reserves Revenue
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Community Safety	465	-40	425	425	0	25
Homelessness & Strategy	1,519	-153	1,366	1,366	0	20
Supporting People	229	-86	143	143	0	0
<b>Total</b>	<b>2,213</b>	<b>-279</b>	<b>1,934</b>	<b>1,934</b>	<b>0</b>	<b>45</b>

The projected outturn for the General Fund Housing budget for 2023/24 is a breakeven position however there are significant homelessness and resettlement pressures that will need be kept under review as we progress through the financial year, but in the first incidence would require additional drawdown from the Homelessness reserve.

### Key Pressures for 2023/24 in the Housing budget (General Fund)

- Hotel accommodation for homeless people (possible need to extend use of hotel beyond March 24 or book more hotel rooms in 23/24)
- Temp accommodation for Afghans at Copthorne. Hotel closing at end of August 23, need to identify accommodation solutions for remaining families

- Housing Solutions team staffing levels to provide assistance to homeless households and Afghan nationals
- Ukraine support to assist 90 families moving into Eagleswell school site Jan 24
- ICT technical support to assist implementation of NEC Northgate system
- Deliver volunteering support to tenants and extend Value in Vale scheme from April 24 when Public Health Wales funding ends

### **Savings Tracker Update**

- Pre Tenancy Adviser and VATs budget – The 2023/24 budgets have been reduced by £26k and are on target
- Senior Officer Recharges to HRA to ensure no cross subsidisation - The 2023/24 budgets have been reduced by £33k and are on target
- Community Safety Support Function Vacant post - The 2023/24 budget have been reduced by £25k and are on target

### **Planned Drawdown on Reserves in Year.**

<b>Reserve Name</b>	<b>Brief Description of purpose of drawdown</b>	<b>Planned 2023/24 Drawdown £000's</b>
Homelessness & Housing Reserve	Contribution to Rural Housing Enabler	25
Homelessness & Housing Reserve	Cadoxton House running costs exceeds budget due to decreased rental income	20
<b>Total</b>		<b>45</b>

Public Sector Housing (HRA) Budget for 2023/24 is set out in the table below.

	<b>Original 2023/24 Budget</b>	<b>Budget Adjustments</b>	<b>Revised 2023/24 Budget</b>	<b>Projected Outturn</b>	<b>Variance</b>	<b>Use of Reserves Revenue</b>
	<b>£'000s</b>	<b>£'000s</b>	<b>£'000s</b>	<b>£'000s</b>	<b>£'000s</b>	<b>£'000s</b>
Public Sector Housing (HRA)	10,672	4,866	15,538	15,538	0	0
<b>Total</b>	<b>10,672</b>	<b>4,866</b>	<b>15,538</b>	<b>15,538</b>	<b>0</b>	<b>0</b>

The HRA is expected to outturn on target and any under/overspends in year will be offset by changes to the contributions to capital expenditure thus changing the reliance on Unsupported Borrowing. The Revised budget reflects the amended 2023/24 budget which is further detailed in the specific HRA report included on the Cabinet agenda for 16<sup>th</sup> November 2023.

## Appendix D

### Directorate Monitoring: Corporate Resources

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

	Original 2023/24 Budget	Adjustments	Revised 2023/24 Budget	Projected Outturn	Variance	Use of Reserves
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Finance	464	4,861	5,325	5,125	-200	105
Corporate ICT	1,389	0	1,389	1,389	0	20
Property Services	123	522	645	365	-280	0
Facilities	525	1,710	2,235	2,180	-55	0
Legal & Democratic Services	696	2,369	3,065	3,260	195	96
Policy & Business Transformation	175	1,912	2,087	2,027	-60	298
Human Resources (inc. SCWWDP)	316	1,327	1,643	1,743	100	0
<b>Total</b>	<b>3,688</b>	<b>12,701</b>	<b>16,389</b>	<b>16,089</b>	<b>-300</b>	<b>519</b>

The projected outturn for the Corporate Resources budget for 2023/24 is a favourable variance of £300k. The favourable variance is attributable to:-

- The saving of £200k in Finance is mainly in relation to vacant posts and additional income, mainly from the Department for Work and Pensions (DWP).
- Savings of £280k in Property Services is in relation to vacant posts and capital recharges receipts exceeding the budget target.
- The saving of £55k in Facilities are mainly in relation to repairs/maintenance and Non Domestic Rates. The saving on the Court Road Depot site is having a significant impact on the budget.
- Savings of £60 in Policy and Business Transformation are in relation to vacant posts.

The favourable variance of £595k is offset by adverse variances in Legal & Democratic Services and Human Resources of £195k and £100k respectively.

The budget adjustment of £12.7m is in respect of amendments to the General Fund central recharges which is outlined in the report.

## **Key Pressures for 2023/24 in the Resources budget**

- Solution to achieve savings (£27k) in respect of Revenues e-billing and Housing Benefits Hybrid Mail is ongoing.
- Annual Microsoft Licensing Cost. Funding of increased annual cost (£124k) is dependent on achieving savings on corporate telephony. This is ongoing.
- Ringfenced funding for Energy costs (£800k) has been set aside as part of the 2023/24 budget proposals and will be allocated based on actuals.
- Delayed disposal of the Dock Offices approximately £180k.
- Legal Services income shortfall, agency staff costs and consultancy services approximately £150k.
- Annual contribution for the Joint Coroner Service projected overspend £70k.
- Review of C1V office accommodation is ongoing and is part of a wider review of office space savings target for 2023/24 is £50k.
- Delayed implementation of the Shared Cost Additional Voluntary Contribution (AVC) – Employee LGPS Benefit. AVC scheme has been implemented - achieving target saving will depend on take-up during the financial year projected saving achieved approximately £19k leaving a shortfall of around £6k.

## **Savings Tracker Update**

Resources (Supplies & Services Savings). Target of £80k achieved although need to consider impact of OD refreshments cut.

- Registrars Income. Target of £30k achieved.
- O2 Mobile Phone Contract. Target of £55k achieved. Saving has been achieved although there are issues in terms of the cash position i.e. savings accruing to the SRS & HRA were not subject to budget transfers (approx. £18k). The deficit is offset by in-year savings on the Xerox printing contract.
- ICT RSA Support Costs. Target of £22k achieved.
- Review of C1V Office Accommodation – Ongoing and part of wider review of office space. Target Saving is £50k. The shortfall is offset by savings in Policy and Business Transformation – mainly from vacant posts.
- Review Docks Office Site – Ongoing and part of wider review of office space. Target saving is £200k. The shortfall is offset by savings in Facilities in relation to repairs/maintenance, Non Domestic Rates and the Court Road Depot Site.
- Shared Cost AVC – implemented from August 2023. Target saving of £25k is dependent on staff take-up.
- E-billing in Revenues – Ongoing but solution has been identified to achieve target saving of £7k. The shortfall is offset by additional income from Welsh Government (administration fees).
- Hybrid Mail Housing Benefits – Ongoing review to achieve target saving of £20k. The shortfall is offset by savings on vacant posts and additional income from the DWP.
- IASS – Target saving of £17k has been achieved.

- Counter Fraud – Budget reduction of £22k has been achieved. There is however a high annual income target of £125k for fraud reduction.

**Planned Drawdown on Reserves in Year.**

Reserve Name	Brief Description of purpose of drawdown	Planned 2023/24 Drawdown £000's
Graduate Trainee Reserve	Trainee Accountant x 1 & Communications & Engagement Intern x 2	100
IASS Reserve	Annual Salary Increase (shortfall)	70
Corporate Resources	Temporary Staff Engagements (ICT, Communications & Improvement & Development )	93
Legal Reserve	Trainee Lawyer & Senior Lawyer – Legal	96
Reshaping Reserve	Temporary Engagements (BPR Team)	160
Total Use of Reserves		519

The Housing Benefit Budget for 2023/24 is set out in the table below.

	2023/24 Budget	Virements	Adjusted 2023/24 Budget	Projected Outturn	Variance	Use of Reserves
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Housing Benefit	692	0	692	692	0	0
<b>Total</b>	692	0	692	692	0	0

The projected outturn for the Housing Benefit budget for 2023/24 is a breakeven position.

**Key Pressures for 2023/24 in the Housing Benefit budget**

- Migration of benefit claims to Universal Credit that will impact on the subsidy the Council receives on its overpayments.
- The collection of overpaid Housing Benefit.
- Reduced administration subsidy.

## Appendix E

### Directorate Monitoring: Place

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

	2023/24 Budget	Adjustments	Adjusted 2023/24 Budget	Projected Outturn	Variance	Use of Reserves
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Sustainable Development	2,163	-437	1,726	1,726	0	130
Regeneration	1,931	-437	1,494	1,494	0	221
Private Housing	227	-46	181	273	92	42
Unplanned Use of Reserves	0	0	0	-92	-92	92
<b>Total</b>	<b>4,321</b>	<b>-920</b>	<b>3,401</b>	<b>3,401</b>	<b>0</b>	<b>485</b>

The projected outturn for the Place budget for 2023/24

- At this stage it is still anticipated that Sustainable Development (Planning and Countryside) and Regeneration will outturn on target
- Private Housing (Disabled Facility Grants) are not expected to outturn on target and will need funding from the Place reserve to balance its budget.
- Budget virements of £785k are requested within the Directorate in relation to central support budgets.
- A further budget virement of £135k, relating to a technical accounting adjustment regarding historic pension costs is also requested between Regeneration and Policy.

#### **Key Pressures for 2023/24 in the Place budget**

- Regeneration - Vale Enterprise Centre – there is likely to be demand on the budget due to increased costs of empty property rates, coupled with reduced rental income from mothballing phase 3 which due to age and condition is no longer fit for purpose. A long term solution to this issue is being developed.
- Planning fees remain on target but concerns over the economy and inflation could affect this position by year-end.
- Private Housing – fee income on Disabled Facility Grants is still well behind profile and although there is hope that the picture will improve in the last quarter of the



financial year, we are forecasting that income could be £110k to £120k below target. This is due to issues around means testing, a lack of available contractors to carry out the capital works, as well as potential applicants delaying applications until the Council adopts the new Independent Living Policy. The service is projecting to be over budget by some £92,000 this year. This overspend will need to be offset by a contribution from the Place reserve.

### **Savings Tracker Update**

- Planning saving for reorganisation is on track and will achieve the savings target.
- Increased Planning Performance Agreements (PPA) income – developers are being offered the opportunity to enter agreements with the Council to ensure that applications are processed as quickly and efficiently as possible.
- Review of Regeneration structure has been delayed but savings for this year can be covered by alternative sources within the Division.
- Review of country parks attractions – Further discussions have taken place in relation to the review and a way forward has now been agreed and will be progressed in Q4.
- Private Housing (DFG) – extensive work has been undertaken on the Reshaping project, and it has become clear that the removal of means testing alone will not achieve a saving. The creation of a single Independent Living function within the Council should however create economies of scale, once established and this will be pursued now the Independent living policy has been adopted.

### **Planned Drawdown on Reserves in Year.**

<b>Reserve Name</b>	<b>Brief Description of purpose of drawdown</b>	<b>Planned 2023/24 Drawdown £000's</b>
Place Reserve	Local Development Plan Expenditure which exceeds the base revenue budget of £45k will be drawn down	100
Place Reserve	Levelling Up bid consultants	61
Place Reserve	Research pilot on visitor data	25
Capital Commitments Reserve	Project Managers' fees on Barry Regeneration revenue projects	40

Regeneration Reserve	Matchfunding for WG grant for Placemaking Plan for Cowbridge, Llantwit Major and Penarth	60
Regeneration Reserve	Matchfunding for WG grant for Placemaking Plan for Cowbridge, Llantwit Major and Penarth	20
Place Reserve	Occupational Therapist post funding	42
Place Reserve	Offset overspend DFG income and savings	92
Project Zero	Electric Vehicle Charging points at Airport	5
Project Zero	Hensol Energy Hub and Agri Hub	40
<b>Total Use of Reserves</b>		<b>485</b>

Appendix F Savings Tracker

Directorate	Description of Saving Proposal	Saving Category	Target Value		Overall RAG Stat	Comments/Narrative	Value	Percentage Achieved
			£'000	£'000			Achieved/ Expected to be Achieved	
			2023/24	2024/25			2023/24	
<b>Directorate Learning and Skills</b>								
Learning and Skills	Payments to Non Maintained Nursery Providers	Service Review	20	14	Green	Notice given to St Donats	20	100%
Learning and Skills	Removal of schools emergency repairs budget	Service Review	90		Amber	Even though the budget has been cut there is an ongoing pressure relating to emergency repairs in schools. Whilst this is relatively small at the moment it is likely to increase during the winter months. This area will be kept under review	68	76%
Learning and skills	Move to cost recovery position for ACL	Generating Income	-	80				n/a
Learning and skills	Makerspace income generation for letting out of makerspace rooms in barry and penarth libraries	Generating Income	20		Amber as unable to predict income generation	Budget has been set including new income target. Unable to predict at this early stage whether the income target will be achieved		0%
Learning and skills	External income -income generation for letting to external organisations for filming and events	Generating Income	20		Amber as unable to predict income generation	Budget has been set including new income target. Unable to predict at this early stage whether the income target will be achieved		0%
Learning and skills	Stop providing newspapers and DVDs in libraries	Service Review	15		Green	Budget has been cut, service will no longer purchase DVDS	15	100%
Learning and skills	Increase libraries fees and charges by 12%	Generating Income	5		Green	fees have been increased in the budget	5	100%
Learning and skills	Review Arts Provision	Service Review	65		Amber dependent on options appraisal.	Re -evaluation of options proposals developed following extensive consultation to be reconsidered in light of current financial situation and savings required. This process is underway and costed proposals will follow.		0%
Learning and Skills	Reshaping of Out of School Tuition	Service Review	89		Green	The way in which OOST is delivered has been altered so that most tuition is delivered online rather than face to face. This is not ideal but is not out of sync with many other LAs. Budget saving will be achieved but service affected	89	100%
Learning and Skills	Increase in retained element of Post 16 WG grant for school improvement administration	Service Review	50		Green	Post 16 grant for schools has been top-sliced to contribute towards the central costs of the Learning and Skills Directorate. £50k has been included as an ongoing budgeted income	50	100%
Learning and skills	Review use of alternative funding sources to support service delivery	Service Review	190		Green	Shared Prosperity Fund grant has increased not decreased as anticipated. Staff roles within the Youth Service have been reassigned to work on the shared prosperity grant funded project	136	72%
<b>Subtotal Directorate Learning and Skills</b>			<b>564</b>	<b>94</b>			<b>383</b>	<b>68%</b>
<b>Directorate Social Services</b>								

Appendix F Savings Tracker

Directorate	Description of Saving Proposal	Saving Category	Target Value		Overall RAG Stat	Comments/Narrative	Value Achieved/ Expected to be Achieved	Percentage Achieved
			£'000	£'000				
			2023/24	2024/25				
Social Services	Closer to Home Residential Care (C&YPs)	Invest to Save	200	100		Delays on Building Programme and Recruitment of Staff, need to go through registration process- Likely to be utilised in Autumn of 2023 with first placement currently being reviewed. Likely to be between £65k and £85k	75	38%
Social Services	Reduced building rental	Corporate Asset Strategy	-	50		Part of wider asset reorganisation review overall costs and savings position.	0	0%
Social Services	Closer to Home Supported Living (LD)	Invest to Save	-	100		Further smart houses planned, additional work required to review potential for savings.	0	0%
Social Services	Budget Programme Savings 2023-24	Invest to Save	81			Potential to identify 2023/24 target from review of high cost packages of care and commitments and health funding further review work to be undertaken.	81	0%
Social Services	Additional Income	Generating Income	400			Budget Adjustment	400	100%
<b>Subtotal Directorate Social Services</b>			<b>681</b>	<b>250</b>			<b>556</b>	<b>82%</b>
<b>Directorate Neighbourhood and Housing</b>								
Neighbourhood and Housing	Increase in fees and charges	Generating Income	30		Green	Fees & Charges increased for 23/24	30	100%
Neighbourhood and Housing	Parking Charging Review	Generating Income	20	100	Amber	Residents permits - Cabinet Report due to be taken delayed due to 20mph work		0%
Neighbourhood and Housing	Review Car Park Provison	Corporate Asset Strategy	50	-	Amber	Court Road Car Park- Awaiting the result of the Public Consultation plan before this can be progressed further		0%
Neighbourhood and Housing	Stop provision of sandbags	Service Review	5	-	Green	Achieved	5	100%
Neighbourhood and Housing	Expand Construction and Design Team	Generating Income	-	25				n/a
Neighbourhood and Housing	Rationalisation of Public Conveniences	Corporate Asset Strategy	-	50				n/a
Neighbourhood and Housing	Review Charges for Coastal Toilets	Generating Income	-	5				n/a
Neighbourhood and Housing	Mobile Cleansing Service	Service Review	-	50				n/a
Neighbourhood and Housing	Mobile Parks Service	Service Review	-	50				n/a
Neighbourhood and Housing	Review Planting in Parks consider use of shrubs/drought resitant planting and sponsorship	Service Review	-	15				n/a
Neighbourhood and Housing	Do not apply for Green Flag and Coastal Awards	Service Review	5	-	Red	Senior Management instructed that Green Flag & Coastal Awards should continue. No alternative saving to be offered.		0%

Appendix F Savings Tracker

Directorate	Description of Saving Proposal	Saving Category	Target Value		Overall RAG Stat	Comments/Narrative	Value Achieved/ Expected to be Achieved	Percentage Achieved
			£'000	£'000				
			2023/24	2024/25				
Neighbourhood and Housing	Allotment Charging	Generating Income	3	-	Green	Charges increased for 23/24 to reflect cost recovery and letters have now gone out.		0%
Neighbourhood and Housing	Double Shift Mechanical sweepers (2 vehicles plus one spare)	Service Review	40	-	Green	Has been achieved by transferring 2 members of staff to vacant posts within cleansing operations		0%
Neighbourhood and Housing	Review use of external suppliers	Service Review	-	25				n/a
Neighbourhood and Housing	Reduce Grass cutting schedule to 5 cuts a year	Service Review	40	-	Red but mitigated	Tender price higher than anticipated therefore savings not achieved. Mitigated by Enforcement Income	-	0%
Neighbourhood and Housing	Enforcement Income	Income Generation			Green	Enforcement used to mitigate the above	-	N/A
Neighbourhood and Housing	Jenner Park alternative model	Corporate Asset Strategy	-	65				n/a
Neighbourhood and Housing	Commercial Opportunities and Business Support review	Service Review	50	130	Green	Reception at Alps closed. 2 x posts vacant within support	50	100%
Neighbourhood and Housing	Reassess Tracking Information to rationalise fleet	Service Review	-	10				n/a
Neighbourhood and Housing	Charge for Post 16 Transport	Generating Income		-				n/a
Neighbourhood and Housing	Waste Collection for Black Bags to 3 weeks	Service Review	150	-	Amber	Due to commence from 1st July 2023 Shortfall due to delayed start and could be mitigated by green bag income and dropped vehicle. Savings of £100k remains anticipated in 23/24.	100	67%
Neighbourhood and Housing	Green Bag Subscription Charge	Generating Income	500	-	Amber	Commenced in July £350k collected to date opportunity to increase with 1/9 of 2024's charge. Position remains the same as at 06.11.23, with only £350k anticipated.	350	70%
Neighbourhood and Housing	Commercial Waste electric vehicles invest to save - business case	Invest to Save	-	50				n/a
Neighbourhood and Housing	Garage Generation of additional income	Generating Income	-	10				n/a
Neighbourhood and Housing	Charging for public use of Electric vehicle chargers	Generating Income	2	3	Amber	Not able to move forward with this in 23/24	-	0%
Neighbourhood and Housing	Reduced Contribution Regulatory Services	Service Review	21		Budget Adjustment	Budget Adjustment	21	100%
Neighbourhood and Housing	Budget Adjustment Pre Tenancy Adviser and VATs budget	Service Review	26		Achieved - budget adjusted.	Budget Adjustment	26	100%
Neighbourhood and Housing	Review Senior Officer Recharges to HRA to ensure no cross subsidisation	Generating Income	33		Achieved - budget adjusted.	Budget Adjustment	33	100%

## Appendix F Savings Tracker

Directorate	Description of Saving Proposal	Saving Category	Target Value		Overall RAG Stat	Comments/Narrative	Value Achieved/ Expected to be Achieved	Percentage Achieved
			£'000	£'000				
			2023/24	2024/25				
Neighbourhood and Housing	Review Support Function - Vacant Post	Service Review	25		Achieved - budget adjusted.	Budget Adjustment	25	100%
<b>Subtotal Directorate Neighbourhood and Housing</b>			<b>1,000</b>	<b>588</b>			<b>640</b>	<b>64%</b>
<b>Directorate Place</b>								
Place	General Efficiencies within Regeneration service	Service Review	25		Budget Adjustment		25	100%
Place	Review of facilities contracts	Corporate Asset Strategy	10	23	Amber	Negotiations are underway regarding termination of the lease at VEC, this is an Invest to Save scheme that is subject to a business case.		0%
Place	Administration target for Creative Communities team	Generating Income	15		Budget Adjustment		15	100%
Place	Review of Regeneration & Economic Development Support Services	Service Review	62		Amber	Review of Regeneration structure is underway, but delayed, and savings likely to be made at a level of 80% for this year, assisted by alternative income sources	50	80%
Place	Reduce events grants budget	Service Review	3		Budget Adjustment		3	100%
Place	Review of visitor attractions in country parks	Service Review	50	22	Amber	Review of country parks attractions – delayed due to the need to undertake a feasibility report to allow a review to be undertaken.		0%
Place	Review planning and additional fee income (e.g. PPAs)	Generating Income	36		Budget Adjustment	Developers are being offered the opportunity to enter agreements with the Council to ensure that applications are processed as quickly and efficiently as possible.	36	100%
Place	Review of Business Support function	Service Review	44		Green	staff savings achievable	44	100%

Appendix F Savings Tracker

Directorate	Description of Saving Proposal	Saving Category	Target Value		Overall RAG Stat	Comments/Narrative	Value Achieved/ Expected to be Achieved	Percentage Achieved
			£'000	£'000				
			2023/24	2024/25				
Place	Increased DFG provision (removal of means testing)	Generating Income	20		Unlikely due to the delay in the establishment of a single adaptations team. Early stages of reshaping work indicate that whilst a new team will create better systems and provide better services it is unlikely that any substantial cost savings will be made	Unlikely to be achieved	-	0%
<b>Subtotal Directorate Place</b>			<b>265</b>	<b>45</b>			<b>173</b>	<b>65%</b>
<b>Directorate Corporate Resources</b>								
Resources	Mayor's Supplies and Services Budget Adjustment	Service Review	4		Achieved - budget adjusted.		4	100%
Resources	Democratic Supplies and Services Budget Adjustment	Service Review	1		Achieved - budget adjusted.		1	100%
Resources	Registrars Supplies and Services Budget Adjustment	Service Review	1		Achieved - budget adjusted.		1	100%
Resources	Legal Services Supplies and Services Budget Adjustment	Service Review	17		Achieved - budget adjusted.		17	100%
Resources	Budget Supplies and Services Adjustment	Service Review	9		Achieved - budget adjusted.		9	100%
Resources	Supplies and Services Budget Adjustment	Service Review	17		Achieved - budget adjusted.		17	100%
Resources	Supplies and Services Budget Adjustment	Service Review	9		Achieved - budget adjusted.		9	100%



## Appendix F Savings Tracker

Directorate	Description of Saving Proposal	Saving Category	Target Value		Overall RAG Stat	Comments/Narrative	Value Achieved/ Expected to be Achieved	Percentage Achieved
			£'000	£'000				
			2023/24	2024/25				
Resources	Supplies and Services Budget Adjustment	Service Review	20		Achieved - budget adjusted.		20	100%
Resources	Supplies and Services Budget Adjustment	Service Review	13		Amber	Need to consider impact of OD refreshments cut	12	92%
Resources	Registrars' Income	Generating Income	30		Green	Budget has been adjusted. Additional target should be achieved based on annual trends.	30	100%
Resources	O2 Mobile Phone Contract	Contract/Procurement Review	55		Green	Achieved - budget adjusted to reflect lower tariff however approx £18k relates to SRS and HRA and are not able to be realised within the General Fund. This is being offset by printing savings in 2023/24	55	100%
Resources	Managed Print Service	Contract/Procurement Review	-	70				n/a
Resources	Annual RSA Support Costs - Reduce number of users	Contract/Procurement Review	22		Green	Saving is predicated on the reduced use of RSA due to greater VPN usage.	22	100%
Resources	Review C1V Office Accommodation	Corporate Asset Strategy	50		Amber	Full saving will not be achieved during 23/24 as review is ongoing and this is part of a wider review of office space.		0%
Resources	Review Docks Office Site	Corporate Asset Strategy	200	100	Amber	Full saving will not be achieved during 23/24 as review is ongoing and this is part of a wider review of office space. A Rateable Value reduction has realised part of the saving earlier than anticipated.		0%
Resources	Remove Vacant Posts	Workforce Review	43		Green	Achieved - posts removed from establishment.	43	100%
Resources	Shared Cost AVCs	Generating Income	25		Green	The Shared Cost AVC deductions process commenced in August 2023, anticipated shortfall is expected to be £6k due to current take up is expected to increase during the financial year.	25	100%
Resources	e-Billing in Revenues	Digital Strategy	7		Green	Team are engaging with business improvement team about what we can do with the ongoing daily mailings through Datagraphic (hybrid mail). Plan to introduce text messaging for CTax pre reminders/finals/summons and we will be able to use the same solution for promoting e-billing	7	100%
Resources	Hybrid Mail - Housing Benefits	Digital Strategy	20		Green	Project has been kicked off and team have engaged with Business Improvement.	20	100%
Resources	Vale proportion of Vacant Post	Workforce Review	15		Achieved - Vale share of post removed from establishment.		15	100%
Resources	Vale proportion of miscellaneous supplies and services savings from budget	Service Review	2		Achieved - Vale share of budget adjusted		2	100%



Appendix F Savings Tracker

Directorate	Description of Saving Proposal	Saving Category	Target Value		Overall RAG Stat	Comments/Narrative	Value Achieved/ Expected to be Achieved	Percentage Achieved
			£'000	£'000				
			2023/24	2024/25				
Resources	Counter fraud budget reduction	Service Review	22		Achieved - budget adjusted	Service includes a high target for fraud reduction. Annual income target is £125k.	22	100%
<b>Subtotal Directorate Corporate Resources</b>			<b>582</b>	<b>170</b>			<b>331</b>	<b>57%</b>
<b>Policy</b>								
Policy	Mayor's hospitality budget and twinning savings	Service Review	40		Achieved Budget Adjustment		40	100%
Policy	Appropriation of Debt to HRA - Savings against borrowing costs	Service Review	25		Achieved Budget Adjustment		25	100%
Policy	Temporary Capital Financing Headroom	Service Review	1,000		Achieved Budget Adjustment		1,000	100%
Policy	Additional Investment Income (Temporary)	Generating Income	550		Dependent on Income Generation	On Target to Achieve in full	550	100%
<b>Subtotal Policy</b>			<b>1,615</b>	<b>-</b>			<b>1,615</b>	<b>100%</b>
<b>Total Savings</b>			<b>4,707</b>	<b>1,147</b>			<b>3,698</b>	<b>79%</b>
<b>Subtotal Directorate Learning and Skills</b>								
			<b>564</b>	<b>94</b>			<b>383</b>	<b>68%</b>
<b>Subtotal Directorate Social Services</b>								
			<b>681</b>	<b>250</b>			<b>556</b>	<b>82%</b>
<b>Subtotal Directorate Neighbourhood and Housing</b>								
			<b>1,000</b>	<b>588</b>			<b>640</b>	<b>64%</b>
<b>Subtotal Directorate Place</b>								
			<b>265</b>	<b>45</b>			<b>173</b>	<b>65%</b>
<b>Subtotal Directorate Corporate Resources</b>								
			<b>582</b>	<b>170</b>			<b>331</b>	<b>57%</b>
<b>Subtotal Policy</b>								
			<b>1,615</b>	<b>-</b>			<b>1,615</b>	<b>100%</b>
<b>Total Savings</b>								
			<b>4,707</b>	<b>1,147</b>			<b>3,698</b>	<b>79%</b>

Directorate	Target	Amount Achieved/ Expected to be achieved to date	% Achieved	Mitigation	Mitigation Achieved %	Shortfall	Shortfall %
	£'000s	£'000s		£'000s		£'000s	£'000s
Policy	1,615	1,615	100%	-	0%	-	0%
Resources	582	331	57%	250	43%	1	0%
Neighbourhood and Housing	1,000	640	64%	40	4%	320	32%
Learning and skills	564	383	68%	-	0%	181	32%
Social Services	681	556	82%	-	0%	125	18%
Place	265	173	65%	-	0%	92	35%
<b>Total</b>	<b>4,707</b>	<b>3,698</b>	<b>79%</b>	<b>290</b>	<b>6%</b>	<b>719</b>	<b>15%</b>
	4707	3697.6				- 1,009	-

