

Meeting of:	<b>Healthy Living and Social Care Scrutiny Committee</b>
Date of Meeting:	<b>Tuesday, 07 December 2021</b>
Relevant Scrutiny Committee:	Healthy Living and Social Care
Report Title:	<b>Revenue and Capital Monitoring for the Period 1st April to 30th September 2021 and Revised Budget for 2021/22</b>
Purpose of Report:	To advise Scrutiny Committee of the progress relating to revenue and capital expenditure for the period 1st April to 30th September 2021 and the revised budget for 2021/22
Report Owner:	<b>Report of the Director of Social Services</b>
Responsible Officer:	Carolyn Michael Section 151 officer
Elected Member and Officer Consultation:	Each Scrutiny Committee will receive a monitoring report on their respective areas. This report does not require Ward Member consultation
Policy Framework:	This report is for executive decision by the Cabinet
Executive Summary:	<ul style="list-style-type: none"> <li>• The revenue position for 2021/22 will be challenging with the continuing pressure for the service both operationally and financially as a result of the COVID 19 pandemic. This will impact both as a result of incurring additional expenditure but also from a loss of income. Funding has been provided by Welsh Government to cover some of the issues.</li> <li>• A savings target for the year has been set at £135k.</li> <li>• The currently approved capital budget has been set at £5.491m.</li> <li>• The 2021/22 budget has been amended for internal transfers and technical adjustments.</li> </ul>

## **Recommendations**

1. That Scrutiny Committee consider the position with regard to the 2021/22 revenue and capital budgets.
2. That Scrutiny Committee note the revised budget for 2021/22.

## **Reasons for Recommendations**

1. That Members are aware of the projected revenue outturn for 2021/22.
2. That Members are aware of the revised budget for 2021/22.

## **1. Background**

- 1.1 Cabinet on 22nd November 2021 approved the revised budget for 2021/22.

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

### **Revenue**

- 2.1 At this time of the year the original budget is usually reviewed for any required adjustments and an amended budget is calculated. Appendix 1 to this report sets out the amended budget for 2021/22 relating to this Committee, together with the necessary adjustments to be made. These adjustments reflect charges for the use of capital assets, changes to inter-service recharges and transfers and pensions adjustments to comply with accounting standards. They have no overall effect on the net budget of the Committee and are accounting adjustments largely outside the control of services. They do not alter the variance.
- 2.2 There will be a change in the way in which the Social Services budgets are reported. Historically only the core management of Social Services has been shown under the Resource Management & Safeguarding heading with the remainder of the support staff of the division and care homes being recharged at year end to Adults and Childrens Services. In order to reflect more accurately the actual budget position of the Resource Management & Safeguarding Service, going forward the budget recharge to other parts of the service will not take place and the budget will now show the actual cost of that service.
- 2.3 It is anticipated that Social Services could require a potential unplanned transfer from reserves at year end of £1.101m.

Directorate/Service	2021/22	2021/22	Variance
	Amended Budget	Projected	(+)Favourable (-) Adverse
	£000	£000	£000
Children and Young People	16,909	17,510	-601
Adult Services	46,885	47,385	-500
Resource Management & Safeguarding	6,986	6,986	0
Unplanned use of reserves to fund overspend	0	-1,101	+1,101
Leisure Services	650	650	0
<b>Total</b>	<b>71,430</b>	<b>71,430</b>	<b>0</b>

**2.4** Children and Young People Services – It is anticipated that the outturn at year end could be an adverse variance of around £601k. There still remains considerable pressure on the children’s placements budget given the complexities of the children currently being supported and the high cost placements some of these children require to meet their needs. This is further impacted by the COVID-19 pandemic and the significantly higher demand for placements and the scarcity of options available. However, work continues to ensure that children are placed in the most appropriate and cost effective placements. It is anticipated that the placement budget could overspend by £1.2m at year end. The outturn position will fluctuate if the number of children looked after and/or complexity of needs change, particularly with the potential high cost of each placement. Legal costs are being incurred as a result of increasing and complex Court cases that require Counsel's involvement with a potential projected overspend of £180k. In addition this year there will again be greater costs incurred in relation to children being placed for adoption outside the Vale, Valleys and Cardiff Adoption Collaborative area which could result in an adverse variance of £200k but will reduce the number of children looked after when these children become subject of Adoption Orders. Increased costs within the Intake and Family Support Team to support children subject to care and support plans or looked after is likely to result in an adverse variance of £120k. Financial support for Special Guardianship and Residence Orders are projecting an overspend of £55k. Costs incurred in supporting care leavers and those in When I’m Ready placements are forecasting an overspend of £102k. This overspend is linked to accommodation and support costs. There are potentially favourable variances across the Division, most particularly in the current foster payments budget, that could total around £170k. It should be noted however that the foster payments budget remains subject to change and the favourable variance may not continue as the year progresses. WG are providing additional funding via the Social Care Recovery Fund and proposals for its use have been

submitted to WG. £947k has been allocated to Childrens Services and this will therefore mitigate the pressures already detailed. As part of the September Hardship grant claim to WG, £139k was included which related to the additional costs for agency Social Workers as a result of the increased pressure due to COVID-19 for the period April to September. This claim has been accepted by WG and will therefore again mitigated the position above. Any overspend at year end will be funded from Social Service reserves.

**2.5** Adult Services - At present a £500k overspend is being projected relating to the Community Care Packages budget. There is continuing pressures on this budget which is extremely volatile and therefore work continues to assess a realistic year end position. This position takes into account additional funding received from WG via the Social Care Recovery Fund. For Adults Services this will be £1.435m however part of this grant will be used to make additional payments to care home and domiciliary providers to build up capacity to support increased need over the winter period. WG has agreed to continue to provide funding via the Hardship grant up to 31st March 2022 for void beds, domiciliary care and residential and supported accommodation providers however the level of funding will be tapered off in the last 6 months of a year. Health still continues to provide a large quantity of PPE for both the Council and external care providers which is being distributed by the Council. Any overspend at year end will be funded from Social Service reserves.

**2.6** Leisure Services - The Parks element of the revenue budget can no longer be reported separately, as operationally it is an integrated part of the new Neighbourhood Services. It is therefore only possible to report the Leisure and Play element under this heading. As Parks capital schemes are separately identifiable, they will continue to be reported to this Committee. Currently the Leisure Services heading is shown as breakeven however depending on how the pandemic progresses and the potential grant funding available from Welsh Government there could be an adverse outturn on this budget relating to the leisure centre contract with the external operator.

### **2021/22 Efficiency Targets**

**2.7** As part of the Final Revenue Budget Proposals for 2021/22, an efficiency target of £135k was set for the Committee. Attached at Appendix 2 is a statement showing the efficiency target for 2021/22. Work is being undertaken to identify appropriate savings and it is anticipated that the Social Services saving could be achieved by year end but the position will be reviewed as the year progresses. It is anticipated that the Leisure saving will not be made in full this year.

## Capital

- 2.8** Appendix 3 details financial progress on the Capital Programme as at 30th September 2021. The following changes have been made to the Capital Programme since the last report to Committee.
- 2.9** Flying Start - Family Centre Heating System - The tenders for this scheme have been returned higher than expected due to the significant uplift in plant costs seen across the board in all sectors of construction. This is split between the increased costs of transportation along with the uplift in material costs of manufacture. So that the scheme can progress as soon as possible delegated authority has been used to vire £11k of the Social Services unallocated Asset Renewal budget to the 'Flying Start - Family Centre Heating System' scheme.
- 2.10** Flying Start Grant - The Council has received an additional £60k of grant funding relating to Flying Start Capital 2021/22 for the projects set out below:-
- Skomer Road Flying Start – Creche – Redevelop outdoor area, surfacing, shelter, equipment, fencing and emergency door and lighting £45k.
  - Pili Pala FS – new entrance and one way drop off and pick up , replace fencing, create a new gate/entry and exit point plus a new pathway £15k.
- Emergency powers has been used to include these new schemes in the 2021/22 Capital Programme to be funded by a grant from Welsh Government.
- The Creche scheme is anticipated to cost £85k. There is already a scheme built into the Capital Programme that is funded internally for security shutters at Skomer Road, however this scheme cost less than expected and was funded through revenue. The budget for this scheme is £40k. Emergency powers have therefore been used to vire this budget to the Skomer Road Crèche scheme to enable this scheme to progress with a total budget of £85k.
- 2.11** Ty Dewi Sant - Hairdressing Room and Office Refurbishment - A refurbishment is required at Ty Dewi Sant to convert the smoker's room to a hairdresser's room and an office refurbishment. The works are anticipated to cost £20k. The existing hairdressing facility is too small and not suited for people living with dementia. The aim is to relocate this facility to a larger room and create a space which is dementia friendly. The vacated space (adjacent to the manager's office) will be joined with the manager's office to create a larger office space which will enable the management team to operate more efficiently and distance more effectively. Emergency powers have been used to vire £20k of the internal funding within the Ty Dyfan and Cartref Dementia Improvements to a new scheme called 'Ty Dewi Sant - Hairdressing room and Office Refurbishment' in the 2021/22 Capital Programme.
- 2.12** Cowbridge Leisure Centre Roofing - This scheme has commenced however the contractor has reported that the existing rafter sizes are not sufficient in size to

accommodate the new higher performance insulation system. This only become apparent once the roof strip back had commenced. The contractor has provided a solution and requested a variation to the contract at an additional cost of £14,672. When taking fees into account a total of £17k is required to be added to the budget. The works were 'on stop' and needed to be urgently instructed in order not to lose the workforce onto another project. Emergency powers have been used to vire £17k from the Leisure Centres Works scheme budget (which is currently unallocated) to the Cowbridge Leisure Centre Roofing scheme budget, in the 2021/22 Capital Programme.

- 2.13** Sport Wales Grant - The Council has been working with Barry Leisure Centre to explore an opportunity to develop a scheme to create an outdoor fitness space utilising an existing paved area in the grounds of the leisure centre (where the water shoot had previously been located). The total project cost is £73.8k. This is to be funded £41.9k s106 monies (from community facilities pot, pursuant to the development and S106 agreement associated with the development at Land off Subway Road, Barry), £28.9k from the Sports Wales Grant (already built into the 2021/22 Capital Programme) and £3k Sports Wales Grant that was originally allocated for revenue but has now been reclassified as capital. Emergency powers have been used to increase the Sports Wales grant scheme budget in the 2021/22 Capital Programme by £44.9k to be funded £41.9k from s106 monies and £3k from the Sports Wales Grant.

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

### **Financial**

**4.1** As detailed in the body of the report

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

**4.2** There are no legal implications.

## **5. Background Papers**

None

**REVISED BUDGET 2021/22**

APPENDIX 1

	<b>Original Budget 2021/22 £000</b>	<b>Rechgs/ Transfs £'000</b>	<b>Budget Adjustment £'000</b>	<b>Revised Estimate 2021/22 £'000</b>
Children and Young People	<b>17,700</b>	22	(813)	<b>16,909</b>
Adult Services	<b>52,742</b>	26	(5,883)	<b>46,885</b>
Resource Management & Safeguarding	<b>292</b>	(2)	6,696	<b>6,986</b>
Leisure Services	<b>678</b>	(28)	0	<b>650</b>
<b>TOTAL</b>	<b>71,412</b>	<b>18</b>	<b>0</b>	<b>71,430</b>



**PROGRESS ON APPROVED EFFICIENCIES 2021/22**

**APPENDIX 2**

<b>Service</b>	<b>Total Efficiency £000</b>	<b>Projected Efficiency £000</b>	<b>RAG Status</b>	<b>Update Comments, Issues &amp; Actions</b>	<b>Relevant Scrutiny Committee</b>	<b>Project Manager</b>
Corporate Recovery and Efficiency Savings 21/22	76	76	Green	It is anticipated that savings can be achieved but this will need to be reviewed as the year progresses	Health Living & Social Care	Suzanne Clifton
Pensions Adjustment	3	3	Green		Health Living & Social Care	Suzanne Clifton
Leisure Services	56	36	Red	A saving has been made at Holm View Leisure Centre	Health Living & Social Care	Emma Reed
<b>COMMITTEE TOTAL</b>	<b>135</b>	<b>115</b>	<b>85%</b>	<b>Amber</b>		

Green = on target to achieve in full

Amber = forecast within 20% of target

Red = forecast less than 80% of target

PROFILE TO DATE	ACTUAL SPEND 2021/22		APPROVED PROGRAMME 2021/22	PROJECTED OUTTURN 2021/22	VARIANCE AT OUTTURN 2021/22	PROJECT SPONSOR	COMMENTS
£000	£000		£000	£000	£000		
0	0	Social Services Asset Renewal	20	20	0	L Carver	To be allocated.
		<b>Adult Services</b>					
0	0	Cartref Porthceri External Repairs Phase 2	15	15	0	A Phillips	Drainage survey to be procured.
0	0	Rondell House Day Centre Electrical Upgrade	30	30	0	A Phillips	Anticipated out to tender January/February, survey to be carried out.
0	0	Ty Dewi Sant - Hairdressing room and Office Refurbishment	20	20	0	A Phillips	Scheme anticipated to commence in January. Emergency powers detailed as part of this report.
		<b>Slippage</b>					
0	0	Radon	10	10	0	A Phillips	Scheme on-going.
15	0	Ty Dewi Sant -Electrical Upgrade	15	15	0	A Phillips	Scheme complete, account to be finalised.
0	0	WCCIS Implementation	10	10	0	A Phillips	Carried forward from 2020/21.
0	0	IT Developments in Homes	98	98	0	A Phillips	IT developments in residential homes. Programme of works being determined.
		<b>ICF</b>					
1	1	ICF - Southway Community Facility	5	5	0	A Phillips	Fire doors
0	0	ICF Ty Dewi Sant	49	49	0	A Phillips	Account to be finalised.
130	122	ICF -Transition Smart House (6A Castle Ave)	130	130	0	S Clifton	Scheme complete, account to be finalised.
22	22	ICF - Dementia friendly passenger lifts at Cartref and Southway residential homes	145	145	0	A Phillips	Orders have been placed, delays with the lifts being manufactured, no start date yet.
50	0	ICF - Sluice room upgrade	175	175	0	A Phillips	Works in Cartref are complete and are nearing completion in Southway and Ty Dyfan. There is one outstanding in Ty Dyfan.
263	263	ICF - Ty Dyfan and Cartref Dementia Improvements	494	494	0	A Phillips	Ty Dyfan works anticipated to complete early November. Works will then start on Cartref Porthceri bedrooms.
0	0	ICF - 4 Carys Close Refurbishment Project	275	275	0	A Phillips	Project timeline been agreed, in detailed design stage, anticipated to go out to tender in November.
<b>481</b>	<b>408</b>		<b>1,491</b>	<b>1,491</b>	<b>0</b>		
		<b>Children's Services</b>					
0	0	Flying Start - Family Centre Heating System	56	56	0	R Evans	Tenders are being evaluated- letter of intent imminent. Delegated authority detailed as part of this report.
40	18	Flying Start - Ladybirds and Butterflies outdoor play areas	40	40	0	R Evans	Welsh Government grant. Work has been completed at Ladybirds childcare setting, works part completed at Butterflies.
0	0	Flying Start - Skomer Road new heating system, redecoration and car park	65	65	0	R Evans	Welsh Government grant. Works anticipated to commence in November.
0	0	Flying Start - Pili Pala Works	85	85	0	R Evans	Welsh Government grant. Emergency powers detailed as part of this report. The work is anticipated to start December.
0	0	Flying Start - Skomer Road Creshe	15	15	0	R Evans	Welsh Government grant. Emergency powers detailed as part of this report. The work is due to start November 2021.
32	0	Gibbonsdown, Skomer Road FS: Extension	32	32	0	R Evans	Welsh Government grant. Scheme complete, account to be finalised.
<b>72</b>	<b>18</b>		<b>293</b>	<b>293</b>	<b>0</b>		
		<b>Neighbourhood and Transport Services</b>					
		<b>Asset Renewal</b>					
20	0	Neighbourhood Services buildings for compliance issues and community centres	88	88	0	D Knevett	Works to include Millwood Bowling Club fence, St Athan Community Centre heating, Buttrills Community Centre roof works and Barry Island Community Centre roof works.
0	0	Parks	48	48	0	E Reed	Works will include Aberthaw play around, discussions are being carried out to allocate the remainder of the budget.
<b>20</b>	<b>0</b>		<b>136</b>	<b>136</b>	<b>0</b>		

PROFILE TO DATE	ACTUAL SPEND 2021/22		APPROVED PROGRAMME 2021/22	PROJECTED OUTTURN 2021/22	VARIANCE AT OUTTURN 2021/22	PROJECT SPONSOR	COMMENTS
£000	£000		£000	£000	£000		
		<b>Leisure &amp; Tourism</b>					
0	0	Barry Leisure Centre Boiler Renewal	175	175	0	D Knevett	Scheme anticipated to start later in the year, budget is split over two years.
0	0	Penarth Leisure Centre Water Heaters Renewal	75	75	0	D Knevett	Order has been placed, materials to be delivered in October.
1	1	Penarth Leisure Centre, High Level Glazing	180	180	0	D Knevett	Works not yet started, specialist advice to be procured.
37	37	Barry Leisure Centre Flume	47	47	0	D Knevett	Scheme complete.
0	0	Allotment Support Grant 2021/22	33	33	0	D Knevett	Scheme progressing.
		<b>Slippage</b>					
0	0	Barry Leisure Centre Hall Floor	20	20	0	D Knevett	Main hall complete.
5	5	Cowbridge Leisure Centre Roofing	451	451	0	D Knevett	Works are on site. Emergency powers detailed as part of this report.
19	19	Barry Leisure Centre Dry Changing Rooms	42	42	0	D Knevett	Finalising scheme.
0	0	Barry and Penarth LC Upgrade Changing Rooms	70	70	0	D Knevett	Finalising scheme.
12	12	Sports Wales Grant	87	87	0	D Knevett	Emergency powers detailed as part of this report.
0	0	Llantwit Major Leisure Centre - Rebuild brickwork	75	75	0	D Knevett	Anticipating scheme to go out to tender in October.
0	0	Leisure Centres Works	62	62	0	D Knevett	Leisure centre contingency pot.
51	51	Penarth Leisure Centre, Boiler Renewal	93	93	0	D Knevett	Scheme complete bar snagging.
26	26	Penarth Leisure Centre, Lift Renewal	63	63	0	D Knevett	Orders have been placed, long delivery times.
10	10	Llantwit Major Leisure Centre, Lift Renewal	47	47	0	D Knevett	Orders have been placed, long delivery times, estimated November.
7	7	Electrical Renewal Barry & Penarth Leisure Centres	63	63	0	D Knevett	Finalising scheme.
0	0	Cowbridge Leisure Centre Replacement water heaters/replacement flue	4	4	0	D Knevett	Finalising scheme.
<b>168</b>	<b>168</b>		<b>1,587</b>	<b>1,587</b>	<b>0</b>		
		<b>Parks and Grounds Maintenance</b>					
0	0	Gladstone Park Interpretation Scheme	23	23	0	A Sargent	Internal discussions taking place.
0	0	Play Area in Stanwell	120	120	0	A Sargent	Consultation to be programmed.
		<b>Parks and Grounds Maintenance Slippage</b>		0			
0	0	Jenner Park Stadium Lighting	22	22	0	D Knevett	Finalising scheme.
0	0	Romilly Tennis Courts	149	149	0	D Knevett	Looking into procurement options.
8	8	All Wales Play Opportunity Grant	15	15	0	D Knevett	Porthkerry swing and Romilly Park path works.
49	33	Green Recovery Grant	49	49	0	E Reed	Scheme complete, account to be settled.
2	0	Playground Refurbishment - Treoes Play Area	2	2	0	A Sargent	Scheme complete.
15	15	Cary Cymru Grant - Keep Wales Tidy	15	15	0	A Sargent	Scheme complete.
<b>74</b>	<b>56</b>		<b>395</b>	<b>395</b>	<b>0</b>		
		<b>S106 Funding</b>					
3	0	Ogmore Community Facility and associated play area	3	3	0	M Goldsworthy	Scheme complete.
2	0	Wick Multi Use Games Area	2	2	0	M Goldsworthy	Scheme complete.
5	5	The Knap Gardens – water and biodiversity project	102	102	0	M Goldsworthy	Tenders have been returned and the preferred contractor selected. Anticipated start mid November.
14	14	Central Park – play area improvements	98	98	0	M Goldsworthy	Scheme anticipated to start on site in January.
1	1	North Penarth Open Space Improvements	102	102	0	A Sargent	Anticipated to start on site mid October.
2	2	Belle Vue Pavilion in Penarth	1,125	1,125	0	M Goldsworthy	Anticipated to go out to tender late November. Some of this scheme could potentially roll into 2022/23, awaiting confirmation.
0	0	Windmill Lane Play Area	67	67	0	M Goldsworthy	Consultation complete, tender to prepared.
4	4	Clos Tyniad Glo/Clos Peiriant Play Area	59	59	0	M Goldsworthy	Order has been placed, works anticipated to start in January.
0	0	Public Open Space Tree Planting	31	31	0	M Goldsworthy	Delegated authority detailed as part of this report. Initial meetings taking place.
<b>31</b>	<b>26</b>		<b>1,589</b>	<b>1,589</b>	<b>0</b>		
<b>846</b>	<b>676</b>	<b>COMMITTEE TOTAL</b>	<b>5,491</b>	<b>5,491</b>	<b>0</b>		