

Meeting of:	<b>Healthy Living and Social Care Scrutiny Committee</b>
Date of Meeting:	<b>Tuesday, 10 September 2024</b>
Relevant Scrutiny Committee:	Healthy Living and Social Care
Report Title:	Closure of Accounts 2023/24
Purpose of Report:	The accounts are complete and this report is to inform Committee of the provisional financial position of the Council for the 2023/24 financial year.
Report Owner:	<b>Director of Social Services</b>
Responsible Officer:	Matt Bowmer Head of Finance/Section 151 Officer
Elected Member and Officer Consultation:	This report does not require Ward Member consultation
Policy Framework:	This is a matter for Executive decision by Cabinet.

**Executive Summary:**

- The Council encountered significant revenue pressures during 2023/24, particular pressures were in respect of inflationary pressures particularly regarding contracts and pay pressures (which reflect cost of living, market pressures and the Council’s commitment to paying real living wage).
- The Council continued to experience significant demand pressures for supporting Children’s services, Homelessness and pupils with Additional Learning Needs during 2023-24.
- The year end revenue position was a breakeven position after net transfers from reserves of £34.235m, made up of £417k transferred from Council Fund, £12.961m from the Housing Revenue Account, £11.785m transferred into specific reserves from revenue and £12.078m transferred from specific reserves to provide one off funding for projects and overspends and £8.779m drawdown from reserves to fund the capital programme and for displacement required by capital grants. The Council Fund now stands at £11.106m as at 31st March, 2024.

Table 1 - Outturn Summary

	<b>Amended Revenue Budget</b>	<b>Actual</b>	<b>Variance +Favourable () Adverse</b>	<b>Net Transfer to /(From) Reserve</b>
	£’000	£’000	£’000	£’000
Learning & Skills	128,329	128,454	(125)	7,692

Social Services	85,493	89,755	(4,262)	7,339
Environment and Housing	31,909	32,158	(249)	(1,214)
Place	3,401	4,441	(1,040)	(64)
Corporate Resources	16,741	16,734	7	495
General Policy	30,645	26,319	4,327	(1,768)
Council Tax Surplus	-	(3,423)	3,423	-
Use of Reserves	(2,096)	(2,096)	-	2,096
Total Provisional Outturn	294,422	292,342	2,080	14,575
Allocation of Surplus	-	2,080	(2,080)	(2,080)
Total	294,422	294,422	0	12,495
Capital Programme Funded from Reserves				8,779
Movement on Housing Revenue Account				12,961
Total Movement on Council Fund and Specific Reserves				34,235

Table 2 – Council Fund and Reserves

Council Fund and Specific Reserves	Opening £000's	Movement £000's	Closing £000's
Council Fund	11,523	(417)	11,106
Earmarked Reserves	82,481	(20,857)	61,624
Housing Revenue Account	16,486	(12,961)	3,525
Total	110,490	(34,235)	76,255

- Challenging savings and efficiency targets have been set for 2023/24 which 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, and whilst services have mitigated some savings in year in 2023/24 these savings will be kept under review in 2024/25 as services move to identify these on a more sustainable basis over the medium term.
- After taking account of Directorate movements to and from reserves the revenue outturn showed a surplus of £2.080m which has been utilised as follows.
  - £2m Establish a new reserve to offset Education Deficits in 2024/25 on a provisional basis whilst the Council works with schools on establishing a coordinated approach to tackling school deficits.
  - The balance of £80k has been transferred to the General Fund
- The level of Useable Reserves reduced in year although by less than has been projected but some of these commitments have been slipped into 2024/25 in accordance with Capital Expenditure slippage. The Council undertook a further reserve reallocation exercise in year as outlined in the 2024/25 budget proposals and this is reflected in the outturn position.

Table 3 – Reserves

As at	Balance 31/03/23	Capital	Budget Revenue	Revenue Movemen t on Reserves	Surplus Transfer into Reserves	Realloc of Reserves	Provisiona l Balance 31/03/24
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
General Fund	11,523	0	(496)	0	80	0	11,106
Insurance	4,878	0	0	0	0	0	4,878
Service Reserves	22,521	(161)	0	(9,770)	997	3,000	16,587
Risk and Smoothing Reserves	29,802	(940)	(2,800)	(1,211)	1,587	(1,783)	24,655
Capital	17,726	(7,678)	0	(70)	1,686	(1,217)	10,447
Schools	7,554	0	0	(4,842)	2,345	0	5,057
Housing Revenue Account	16,486	0	(12,961)	0	0	0	3,525
<b>Total</b>	<b>110,490</b>	<b>(8,779)</b>	<b>(16,257)</b>	<b>(15,893)</b>	<b>6,694</b>	<b>0</b>	<b>76,255</b>

## Recommendations

1. That the report and the financial measures taken and proposed be noted.
2. That the allocation of overall Council surplus as set out below be noted
  - £2m transfer to new reserve to offset school deficits on a provisional basis in 2024/25.
  - £80k to Council Fund to offset general pressures.

## Reasons for Recommendations

1. To inform Members of the outturn and the financial measures taken and proposed.
2. To inform Members of the allocation of the 2023/24 surplus to support key pressures identified by the Council.

### 1. Background

- 1.1 Following the end of the financial year, Scrutiny Committees are provided with provisional outturn figures for the Council. It is anticipated that the Statement of Accounts will be approved by Council in November 2024, which will follow the external audit by Audit Wales.

### 2. Key Issues for Consideration

#### 2.1 Council Fund

- 2.2 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 was an approved drawdown from the Council Fund of £496K during 2023/24 and £2.8M from other specific reserves.

- 2.3 This represented budgeted net expenditure for the Authority of £294.422m. Total expenditure was to be financed by Revenue Support Grant (£160.013m), National Non-Domestic Rates contribution (£42.784m) and Council Taxpayers (£91.625m).

- 2.4 The directorate revenue budgets have been amended and approved by Cabinet during the financial year. Some further virements are requested as part of this report as detailed below and are further detailed in the service specific appendices.

Table 4. Virements Requested

	Revised Budget 2023/24	Virement Requested	Revised Amended Budget 2023/24
	£000's	£000's	£000's
Learning & Skills	128,329		128,329
Social Services	85,460	33	85,493
Environment and Housing	32,009	- 100	31,909
Place	3,401		3,401
Corporate Resources	16,641	100	16,741
General Policy	30,678	- 33	30,645
Use of Reserves	- 2,096		- 2,096
<b>Total</b>	<b>294,422</b>	<b>-</b>	<b>294,422</b>

**2.5** At year end there was a £2.080m favourable variance which has been allocated as follows.

- £2m Establish a new reserve to offset Education Deficits in 2024/25 on a provisional basis whilst the Council works with schools on establishing a coordinated approach to tackling school deficits.
- The balance of £80k has been transferred to the General Fund

**2.6** Total transfers from reserves of £34.235m were made up of a £417k budgeted contribution from the Council Fund and £12.078m transferred from specific reserves to support the revenue budget, a £12.961m drawdown from the Housing Revenue Account Reserve and £8.779m drawdown from reserves to fund the capital programme and displacement arrangements. As part of the preparation for the 2024/25 budget a review of reserves has been undertaken and reserves are reported including these adjustments.

**2.7** The following table compares the amended budget and the actual expenditure, including transfers to and from reserves, for the Council. The final column shows the net transfers to specific reserves for each directorate which has been included within the actual expenditure figures.

**Table 5 – Summary Outturn**

Directorate	Revised Budget 2023/24	Outturn 2023/24	Variance	Unplanned Use of Reserves/ (Transfer to Reserves)	Residual Variance 2023/24	Use of Reserves 2023/24
	£000's	£000's	£000's	£000's	£000's	£000's
Learning and Skills	128,329	128,369	(40)	(85)	(125)	7,692
Social Services	85,493	93,744	(8,251)	3,989	(4,262)	7,339
Environment and Housing	31,909	30,735	1,174	(1,423)	(249)	(1,214)
Corporate Resources	16,741	16,734	7	0	7	495
Place	3,401	4,345	(944)	(96)	(1,040)	(64)
Policy	30,645	26,319	4,326	0	4,326	(1,769)
Use of Reserves	(2,096)	(2,096)	0	0	0	2,096
Council Tax Surplus	0	(3,423)	3,423	0	3,423	0
Favourable Variance Transferred to Reserves	0	0	0	(2,080)	(2,080)	(2080)
<b>Total</b>	<b>294,422</b>	<b>294,727</b>	<b>(305)</b>	<b>305</b>	<b>0</b>	<b>12,495</b>

**2.8** A detailed analysis of the outturn is provided at Appendix 1.

**2.9** Significant pressures have continued to develop in Social Services in 2023/24 and reflect the ageing demographic, an increasing complexity of need and an increase of Children and Young People Looked after with an increasing complexity of need. This position reflects pressures seen across local government nationally.

**2.10** Children's Services has reported a significant adverse variance relating to increased external placement costs given the complexities of the care proceedings, and care requirements of children and young people currently being supported and the high-cost placements some of these children require to meet their needs. Additional costs have also been encountered in respect of legal costs and increased staffing resources associated with the service. Again, this position reflects pressures seen across local government nationally.

**2.11** An overspend was also reported in the Adult Services and Resource Management and Safeguarding service areas in respect of Domiciliary Care and Residential and Nursing Home Payments of approximately £3m after allowing for the £2m planned step in funded from reserves. There was also £554k adverse variances associated with Council run care homes in 2023/24.

**2.12** The main reasons for the variances are set out in the following paragraphs and additional detail is set out in the supporting appendices to this report.

## Social Services

**Table 6– Social Services Outturn**

	Amended Budget 2023/24	Projected Outturn 2023/24	Variance	Unplanned Use of Reserves/ (Transfer to Reserves)	Residual Variance 2023/24	Use of Reserves 2023/24
	£000's	£000's	£000's	£000's	£000's	£000's
<b>Social Services</b>						
Children and Young Peoples Services	18,652	23,923	(5,271)	2,674	(2,597)	3,670
Adult Services	58,246	60,569	(2,323)	660	(1,663)	2,677
Resource Management and Safeguarding	7,879	8,665	(786)	784	(2)	992
Youth Offending Service	716	587	129	(129)	0	0
<b>Total Social Services</b>	<b>85,493</b>	<b>93,744</b>	<b>(8,251)</b>	<b>3,989</b>	<b>(4,262)</b>	<b>7,339</b>

**2.13** Table 6 above provides detail of the outturn for the Social Services Directorate. The outturn was an adverse variance of £4.262m after the transfer from reserves of £7.339m, this adverse variance will be met by the Policy underspend. The outturn is further detailed in Appendix 4.

### **2.14 Childrens Services – Adverse Variance £2.597m**

- Total adverse variances of £2.712m, mainly associated with the cost of external placements £2.524m, Accommodation Payments £677k, Project Team to support Family Teams £596k, Bespoke Packages £543k, Conveyance Costs £397k, Legal Costs of Complex cases £374k, Fostering Payments £347k and other variances which total £924k.
- There were no favourable variances within Childrens Services.
- Contributions from reserves totalling £3.670m towards the overspends listed above and market forces payments.
- There was a residual overspend relating to the cost of the project team which was agreed to be funded from the Policy underspend as a priority cost pressure during the 2023/24 financial year.

### **2.15 Adult Services – Adverse Variance £1.663m**

- Total adverse variances £5.076m mainly as result of Community Care budgets having an adverse variance of £5.021m, Telecare £30k and Adults Physical and Sensory £25k.
- Favourable Variances totalled £736k due to underspends on Adults Central Services of £208K, Adults Elderly Services £225k, Older People Mental Health £83k, Mental Health £74k, Learning Disabilities £133k and St Michaels Garden of £13k.
- Draw down from reserves totalled £2.677m This was made up of a £2.660m transfer from the Social Services Reserve and £30k from the Telecare Reserve. There was a transfer to Reserves of £13k for St Michaels Garden.

#### **2.16 Resource Management and Safeguarding Adverse Variance £2k**

- The total adverse variance within RMS was £998K. This was due to an overspend on In house residential homes of £554K other overspends related to safeguarding costs £208k, advocacy costs due to the removal of additional funding, Deprivation of Liberty backlogs £75k and additional staffing resource £76k which was a planned use of the Social Services reserve There were no favourable variances in RMS.
- Total draw down from the Social Services reserve totalled £996k to offset the overspend and fund additional capacity from reserves.

#### **2.17 Youth Offending Service Favourable Variance £129k**

- The YOS underspend for 2023/24 can be attributed to saving on staff posts in year. The net underspend in all staffing posts was £126k with the remainder other small favourable variances.

### **Efficiency Targets**

- 2.18** 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.
- 2.19** Of this sum £2.75M has been delegated to schools has been managed as part of school budget setting. There are a number of schools that have ended the year in a deficit position and have set deficit recovery strategies to mitigate the deficit budget over a 3-5 year period.
- 2.20** The outturn position in respect of the 2023/24 savings is detailed in Table 3 below whilst the value of savings achieved is broadly similar to the percentage reported as part of Quarter 3 Monitoring the amount mitigated has increased slightly so that the net shortfall is 11% rather than 15% as reported in February.

Table 7 – Outturn Position 2023/24 Savings



Directorate	Target	Amount Achieved	% 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	743	74%	40	4%	217	22%
Learning and skills	564	369	65%	105	19%	90	16%
Social Services	681	481	71%	-	0%	200	29%
Place	265	245	92%	-	0%	20	8%
<b>Total</b>	<b>4,707</b>	<b>3,784</b>	<b>80%</b>	<b>395</b>	<b>8%</b>	<b>528</b>	<b>11%</b>

**2.21** Whilst Social Services have not achieved 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.

**2.22** Attached at Appendix 3 is a statement detailing all savings targets for 2023/24 and the current progress against them.

#### Reserves

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

**2.24** As part of the preparation for the 2024/25 budget a full review of the Council's reserves has been undertaken some consolidation has been undertaken and some reallocation to ensure that the reserves are more appropriately matched the Council's key budgetary risks the table below reflects the reallocation of reserves that has taken place, this includes an additional allocation of £3m to Social Services reserves and the establishment of a £1m budget risk reserve.

**2.25** Table 8 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.

**2.26** Use of reserves includes an allocation of £7.2m to offset pressures in Social Services and £2m transferred from Education Reserves to support pressures in schools and ALN including £1m set aside as part of the 2023/24 closing process. Transfers into reserves include the corporate surplus of £2.080m which consisted into £2m into a reserve to offset school deficits and £80k transferred into the

Council Fund. The use of reserves is detailed in the table below and a detailed analysis is attached at Appendix 4.

**Table 8 – Reserves**

As at	Estimated Balance 31/03/23	Capital	Budget Revenue	Revenue Mvmt on Reserves	Surplus Transfer into Reserves	Realloc of Reserve	Provisional Balance 31/03/24
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
General Fund	11,523	0	(496)	0	80	0	11,106
Total General Fund	11,523	0	(496)	0	80	0	11,106
Insurance	4,878	0	0	0	0	0	4,878
<b>Service Reserves</b>							
Learning and Skills	4,131	(47)	0	(2,002)	258	0	2,340
Social Services	10,015	0	0	(7,201)	0	3,000	5,814
Neighbourhood Services	3,078	(11)	0	0	0	0	3,067
Corporate Resources	734	0	0	(205)	0	0	529
Place	2,096	(23)	0	(160)	361	0	2,274
Other Service Reserves	1,625	(80)	0	(45)	364	0	1,864
Other Corporate	842	0	0	(157)	14	0	699
<b>Risk and Smoothing Reserves</b>							
Homelessness and Housing Reserve	4,456	0	(200)	0	1,193	0	5,449
Cost of Living	854	0	(200)	(283)	0	0	371
Pay Pressures	4,168	0	0	(360)	61	0	3,869
Energy Pressures	3,885	0	(2,400)	0	0	0	1,485
Legal	2,000	0	0	(160)	0	0	1,840
Project Zero	2,325	(50)	0	(208)	322	(681)	1,708
Investment and Growth Fund	2,353	0	0	0	0	(2,353)	0
Reshaping Risk and Investment	2,523	0	0	(200)	0	251	2,574
Corporate Landlord	5,707	(760)	0	0	0	0	4,947
Digital Reshaping	1,531	(130)	0	0	11	0	1,412
Budget Risk	0	0	0	0	0	1,000	1,000
<b>Capital Reserves</b>							
Capital	17,726	(7,678)	0	(30)	1,645	(3,175)	8,488
Independent Living Reserve	0	0	0	0	0	500	500
Capital Regeneration and Levelling Up	0	0	0	(40)	40	1,458	1,458
<b>Sub Total</b>	<b>86,450</b>	<b>(8,779)</b>	<b>(3,296)</b>	<b>(11,051)</b>	<b>4,349</b>	<b>0</b>	<b>67,672</b>
<b>Ring Fenced Reserves</b>							

Schools	6,677	0	0	(4,368)	0	0	2,309
Other Ringfenced Schools Reserves	877	0	0	(474)	345	0	748
School Deficit Reserve	0	0	0	0	2,000	0	2,000
Housing Revenue Account	16,486	0	(12,961)	0	0	0	3,525
<b>Total Reserves</b>	<b>110,490</b>	<b>(8,779)</b>	<b>(16,257)</b>	<b>(15,893)</b>	<b>6,694</b>	<b>0</b>	<b>76,254</b>

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

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

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

- 4.1** At 31st March, 2024 the Council holds reserves specifically earmarked to support the Council's response to the Climate and Nature Emergency totalling £1.369m with further reserves earmarked within the Capital reserves shown.

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

#### **Financial**

- 5.1** As detailed in the body of the report.

#### **Employment**

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

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

- 5.3** The provisional outturn figures for the Council have been used in the preparation of the Statements of Accounts. Regulation 10(1) of the Accounts and Audit (Wales) Regulations 2014 (as amended) requires the Responsible Financial Officer to sign and date the Statement of Accounts and certify that they present a true and fair view of the financial position at the end of the year. This means that for 2023/24 the Statement of Accounts should be certified by the Section 151 Officer by 31st May 2024.
- 5.4** If it is not possible to meet this deadline the Council has to advertise that this has not happened and the reason why. Due to the continued impact of the pressures of the COVID-19 pandemic and Resource pressures in the team it was not possible to produce the Statement of Accounts by 31st May 2024 and the

appropriate advert was placed. The Statement of Accounts was however signed by the S151 Officer on 29th June, 2024.

## **6. Background Papers**

None.

Appendix 1	Amended Budget	Projected	Variance	Unplanned Use	Residual	Use of Reserves
	£000's	£000's	£000's	£000's	£000's	£000's
<u>Learning and Schools</u>						
Delegated Schools	115,439	115,439	-		-	4,590
Use of Reserves	- 1,200	- 1,200	-		-	1,200
Strategy, Culture, Community Learning and Directors Office	6,754	7,159	- 405		- 405	1,532
	252	252	-		-	-
Additional Learning Needs and Wellbeing Standards and Provision	4,113	3,985	128		128	452
	2,971	2,735	236	- 85	151	- 82
Total Learning and Skills	128,329	128,369	- 40	- 85	- 125	7,692
<u>Social Services</u>						
Children and Young Peoples Services	18,652	23,923	- 5,271	2,674	- 2,597	3,670
Adult Services	58,246	60,569	- 2,323	660	- 1,663	2,677
Resource Management and Safeguarding	7,879	8,665	- 786	784	- 2	992
Youth Offending Service	716	587	129	- 129	-	-
Total Social Services	85,493	93,744	-8,251	3,989	-4,262	7,339
<u>Neighbourhood Services and Housing</u>						
Neighbourhood Services and Transport	28,307	28,665	- 358	-	- 358	209
Building Services	-	- 231	231	- 231	-	- 231
Regulatory Services	1,668	1,559	109	-	109	-
General Fund Housing	1,934	742	1,192	- 1,192	-	- 1,192
Total Neighbourhood Services and Housing	31,909	30,735	1,174	- 1,423	- 249	- 1,214
<u>Corporate Resources</u>						
Resources	17,172	17,231	- 59	-	- 59	495
Housing Benefit	- 431	- 496	65	-	65	
Total Corporate Resources	16,741	16,734	7	-	7	495
<u>Place</u>						
Regeneration	1,494	1,323	171	- 176	- 5	- 155
Development Management	1,726	1,695	31	-	31	- 31
Private Housing	181	261	- 80	80	-	122
Vale Enterprise Centre	-	1,066	- 1,066	-	1,066	
Total Place	3,401	4,345	- 944	- 96	- 1,040	- 64
<u>Policy</u>						
General Policy	30,645	26,319	4,326		4,326	- 1,768
Total Policy	30,645	26,319	4,326	-	4,326	- 1,768
Use of Reserves	- 2,096	- 2,096	-		-	2,096
Council Tax Surplus	-	- 3,423	3,423		3,423	0
Allocation of Surplus		-	-	- 2,080	- 2,080	- 2,080
Grand Total	294,422	294,727	- 305	305	0	12,496

<u>Funded By</u>						
Council Tax	- 91,625	- 91,625				
Revenue Support Grant	- 160,013	- 160,013				
Non Domestic Rates	- 42,784	- 42,784				
Grand Total	- 294,422	- 294,422				

Transfer from Reserves Revenue	12,496
Transfer from Reserves Capital	8,779
Total Transfer from Reserves	21,275

Appendix 2	
Directorate	<b>Social Services</b>
Service Area	Children and Young Peoples Services and Youth Offending Serv

Virement Request	Revised Budget	Virement	Amended Budget 2023/24
Childrens Services	18,619	33	18,652

Virement of £33k from Policy to correct the correction of Corporate Recharges.

Outturn Summary	Amended Budget 2023/24	Projected Outturn 2023/24	Variance	Unplanned Use of Reserves	Residual Variance 2023/24	Use of Reserves 2023/24
	£000's	£000's	£000's	£000's	£000's	£000's
Childrens Services	18,652	23,923	- 5,271	2,674	- 2,597	3,670
Youth Offending Service	716	587	129	- 129	-	
<b>Total</b>	<b>19,368</b>	<b>24,510</b>	<b>- 5,142</b>	<b>2,545</b>	<b>- 2,597</b>	<b>3,670</b>

#### **Outturn Key Headlines**

Adverse variances have increased through 2023/24 and reflect pressures across Children's services including In year a number of Bespoke Packages have been implemented by the team to address support needs for A strategy to amend the approach to Intake and Assessment in Children's services was approved as a priority The Youth Offending Service reported a favourable variance at year end which reflects additional grant

#### **Favourable Variances**

£000's

Grant Income Youth Offending Service - 129

<b>Total Favourable Variances</b>	<b>- 129</b>
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#### **Adverse Variances including Planned Use of Reserves**

£000's

Childrens External Placements (joint LAC & IFA budgets)	
Accommodation Payments	2,524
Project Team to support Family Teams	677
Bespoke Packages to individuals across Service	596
Conveyance Costs	543
Childrens Services Legal Budget	397
Fostering Payments	374
Assessment Services	347
Childcare/carer Costs	255
Domiciliary Care Payments	182
Other adverse variances	158
	329

<b>Total Adverse Variances</b>	<b>6,382</b>
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<b>Net Outturn</b>	<b>6,253</b>
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#### **Use of Reserves**

£000's

Planned

Use of Legal Reserve - 160

Budget Programme Use of Social Services Reserve - 951

Total Planned Use	- 1,111
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Unplanned Transfers from  
Unplanned Use of Social Services Reserve - 2,559

Transfers to  
No transfers to reserves

Total Movement against Reserves	- 3,670	3670
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Net Outturn	2,597	- 2,597
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This net overspend will offset by an underspend in the Policy budget as set out in the

Savings	£000's Target	£000's Achieved
Closer to Home Residential Care Accommodation - part achieved	200	0

%

Proportion of Savings Achieved	0%
Proportion of Savings Mitigated (temporary)	0%
Savings not achieved in year	100%

Directorate	<b>Social Services</b>
Service Area	Adult Services

Virement Request	Revised Budget	Virement	Amended Budget 2023/24
Adult Services	58,196	50	58,246

Virement requested from Resource Management and Safeguarding to correct the allocation of budgets

Outturn Summary	Amended Budget 2023/24	Projected Outturn 2023/24	Variance	Unplanned Use of Reserves	Residual Variance 2023/24	Use of Reserves 2023/24
	£000's	£000's	£000's	£000's	£000's	£000's
Adult Services	58,246	60,569	- 2,323	660	- 1,663	2,677
Total	58,246	60,569	- 2,323	660	- 1,663	2,677

#### **Outturn Key Headlines**

Total adverse variances £5.076m mainly as result of Community Care budgets having an adverse variance of £5.021m, Telecare £30k and Adults Physical and Sensory £25k.

Favourable Variances totalled £736k mainly due to underspends on Adults Central Services of £208k, Adults Elderly Services £225k, Older People Mental Health £83k, Mental Health £74k, Learning Disabilities £133k and St Michaels Garden of £13k.

Use of reserves totalled £2.6m including £660k unplanned transfer from the Social Services reserve.

The balance of this overspend will be offset by the Policy Underspend as set out in the main report.

<b>Favourable Variances</b>	£000's
St Michaels Gardens	- 13
Adults Central Services	- 208
Adults Elderly Services (less Telecare)	- 225
Adults Older People Mental Health (EMI)	- 83
Adults Mental Health (less St Michaels Gardens)	- 74
Adults Learning Disabilities	- 133

<b>Total Favourable Variances</b>	- 736
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**Adverse Variances including Planned Use of Reserves** £000's

Telecare	30
Community Care overspend	5,021
Adults Physical and Sensory Impairment	25

<b>Total Adverse Variances</b>	5,076
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<b>Net Outturn</b>	4,340	4,340
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**Use of Reserves** £000's

Planned	
Telecare	- 30
Social Services Reserve Stepped In fees uplift Adults	- 2,000

<b>Total Planned Use</b>	- 2,030
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Unplanned Transfers from Unplanned Use of Social Services Reserve	- 660
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Transfers to St Michaels Gardens	13
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<b>Total Movement against Reserves</b>	- 2,677
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<b>Net Outturn</b>	1,663
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This net overspend will offset by an underspend in the Policy budget as set out in the

Savings	£000's Target	£000's Achieved
Budget Programme Savings	81	81
Additional Income	400	400
<b>Total Savings</b>	<b>481</b>	<b>481</b>

	%
Proportion of Savings Achieved	100%
Proportion of Savings Mitigated (temporary)	0%



Savings not achieved in year	0%
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Directorate	<b>Social Services</b>
Service Area	Resource Management and Safeguarding

Virement Request	Revised Budget	Virement	Amended Budget 2023/24
Resource Management and Safeguarding	7,929	- 50	7,879

Virement requested to Adult Services to correct the allocation of budgets in the service

Outturn Summary	Amended Budget 2023/24	Projected Outturn 2023/24	Variance	Unplanned Use of Reserves	Residual Variance 2023/24	Use of Reserves 2023/24
	£000's	£000's	£000's	£000's	£000's	£000's
Resource Management and Safeguarding	7,879	8,665	- 786	784	- 2	992
<b>Total</b>	<b>7,879</b>	<b>8,665</b>	<b>- 786</b>	<b>784</b>	<b>- 2</b>	<b>996</b>

#### **Outturn Key Headlines**

The total adverse variance within RMS was £998K. This was due to an overspend on In house residential homes of £554K other overspends related to safeguarding costs £208k, advocacy costs due to the removal of additional funding, Deprivation of Liberty backlogs £75k and additional staffing resource £76k which was a planned use of the Social Services reserve.

There were no favourable variances in the service.

Use of reserves totalled £996k including £784k unplanned transfer from the Social Services reserve.

#### **Favourable Variances**

£000's

No favourable variances

<b>Total Favourable Variances</b>	<b>0</b>
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#### **Adverse Variances including Planned Use of Reserves**

£000's

In house residential overspend	554
Safeguarding (recruitment issues and agency spend)	208
Advocacy Costs (removal of funding)	61
DOLS (Deprivation of Liberty Safeguarding)	75
Additional Staffing resource Community Care Finance	76
Other Adverse Variances	24
<b>Total Adverse Variances</b>	<b>998</b>

<b>Net Outturn</b>	<b>998</b>
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#### **Use of Reserves**

£000's

Planned

Social Services Budget Programme -212

No Planned Transfers from Reserves

Total Planned Use	-212
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Unplanned Transfers from Unplanned Use of Social Services Reserve	-780
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Transfers to  
No transfers to reserves

Total Movement against Reserves	-992
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Net Outturn	2
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This net overspend will offset by an underspend in the Policy budget as set out in the

Savings	£000's Target	£000's Achieved
No savings in 2023/24		

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## Appendix 3

Directorate	Description of Saving Proposal	Saving Category	Target Value £'000	Overall RAG Stat	Comments/Narrative	Value Achieved/ Expected to be Achieved	Percentage Achieved	Shortfall	Mitigation Ref	Mitigation Value Achieved	Mitigation Achieved	On Track for
			2023/24			2023/24	%	2023/24	2023/24	2023/24	2023/24 YES/NO	2024/25 YES/NO
<b>Directorate Learning and Skills</b>												
Learning and Skills	Payments to Non Maintained Nursery Providers	Service Review	20	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 was cut there were ongoing pressure relating to repairs in schools. This is an area that will need to be kept under review due to ongoing pressures.	-	0%	- 90				
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	Only £2K income was achieved across both sites. Barry Makerspace wasn't available until July 2023. Mitigated in year by staffing underspends across Culture & Community Learning. The income target will need to be kept under review in 24/25.	20	100%	-				
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 was set to include new income target. Only £472 income was achieved. The shortfall was covered by staffing underspends across Culture & Community Learning. The income target will need to be kept under review in 24/25.	20	100%	-				
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.	Budget cut but savings not achieved. Overspend against Arts has been offset by savings within other areas of Culture & Community Learning. Restruture proposals now approved, will be kept under review	65	100%	-				
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	190	100%	-				
<b>Subtotal Directorate Learning and Skills</b>			<b>564</b>			<b>474</b>	<b>84%</b>	<b>- 90</b>		<b>-</b>		
<b>Directorate Social Services</b>												
Social Services	Closer to Home Residential Care (C&YPs)	Invest to Save	200	Amber	Delays on Building Programme and Recruitment of Staff, need to go through registration process- Provision is available to allow delivery of savings in 2024/25	0	0%	- 200				
Social Services	Budget Programme Savings 2023-24	Invest to Save	81	Amber	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>481</b>	<b>71%</b>	<b>- 200</b>		<b>-</b>		
<b>Directorate Neighbourhood and Housing</b>												
Neighbourhood and	Increase in fees and charges	Generating Income	30	Green	Fees & Charges increased for 23/24	30	100%	-				
Neighbourhood and	Parking Charging Review	Generating Income	20	Amber	Residents permits - Cabinet Report due to be taken delayed due to 20mph work work ongoing in 2024/25	-	0%	- 20				
Neighbourhood and	Review Car Park Provison	Corporate Asset Stra	50	Amber	Court Road Car Park- Awaiting the result of the Public Consultation plan before this can be progressed further work ongoing in 2024/25	-	0%	- 50				
Neighbourhood and	Stop provision of sandbags	Service Review	5	Green	Achieved	5	100%	-				



Appendix 10

Directorate	Description of Saving Proposal	Saving Category	Target Value	Overall RAG Stat	Comments/Narrative	Value	Percentage	Shortfall	Mitigation	Mitigation	Mitigation	On Track for
			£'000			Achieved/		Ref	Value	Achieved		
			2023/24			Expected		2023/24	2023/24	2023/24	2024/25	
Resources	Mayor's Supplies and Services Budget	Service Review	4	Achieved - budget adjusted.		4	100%	-				
Resources	Democratic Supplies and Services Budget	Service Review	1	Achieved - budget adjusted.		1	100%	-				
Resources	Registrars Supplies and Services Budget	Service Review	1	Achieved - budget adjusted.		1	100%	-				
Resources	Legal Services Supplies and Services Budget	Service Review	17	Achieved - budget adjusted.		17	100%	-				
Resources	Budget Supplies and Services Adjusted	Service Review	9	Achieved - budget adjusted.		9	100%	-				
Resources	Supplies and Services Budget Adjusted	Service Review	17	Achieved - budget adjusted.		17	100%	-				
Resources	Supplies and Services Budget Adjusted	Service Review	9	Achieved - budget adjusted.		9	100%	-				
Resources	Supplies and Services Budget Adjusted	Service Review	20	Achieved - budget adjusted.		20	100%	-				
Resources	Supplies and Services Budget Adjusted	Service Review	13	Amber	Need to consider impact of OD refreshments cut	12	92%	- 1				
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	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	Annual RSA Support Costs - Reduce	Contract/Procurement	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. Mitigated in year	50	100%	-		50		
Resources	Review Docks Office Site	Corporate Asset Strategy	200	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. Mitigated in year	200	100%	-		200		
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	Ongoing daily mailings through Datagraphic (hybrid mail) are under review. 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 10

Directorate	Description of Saving Proposal	Saving Category	Target Value £'000	Overall RAG Stat	Comments/Narrative	Value Achieved/ Expected to be Achieved	Percentage Achieved	Shortfall	Mitigation Ref	Mitigation Value Achieved	Mitigation Achieved	On Track for
			2023/24			2023/24	%	2023/24	2023/24	2023/24	2023/24	2024/25
Resources	Counter fraud budget reduction	Service Review	22	Achieved - budget adjusted	Service includes a high target for fraud reduction. Annual in	22	100%	-				
<b>Subtotal Directorate Corporate Resources</b>			<b>582</b>			<b>581</b>	100%	- 1		250		
<b>Policy</b>												
Policy	Mayor's hospitality budget and twin	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 Headrc	Service Review	1,000	Achieved Budget Adjustment		1,000	100%	-				
Policy	Additional Investment Income (Tem	Generating Income	550	Dependent on Income Generation	Achieved in full	550	100%	-				
<b>Subtotal Policy</b>			<b>1,615</b>			<b>1,615</b>	100%	-		-		
<b>Total Savings</b>			<b>4,707</b>			<b>4,139</b>	88%	- 568		290		
<b>Subtotal Directorate Learning and Skills</b>			<b>564</b>			<b>474</b>	84%	- 90		-		
<b>Subtotal Directorate Social Services</b>			<b>681</b>			<b>481</b>	71%	- 200		-		
<b>Subtotal Directorate Neighbourhood and Housing</b>			<b>1,000</b>			<b>743</b>	74%	- 257		40		
<b>Subtotal Directorate Place</b>			<b>265</b>			<b>245</b>	92%	- 20		-		
<b>Subtotal Directorate Corporate Resources</b>			<b>582</b>			<b>581</b>	100%	- 1		250		
<b>Subtotal Policy</b>			<b>1,615</b>			<b>1,615</b>	100%	-		-		
<b>Total Savings</b>			<b>4,707</b>			<b>4,139</b>	88%	- 568		290		

Appendix 4 Detailed Reserves Analysis

Reserve Category	Reserve Name	2023/24 Opening	Drawdown Capital	Budget Revenue	Revenue Movement on Reserves	Surplus Transfer into Reserves	Reallocation of Reserves	2023/24 Closing
		£'000	£'000	£'000	£'000	£'000	£'000	£'000
General Fund	General Fund	11,523	0	-496	0	80	0	11,107
Insurance	Insurance	4,878	0	0	0	0	0	4,878
Service Reserves	Education Improver	3,549	0	0	-1,812	94	0	1,831
Service Reserves	Libraries and Commun	397	0	0	0	0	0	397
Service Reserves	Catering Equipment	185	-47	0	-190	164	0	112
Service Reserves	SS Donation	4	0	0	0	0	0	4
Service Reserves	Social Services	10,012	0	0	-7,201	0	3,000	5,811
Service Reserves	Neighbourhood Service	2,404	-11	0	0	0	0	2,393
Service Reserves	Bad Weather	470	0	0	0	0	0	470
Service Reserves	Civil Parking Enforcem	3	0	0	0	0	0	3
Service Reserves	Waste Management C	200	0	0	0	0	0	200
Service Reserves	Place Donation	57	0	0	0	9	0	66
Service Reserves	Place Reserve	1,902	-23	0	-160	202	0	1,921
Service Reserves	Porthkerry	67	0	0	0	56	0	123
Service Reserves	Cosmeston	70	0	0	0	94	0	164
Service Reserves	Corporate Resources	733	0	0	-205	0	0	528
Service Reserves	Building Services	802	0	0	0	231	0	1,033
Service Reserves	Electoral Registration	296	0	0	-45	42	0	293
Service Reserves	Holton Road	46	0	0	0	11	0	57
Service Reserves	Strong Communities	221	-80	0	0	19	0	160
Service Reserves	IASS Reserve	261	0	0	0	61	0	322
Service Reserves	Building Control	121	0	0	-60	0	0	61
Service Reserves	Regulatory	101	0	0	0	0	0	101
Service Reserves	Trainee Appointments	521	0	0	-97	0	0	424
Service Reserves	Child Burial	85	0	0	0	14	0	99
Service Reserves	Mayors Foundation Gr	9	0	0	0	0	0	9
Service Reserves	Staff Employment Res	4	0	0	0	0	0	4
Risk and Smoothing R	Homelessness and Ho	4,358	0	-200	0	1,193	0	5,351
Risk and Smoothing R	Asylum Seekers	98	0	0	0	0	0	98
Risk and Smoothing R	Cost of Living	854	0	-200	-283	0	0	371
Risk and Smoothing R	Pay Pressures	4,168	0	0	-360	61	0	3,869
Risk and Smoothing R	Energy Pressures	3,885	0	-2,400	0	0	0	1,485
Risk and Smoothing R	Legal Claims	2,000	0	0	-160	0	0	1,840
Risk and Smoothing R	Energy Management F	159	-41	0	0	322	0	440
Risk and Smoothing R	Social Services Vehicle	408	0	0	0	0	-67	341
Risk and Smoothing R	Ash Die Back	335	0	0	-208	0	0	127
Risk and Smoothing R	Project Zero	1,423	-9	0	0	0	-614	800
Risk and Smoothing R	Investment and Growth	2,353	0	0	0	0	-2,353	0

Risk and Smoothing R	Reshaping Risk and In	2,523	0	0	-200	0	251	2,574
Risk and Smoothing R	Corporate Landlord	5,707	-760	0	0	0	0	4,947
Risk and Smoothing R	Digital Reshaping	1,531	-130	0	0	11	0	1,412
Risk and Smoothing R	Budget Risk	0	0	0	0	0	1,000	1,000
Capital Reserves	School Investment Stra	1,896	-1,054	0	0	290	0	1,132
Capital Reserves	Vehicles Repair and R	1,973	-1,346	0	0	1,355	0	1,982
Capital Reserves	ICF Capital	259	-87	0	0	0	0	172
Capital Reserves	Telecare	1,043	0	0	-30	0	0	1,013
Capital Reserves	Waste Transfer Station	891	0	0	0	0	-626	265
Capital Reserves	WG Schools Capital	2,334	-2,334	0	0	0	0	0
Capital Reserves	FSM Capital Grant	1,593	-1,593	0	0	0	364	364
Capital Reserves	Capital Scheme Comm	5,839	-1,264	0	0	0	-1,015	3,560
Capital Reserves	City Deal	1,898	0	0	0	0	-1,898	0
Capital Reserves	Independent Living Re	0	0	0	0	0	500	500
Capital Reserves	Capital Regeneration a	0	0	0	-40	40	1,458	1,458
Schools	Schools	6677	0	0	-4368	0	0	2,309
Schools	Temporary Reserve BF	300	0	0	-300	0	0	0
Schools	ICT hwb	353	0	0	0	320	0	673
Schools	3g Pitch Renewals and	50	0	0	0	25	0	75
Schools	Additional Needs Fund	174	0	0	-174	0	0	0
Schools	School Deficits	0	0	0	0	2,000	0	2,000
Housing Revenue Accd	Housing Revenue Accd	16486	0	-12961	0	0	0	3,525
	<b>TOTAL</b>	<b>110,489</b>	<b>-8,779</b>	<b>-16,257</b>	<b>-15,893</b>	<b>6,694</b>	<b>0</b>	<b>76,254</b>