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THIS IS A MEETING WHICH THE PUBLIC ARE ENTITLED TO ATTEND

Dydd Llun, 2 Mawrth 2020 Dydd Llun, 2 Mawrth 2020

Dear Sir/Madam

JOINT SCRUTINY COMMITTEE (BUDGET MONITORING)

A meeting of the Joint Scrutiny Committee (Budget Monitoring) will be held in Council Chamber, Civic Centre, Ebbw Vale on Dydd Llun, 9fed Mawrth, 2020 at 10.00 am.

Please note that a pre and post meeting will be held 30 minutes prior to the start and following the conclusion of the meeting for members of the committee.

Yours faithfully

Michelle Morris
Managing Director

AGENDA

Pages

1. CYFIEITHU AR Y PRYD

Mae croeso i chi ddefnyddio'r Gymraeg yn y cyfarfod, mae angen o leiaf 3 diwrnod gwaith o hysbysiad ymlaen llaw os dymunwch wneud hynny. Darperir gwasanaeth

We welcome correspondence in the medium of Welsh or English. / Croesawn ohebiaith trwy gyfrwng y Gymraeg neu'r Saesneg.

cyfieithu ar y pryd os gwneir cais.

2. YMDDIHEURIADAU

Derbyn ymddiheuriadau.

3. DATGANIADAU BUDDIANT A GODDEFEBAU

Derbyn datganiadau buddiant a goddefebau.

4. CYD-BWYLLGOR CRAFFU (MONITRO CYLLIDEB) 5 - 10

Derbyn cofnodion y cyfarfod arbennig o'r Cydbwyllgor Craffu a gynhaliwyd ar 28 Ionawr 2020.

(Dylid nodi fod y cofnodion er pwyntiau cywirdeb yn unig)

5. DALEN WEITHREDU – 18 TACHWEDD 2019 11 - 12

Derbyn y ddalen weithredu.

6. MONITRO'R GYLLIDEB CYFALAF, RHAGOLWG AR GYFER BLWYDDYN ARIANNOL 2019/20 13 - 32

Ystyried adroddiad y Prif Swyddog Adnoddau.

7. MONITRO'R GYLILDEB REFENIW – 2019/20, RHAGOLWG ALLDRO HYD 31 MAWRTH 2020 33 - 68

Ystyried adroddiad y Prif Swyddog Adnoddau.

8. DEFNYDD CRONFEYDD WRTH GEFN CYFFREDINOL AC WEDI'U CLUSTNODI 2019/20 69 - 82

Ystyried adroddiad y Prif Swyddog Adnoddau.

To: S. Healy (Cadeirydd)
G. Paulsen (Is-gadeirydd)
M. Cook
J. Holt
C. Meredith
G. Thomas
P. Baldwin
D. Bevan
M. Cross
G. A. Davies
G. L. Davies

M. Day
P. Edwards
L. Elias
K. Hayden
J. Hill
W. Hodgins
M. Holland
H. McCarthy
J. Millard
M. Moore
J. C. Morgan
J. P. Morgan
L. Parsons
K. Pritchard
K. Rowson
T. Sharrem
T. Smith
B. Summers
S. Thomas
H. Trollope
J. Wilkins
D. Wilkshire
B. Willis
L. Winnett

All other Members (for information)
Manager Director
Chief Officers

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COUNTY BOROUGH OF BLAENAU GWENT

**REPORT TO: THE CHAIR AND MEMBERS OF THE JOINT
SCRUTINY COMMITTEE (BUDGET MONITORING)**

**SUBJECT: SPECIAL JOINT SCRUTINY COMMITTEE
(BUDGET MONITORING) –
28TH JANUARY, 2020**

REPORT OF: DEMOCRATIC SUPPORT OFFICER

PRESENT: COUNCILLOR S. HEALY (CHAIR)

Councillors G. Paulsen
D. Bevan
G.L. Davies
M. Day
P. Edwards
L. Elias
W. Hodgins
J. Hill
J. Holt
C. Meredith
M. Moore
J.P. Morgan
L. Parsons
K. Pritchard
K. Rowson
B. Summers
J. Wilkins

Mr. T. Baxter (Co-opted Member)

WITH: Managing Director
Corporate Director of Social Services
Corporate Director of Education
Corporate Director Regeneration & Community
Services
Chief Officer Resources
Chief Officer Commercial
Service Manager Accountancy
Communications, Marketing and Customer Access
Manager
Scrutiny & Democratic Officer/Advisor

| ITEM | SUBJECT | ACTION |
|--------|---|--------|
| No. 1 | <p><u>SIMULTANEOUS TRANSLATION</u></p> <p>It was noted that no requests had been received for the simultaneous translation service.</p> | |
| No. 2 | <p><u>APOLOGIES</u></p> <p>Apologies for absence were received from: -</p> <p>Councillors M. Cross, J.C. Morgan, S. Thomas, T. Smith, M. Cook</p> | |
| No. 3 | <p><u>DECLARATIONS OF INTERESTS AND DISPENSATIONS</u></p> <p>No declarations of interest or dispensations were reported.</p> | |
| No. 4. | <p><u>JOINT SCRUTINY COMMITTEE (BUDGET MONITORING)</u></p> <p>The Minutes of the Joint Scrutiny Committee meeting held on 18th November, 2019 were submitted.</p> <p>The Committee AGREED, subject to the foregoing, that the Minutes be accepted as a true record of proceedings.</p> | |
| No. 5 | <p><u>REVENUE BUDGET 2020/2021 TO 2024/2025</u></p> <p>Consideration was given to the report of the Chief Officer Resources.</p> <p>The Chief Officer Resources presented the report which provided an update on the positive provisional local government settlement for 2020/21 and its impact upon the Council's budget. The report also proposed the detailed budget for 2020/21 and indicative budget for 2021/22; and proposed the level of Council Tax increase for the 2020/21 financial year, in line with the Medium Term Financial Strategy assumptions.</p> <p>The Officer went through the report and highlighted points contained therein. She said the positive provisional</p> | |

settlement and the opportunities identified in the Bridging the Gap programme meant the Council would be able to invest in key priorities, avoid cuts to services and enhance its financial resilience moving forward. However, further details of the specific grants for Local Government would be published alongside the final RSG settlement in February 2020.

A Member commended Officers on the positive report. He said this was a very important part of the budget setting process and expressed concern that no Labour members were in attendance.

In response to a question raised by a Member regarding the cost pressure for the review of the LDP, the Corporate Director Regeneration & Community Services explained that whilst the LDP Review strategy had been agreed, there were various other stages to be undertaken and these were likely to continue for a further 2 years.

The Co-opted Member said the positive settlement for Blaenau Gwent was very good news, in particular the increase in education funding, and the fact that primary pupil numbers had increased. He said the report seemed to indicate that Blaenau Gwent was recovering from its economic decline.

However, whilst the increase in pupil population was positive, he hoped that this would be supported financially. He also referred to the shortfall in teachers' pay and pensions and the potential impact on individual school budgets (ISB). He also said that a list of schools showing those in a surplus/deficit position would be beneficial for Members to scrutinise.

The Co-opted Member then referred to the complexity of school funding, and said it was difficult to plan for the year ahead and set accurate budgets with a number of grants being distributed throughout the year.

The Chief Officer Resource confirmed that the comments in relation to the teachers' pay and pensions would be noted. However, if Members of the Council agree to fund the cost pressure for teachers' pay and pensions for the remaining 5

months, this would result in an increase to the ISB of approximately 5%.

The Corporate Director for Education also confirmed that the unpredictable allocation of grant funding had been raised with Welsh Government by the Local Authority and the EAS.

A brief discussion ensued regarding the Bridging the Gap Programme when the Managing Director confirmed that keeping up the pace of the workstreams was a clear incentive for CLT. However, it would be sensible to utilise any achievement exceeding the budget requirement in a more business-like way, rather than having to make cuts, and whilst it was pleasing to set an indicative budget for the next 2 years, the latter years of the MTFS would be challenging unless we deliver the Bridging the Gap programme.

The Chair and Members said this was a very positive report, and commended Officers for their work and prudent financial management.

The Committee AGREED to recommend that the report be accepted and supported Option 1, namely:

- i. Members recommend to Executive and Council the 2020/2021 revenue budget and high level indicative budget for 2021/2022 (as per Appendix 5 and para 6.4.1);
- ii. Note the potential for further change in the Final RSG Settlement (paras 2.8 – 2.19);
- iii. Note the outcomes within the BGCBC provisional RSG Settlement and its impact upon the Medium Term Financial Strategy (paras 2.20 – 2.26);
- iv. Recommend to Executive and Council the updated cost pressures and growth items (£2m in total) identified in Appendix 3 (parags 5.1.6 – 5.1.8) for inclusion in the Council's budget. This includes the establishment of a cross cutting Transformation budget of £500k to be utilised to implement/deliver opportunities for Blaenau Gwent;

| | | |
|--|---|--|
| | <ul style="list-style-type: none"><li data-bbox="363 197 1356 365">v. Recommend to Executive and Council ‘passporting’ expenditure from these former specific grants/additional funding in to the Council’s budget (paras 5.1.11 – 5.1.18);<li data-bbox="363 412 1356 667">vi. Recommend to Executive and Council that any achievement of Bridging the Gap proposals which exceeds the in-year budget requirement be transferred into an earmarked reserve to support medium term financial planning, specifically for the later years of the Medium Term Financial Strategy (para 5.1.28);<li data-bbox="363 714 1356 835">vii. Recommend to Executive and Council a Council Tax increase of 4% for 2021/21 (para 5.1.3) as per the MTFS assumptions. | |
|--|---|--|

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Blaenau Gwent County Borough Council

Action Sheet

Joint Budget Scrutiny Committee – Monday 18th November 2019

| Item | Action to be Taken | By Whom | Action Taken |
|-------------|---|--|--|
| 5 | <u>Action Sheet – 16th September 2019</u> Civil Parking Enforcement – A Member requested that St. Illtyd's and Sofrydd Primary Schools be added to the priority list for enforcement officer patrols. | Clive Rogers, Head Community Services | Swffryd Road outside Swffryd Primary School is regularly patrolled. The access road leading to St. Illtyd's Primary School is also regularly patrolled. |
| 7 | <u>Revenue Budget Monitoring – 2019/20, Forecast Outturn to 31st March 2020</u> A Member referred to Appendix 2, page 41 – Festival Park budget line and enquired who was responsible for maintenance of the cycle path. | Richard Crook, Corporate Director Regeneration and Community Services | The maintenance responsibility for the Festival Park Cycleway falls with the Council. However, it should be noted that there is no budget for this area of responsibility, maintenance requirements are based on identified need across the borough. |

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Agenda Item 6

Executive Committee and Council only

Date signed off by the Monitoring Officer: N/A

Date signed off by the Section 151 Officer: N/A

Committee: **Joint (Budget) Scrutiny Committee**

Date of meeting: **9th March 2020**

Report Subject: **Capital Budget Monitoring, Forecast for 2019/2020 Financial Year (As at 31 December 2019)**

Portfolio Holder: **Cllr Daniels, Leader / Executive Member Corporate Services**

Report Submitted by: **Rhian Hayden – Chief Officer Resources**

| Reporting Pathway | | | | | | | | |
|-----------------------------|---------------------------|--------------------------|-----------------|-------------------------------|--------------------|---------------------|---------|----------------------|
| Directorate Management Team | Corporate Leadership Team | Portfolio Holder / Chair | Audit Committee | Democratic Services Committee | Scrutiny Committee | Executive Committee | Council | Other (please state) |
| | 18.2.20 | 25.02.20 | | | 09/03/2020 | 11/03/2020 | | |

1. Purpose of the Report

- 1.1 To provide members with an overview of each Portfolio's actual and forecast capital expenditure against funding approvals for the 2019/2020 financial year, as at 31st December 2019.

2. Scope and Background

- 2.1 This report provides details on the following:

- Forecast financial position to the end of March 2020 across all portfolios
- Details of any significant adverse and/or favourable variances

2.2

This report forms part of the quarterly financial reporting framework to Members.

3. Options for Recommendation

3.1 Option 1 (Recommended Option)

Members of the Corporate Overview Scrutiny Committee accept the report and

- Provide appropriate challenge to the financial outcomes in the report.
- Continue to support appropriate financial control procedures agreed by Council.
- To note the budgetary control and monitoring procedures in place within the Capital Team, to safeguard Authority funding.

3.2 Option 2

Do not accept the report.

4. **Evidence of how does this topic supports the achievement of the Corporate Plan / Statutory Responsibilities / Blaenau Gwent Well-being Plan**

4.1 This report supports the Council Priority, “Efficient Council”, as it is part of the financial planning and reporting arrangements which support the Council’s financial resilience.

5. **Implications Against Each Option**

5.1 ***Impact on Budget (short and long term impact)***

5.1.1 The overall financial position as forecast at 31st December 2019 indicates a nil variance against a total in year capital budget of £23.7m. It is anticipated that all in year capital expenditure will be fully funded.

Across all Portfolios, the overall position is shown below:-

| Total Approvals Q3 (Dec 2019) | Future funding | In year funding | Actual Expenditure to 31/12/2019 (Month 9) | Forecast Expenditure 2019/2020 | Forecast Variance underspent / (overspent) |
|-------------------------------|----------------|-----------------|--|--------------------------------|--|
| £000 | £000 | £000 | £000 | £000 | £000 |
| 71,626 | 47,896 | 23,730 | 8,006 | 23,730 | 0 |

5.1.2 It is imperative that capital reserves are not committed beyond affordable funding levels. Budget holders must therefore maintain spending within the overall total for the approved capital scheme.

5.1.3 Expenditure against external funding approvals needs to be maximised in order to avoid loss of funding. Where significant delays in capital expenditure have occurred or are anticipated, liaison with funding bodies is required at the earliest opportunity in order to secure approval for funding re-profile.

5.1.4 Where overall funding approvals are likely to be exceeded and additional compensatory funding sources cannot be identified, budget holders will initially report the consequences to the Corporate Leadership Team, including proposals to defer/delete other approved schemes.

5.2 Risk including Mitigating Actions

- 5.2.1 If capital schemes are not kept within budget, then capital reserves may be committed beyond affordable levels, with the consequence that projects that have not yet commenced may be deferred or not undertaken, so impacting upon future Capital Programmes.
- 5.2.2 If capital schemes do not achieve the required level of expenditure within the correct financial year, funding may be lost to the Authority and be detrimental to the Authority's chances of securing future funding.
- 5.2.3 Both of the aforementioned risks are mitigated as far as possible through close working relationship with budget holders and external funding bodies such as Welsh Government. This ensures that where possible, funding is maximised or funding amendments are secured should the need arise

5.3 Legal N/A

5.4 Human Resources N/A

6. Supporting Evidence

6.1 *Performance Information and Data*

- 6.1.1 Appendix 1.1 & 1.2 details the provisional forecast financial position for 2019/2020.
Appendix 2 provides information of funding changes since the second quarter report.

6.2 *Expected outcome for the public*

- 6.2.1 The report details the financial implications for the Council in providing capital investment for the communities of Blaenau Gwent.

All forecast overspends and underspends are managed in order that secured funding approvals are not lost and to mitigate any potential adverse impact upon future Capital investment in Blaenau Gwent.

6.3 *Involvement (consultation, engagement, participation)*

The Capital Programme is developed to support the Council's strategic priorities and is considered and agreed by full Council. Corporate Overview Scrutiny and Executive Committees consider the budget monitoring reports on a quarterly basis and provide challenge as appropriate.

6.4 *Thinking for the Long term (forward planning)*

It is essential that all forecast overspends and underspends are managed in order that secured funding approvals are not lost and to mitigate any potential adverse impact upon the future capital programme.

- 6.5 ***Preventative focus***
The Capital Services Team will continue their close working relationship with budget holders and external funding bodies to ensure that funding is maximised or funding amendments are secured in future financial years.
- 6.6 ***Collaboration / partnership working***
The Capital Services Team works closely with budget holders in producing the financial forecast and with external funding bodies to ensure that where possible funding is maximised or funding amendments are secured should the need arise.
- 6.7 ***Integration (across service areas)***
N/A
- 6.8 ***EqlA (screening and identifying if full impact assessment is needed)***
N/A
7. **Monitoring Arrangements**
- 7.1 Financial reporting to the Joint Budget Scrutiny Committee and the Executive Committee is carried out on a quarterly basis. Where projects are reporting significant cost pressures, there is a requirement for Budget Holders to ensure that where possible funding is maximised or funding amendments are secured should the need arise.

Background Documents /Electronic Links

Appendix 1.1
Appendix 1.2
Appendix 2

Management Reports

Reporting Year: and Period: 2020/9

Capital Programme Funding Estimates Summary

| <i>Portfolio</i> | <i>Total Funding</i> | <i>In Year Budget</i> | <i>Future Funding</i> | <i>Expenditure To: December 2019</i> | <i>Remaining in Year Budget</i> | <i>Forecast Expenditure</i> | <i>Forecast Variance (Adv)/Fav</i> |
|------------------------------|----------------------|-----------------------|-----------------------|--|---------------------------------|-----------------------------|------------------------------------|
| Corporate Services Portfolio | 729,251 | 227,086 | 502,165 | 202,747 | 24,339 | 227,086 | 0 |
| Social Services Portfolio | 5,635,050 | 1,700,547 | 3,934,503 | 578,085 | 1,122,462 | 1,700,547 | 0 |
| Economy Portfolio | 19,817,960 | 4,028,892 | 15,789,068 | 931,864 | 3,097,028 | 4,028,892 | 0 |
| Education and Active Living | 32,470,486 | 6,830,987 | 25,639,499 | 4,059,583 | 2,771,404 | 6,830,987 | 0 |
| Environment Portfolio | 9,149,390 | 8,146,937 | 1,002,453 | 1,459,068 | 6,687,869 | 8,146,937 | 0 |
| Infrastructure Portfolio | 2,837,076 | 2,005,647 | 831,429 | 742,622 | 1,263,025 | 2,005,647 | 0 |
| All Portfolios | 986,291 | 789,328 | 196,963 | 31,828 | 757,500 | 789,328 | 0 |
| Total Capital Funding | 71,625,504 | 23,729,424 | 47,896,080 | 8,005,797 | 15,723,627 | 23,729,424 | 0 |

End of Report

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Capital Programme - 2019/20 Funding Estimates
Capital Report 2019/20

| | |
|---|--|
| Management Reports | Capital Programme Funding Estimates |
| <i>Reporting Year: and Period: 2020/9</i> | |

| Code | Scheme | Total Funding | In Year Budget | Future Funding | Expenditure to: December 2019 | Remaining in Year Budget | Forecast Expenditure | Forecast Variance (Adv)/Fav |
|-------------------------------------|--|----------------|----------------|----------------|----------------------------------|--------------------------|----------------------|-----------------------------|
| Corporate Services Portfolio | | | | | | | | |
| Corporate Services | | | | | | | | |
| 101385 | Workplace Transformation | 124,511 | 26,339 | 98,172 | 26,339 | 0 | 26,339 | 0 |
| 327037 | WPT - Civic Centre IT Network | 194,740 | 0 | 194,740 | 0 | 0 | 0 | 0 |
| 327100 | Ebbw Vale Test Track | 20,000 | 20,000 | 0 | 20,000 | 0 | 20,000 | 0 |
| 327101 | Emergency Electrical & IT Works Civic Ce | 240,000 | 30,747 | 209,253 | 30,747 | 0 | 30,747 | 0 |
| 328090 | CCTV Upgrade | 150,000 | 150,000 | 0 | 125,661 | 24,339 | 150,000 | 0 |
| Corporate Services | | 729,251 | 227,086 | 502,165 | 202,747 | 24,339 | 227,086 | 0 |
| Corporate Services Portfolio | | 729,251 | 227,086 | 502,165 | 202,747 | 24,339 | 227,086 | 0 |

Capital Programme - 2019/20 Funding Estimates
Capital Report 2019/20

Management Reports

Reporting Year: and Period: 2020/9

Capital Programme Funding Estimates

| Code | Scheme | Total Funding | In Year Budget | Future Funding | Expenditure to: December 2019 | Remaining in Year Budget | Forecast Expenditure | Forecast Variance (Adv)/Fav |
|----------------------------------|--|------------------|------------------|------------------|----------------------------------|--------------------------|----------------------|-----------------------------|
| Social Services Portfolio | | | | | | | | |
| Childrens Services | | | | | | | | |
| 323152 | Beaufort Road - Extension Training Flat | 130,475 | 0 | 130,475 | 0 | 0 | 0 | 0 |
| 323153 | Beaufort Road - Outdoor spaces and Exiti | 38,675 | 0 | 38,675 | 0 | 0 | 0 | 0 |
| 324718 | Flying Start - First Friends Childcare | 55,000 | 55,000 | 0 | 0 | 55,000 | 55,000 | 0 |
| 324719 | Flying Start - Cwm 2 | 26,352 | 26,352 | 0 | 26,352 | 0 | 26,352 | 0 |
| 324721 | Flying Start - Ebbw Vale North | 150,000 | 150,000 | 0 | 6,939 | 143,061 | 150,000 | 0 |
| 324727 | Flying Start - Swyffryd | 19,500 | 19,500 | 0 | 0 | 19,500 | 19,500 | 0 |
| 324736 | Flying Start Additional Works | 60,000 | 60,000 | 0 | 20,775 | 39,225 | 60,000 | 0 |
| 324770 | Childcare Offer - Sixbells Scheme | 1,500,000 | 80,000 | 1,420,000 | 5,210 | 74,790 | 80,000 | 0 |
| 324771 | Childcare Offer - Badminton Scheme | 1,500,000 | 50,000 | 1,450,000 | 0 | 50,000 | 50,000 | 0 |
| 324772 | Childcare Offer - Blaina ICC Scheme | 500,000 | 50,000 | 450,000 | 46,766 | 3,234 | 50,000 | 0 |
| 324773 | Childcare Offer - Swfryd Scheme | 500,000 | 450,000 | 50,000 | 9,464 | 440,536 | 450,000 | 0 |
| 324774 | Childcare Offer - Small Grants Scheme | 100,000 | 100,000 | 0 | 100,000 | 0 | 100,000 | 0 |
| Childrens Services | | 4,580,002 | 1,040,852 | 3,539,150 | 215,506 | 825,346 | 1,040,852 | 0 |
| Adult Services | | | | | | | | |
| 323003 | Health & Safety | 63,943 | 63,943 | 0 | 2,893 | 61,050 | 63,943 | 0 |
| 323005 | Tackling Food Poverty - WLGA | 23,147 | 23,147 | 0 | 0 | 23,147 | 23,147 | 0 |
| 323120 | Disabled equipment | 283,250 | 279,750 | 3,500 | 279,750 | 0 | 279,750 | 0 |
| 323142 | ICF - DCP Accommodation and Support fc | 23,000 | 23,000 | 0 | 0 | 23,000 | 23,000 | 0 |
| 323143 | ICF - DCP AI, Digital Mobile Assistive | 23,000 | 23,000 | 0 | 0 | 23,000 | 23,000 | 0 |
| 323144 | ICF Main Capital Programme | 104,151 | 104,151 | 0 | 550 | 103,601 | 104,151 | 0 |

Capital Programme - 2019/20 Funding Estimates
Capital Report 2019/20

Management Reports

Reporting Year: and Period: 2020/9

Capital Programme Funding Estimates

| <i>Code</i> | <i>Scheme</i> | <i>Total Funding</i> | <i>In Year Budget</i> | <i>Future Funding</i> | <i>Expenditure to: December 2019</i> | <i>Remaining in Year Budget</i> | <i>Forecast Expenditure</i> | <i>Forecast Variance (Adv)/Fav</i> |
|-------------|--|----------------------|-----------------------|-----------------------|--|---------------------------------|-----------------------------|------------------------------------|
| 323147 | Intermediate Care Fund | 23,704 | 23,704 | 0 | 23,704 | 0 | 23,704 | 0 |
| 323148 | ICF - Digital & Mobile Assistive Technol | 19,000 | 19,000 | 0 | 1,100 | 17,900 | 19,000 | 0 |
| 323149 | Better Care Capital Project | 50,000 | 50,000 | 0 | 12,529 | 37,471 | 50,000 | 0 |
| 323150 | Cwrt Mytton Lift Refurbishment | 50,000 | 50,000 | 0 | 42,053 | 7,947 | 50,000 | 0 |
| 323151 | Augusta House - Enablement Pods | 391,853 | 0 | 391,853 | 0 | 0 | 0 | 0 |
| | Adult Services | 1,055,048 | 659,695 | 395,353 | 362,579 | 297,116 | 659,695 | 0 |
| | Social Services Portfolio | 5,635,050 | 1,700,547 | 3,934,503 | 578,085 | 1,122,462 | 1,700,547 | 0 |

Capital Programme - 2019/20 Funding Estimates
Capital Report 2019/20

Management Reports

Reporting Year: and Period: 2020/9

Capital Programme Funding Estimates

| Code | Scheme | Total Funding | In Year Budget | Future Funding | Expenditure to: December 2019 | Remaining in Year Budget | Forecast Expenditure | Forecast Variance (Adv)/Fav |
|------------------------------|--|------------------|----------------|----------------|----------------------------------|--------------------------|----------------------|-----------------------------|
| Economy Portfolio | | | | | | | | |
| Tredegar Regeneration | | | | | | | | |
| 326163 | Tredegar HLF | 1,225,419 | 587,160 | 638,259 | 432,994 | 154,166 | 587,160 | 0 |
| 326167 | Tredegar STAR Community Centre | 7,810 | 4,682 | 3,128 | 3,980 | 702 | 4,682 | 0 |
| Tredegar Regeneration | | 1,233,229 | 591,842 | 641,387 | 436,974 | 154,868 | 591,842 | 0 |
| Ebbw Vale Town Centre | | | | | | | | |
| 326191 | TRI - Urban Centre Commercial Property I | 720,000 | 410,000 | 310,000 | 607 | 409,393 | 410,000 | 0 |
| 326192 | TRI- Urban Centre Residential Property E | 200,000 | 75,000 | 125,000 | 268 | 74,732 | 75,000 | 0 |
| Ebbw Vale Town Centre | | 920,000 | 485,000 | 435,000 | 875 | 484,125 | 485,000 | 0 |
| Valleys Regional Park | | | | | | | | |
| 326200 | VRP Ebbw Fach Trail | 2,274 | 979 | 1,295 | 979 | 0 | 979 | 0 |
| 326205 | VRP - Discovery Gateway | 500,000 | 500,000 | 0 | 4,351 | 495,649 | 500,000 | 0 |
| Valleys Regional Park | | 502,274 | 500,979 | 1,295 | 5,329 | 495,650 | 500,979 | 0 |
| The Works Site | | | | | | | | |
| 325097 | Big Arch | 1,058,000 | 25,362 | 1,032,638 | 25,362 | 0 | 25,362 | 0 |
| 325102 | Learning Works - 11-16 school | 34,835 | 34,835 | 0 | 34,835 | 0 | 34,835 | 0 |
| 325220 | Site Investigation Works | 19,000 | 0 | 19,000 | 0 | 0 | 0 | 0 |
| 325225 | Ebbw Valley Railway - Northern Extension | 2,441 | 0 | 2,441 | 0 | 0 | 0 | 0 |
| 326079 | General Offices Refurb | 20,000 | 20,000 | 0 | 20,000 | 0 | 20,000 | 0 |

Capital Programme - 2019/20 Funding Estimates
Capital Report 2019/20

Management Reports

Reporting Year: and Period: 2020/9

Capital Programme Funding Estimates

| Code | Scheme | Total Funding | In Year Budget | Future Funding | Expenditure to: December 2019 | Remaining in Year Budget | Forecast Expenditure | Forecast Variance (Adv)/Fav |
|-------------|---------------------------------------|----------------------|-----------------------|-----------------------|--|---------------------------------|-----------------------------|------------------------------------|
| | The Works Site | 1,134,276 | 80,197 | 1,054,079 | 80,197 | 0 | 80,197 | 0 |
| | Other Regeneration | | | | | | | |
| 326006 | Tech Valley s Initiative | 500,000 | 0 | 500,000 | 0 | 0 | 0 | 0 |
| 326180 | Lime Avenue Business Park | 6,420,975 | 500,000 | 5,920,975 | 33,203 | 466,797 | 500,000 | 0 |
| 326181 | Lime Avenue Employment park | 2,701,872 | 101,489 | 2,600,383 | 78,987 | 22,502 | 101,489 | 0 |
| 326182 | Box Works | 1,012,234 | 450,000 | 562,234 | 211,780 | 238,220 | 450,000 | 0 |
| 326183 | Regain 2 | 4,050,000 | 34,075 | 4,015,925 | 34,075 | 0 | 34,075 | 0 |
| 326225 | Heat Networks Project | 17,385 | 0 | 17,385 | 0 | 0 | 0 | 0 |
| 326226 | Electric Vehicle Chargepoints | 573,406 | 573,406 | 0 | 0 | 573,406 | 573,406 | 0 |
| 326251 | Constrained Units | 455,370 | 419,465 | 35,905 | 0 | 419,465 | 419,465 | 0 |
| 326252 | Constrained Units - Roseheyworth | 200,000 | 200,000 | 0 | 0 | 200,000 | 200,000 | 0 |
| 326262 | Acquisition of Cwm Draw Units 1-6 | 4,500 | 0 | 4,500 | 0 | 0 | 0 | 0 |
| 326263 | Ebbw Vale Cenotaph & War Memorial Gar | 20,752 | 20,752 | 0 | 20,752 | 0 | 20,752 | 0 |
| 326264 | Aneurin Bevan Memorial Stones | 30,000 | 30,000 | 0 | 29,692 | 308 | 30,000 | 0 |
| 326265 | Victoria Business Park - Development | 41,687 | 41,687 | 0 | 0 | 41,687 | 41,687 | 0 |
| | Other Regeneration | 16,028,181 | 2,370,874 | 13,657,307 | 408,489 | 1,962,385 | 2,370,874 | 0 |
| | Economy Portfolio | 19,817,960 | 4,028,892 | 15,789,068 | 931,864 | 3,097,028 | 4,028,892 | 0 |

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Reporting Year: and Period: 2020/9

Capital Programme Funding Estimates

| Code | Scheme | Total Funding | In Year Budget | Future Funding | Expenditure to: December 2019 | Remaining in Year Budget | Forecast Expenditure | Forecast Variance (Adv)/Fav |
|------------------------------------|---|----------------------|-----------------------|-----------------------|--|---------------------------------|-----------------------------|------------------------------------|
| Education and Active Living | | | | | | | | |
| Education Services | | | | | | | | |
| 324125 | Education Minor Works | 116,943 | 28,591 | 88,352 | 28,591 | 0 | 28,591 | 0 |
| 324130 | Abertillery Comprehensive Lighting Upgr | 12,439 | 0 | 12,439 | 0 | 0 | 0 | 0 |
| 324135 | School Works Programme - Tech Services | 35,022 | 0 | 35,022 | 0 | 0 | 0 | 0 |
| 324138 | Education Capital Maintenance | 16,450 | 16,450 | 0 | 1,795 | 14,655 | 16,450 | 0 |
| 324140 | Brynmawr Comp - Remodelling Reception | 62,768 | 62,768 | 0 | 62,768 | 0 | 62,768 | 0 |
| 324141 | Bryn Bach - Kitchen Rep & Classroom ren | 148,691 | 148,691 | 0 | 148,691 | 0 | 148,691 | 0 |
| 324142 | Georgetown Windows & Boiler Replaceme | 95,000 | 95,000 | 0 | 78,987 | 16,013 | 95,000 | 0 |
| 324143 | Rhos-y-fedwyn - Refurbishment | 96,000 | 96,000 | 0 | 90,622 | 5,378 | 96,000 | 0 |
| 324144 | St Marys - Refurbishment | 60,000 | 60,000 | 0 | 0 | 60,000 | 60,000 | 0 |
| 324145 | Tredegar Comp - Food & Technology | 100,000 | 100,000 | 0 | 725 | 99,275 | 100,000 | 0 |
| 324146 | Deighton - Kitchen | 106,332 | 106,332 | 0 | 106,332 | 0 | 106,332 | 0 |
| 324201 | Class Size - Willowtown | 199,600 | 199,600 | 0 | 130,007 | 69,593 | 199,600 | 0 |
| 324202 | Class Size - St. Illtyd s | 70,000 | 70,000 | 0 | 65,335 | 4,665 | 70,000 | 0 |
| 324203 | Period Poverty | 6,589 | 6,589 | 0 | 6,589 | 0 | 6,589 | 0 |
| 324205 | St. Marys CIW MUGA | 89,125 | 89,125 | 0 | 55,600 | 33,525 | 89,125 | 0 |
| 324206 | Georgetown S106 | 47,000 | 47,000 | 0 | 30,387 | 16,613 | 47,000 | 0 |
| 324515 | Learning in Digital Wales | 34,596 | 0 | 34,596 | 0 | 0 | 0 | 0 |
| 324519 | Digital 2030 Capital Grant - Post 16 | 26,970 | 26,970 | 0 | 0 | 26,970 | 26,970 | 0 |
| 324530 | ALN | 122,298 | 0 | 122,298 | 0 | 0 | 0 | 0 |
| 324532 | Ebbw Fawr ASD | 3,890 | 0 | 3,890 | 0 | 0 | 0 | 0 |
| 324560 | Schools IT Infrastructure | 588,068 | 588,068 | 0 | 87,881 | 500,187 | 588,068 | 0 |

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Capital Programme Funding Estimates

| <i>Code</i> | <i>Scheme</i> | <i>Total Funding</i> | <i>In Year Budget</i> | <i>Future Funding</i> | <i>Expenditure to: December 2019</i> | <i>Remaining in Year Budget</i> | <i>Forecast Expenditure</i> | <i>Forecast Variance (Adv)/Fav</i> |
|------------------------------------|--|----------------------|-----------------------|-----------------------|--|---------------------------------|-----------------------------|------------------------------------|
| 324580 | Brynmawr 3G Pitch | 817,225 | 650,657 | 166,568 | 20,344 | 630,313 | 650,657 | 0 |
| 324590 | Tredegarr Comp 3G Pitch | 200,000 | 200,000 | 0 | 3,950 | 196,050 | 200,000 | 0 |
| 324740 | New Abertillery Primary School | 29,164 | 0 | 29,164 | 0 | 0 | 0 | 0 |
| 324741 | Band A - Tredegarr Comprehensive | 3,738 | 0 | 3,738 | 0 | 0 | 0 | 0 |
| 324743 | 21st Century Schools Six Bells Project | 3,329,782 | 3,329,782 | 0 | 2,900,792 | 428,990 | 3,329,782 | 0 |
| 324744 | Ystruth Primary Welsh Medium Primary | 19,858 | 19,858 | 0 | 19,858 | 0 | 19,858 | 0 |
| 324750 | Band B - Welsh Medium New Build | 6,350,000 | 200,000 | 6,150,000 | 6,388 | 193,612 | 200,000 | 0 |
| 324751 | Band B - New Primary Ebbw Fawr Valley | 9,000,000 | 80,000 | 8,920,000 | 3,810 | 76,190 | 80,000 | 0 |
| 324752 | Band B - Secondary Remodelling Brynma | 3,200,000 | 0 | 3,200,000 | 0 | 0 | 0 | 0 |
| 324753 | Band B - Secondary Remodelling Abertille | 3,200,000 | 0 | 3,200,000 | 0 | 0 | 0 | 0 |
| 324754 | Band B - Secondary Remodelling Tredegar | 3,200,000 | 0 | 3,200,000 | 0 | 0 | 0 | 0 |
| 324755 | Band B - Welsh Medium Remodelling Bro | 763,432 | 400,000 | 363,432 | 51,375 | 348,625 | 400,000 | 0 |
| Education Services | | 32,150,980 | 6,621,481 | 25,529,499 | 3,900,829 | 2,720,652 | 6,621,481 | 0 |
| Active Living Services | | | | | | | | |
| 329089 | Abertillery LC Demolition | 102,506 | 102,506 | 0 | 96,605 | 5,901 | 102,506 | 0 |
| 329095 | Splash Pad | 110,000 | 0 | 110,000 | 0 | 0 | 0 | 0 |
| 329097 | Play Equipment | 107,000 | 107,000 | 0 | 62,150 | 44,850 | 107,000 | 0 |
| Active Living Services | | 319,506 | 209,506 | 110,000 | 158,755 | 50,751 | 209,506 | 0 |
| Education and Active Living | | 32,470,486 | 6,830,987 | 25,639,499 | 4,059,583 | 2,771,404 | 6,830,987 | 0 |

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Capital Programme Funding Estimates

| Code | Scheme | Total Funding | In Year Budget | Future Funding | Expenditure to: December 2019 | Remaining in Year Budget | Forecast Expenditure | Forecast Variance (Adv)/Fav |
|-------------------------------------|---|------------------|------------------|----------------|----------------------------------|--------------------------|----------------------|-----------------------------|
| Environment Portfolio | | | | | | | | |
| Environmental Services | | | | | | | | |
| 327018 | RCAF Long Term Organics Procurement | 26,512 | 0 | 26,512 | 0 | 0 | 0 | 0 |
| 327036 | WPT Business Resource Centre (SS) | 100,000 | 100,000 | 0 | 100,000 | 0 | 100,000 | 0 |
| 327039 | Kerbside Collections | 15,919 | 8,300 | 7,619 | 8,300 | 0 | 8,300 | 0 |
| 327042 | Collaborative Change Programme 18-19 | 296,873 | 296,873 | 0 | 144,505 | 152,368 | 296,873 | 0 |
| 327043 | Household Waste Recycling Centre | 2,800,000 | 2,800,000 | 0 | 6,352 | 2,793,648 | 2,800,000 | 0 |
| 327044 | AHP Waste Collections | 152,000 | 152,000 | 0 | 0 | 152,000 | 152,000 | 0 |
| 327045 | BRC Decommissioning Project | 196,718 | 0 | 196,718 | (1,231) | 1,231 | 0 | 0 |
| 327055 | Central Depot Project | 2,185 | 0 | 2,185 | 0 | 0 | 0 | 0 |
| 327065 | Re:Fit | 4,110,381 | 4,110,381 | 0 | 747,562 | 3,362,819 | 4,110,381 | 0 |
| 327067 | Market Hall - Asbestos Removal | 92,000 | 92,000 | 0 | 57,775 | 34,226 | 92,000 | 0 |
| 327068 | Cemeteries Investment Programme | 210,000 | 0 | 210,000 | 0 | 0 | 0 | 0 |
| Environmental Services | | 8,002,588 | 7,559,554 | 443,034 | 1,063,263 | 6,496,291 | 7,559,554 | 0 |
| Housing Environmental Health | | | | | | | | |
| 328221 | Remediation of Contaminated Land/Dereli | 150,921 | 32,211 | 118,710 | 32,211 | 0 | 32,211 | 0 |
| 350510 | Improvement grants - new scheme | 831,193 | 400,000 | 431,193 | 264,646 | 135,354 | 400,000 | 0 |
| 350550 | Support for Independent Living | 152,316 | 142,800 | 9,516 | 98,949 | 43,851 | 142,800 | 0 |
| 350560 | Empty Property Grants | 12,372 | 12,372 | 0 | 0 | 12,372 | 12,372 | 0 |
| Housing Environmental Health | | 1,146,802 | 587,383 | 559,419 | 395,805 | 191,578 | 587,383 | 0 |

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| | | | | | | | | |
|---|--|--|--|--|--|--|--|--|
| Management Reports | | Capital Programme Funding Estimates | | | | | | |
| <i>Reporting Year: and Period: 2020/9</i> | | | | | | | | |

| <i>Code</i> | <i>Scheme</i> | <i>Total Funding</i> | <i>In Year Budget</i> | <i>Future Funding</i> | <i>Expenditure to: December 2019</i> | <i>Remaining in Year Budget</i> | <i>Forecast Expenditure</i> | <i>Forecast Variance (Adv)/Fav</i> |
|-------------|------------------------------|----------------------|-----------------------|-----------------------|--|---------------------------------|-----------------------------|------------------------------------|
| | Environment Portfolio | 9,149,390 | 8,146,937 | 1,002,453 | 1,459,068 | 6,687,869 | 8,146,937 | 0 |

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| <i>Code</i> | <i>Scheme</i> | <i>Total Funding</i> | <i>In Year Budget</i> | <i>Future Funding</i> | <i>Expenditure to: December 2019</i> | <i>Remaining in Year Budget</i> | <i>Forecast Expenditure</i> | <i>Forecast Variance (Adv)/Fav</i> |
|------------------------------------|--|----------------------|-----------------------|-----------------------|--|---------------------------------|-----------------------------|------------------------------------|
| Infrastructure Portfolio | | | | | | | | |
| Engineering Services | | | | | | | | |
| 328040 | Cwm By Pass | 13,970 | 0 | 13,970 | 0 | 0 | 0 | 0 |
| 328147 | SRIC - Brynmawr to Garnlydan | 295,000 | 295,000 | 0 | 0 | 295,000 | 295,000 | 0 |
| 328310 | Local Transport Fund | 150,000 | 150,000 | 0 | 3,322 | 146,678 | 150,000 | 0 |
| 328315 | Local Transport Fund - Project Retention | 22,988 | 0 | 22,988 | 0 | 0 | 0 | 0 |
| 328318 | Active Travel Fund | 406,000 | 406,000 | 0 | 18,998 | 387,002 | 406,000 | 0 |
| 328340 | LTF Metro Plus | 265,000 | 265,000 | 0 | 0 | 265,000 | 265,000 | 0 |
| Engineering Services | | 1,152,958 | 1,116,000 | 36,958 | 22,321 | 1,093,679 | 1,116,000 | 0 |
| Highways Network Management | | | | | | | | |
| 328063 | Bridge Strengthening Works | 1,311 | 0 | 1,311 | 0 | 0 | 0 | 0 |
| 328269 | Highways PB Imp. Works. | 20,946 | 0 | 20,946 | 0 | 0 | 0 | 0 |
| 328270 | Highways Improvement Works | 1,596,041 | 889,227 | 706,814 | 719,881 | 169,346 | 889,227 | 0 |
| 328334 | LGBI - Trinant Hall | 65,820 | 420 | 65,400 | 420 | 0 | 420 | 0 |
| Highways Network Management | | 1,684,118 | 889,647 | 794,471 | 720,301 | 169,346 | 889,647 | 0 |
| Infrastructure Portfolio | | 2,837,076 | 2,005,647 | 831,429 | 742,622 | 1,263,025 | 2,005,647 | 0 |

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Capital Programme Funding Estimates

| <i>Code</i> | <i>Scheme</i> | <i>Total Funding</i> | <i>In Year Budget</i> | <i>Future Funding</i> | <i>Expenditure to: December 2019</i> | <i>Remaining in Year Budget</i> | <i>Forecast Expenditure</i> | <i>Forecast Variance (Adv)/Fav</i> |
|-----------------------|---------------------------------------|----------------------|-----------------------|-----------------------|--|---------------------------------|-----------------------------|------------------------------------|
| All Portfolios | | | | | | | | |
| All Portfolios | | | | | | | | |
| 300300 | City Deal | 233,500 | 233,500 | 0 | 0 | 233,500 | 233,500 | 0 |
| 303990 | OS Capital Admin/Design & Supervision | 524,000 | 524,000 | 0 | 0 | 524,000 | 524,000 | 0 |
| 321112 | Disabled Access - Special Programme | 28,791 | 28,791 | 0 | 28,791 | 0 | 28,791 | 0 |
| 324672 | The Company Shop - Tred | 200,000 | 3,037 | 196,963 | 3,037 | 0 | 3,037 | 0 |
| All Portfolios | | 986,291 | 789,328 | 196,963 | 31,828 | 757,500 | 789,328 | 0 |
| All Portfolios | | 986,291 | 789,328 | 196,963 | 31,828 | 757,500 | 789,328 | 0 |

Capital Programme - 2019/20 Funding Estimates
Capital Report 2019/20

| | | | | | | | | |
|---|--|--|--|--|--|--|--|--|
| Management Reports | | Capital Programme Funding Estimates | | | | | | |
| <i>Reporting Year: and Period: 2020/9</i> | | | | | | | | |

| <i>Code</i> | <i>Scheme</i> | <i>Total Funding</i> | <i>In Year Budget</i> | <i>Future Funding</i> | <i>Expenditure to: December 2019</i> | <i>Remaining in Year Budget</i> | <i>Forecast Expenditure</i> | <i>Forecast Variance (Adv)/Fav</i> |
|-------------|------------------------------|----------------------|-----------------------|-----------------------|--|---------------------------------|-----------------------------|------------------------------------|
| | Total Capital Funding | 71,625,504 | 23,729,424 | 47,896,080 | 8,005,797 | 15,723,627 | 23,729,424 | 0 |

End of Report

Information on Capital Funding Changes 2019/20**New Approvals and/or material Funding Changes in Quarter 3**

| Portfolio | Cost Centre | Scheme | Amount (£) | Funding Body | Type |
|---|-------------|--|------------|----------------------|---|
| Corporate Governance | | | | | |
| Social Services - Adult & Children | | | | | |
| | 323005 | Tackling Food Poverty - WLGA | 23,147 | Welsh Government | Welsh Local Government Association |
| | 323148 | ICF - Digital & Mobile Assistive Technol | 19,000 | Welsh Government | Intermediate Care Fund |
| | 323142 | ICF DCP Accommodation and Support for Young People | 23,000 | Welsh Government | Intermediate Care Fund |
| | 323143 | ICF DCP AI, Digital Mobile Assistive Technology | 23,000 | Welsh Government | Intermediate Care Fund |
| | 323144 | ICF Main Capital Programme | 104,151 | Welsh Government | Intermediate Care Fund |
| | 323152 | Beaufort Road - Extension Training Flat | 130,475 | Welsh Government | |
| | 323153 | Beaufort Road - Outdoor spaces and Exiting rooms | 38,675 | Welsh Government | |
| | 323151 | Augusta House - Enablement Pods | 391,853 | Welsh Government | Intermediate Care Fund |
| Economy | | | | | |
| | 326180 | Lime Avenue Business Park | 3,150,000 | Welsh Government | Tech Valleys |
| | 326226 | Electric Vehicle Chargepoints | 573,406 | Welsh Government | Office for Low Emissions Vehicles |
| | 326265 | Victoria Business Park - Development | 41,687 | Welsh Government | Tech Valleys |
| | 326252 | Constrained Units - Roseheyworth | 200,000 | Welsh Government | Sports, Multifunctional & Local Infrastructure Scheme |
| Education, Active Living and Learning | | | | | |
| | 324519 | Digital 2030 Capital Grant - Post 16 | 26,970 | Welsh Government | 21st Century Schools & Colleges |
| | 324590 | Tredegar Comp 3G Pitch | 200,000 | Sports Council Wales | Sports Wales |
| | | Schools Maintenance Grant 2019/20 | 825,673 | Welsh Government | 21st Century Schools & Colleges |
| Environment | | | | | |
| | 327043 | Household Waste Recycling Centre | 2,280,000 | Welsh Government | |
| | 327044 | AHP Waste Collections | 152,000 | Welsh Government | |
| Infrastructure | | | | | |
| | 328147 | SRiC - Brynmawr to Garnlydan | 295,000 | Welsh Government | Safe Routes in Communities |
| | 328340 | LTF Metro Plus | 265,000 | Welsh Government | Local Transport Fund |
| | 328318 | Active Travel Fund | 240,000 | Welsh Government | Active Travel Fund |
| All Portfolios | | | | | |

It should be noted that the funding changes detailed above will not balance to total funding changes between Q2 to Q3

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Agenda Item 7

Executive Committee and Council only

Date signed off by the Monitoring Officer: N/A

Date signed off by the Section 151 Officer: N/A

Committee: **Joint Budget Scrutiny**

Date of meeting: **9th March 2020**

Report Subject: **Revenue Budget Monitoring - 2019/2020, Forecast Outturn to 31 March 2020 (As at 31st December 2019)**

Portfolio Holder: **Cllr Daniels, Leader / Executive Member Corporate Services**

Report Submitted by: **Rhian Hayden – Chief Officer Resources**

| Reporting Pathway | | | | | | | | |
|-----------------------------|---------------------------|--------------------------|-----------------|-------------------------------|--------------------|---------------------|---------|----------------------|
| Directorate Management Team | Corporate Leadership Team | Portfolio Holder / Chair | Audit Committee | Democratic Services Committee | Scrutiny Committee | Executive Committee | Council | Other (please state) |
| | 18/02/2020 | 25.02.20 | | | 09/03/2020 | 11/03/2020 | | |

1. Purpose of the Report

- 1.1 The purpose of the report is to provide Members with the forecast financial outturn position across all portfolios for the financial year 2019/2020 (as forecast at 31st December 2020) and to review the actions taken forward to move towards a balanced out turn position.

2. Scope and Background

- 2.1 This report provides details on the following:
- Forecast financial position to the end of March 2020 across all portfolios
 - Details of significant adverse variances
 - Forecast outturn for Fees & Charges
 - Progress on the achievement of the Financial Efficiency Projects for 2019/2020
 - Action Plans developed to address significant adverse variances
- 2.2 This report forms part of the quarterly financial reporting framework to Members.

3. Options for Recommendation

3.1 Option 1 (Recommended Option)

Members of the Joint Budget Scrutiny consider the report and

- Provide appropriate challenge to the financial outcomes in the report
- Consider the action plans attached at Appendix 4 developed to address the forecast adverse variances at the end of December 2019.

3.2 Option 2

Do not accept the report.

4. **Evidence of how does this topic supports the achievement of the Corporate Plan / Statutory Responsibilities / Blaenau Gwent Well-being Plan**

4.1 This report supports the Council Priority, "Efficient Council", as it is part of the financial planning and reporting arrangements which support the Councils' financial resilience.

5. **Implications Against Each Option**

5.1 **Impact on Budget**

5.1.1 The overall forecast outturn as at September 2019, was a small adverse variance of £7,200. Two portfolios were reporting significant adverse variances (Education - £64,000 and Environment - £259,000), however, these were offset by the forecast underspends, Social Services being the most significant at £180,000.

5.1.2 The forecast overall financial position across all portfolios at 31 December 2019 is shown in the table below:

| Portfolio/ Committee | 2019/2020 Revised Revenue Budget | 2019/2020 Forecast Outturn @ 31 December 2019 | Favourable/ (Adverse) To 31 March 2020 | Append ref: |
|--|---|--|---|------------------------|
| | £m | £m | £m | |
| Underspending Portfolios | | | | |
| Corporate Services & Financial Management & Strategy | 14.718 | 14.711 | 0.007 | 2a |
| Social Services | 44.915 | 44.841 | 0.074 | 2b |
| Education | 55.477 | 55.455 | 0.022 | 2c |
| Economy | 1.516 | 1.467 | 0.049 | 2d |
| Sub Total (1) | 116.626 | 116.474 | 0.152 | |
| | | | | |

| Overspending Portfolios | | | | |
|--------------------------------|-----------------------|-----------------------|-----------------------|----|
| Environment | 29.53 | 29.73 | (0.20) | 2e |
| Planning | 1.056 | 1.061 | (0.005) | 2f |
| Licensing | 0.065 | 0.076 | (0.011) | 2f |
| Sub Total (2) | 30.651 | 30.867 | (0.216) | |
| | | | | |
| Total | <u>147.277</u> | <u>147.341</u> | <u>(0.064)</u> | |

5.1.3 The table indicates that the provisional outturn is higher than the budget by £64,000 (across all services). This is after the application of £0.6m from specific reserves to address “one-off” in year planned expenditure.

5.1.4 **PORTFOLIO ANALYSIS**

5.1.5 Overall, the forecast end of year adverse variance has increased by £57,000 since the quarter 2 forecast position.

There are four portfolios forecasting adverse variances totalling £0.216m, however there are a number of cost pressures identified across all portfolios. Appendix 1 identifies those services where the adverse variance exceeds £15,000, and Action Plans to address these cost pressures are attached at Appendix 4.

5.1.6 **Corporate Services – Movement in variance from £75,000 favourable to £6,000 favourable**

5.1.7 The main reason for the reduction in the adverse variance is due to an increase in forecast expenditure for Council Tax Reduction Scheme and an increase in Resources Departmental expenditure due to early termination costs. Further detail is included within the Action Plan attached at Appendix 4.

5.1.8 **Social Services – Movement in variance from £175,000 favourable to £74,000 favourable**

5.1.9 The forecast favourable variance at September 2019 has reduced by £109,000 for Children’s Services and this is mainly due to an increase in the number placements with Independent Fostering Agencies.

5.1.10 Despite this fact, there are no significant adverse variances greater than £15,000, and therefore no action plan has been developed. However, expenditure and budgets will continue to be monitored closely.

- 5.1.11 **Education – Movement in variance from £64,000 adverse to £22,000 favourable**
- 5.1.12 The Welsh Government Education Maintenance Grant recently awarded has enabled £100,000 of revenue spend on maintenance to be funded from this grant which has contributed to reducing the forecast adverse variance. Reasons for the movement in the significant adverse variances and actions taken can be seen in the Action Plan attached at Appendix 4.
- 5.1.13 **Economy – Movement in variance from £78,000 favourable to £48,000 favourable**
- 5.1.14 There are no significant adverse variances within the portfolio, however the Estates Management departmental Budget has moved from a £15,000 favourable variance to a £12,000 adverse variance position. The increased cost is due to the temporary solicitor post being extended from September to March 2020.
- 5.1.15 **Environment – Movement in variance from £259,000 adverse to £200,000 adverse**
- 5.1.16 The forecast adverse variance has decreased due to additional fees & charges and the reallocation of costs for asbestos works at Pond Road to capital expenditure. Reasons for the movement in the significant adverse variances and actions taken can be seen in the Action Plan attached at Appendix 4.
- 5.1.17 **Fees & Charges**
- 5.1.18 The 2019/2020 portfolio estimates include income budgets in relation to fees & charges (excluding Council Tax) of £14.8m across all portfolios. Attached at Appendix 3 is an analysis of income received against budget for the financial year for individual portfolios, and current forecast indicates an improved adverse variance against this target of £0.3m (£0.57m as at September 2019), primarily relating to charges within Social Services.
- 5.1.19 Whilst this analysis is useful, it should not be considered in isolation, as elements of any shortfall within Portfolios can be inextricably linked to underspends in expenditure within the same budget heading. Where this is the case, budget holders should action budget virements to ensure that the income targets reflect more accurately expected income. Likewise, any over achievement in income which offset overspends in expenditure within the same budget, should be treated in the same way.
- 5.1.20 **Financial Efficiency Projects (FEP)**
- 5.1.21 In setting the 2019/2020 budget, Financial Efficiency Projects (FEPs) were approved to deliver savings of £3.34m. Of this target £3.33m (99.4%) is forecast to be achieved, with a shortfall of £20,000, and this is due to 2 projects:

- Full cost recovery of premises related costs for Community & Town Councils (£10,625) – This is included within the Action Plans attached at Appendix 4.
- Management Review (£12,590) – This is due to a delay in the implementation of the Senior Management review. The savings is fully achieved for 2020/2021.

5.1.22 This shortfall forms part of the overall portfolio out turn position and a summary of progress against the FEPs is attached at Appendix 5.

5.1.23 The Council continues to be successful in delivering the planned level of savings, and the achievement of 99% demonstrates the Council's ability to implement and deliver the approved savings as part of the budget setting process.

5.2 **Risk including Mitigating Actions**

5.2.1 (1) Grants form a significant element of the Council's income and support the delivery of priority services to the people of Blaenau Gwent. There is a risk that a reduction or cessation of grant funding will result in service levels reducing or services no longer being delivered.

A grants register have been developed and is being maintained and will be considered as part of the Medium Term Financial Strategy.

(2) Action Plans do not address the cost pressures identified.

5.2.2 The Action Plans will be monitored as part of the Budget Monitoring and Reporting Framework and the impact reported to the Joint Budget Scrutiny Committee, Executive Committee and the Cost Pressure Sub Group.

(3) There is a risk of increase costs for food, fuel and other essential goods and services following the ongoing situation regarding Brexit.

5.2.3 Brexit has been added as an organisational risk to the corporate risk register, whilst a separate, more detailed Brexit high level action plan has been developed and is being monitored by the Brexit Core planning Group.

5.3 Legal
N/A

5.4 Human Resources
N/A

6. **Supporting Evidence**

6.1 **Performance Information and Data**

6.1.1 A summary page for each portfolio is contained in Appendices 2a to 2g.

6.2 **Expected outcome for the public**

6.2.1 The report details the financial implications for the Council in providing services to the communities of Blaenau Gwent.

6.2.2 If overspends continue into the medium term, resources will be diminished and this may impact on the Council's ability to provide services to the public.

6.3 **Involvement (consultation, engagement, participation)**

6.3.1 CLT have considered the forecast financial position for 2019/2020 (as 31st December 2019).

6.4 **Thinking for the Long term (forward planning)**

6.4.1 For new and emerging cost pressures identified during the financial year, budget holders will be required to produce Action Plans which should address the cost pressure during the year. These Action Plans will form part of the quarterly budget reports and will be submitted to the Cost Pressure Sub Group for scrutiny, challenge and monitoring.

6.4.2 Cost Pressures are also considered as part of the Medium Term Financial Plan.

6.5 **Preventative focus**

6.5.1 Budget holders have developed Action Plans which should mitigate the forecast adverse variance during the financial year. Whilst Action Plans have had some impact on the overall cost pressures, it will be necessary to implement further actions including maintaining vacant posts and limiting non- essential spend during the final quarter of the financial year, where it is possible to do so, to prevent any unplanned draw from reserves at the year end.

6.6 **Collaboration / partnership working**

6.6.1 Accountancy works closely with budget holders during the financial year in producing the financial forecast, identifying cost pressures and in developing Action Plans.

6.7 *Integration(across service areas)*
N/A

6.8 **EqlA(screening and identifying if full impact assessment is needed)**

6.9 All Financial Efficiency Projects that were approved as part of the budget setting process had gone through the EqlA process.

7. **Monitoring Arrangements**

Financial reporting to Joint Scrutiny and the Executive is carried out on a quarterly basis. Where services are reporting significant cost pressures, there

- 7.1 will be a requirement for Budget Holders to develop and implement Action Plans these will be reported to the Cost Pressure Sub Group, on a quarterly basis.

Background Documents /Electronic Links

Appendix 1 – Summary of Main Variances

Appendix 2 – Portfolios

Appendix 3 – Fees and Charges

Appendix 4 – Action Plans

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SUMMARY OF MAIN FORECAST ADVERSE VARIANCES 2019/2020

| | | <u>Adverse Variance 2018/2019 out turn</u> £ | <u>Forecast Adverse Variance at December 2019 Forecast</u> £ | <u>Action Plan Ref:</u> |
|----|--|---|---|--|
| | <u>Adverse variances in Excess of £15,000</u> | | | |
| 1. | <u>Corporate Services</u> | | | |
| | Housing Benefits | (137,283) | (108,529) | 4a |
| | Resources Departmental Budget | 27,553 | (134,231) | 4a |
| | Council Tax Reduction Scheme | 77,975 | (27,555) | 4a |
| | Democratic Representation & Management | 517 | (26,057) | 4a |
| | | | | |
| 3. | <u>Education</u> | | | |
| | AWPU Clawback | (81,136) | (64,000) | 4b |
| | SEN Recoupment | (76,220) | (35,000) | 4b |
| | Education Departmental Budget | 5,941 | (34,488) | 4b |
| | | | | |
| 4. | <u>Environment</u> | | | |
| | Waste Services | (142,167) | (94,770) | 4c |
| | Meals on Wheels | (53,685) | (23,469) | 4c |
| | Cwmcrachen Caravan Site | (20,578) | (64,915) | 4c |
| | Littering and dog control orders | (19,492) | (33,500) | 4c |
| | Coroner's Court | (13,725) | (25,516) | 4c |

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CORPORATE SERVICES PORTFOLIO

| Item | Revised Estimate 2019/2020 | Total Forecast Expenditure to March 2020 | Variance Favourable / (Adverse) | Variance Favourable / (Adverse) 30 Sept 2019 |
|--|----------------------------------|--|---------------------------------------|---|
| | £ | £ | £ | £ |
| SUMMARY | | | | |
| <u>DEPARTMENTAL AND OTHER RECHARGEABLE SERVICES</u> | | | | |
| Corporate Services Department | (77,630) | (294,806) | 217,176 | 214,078 |
| Resources Department | 47,180 | 181,411 | (134,231) | (13,219) |
| Sub Total | (30,450) | (113,395) | 82,945 | 200,858 |
| <u>COMMERCIAL SERVICES</u> | | | | |
| Archives | 148,670 | 142,789 | 5,881 | 5,881 |
| Festival Park | 91,000 | 87,617 | 3,383 | 3,383 |
| Housing Benefit | (224,130) | (115,601) | (108,529) | (107,333) |
| ICT Service | 300,310 | 300,310 | 0 | (100,000) |
| Sub Total | 315,850 | 415,115 | (99,265) | (198,070) |
| <u>LEGAL & CORPORATE COMPLIANCE SERVICES</u> | | | | |
| Registration of Electors | 16,340 | 16,312 | 28 | (28) |
| Registration of Births, Marriages and Deaths | 48,550 | 53,895 | (5,345) | (2,328) |
| Sub Total | 64,890 | 70,207 | (5,317) | (2,357) |
| <u>GOVERNANCE & PARTNERSHIP SERVICES</u> | | | | |
| Corporate Management | 107,370 | 109,830 | (2,460) | (9,938) |
| Democratic Representation and Management | 1,210,600 | 1,236,657 | (26,057) | (12,602) |
| CCTV Cameras | 84,000 | 80,340 | 3,660 | 27,479 |
| Sub Total | 1,401,970 | 1,426,827 | (24,857) | 4,939 |
| <u>RESOURCES SERVICES</u> | | | | |
| Corporate Management | 348,810 | 316,888 | 31,922 | 22,811 |
| Non Distributed Costs | 746,240 | 746,156 | 84 | 84 |
| Apprenticeship Levy | 320,000 | 312,691 | 7,309 | 7,665 |
| Council Tax Collection | (1,557,770) | (1,608,125) | 50,355 | 19,536 |
| Council Tax Reduction Scheme | 8,895,900 | 8,923,455 | (27,555) | 27,341 |
| N.N.D.R. Collection | (107,040) | (110,385) | 3,345 | 4,445 |
| Grants and Subscriptions | 57,270 | 57,270 | 0 | 0 |
| Voluntary Sector Schemes | 0 | 0 | 0 | 0 |
| Sub Total | 8,703,410 | 8,637,951 | 65,459 | 81,881 |
| <u>CORPORATE CHARGES</u> | | | | |
| Corporate Recharges | 4,274,560 | 4,274,556 | 4 | 4 |
| Senior Management Restructure | (12,590) | 0 | (12,590) | (12,590) |
| Sub Total | 4,261,970 | 4,274,556 | (12,586) | (12,586) |
| CORPORATE SERVICES TOTAL EXPENDITURE | 14,717,640 | 14,711,261 | 6,379 | 74,666 |

SOCIAL SERVICES PORTFOLIO

| Item | Revised Estimate 2019/2020 | Total Forecast Expenditure to March 2020 | Variance Favourable / (Adverse) | Variance Favourable / (Adverse) 30 Sept 2019 |
|--|----------------------------------|--|---------------------------------------|---|
| | £ | £ | £ | £ |
| SUMMARY | | | | |
| <u>SOCIAL SERVICES</u> | | | | |
| Children's Services - Commissioning and Social Work | 3,188,670 | 3,188,665 | 5 | 27,808 |
| Looked After Children | 7,192,630 | 7,202,929 | (10,299) | 324 |
| Family Support Services | 191,240 | 190,059 | 1,181 | 4,638 |
| Youth Justice | 237,820 | 228,118 | 9,702 | 9,702 |
| Other Children's and Family Services | 2,160,000 | 2,175,121 | (15,121) | 52,342 |
| Older People Aged 65 or Over | 5,627,200 | 5,620,163 | 7,037 | 63,917 |
| Adults Aged Under 65 with a Physical Disability or Sensory Impairment | 41,800 | 42,784 | (984) | 150 |
| Adults Aged Under 65 with Learning Disabilities | 3,531,545 | 3,506,630 | 24,915 | 49,037 |
| Adults Aged Under 65 with Mental Health Needs | 606,295 | 633,024 | (26,729) | (15,511) |
| Other Adult Services | 357,430 | 360,350 | (2,920) | (3,166) |
| Community Care | 15,862,160 | 15,775,675 | 86,485 | (14,944) |
| Support Service and Management Costs | 899,990 | 899,802 | 188 | 642 |
| Corporate Recharges | 5,018,490 | 5,018,487 | 3 | 3 |
| Total Expenditure | 44,915,270 | 44,841,808 | 73,462 | 174,942 |

EDUCATION PORTFOLIO

| Item | Revised Estimate 2019/2020 | Total Forecast Expenditure to March 2020 | Variance Favourable / (Adverse) | Variance Favourable / (Adverse) 30 Sept 2019 |
|---|----------------------------------|--|---------------------------------------|---|
| | £ | £ | £ | £ |
| SUMMARY | | | | |
| SCHOOLS BUDGET | | | | |
| Individual Schools Budget | 42,833,880 | 42,833,880 | 0 | 0 |
| Education Improvement Grant | 257,800 | 278,479 | (20,679) | (1,631) |
| Other Costs | 662,320 | 563,546 | 98,774 | (2,226) |
| Supporting Special Education Needs | 1,779,810 | 1,884,328 | (104,518) | (82,267) |
| <i>Schools Budget Total Expenditure</i> | <u>45,533,810</u> | <u>45,560,233</u> | <u>(26,423)</u> | <u>(86,124)</u> |
| LEA BUDGET | | | | |
| Strategic Management | 2,217,480 | 2,221,632 | (4,152) | (4,152) |
| Assuring Access to Schools | 2,086,540 | 2,086,914 | (374) | (36,181) |
| Facilitating School Improvement | 419,760 | 421,866 | (2,106) | (4,017) |
| Supporting Special Education Needs | 328,130 | 263,132 | 64,998 | 68,511 |
| <i>LEA Budget Total Expenditure</i> | <u>5,051,910</u> | <u>4,993,543</u> | <u>58,367</u> | <u>24,161</u> |
| OTHER EDUCATION SERVICES | | | | |
| Further Education and Training | 133,290 | 132,710 | 580 | 580 |
| Youth Service | 365,130 | 341,546 | 23,584 | 11,164 |
| Other Expenditure | 141,040 | 140,417 | 623 | (4,217) |
| Education Departmental Budget | 22,000 | 56,488 | (34,488) | (9,969) |
| <i>Other Education Services Total Expenditure</i> | <u>661,460</u> | <u>671,162</u> | <u>(9,702)</u> | <u>(2,442)</u> |
| CORPORATE CHARGES | | | | |
| Corporate Support Recharges | 4,230,270 | 4,230,270 | 0 | 0 |
| <i>Corporate Charges Total Expenditure</i> | <u>4,230,270</u> | <u>4,230,270</u> | <u>0</u> | <u>0</u> |
| Total Expenditure | <u>55,477,450</u> | <u>55,455,208</u> | <u>22,242</u> | <u>(64,405)</u> |

ECONOMY PORTFOLIO

| Item | Revised Estimate 2019/2020 | Total Forecast Expenditure to March 2020 | Variance Favourable / (Adverse) | Variance Favourable / (Adverse) 30 Sept 2019 |
|---|----------------------------------|--|---------------------------------------|---|
| | £ | £ | £ | £ |
| SUMMARY | | | | |
| DEPARTMENTAL SERVICES | | | | |
| Economic Strategy and Development - Departmental Budget | (106,013) | (132,853) | 26,840 | 31,324 |
| Estates Management - Rechargeable | 106,013 | 117,640 | (11,627) | 14,902 |
| <i>Sub Total</i> | <u>0</u> | <u>(15,213)</u> | <u>15,213</u> | <u>46,226</u> |
| ECONOMY SERVICES | | | | |
| Affordable Housing | 0 | 0 | 0 | 0 |
| Aspire | 0 | 0 | 0 | 0 |
| Community Benefits Investment | 0 | 0 | 0 | 0 |
| CSCS | 0 | (1,410) | 1,410 | 621 |
| Destination Management | 16,150 | 15,726 | 424 | 500 |
| DRivE | 0 | 0 | 0 | 0 |
| Financial Support to Business | 6,790 | 2,925 | 3,865 | 3,865 |
| General Offices | (59,630) | (70,349) | 10,719 | 16,444 |
| Industrial Land | 7,000 | 6,199 | 801 | 801 |
| Inspire | 0 | 0 | 0 | 0 |
| Nursery Units/Misc. Industrial Premises | (680,650) | (692,785) | 12,135 | 5,088 |
| Pentagon | 0 | 0 | 0 | 0 |
| Regeneration Projects | 4,900 | 6,075 | (1,175) | (1,175) |
| Resilient Project | 0 | 0 | 0 | 0 |
| Estates Management Non Rechargeable | (70,490) | (75,229) | 4,739 | 5,761 |
| <i>Sub Total</i> | <u>(775,930)</u> | <u>(808,848)</u> | <u>32,918</u> | <u>31,905</u> |
| Corporate Recharges | 2,291,480 | 2,291,470 | 10 | 10 |
| Total Expenditure | <u>1,515,550</u> | <u>1,467,409</u> | <u>48,141</u> | <u>78,141</u> |

ENVIRONMENT PORTFOLIO

| Item | Revised Estimate 2019/2020 | Total Forecast Expenditure to March 2020 | Variance Favourable / (Adverse) | Variance Favourable / (Adverse) 30 Sep 2019 |
|--|----------------------------------|--|---------------------------------------|--|
| #VALUE! | £ | £ | £ | £ |
| SUMMARY | | | | |
| <u>COMMUNITY SERVICES</u> | | | | |
| <u>DEPARTMENTAL SERVICES</u> | | | | |
| Environment Department - Corporate Division | (31,020) | (31,020) | 0 | 10,816 |
| Environmental Services Division | (8,537) | (35,221) | 26,684 | (2,514) |
| Technical Services - Engineering & Property Management | (18,980) | (29,980) | 11,000 | 0 |
| <i>Sub Total</i> | <u>(58,537)</u> | <u>(96,221)</u> | <u>37,684</u> | <u>8,302</u> |
| <u>WASTE SERVICES</u> | | | | |
| Waste Services Team | 102,676 | 102,676 | 0 | 0 |
| <i>Sub Total</i> | <u>102,676</u> | <u>102,676</u> | <u>0</u> | <u>0</u> |
| <u>WASTE COLLECTION</u> | | | | |
| Household and Trade Waste Collection | 510,900 | 507,472 | 3,428 | (4,417) |
| Recycling Collection | 2,060,070 | 2,069,699 | (9,629) | (34,403) |
| Bulky Waste Collection | 15 | 7,646 | (7,631) | (3,435) |
| <i>Sub Total</i> | <u>2,570,985</u> | <u>2,584,817</u> | <u>(13,832)</u> | <u>(42,255)</u> |
| <u>WASTE TRANSFER</u> | | | | |
| Civic Amenity Sites | 303,920 | 310,852 | (6,932) | (4,064) |
| Transfer Station | 675,140 | 747,199 | (72,059) | (64,635) |
| <i>Sub Total</i> | <u>979,060</u> | <u>1,058,051</u> | <u>(78,991)</u> | <u>(68,699)</u> |
| <u>WASTE DISPOSAL</u> | | | | |
| Disposal Of Waste | 1,108,870 | 1,105,462 | 3,408 | 6,425 |
| Recycling Disposal | 229,895 | 235,250 | (5,355) | 1,034 |
| <i>Sub Total</i> | <u>1,338,765</u> | <u>1,340,712</u> | <u>(1,947)</u> | <u>7,459</u> |
| <u>PUBLIC SERVICES</u> | | | | |
| County Borough Cleansing | 1,200,951 | 1,202,054 | (1,103) | 703 |
| Cemeteries / Crematorium | (287,860) | (278,431) | (9,429) | (8,168) |
| Meals On Wheels | (1,200) | 22,269 | (23,469) | (22,588) |
| Grounds Maintenance | 918,220 | 927,908 | (9,688) | (10,153) |
| Countryside Recreation Sites | 34,690 | 32,597 | 2,093 | 2,093 |
| <i>Sub Total</i> | <u>1,864,801</u> | <u>1,906,397</u> | <u>(41,596)</u> | <u>(38,113)</u> |
| <u>FACILITIES MANAGEMENT</u> | | | | |
| Corporate Landlord | 1,452,680 | 1,452,680 | 0 | (63,449) |
| Corporate Property | 6,360 | 6,360 | 0 | 0 |
| Building Cleaning | 67,880 | 79,953 | (12,073) | (5,956) |
| Catering Account | 120,850 | 120,850 | 0 | (14,055) |
| Appetite For Life | 42,010 | 39,803 | 2,207 | 1,886 |
| School Breakfast Club | 373,950 | 382,226 | (8,276) | (14,550) |
| <i>Sub Total</i> | <u>2,063,730</u> | <u>2,081,872</u> | <u>(18,142)</u> | <u>(96,124)</u> |

ENVIRONMENT PORTFOLIO

| Item | Revised Estimate 2019/2020 | Total Forecast Expenditure to March 2020 | Variance Favourable / (Adverse) | Variance Favourable / (Adverse) 30 Sep 2019 |
|---|----------------------------------|--|---------------------------------------|--|
| | £ | £ | £ | £ |
| <u>HIGHWAYS & ROADS SERVICES</u> | | | | |
| Highways - Street Care Team | 0 | 985 | (985) | (1,248) |
| Non Operational Land | 1,460 | 1,460 | 0 | 0 |
| Licensing (Highway Permits) | (40,690) | (40,690) | 0 | 0 |
| Shopping Arcade, Abertillery | 2,780 | 6,577 | (3,797) | 0 |
| Road and Street Works Acts | (51,300) | (51,300) | 0 | 838 |
| Multi-Storey Car Parks | 272,740 | 272,740 | 0 | 1,660 |
| On Street Parking | 1,100 | 1,052 | 48 | 88 |
| Surface Car Parks | 31,790 | 30,257 | 1,533 | 1,533 |
| Public Transport Co-Ordination | 920 | 2,245 | (1,325) | (1,325) |
| Bridges | 7,590 | 7,590 | 0 | 0 |
| Structural Maintenance (Principal and Other Roads) | 166,870 | 166,870 | 0 | 2,013 |
| Environmental Maintenance (Principal and Other Roads) | 19,440 | 19,440 | 0 | 0 |
| Safety Maintenance (Principal and Other Roads) | 65,790 | 65,790 | 0 | 0 |
| Routine Repairs (Principal and Other Roads) | 636,430 | 636,430 | 0 | 0 |
| Street Lighting | 1,111,620 | 1,111,620 | 0 | 0 |
| Winter Maintenance | 387,360 | 387,360 | 0 | 0 |
| Sub Total | 2,613,900 | 2,618,426 | (4,526) | 3,559 |
| <u>TRANSPORT SERVICES</u> | | | | |
| Traffic Orders | (14,330) | (13,097) | (1,233) | 317 |
| Highways Adoptions | (9,070) | (9,070) | 0 | 0 |
| Traffic / Accident Research | 15,690 | 15,690 | 0 | 0 |
| Traffic Management | 6,760 | 7,187 | (427) | 54 |
| Parking Enforcement | 0 | (2,002) | 2,002 | 0 |
| Road Safety Education | 17,250 | 14,008 | 3,242 | 3,061 |
| Crossing Patrols | 145,160 | 141,175 | 3,985 | 0 |
| Concessionary fares and Support to Operators | 281,050 | 281,050 | 0 | 0 |
| Local Transport Plans | 2,620 | 23 | 2,597 | 2,597 |
| Home to School Transport | 0 | 0 | 0 | 0 |
| Transport and Heavy Plant | 29,440 | 29,440 | 0 | (5) |
| Sub Total | 474,570 | 464,404 | 10,166 | 6,024 |
| <u>CULTURAL & ENVIRONMENTAL SERVICES</u> | | | | |
| General Administration and Markets | (24,170) | (21,115) | (3,055) | (4,848) |
| Countryside Programme and Management | 1,990 | 1,990 | 0 | 0 |
| Landscaping and Afforestation | 20,660 | 20,660 | 0 | 0 |
| Reservoirs, Tips, Quarries and Mines | 10,130 | 5,192 | 4,938 | 4,938 |
| Flood Defence And Land Drainage | 55,380 | 55,380 | 0 | 0 |
| City Deal | 45,900 | 50,330 | (4,430) | 0 |
| Sub Total | 109,890 | 112,437 | (2,547) | 90 |
| COMMUNITY SERVICES TOTAL EXPENDITURE | 12,059,840 | 12,173,571 | (113,731) | (219,757) |

ENVIRONMENT PORTFOLIO

| Item | Revised Estimate 2019/2020 | Total Forecast Expenditure to March 2020 | Variance Favourable / (Adverse) | Variance Favourable / (Adverse) 30 Sep 2019 |
|--|----------------------------------|--|---------------------------------------|--|
| | £ | £ | £ | £ |
| <u>PUBLIC PROTECTION</u> | | | | |
| <u>DEPARTMENTAL SERVICES</u> | | | | |
| Environmental Health | 20,735 | 26,567 | (5,832) | (1,165) |
| <i>Sub Total</i> | <u>20,735</u> | <u>26,567</u> | <u>(5,832)</u> | <u>(1,165)</u> |
| <u>CARAVAN SITES</u> | | | | |
| Cwmcrachen Caravan Site | (56,170) | 8,745 | (64,915) | (53,713) |
| <i>Sub Total</i> | <u>(56,170)</u> | <u>8,745</u> | <u>(64,915)</u> | <u>(53,713)</u> |
| <u>ENVIRONMENTAL HEALTH</u> | | | | |
| Food Safety | 6,390 | 7,481 | (1,091) | (2,970) |
| Control of Pollution | 10,040 | 9,227 | 813 | 1,280 |
| Dog Wardens | 10,500 | 1,393 | 9,107 | 9,107 |
| Animal Health and Welfare | 23,360 | 20,000 | 3,360 | 3,360 |
| Pest Control | 60,180 | 70,083 | (9,903) | (9,820) |
| Littering and Dog Control Orders | 0 | 33,500 | (33,500) | (14,729) |
| Health and Safety at Work (Commercial Prem.) | 1,510 | 1,463 | 47 | (2,153) |
| <i>Sub Total</i> | <u>111,980</u> | <u>143,147</u> | <u>(31,167)</u> | <u>(15,925)</u> |
| <u>HOUSING SERVICES</u> | | | | |
| Homelessness | 234,200 | 217,598 | 16,602 | 19,262 |
| 20 Church Street | 19,240 | 22,051 | (2,811) | (5,396) |
| General Properties | (7,590) | (7,416) | (174) | (174) |
| Housing Access | 60,420 | 40,579 | 19,841 | 12,719 |
| Works in Default | 275 | 277 | (2) | (5) |
| Disabled Facilities Grants | 1,040 | 132 | 908 | 938 |
| <i>Sub Total</i> | <u>307,585</u> | <u>273,221</u> | <u>34,364</u> | <u>27,344</u> |
| <u>TRADING STANDARDS</u> | | | | |
| Trading Standards | (28,320) | (31,434) | 3,114 | 3,359 |
| Inspection and Enforcement | 7,910 | 6,938 | 972 | 968 |
| <i>Sub Total</i> | <u>(20,410)</u> | <u>(24,496)</u> | <u>4,086</u> | <u>4,327</u> |
| PUBLIC PROTECTION TOTAL EXPENDITURE | <u>363,720</u> | <u>427,184</u> | <u>(63,464)</u> | <u>(39,132)</u> |

ENVIRONMENT PORTFOLIO

| Item | Revised Estimate 2019/2020 | Total Forecast Expenditure to March 2020 | Variance Favourable / (Adverse) | Variance Favourable / (Adverse) 30 Sep 2019 |
|--|----------------------------------|--|---------------------------------------|--|
| | £ | £ | £ | £ |
| <u>CORPORATE CHARGES</u> | | | | |
| Fire Service | 3,398,900 | 3,398,900 | 0 | 0 |
| Coroner's Court | 89,460 | 114,976 | (25,516) | (1,038) |
| Corporate Recharges | 9,194,740 | 9,194,740 | 0 | 0 |
| Procurement Saving | 0 | 0 | 0 | 0 |
| Prudential Borrowing | 0 | 0 | 0 | 0 |
| Income Generation | 0 | 0 | 0 | 0 |
| CORPORATE CHARGES TOTAL EXPENDITURE | <u>12,683,100</u> | <u>12,708,616</u> | <u>(25,516)</u> | <u>(1,038)</u> |
| <u>ANEURIN LEISURE TRUST</u> | | | | |
| <u>ANEURIN LEISURE TRUST</u> | | | | |
| Aneurin Leisure Trust | 3,178,800 | 3,178,800 | 0 | 0 |
| <i>Sub Total</i> | <u>3,178,800</u> | <u>3,178,800</u> | <u>0</u> | <u>0</u> |
| <u>RETAINED SERVICES</u> | | | | |
| General Entertainment | 2,580 | 3,792 | (1,212) | 0 |
| Corporate Recharges | 1,242,610 | 1,238,021 | 4,589 | 616 |
| <i>Sub Total</i> | <u>1,245,190</u> | <u>1,241,813</u> | <u>3,377</u> | <u>616</u> |
| ANEURIN LEISURE TRUST TOTAL EXPENDITURE | <u>4,423,990</u> | <u>4,420,613</u> | <u>3,377</u> | <u>616</u> |
| TOTAL EXPENDITURE | <u>29,530,650</u> | <u>29,729,984</u> | <u>(199,334)</u> | <u>(259,311)</u> |

PLANNING COMMITTEE AND LICENSING COMMITTEE

| Item | Revised Estimate 2019/2020 | Total Forecast Expenditure to March 2020 | Variance Favourable / (Adverse) | Variance Favourable / (Adverse) 30 Sept 2019 |
|---|----------------------------------|--|---------------------------------------|---|
| | £ | £ | £ | £ |
| PLANNING COMMITTEE SUMMARY | | | | |
| <u>BUILDING CONTROL</u> | | | | |
| <u>DEPARTMENTAL SERVICES</u> | | | | |
| Building Control | 0 | 0 | 0 | 0 |
| <u>BUILDING CONTROL SERVICES</u> | | | | |
| Building Regulations | (6,580) | (6,580) | 0 | 0 |
| Dangerous Structures | 22,200 | 20,743 | 1,457 | 1,101 |
| <i>Building Control Total Expenditure</i> | <u>15,620</u> | <u>14,163</u> | <u>1,457</u> | <u>1,101</u> |
| <u>DEVELOPMENT MANAGEMENT</u> | | | | |
| <u>DEPARTMENTAL SERVICES</u> | | | | |
| Development Management | 8,076 | 13,997 | (5,921) | (2,144) |
| <u>DEVELOPMENT MANAGEMENT SERVICES</u> | | | | |
| Dealing with Applications | (202,740) | (202,740) | 0 | 0 |
| Planning Appeals | 3,190 | 3,190 | 0 | 0 |
| Enforcement | (30) | 884 | (914) | (54) |
| <i>Development Management Total Expenditure</i> | <u>(191,504)</u> | <u>(184,669)</u> | <u>(6,835)</u> | <u>(2,198)</u> |
| <u>DEVELOPMENT PLANS</u> | | | | |
| <u>DEPARTMENTAL SERVICES</u> | | | | |
| Development Plans | (6,276) | (6,298) | 22 | 22 |
| <u>DEVELOPMENT PLANS SERVICES</u> | | | | |
| Development Plans | 7,080 | 7,080 | 0 | 1 |
| <i>Development Plans Total Expenditure</i> | <u>804</u> | <u>782</u> | <u>22</u> | <u>23</u> |
| Corporate Recharges | 1,231,080 | 1,231,080 | 0 | 0 |
| Funding from General Reserves | 0 | 0 | 0 | 0 |
| Planning Committee Total Expenditure | <u><u>1,056,000</u></u> | <u><u>1,061,356</u></u> | <u><u>(5,356)</u></u> | <u><u>(1,074)</u></u> |
| LICENSING COMMITTEE SUMMARY | | | | |
| Licensing | 29,090 | 39,828 | (10,738) | (9,966) |
| Internal Recharges | 36,100 | 36,098 | 2 | 2 |
| Funding from General Reserves | 0 | 0 | 0 | 0 |
| Licensing Committee Total Expenditure | <u><u>65,190</u></u> | <u><u>75,926</u></u> | <u><u>(10,736)</u></u> | <u><u>(9,964)</u></u> |

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Fees and Charges Forecast 2019/2020 (As at December 2019)

| Portfolio | Service | Description of Income | Income Source | Revised Estimate 2019/2020 | Forecast | Variance Favourable / (Adverse) | Variance Favourable / (Adverse) as at Sept 2019 | Variance Favourable / (Adverse) as at June 2019 |
|-----------------------------------|--|--|---------------------|----------------------------|------------------|---------------------------------|---|---|
| | | | | £ | £ | £ | £ | £ |
| Fees & Charges | | | | | | | | |
| Corporate Services | Communications | Advertising | Fees & Charges | 19,070 | 4,794 | (14,276) | (15,264) | (15,264) |
| Corporate Services | Business Support | External Printing and photocopying charges. | Fees & Charges | 8,000 | 8,008 | 8 | 70 | (523) |
| Corporate Services | Legal Fees | Legal Charges | Fees & Charges | 13,380 | 13,313 | (67) | (67) | 934 |
| Corporate Services | Corporate Support | Land Charges | Fixed - Set Locally | 30,450 | 37,894 | 7,444 | 7,444 | 7,444 |
| Economy | General Offices | Rental Income | Fees & Charges | 49,260 | 65,020 | 15,760 | 9,062 | (2,709) |
| Economy | Departmental | Reimbursement of staff costs and receipts for external works | SLA | 62,990 | 45,035 | (17,955) | (36,065) | (36,065) |
| Environment | Household and Trade Waste Collection | | Fees & Charges | 97,305 | 98,580 | 1,275 | 9,401 | 8,615 |
| Environment | Recycling Collection | Recycling Collection & Disposal Income - Commercial Customers | Fees & Charges | 24,890 | 21,268 | (3,622) | (2,945) | 4,740 |
| Environment | Bulky Waste Collection | Bulky Waste Collection | Fees & Charges | 66,660 | 57,579 | (9,081) | (7,311) | (9,690) |
| Environment | Recycling Disposal | Sale of Recyclate Materials | Fees & Charges | 393,200 | 510,971 | 117,771 | 105,914 | 45,480 |
| Environment | County Borough Cleansing | C&CR - External Cleansing Works | Fees & Charges | 210 | 0 | (210) | (210) | (210) |
| Environment | Cemeteries / Crematorium | Burial Fees | Fees & Charges | 491,470 | 461,759 | (29,711) | (29,711) | (75,536) |
| Environment | Cemeteries / Crematorium | General Properties | Fees & Charges | 2,580 | 3,000 | 420 | 420 | 420 |
| Environment | Meals On Wheels | Sale of Meals | Fees & Charges | 166,030 | 121,444 | (44,586) | (41,364) | (37,004) |
| Environment | Grounds Maintenance | Income from Letting of Playing Fields, Ground Rent & Way Leaves | Fees & Charges | 55,700 | 86,628 | 30,928 | 2,779 | 0 |
| Environment | General Properties | Rental Income | Fees & Charges | 7,590 | 7,416 | (174) | (174) | 0 |
| Environment | Cwmcrachen Caravan Site | Rental | Fees & Charges | 109,840 | 95,269 | (14,571) | (18,971) | (9,004) |
| Environment | Dog Wardens | Byelaw Enforcement Fees | Fees & Charges | 5,364 | 2,912 | (2,452) | (2,452) | (2,452) |
| Environment | Corporate Landlord | Civic Centre - Rental of Land | Miscellaneous | 755 | 844 | 89 | 89 | 89 |
| Environment | School Catering Service | Sale of Meals | | 881,501 | 954,967 | 73,466 | 71,896 | 814 |
| Environment | Cleaning Services | External Cleaning Services | | 43,052 | 43,052 | 0 | 0 | 0 |
| Financial Management and Strategy | Accountancy Division | Administration charges for administering Appointeeships | Fees & Charges | 25,150 | 16,181 | (8,969) | (9,460) | (9,300) |
| Infrastructure | Technical Services - Engineering & Property Management | Reimbursement of staff costs and receipts for external works | Fees & Charges | 324,149 | 484,091 | 159,942 | 46,188 | 15,637 |
| Infrastructure | FEP - Increase in Income | Fees | Fees & Charges | 30,019 | 0 | (30,019) | 0 | 0 |
| Infrastructure | Licensing (Highway Permits) | Skips & Scaffolding Permits | Fees & Charges | 40,692 | 41,290 | 598 | 598 | 598 |
| Infrastructure | General Administration and Markets | Rental income | Fees & Charges | 24,172 | 21,115 | (3,057) | (4,850) | 0 |
| Infrastructure | Traffic Orders | Income from contractors, Welsh Water etc. for road works | Fees & Charges | 22,634 | 21,397 | (1,237) | 313 | 0 |
| Infrastructure | Road and Street Works Acts | Inspection fees, section 74's, FPN, coring, Dropped kerbs etc. | Fees & Charges | 81,115 | 86,148 | 5,033 | 856 | 0 |
| Infrastructure | Highways Adoptions | Highway Searches | Fees & Charges | 9,065 | 9,065 | 0 | 0 | 0 |
| Infrastructure | Multi-storey Carparks | Charge to Coleg Gwent | Fees & Charges | 30,000 | 30,000 | 0 | 0 | 0 |
| Infrastructure | Public Transport Co-Ordination | Charge to bus companies for use of Brynmawr Bus Station | Fees & Charges | 400 | 400 | 0 | 0 | 0 |
| Licensing | Hackney Carriages | Licence Fees | Fees & Charges | 76,460 | 57,834 | (18,626) | (18,037) | (17,743) |
| Licensing | Private Hire Vehicles | Licence Fees | Fees & Charges | 1,830 | 938 | (892) | (713) | (671) |
| Licensing | Scrap Metal | Sale of Scrap Metal | Fees & Charges | 600 | 1,036 | 436 | 102 | (232) |
| Planning | Enforcement | Enforcement Fees | Fees & Charges | 610 | 0 | (610) | (610) | (610) |
| Planning | Development Plans | Heritage Officer Income | Fees & Charges | 0 | 0 | 0 | 0 | 0 |
| Social Services | Other Children's and Family Services | Training Fees (Early Years tied in with expenditure which is set | Fees & Charges | 0 | 0 | 0 | 0 | 1,318 |
| Social Services | Older People aged 65 or over | Fees & Charges in respect of Care (Cwrt Mytton, Home Care, Extra Care & Joint Day Care Unit) | Fees & Charges | 607,300 | 571,084 | (36,216) | (65,807) | (74,192) |
| Social Services | Adults aged under 65 with Learning Disabilities | Fees & Charges in respect of Care (Augusta, Supported Living Bungalows & Community Options) | Fees & Charges | 420,050 | 305,666 | (114,384) | (147,066) | (135,578) |
| Social Services | Adults aged under 65 with Mental Health Needs | Fees & Charges in respect of Care (Vision House & Ysbyty'r Tri Chwm) | Fees & Charges | 24,430 | 17,617 | (6,813) | (5,393) | (3,320) |
| Social Services | Support Service and Management Costs | Fees & Charges in respect of Piper Alarms (IAA) | Fees & Charges | 0 | 0 | 0 | 0 | 0 |
| Sub - Total | | | | 4,247,973 | 4,303,615 | 55,642 | (151,338) | (344,014) |

Fees and Charges Forecast 2019/2020 (As at December 2019)

| Portfolio | Service | Description of Income | Income Source | Revised Estimate 2019/2020 | Forecast | Variance Favourable / (Adverse) | Variance Favourable / (Adverse) as at Sept 2019 | Variance Favourable / (Adverse) as at June 2019 |
|---|---|--|------------------------|----------------------------|-------------------|---------------------------------|---|---|
| | | | | £ | £ | £ | £ | £ |
| Fees & Charges - Set Nationally | | | | | | | | |
| Corporate Services | Registration of Births, Marriages and Deaths | Registration of Births, Marriages and Deaths | Fixed - Set Nationally | 86,770 | 77,992 | (8,778) | (11,426) | (13,484) |
| Environment | Food Safety | Hygiene ratings & Health Certificates | Fixed - Set Nationally | 2,000 | 7,678 | 5,678 | 5,678 | 5,678 |
| Environment | Control of Pollution | Environmental Permits | Fixed - Set Nationally | 16,238 | 16,238 | 0 | 0 | 0 |
| Environment | Health and Safety at Work (Commercial Prem.) | Petroleum + Tattoo Licences | Fixed - Set Nationally | 0 | 3,942 | 3,942 | 3,942 | 3,942 |
| Environment | Trading Standards | Explosives Licences | Fixed - Set Nationally | 761 | 876 | 115 | 115 | 115 |
| Licensing | Licence Fees | Various (Gambling, Premises/ Clubs & Street Trading) | Fixed - Set Nationally | 57,900 | 62,416 | 4,516 | 2,254 | 5,857 |
| Planning | Dealing with Applications | Planning Application Fees | Fees & Charges | 213,360 | 213,360 | 0 | 0 | 0 |
| Planning | Building Regulations | Building Regulation Fees | Fixed - Set Nationally | 95,620 | 95,620 | 0 | 0 | 24 |
| Social Services | Older People aged 65 or over | CHC Income (Home Care and Extra Care Provision) | Fixed - Set Nationally | 0 | 0 | 0 | 0 | 85,194 |
| Social Services | Adults aged under 65 with Learning Disabilities | CHC Income (Augusta House; Supported Living Bungalows; Community Options) | Fixed - Set Nationally | 50,000 | 223,853 | 173,853 | 199,417 | 223,494 |
| Social Services | Community Care | Fees & Charges in respect of Care | Fixed - Set Nationally | 3,324,670 | 2,946,393 | (378,277) | (411,108) | (354,483) |
| Social Services | Community Care | Sale of Property | Fixed - Set Nationally | 286,620 | 286,620 | 0 | 0 | (19,789) |
| Social Services | Community Care | CHC Income | Fixed - Set Nationally | 371,220 | 100,000 | (271,220) | (271,220) | (308,220) |
| Social Services | Support Service and Management Costs | CHC Income (Adult Service Managers) | Fixed - Set Nationally | 0 | 0 | 0 | 0 | 0 |
| | | Sub - Total | | 4,505,159 | 4,034,988 | (470,171) | (482,348) | (371,672) |
| Fees & Charges - In Line with Local Agreements | | | | | | | | |
| Economy | Industrial Land | Ground rent and commercial bookings | Fixed - Set Locally | 2,750 | 2,900 | 150 | 150 | 150 |
| Economy | Nursery Units/Misc. Industrial Premises | Rental income for industrial units | Fixed - Set Locally | 694,530 | 746,137 | 51,607 | 52,819 | 39,880 |
| Economy | Estates - Non Rechargeable | Ground Rent | Fixed - Set Locally | 120,850 | 130,487 | 9,637 | 9,549 | 9,647 |
| Economy | Financial Support to Business | Ground rent and commercial bookings | Fixed - Set Locally | 0 | 2,650 | 2,650 | 2,650 | 2,650 |
| Economy | CSCS | Charges for Construction Skills Certificates | Fixed - Set Locally | 0 | 10,178 | 10,178 | 10,137 | 8,364 |
| Environment | Corporate Landlord | Little Stars Nursery - Rent (Recovery of costs) | Miscellaneous | 8,329 | 14,694 | 6,365 | 6,365 | 6,365 |
| Education | Inter Authority Recoupment | Charges to other Local Authorities for SEN placements within Blaenau Gwent Schools | Fixed - Set Locally | 612,000 | 769,222 | 157,222 | 92,458 | 93,516 |
| | | Sub - Total | | 1,438,459 | 1,676,268 | 237,809 | 174,128 | 160,572 |
| | | Total - Fees & Charges | | 10,191,591 | 10,014,871 | (176,720) | (459,558) | (555,114) |

Fees and Charges Forecast 2019/2020 (As at December 2019)

| Portfolio | Service | Description of Income | Income Source | Revised Estimate 2019/2020 | Forecast | Variance Favourable / (Adverse) | Variance Favourable / (Adverse) as at Sept 2019 | Variance Favourable / (Adverse) as at June 2019 |
|---|---|--|----------------------------|----------------------------|------------------|---------------------------------|---|---|
| | | | | £ | £ | £ | £ | £ |
| SLA | | | | | | | | |
| Aneurin Leisure Trust | SLA Income | Provision of Support Services | SLA | 238,820 | 238,822 | 2 | 2 | 0 |
| Environment | Grounds Maintenance | SLA | SLA | 189,220 | 167,610 | (21,610) | (21,610) | (21,610) |
| Environment | Building Maintenance | SLA | SLA | | | | | |
| Financial Management and Strategy | Accountancy Division | Support Services SLA with Schools | SLA | 178,480 | 178,480 | 0 | 0 | 0 |
| Corporate Services | Organisational Development, Payroll & Health & Safety | Support Services SLA with Schools | SLA | 303,480 | 303,480 | 0 | 0 | 0 |
| Corporate Services | Legal Fees & GDPR | Support Services SLA with Schools | SLA | 39,680 | 39,680 | 0 | 0 | 0 |
| Corporate Services | Communications | Support Services SLA with Schools | SLA | 3,070 | 3,070 | 0 | 0 | 0 |
| Corporate Services | Performance (SIMS Support) | Support Services SLA with Schools | SLA | 81,610 | 81,610 | 0 | 0 | 0 |
| Corporate Services | Business Support (Courier) | Support Services SLA with Schools | SLA | 3,950 | 3,950 | 0 | 0 | 0 |
| Financial Management and Strategy | Creditors Division | Support Services SLA with Schools | SLA | 7,570 | 7,570 | 0 | 0 | 0 |
| Corporate Services | ICT | Support Services SLA with Schools | SLA | 406,013 | 406,013 | 0 | 0 | 0 |
| Environment | School Catering | SLA with Schools (excludes Corporate Landlord) | SLA | 1,060,605 | 1,060,605 | 0 | 0 | 0 |
| Environment | Cleaning Services | SLA with Schools | SLA | 1,028,298 | 1,028,295 | (3) | (3) | 0 |
| Infrastructure | CPM - Schools Biodiversity SLA | SLA with Schools | SLA | 7,220 | 7,220 | 0 | 0 | 0 |
| Infrastructure | Winter Maintenance | SLA with LA's for salt Storage | SLA | 12,500 | 12,500 | 0 | 0 | 0 |
| | | Sub - Total | | 3,560,516 | 3,538,905 | (21,611) | (21,611) | (21,610) |
| Court Fees/Fixed Penalty Notices/Fines | | | | | | | | |
| Corporate Services | Corporate Services and Strategy | Legal income and land charges. Advertising. | Court Fees/FPN/Fines/Legal | 10,000 | 9,647 | (353) | (353) | (353) |
| Education | Welfare Service | Fixed Penalty Notices | Court Fees/FPN/Fines/Legal | 2,070 | 2,070 | 0 | 0 | 0 |
| Environment | Littering and Dog Control Orders | Income in relation to FPNs | Court Fees/FPN/Fines/Leg | 128,765 | 79,894 | (48,871) | (19,665) | (24,665) |
| Corporate Services | Payroll Division | Attachment Orders | Court Fees/FPN/Fines/Legal | 1,020 | 584 | (437) | (188) | (382) |
| Financial Management and Strategy | Council Tax Collection | Court Costs | Court Fees/FPN/Fines/Legal | 162,680 | 162,680 | 0 | 0 | 0 |
| Financial Management and Strategy | NNDR | Court Costs | Court Fees/FPN/Fines/Legal | 1,800 | 1,800 | 0 | 0 | 0 |
| Corporate Services | Housing Benefits Account | Admin Penalties | Court Fees/FPN/Fines/Legal | 25,000 | 25,000 | 0 | 0 | 0 |
| | | Sub - Total | | 331,335 | 281,674 | (49,661) | (20,206) | (25,400) |

Fees and Charges Forecast 2019/2020 (As at December 2019)

| Portfolio | Service | Description of Income | Income Source | Revised Estimate 2019/2020 | Forecast | Variance Favourable / (Adverse) | Variance Favourable / (Adverse) as at Sept 2019 | Variance Favourable / (Adverse) as at June 2019 |
|--------------------------------|--------------------------------------|---|-------------------------|----------------------------|-------------------|---------------------------------|---|---|
| | | | | £ | £ | £ | £ | £ |
| Consortium Arrangements | | | | | | | | |
| Economy | General Offices | Annual Service & Rental Charge to Torfaen CBC in relation to Archives | Consortium Arrangements | 74,940 | 85,022 | 10,082 | 10,082 | 10,082 |
| Environment | Disposal Of Waste | Contribution from SVWS | Consortium Arrangements | 110,000 | 110,000 | 0 | 0 | 0 |
| Environment | Cemeteries / Crematorium | Crematorium Income - Reallocation of surplus at year end | Consortium Arrangements | 131,925 | 131,925 | 0 | 0 | 12,825 |
| Environment | 20 Church Street | Housing Advice Centre Contribution | Consortium Arrangements | 11,740 | 12,400 | 660 | 660 | 660 |
| Environment | Housing Access | Income from Housing Associations in relation to Administration of the Common Housing Register | Consortium Arrangements | 86,050 | 111,610 | 25,560 | 18,276 | 18,276 |
| Environment | Environmental Health | Public Protection Collaboration with Torfaen CC | Consortium Arrangements | 108,400 | 86,118 | (22,282) | (22,282) | (22,282) |
| | | Sub - Total | | 523,055 | 537,075 | 14,020 | 6,736 | 19,561 |
| Miscellaneous | | | | | | | | |
| Education | Supporting Special Educational Needs | Internal Income - Recovery of pupil lead funding from schools. | Internal Income | 100,000 | 36,000 | (64,000) | (81,000) | (81,000) |
| Corporate Services | Corporate Procurement Division | Rebates - Energy & Randstad | Miscellaneous | 95,700 | 93,779 | (1,921) | (187) | (54) |
| Corporate Services | Corporate Procurement Division | Purchase Card Income | Miscellaneous | 1,640 | 5,024 | 3,384 | 3,384 | 3,360 |
| Infrastructure | L&A - Invasive Weeds | Contribution from Caerphilly for Treatment of Knotweed | Miscellaneous | 10,000 | 10,000 | 0 | 0 | 0 |
| | | Sub - Total | | 207,340 | 144,803 | (62,537) | (77,803) | (77,694) |
| | | TOTAL | | 14,813,837 | 14,517,328 | (296,509) | (572,442) | (660,257) |

Action Plan

Corporate Services 2019/20 Forecast Adverse Variances (as at 31 December 2019)

Appendix 4a

| Service Area | 2019/2020 Variance at June 2019 Forecast £ | 2019/2020 Variance at Sept 2019 Forecast £ | 2019/2020 Variance at Dec 2019 Forecast £ | Action Required & Timescale | Financial Impact £ | Responsible Officer |
|--|--|--|---|--|------------------------------|------------------------|
| Housing Benefits | (137,273) | (107,205) | (108,529) | <p><u>Reason for Adverse Variance:</u> The forecast overspend is due to external audit fees (£43,000) for which there is no budget and an anticipated shortfall on the Administration Subsidy grant of £64,000. In the previous financial year, these costs were offset by an in year budget virement.</p> <p><u>Update:</u> A cost pressure of £107,000 has been approved as part of the 2020/2021 budget setting process. This pressure will therefore not continue into 2020/21.</p> | Not Currently Known | Anne-Louise Clark |
| Resources Departmental budget | £27,553 | (£13,219) | (£134,231) | <p><u>Reason for Adverse Variance:</u> The reason for the adverse variance is due to a combination of the delayed implementation of the departments service review and subsequent redundancy costs (which will only relate to the current financial year). At quarter 2 this was</p> | Not Currently Known | Rhian Hayden |

Action Plan

Corporate Services 2019/20 Forecast Adverse Variances (as at 31 December 2019)

Appendix 4a

| Service Area | 2019/2020 Variance at June 2019 Forecast £ | 2019/2020 Variance at Sept 2019 Forecast £ | 2019/2020 Variance at Dec 2019 Forecast £ | Action Required & Timescale | Financial Impact £ | Responsible Officer |
|---|--|--|---|---|------------------------------|------------------------|
| | | | | <p>mitigated by an in year virement from within the Portfolio, which has since been reversed due to an emerging cost pressure.</p> <p><u>Action:</u> Expenditure will be closely monitored during the last quarter, to minimise this cost pressure by the year end.</p> <p>The revised structure is now in place and therefore this cost pressure will not to continue into 2020/21.</p> | | |
| Council tax Reduction Scheme | £77,975 | £27,341 | (£27,555) | <p><u>Reason for adverse variance:</u> Whilst the CTRS caseload has not increased, there has been an improvement in the speed of processing, particularly in relation to the change of circumstances process. As a result CTRS claimants are receiving</p> | Not currently Known | Rhian Hayden |

Action Plan

Corporate Services 2019/20 Forecast Adverse Variances (as at 31 December 2019)

Appendix 4a

| Service Area | 2019/2020 Variance at June 2019 Forecast £ | 2019/2020 Variance at Sept 2019 Forecast £ | 2019/2020 Variance at Dec 2019 Forecast £ | Action Required & Timescale | Financial Impact £ | Responsible Officer |
|---|--|--|---|--|------------------------------|------------------------|
| | | | | <p>their entitlement in a more timely manner and should impact on the outstanding debt position at year end.</p> <p><u>Action:</u> Expenditure will be closely monitored during the last quarter, to minimise this cost pressure by the year end.</p> | | |
| Democratic Representation and Management | £517 | (£12,602) | (£26,057) | <p><u>Reason for adverse variance:</u> Following Community Asset Transfers of a number of buildings, the council is incurring rental costs for the occupation of Town & Community Councils and no progress has been made for charging for this accommodation.</p> <p><u>Action:</u> This is being progressed under the Assets and Property Strategic Business Review, as part of the Bridging the Gap programme.</p> | | |

Action Plan

Education

2019/20 Forecast Adverse Variances (as at 31st December 2019)

Appendix 4b

| Service Area | 2019/2020 Variance at June 2019 Forecast £ | 2019/2020 Variance at September 2019 Forecast £ | 2019/2020 Variance at Dec 2019 Forecast £ | Action Required & Timescale | Financial Impact £ | Responsible Officer |
|--------------------------|--|--|---|--|------------------------------|---------------------------|
| AWPU Clawback | (81,000) | (81,000) | (64,000) | <p><u>Reason for Adverse variance</u></p> <p>The anticipated funding recovered from Schools as a result of the LA providing alternative education provision has reduced due to schools increasingly providing provision to meet pupils needs as an alternative to requiring specialist placement and as a result of the River Centre being at capacity.</p> <p><u>Proposed Action</u></p> <p>Areas have been identified where guidance requires or advises AWPU clawback from schools. This will be taken forward following appropriate awareness-raising.</p> <p>Mechanisms for identifying AWPU clawback eligibility are being devised with the River Centre. The reduced adverse variance (from £81k in September 2019) indicates that progress is being made, although it is uncertain at this stage if the total £100,000 income target will be achieved.</p> | 17,000 | Gavin Metheringha m |

Action Plan

Education

2019/20 Forecast Adverse Variances (as at 31st December 2019)

Appendix 4b

| Service Area | 2019/2020 Variance at June 2019 Forecast £ | 2019/2020 Variance at September 2019 Forecast £ | 2019/2020 Variance at Dec 2019 Forecast £ | Action Required & Timescale | Financial Impact £ | Responsible Officer |
|--|--|--|---|--|------------------------------|---------------------------|
| SEN recoupment/ Independent school Fees | (60,773) | (62,175) | (45,658) | <p><u>Reason for adverse variance:</u> New and continuing placements to Out of County Schools have increased the adverse variance.</p> <p><u>Action:</u> The forecast of placements to the end of the financial year will continue to be reviewed and monitored on a more regular basis in the final quarter.</p> <p><u>Update:</u> The forecast adverse variance have reduced due to an in year budget virement of £60,000 from Social Services offset by fluctuations in individual placement costs and charges.</p> | 60.000 (15,000) | Gavin Metheringha m |
| Departmental Budget | - | | (34,488) | <p><u>Reason for adverse variance:</u> Continuing external professional support to the Abertillery Learning Community is the main element within this adverse variance.</p> | 28,000 | Lynette Jones |

Action Plan

Education

2019/20 Forecast Adverse Variances (as at 31st December 2019)

Appendix 4b

| Service Area | 2019/2020 Variance at June 2019 Forecast £ | 2019/2020 Variance at September 2019 Forecast £ | 2019/2020 Variance at Dec 2019 Forecast £ | Action Required & Timescale | Financial Impact £ | Responsible Officer |
|---------------------|--|---|---|--|--|--------------------------------|
| | | | | <u>Action:</u> Consideration will be given to an in year budget virement from the Psychology Budget. | | |

Action Plan
Environment
2019/20 Forecast Adverse Variances (as at 31 December 2019)

Appendix 4c

| Service Area | 2019/2020 Variance at June 2019 Forecast £ | 2019/2020 Variance at Sept 2019 Forecast £ | 2019/2020 Variance at Dec 2019 Forecast £ | Action Required & Timescale | Financial Impact | Responsible Officer |
|----------------|--|--|---|---|------------------|---------------------|
| Waste Services | (313,145) | (103,495) | (68,086) | <p><u>Reason for Adverse variance</u> The adverse variance is due to:</p> <ul style="list-style-type: none"> • Transfer Station Costs have increased due to additional hours being worked as a result of black bag sorting and increased recyclate - £50,000 • The Sustainable Waste Management grant is lower than estimated by £45,000, due to the grant reduction being higher than anticipated. <p><u>Actions:</u></p> <ul style="list-style-type: none"> • Further virements into Waste Services from underspending budgets will be a priority. • There are likely to be further savings associated with 'keeping up with the Joneses' campaign which has seen a reduction in residual waste. • The waste recycling disposal contracts will continue to be monitored and reviewed. • Transfer of costs from revenue into new HWRC capital project for staff time working on the project and receptacles. <p><u>Updates:</u></p> <ul style="list-style-type: none"> • The waste recycling disposal contracts have been | | M Perry / M Stent |

Action Plan

Environment

2019/20 Forecast Adverse Variances (as at 31 December 2019)

Appendix 4c

| Service Area | 2019/2020 Variance at June 2019 Forecast £ | 2019/2020 Variance at Sept 2019 Forecast £ | 2019/2020 Variance at Dec 2019 Forecast £ | Action Required & Timescale | Financial Impact | Responsible Officer |
|--------------|--|--|---|---|---|---------------------|
| | | | | <p>reviewed resulting in a reduction in costs and increases in recycle income</p> <ul style="list-style-type: none"> • A risk based approach has resulted in the security contract being terminated from October 2019. However, this has since been reviewed and security reinstated at a reduced cost. • The 'keeping up with the Joneses' campaign has assisted in a reduction in residual waste costs. • In year virements have also been undertaken to offset the additional revenue costs incurred from the narrow access and rear loading vehicles. • The baler at the Transfer Station has now commenced operation, allowing for the potential to generate additional income from the increased levels and quality of recycle. • Transfer of eligible staff costs for staff working on the project from revenue into the HWRC capital scheme • Cost pressure agreed as part of the 2020/2021 budget setting process to mitigate the £45,000 shortfall in the Sustainable Waste Management Grant. | <p>20,000</p> <p>130,000</p> <p>118,000</p> <p>75,000</p> <p>45,000</p> | |

Action Plan

Environment

2019/20 Forecast Adverse Variances (as at 31 December 2019)

Appendix 4c

| Service Area | 2019/2020 Variance at June 2019 Forecast £ | 2019/2020 Variance at Sept 2019 Forecast £ | 2019/2020 Variance at Dec 2019 Forecast £ | Action Required & Timescale | Financial Impact | Responsible Officer |
|---------------------------|--|--|---|--|------------------|---------------------|
| Meals on Wheels | (25,375) | (22,588) | (23,470) | <p><u>Reason for Adverse variance</u></p> <ul style="list-style-type: none"> • This overspend is due to the income from the sale of meals not achieving the target income. <p><u>Actions:</u></p> <p>In line with the recommendation of the service Review:</p> <ul style="list-style-type: none"> • Staffing hours have been reduced to 80 hours • Meal prices have increased • Continued marketing and promotion of the service to try to increase sales <p>However, the service continues to struggle to breakeven.</p> | | C Rogers / M Price |
| Corporate Landlord | 0 | (63,449) | (0) | <p><u>Update:</u></p> <p>This overspend has been reduced due to the transfer of eligible revenue costs for asbestos removal at Pond Road to capital and an increase of fees and charges.</p> | 45,000 | C Rogers / M Price |

Action Plan

Environment

2019/20 Forecast Adverse Variances (as at 31 December 2019)

Appendix 4c

| Service Area | 2019/2020 Variance at June 2019 Forecast £ | 2019/2020 Variance at Sept 2019 Forecast £ | 2019/2020 Variance at Dec 2019 Forecast £ | Action Required & Timescale | Financial Impact | Responsible Officer |
|----------------------------------|--|--|---|---|------------------|---------------------|
| Cwmcrachen Caravan Site | (53,713) | (53,713) | (64,915) | <p><u>Reason for Variance</u></p> <ul style="list-style-type: none"> • Corporate Energy Costs increased • Electricity Management Problems • Investigations into electricity usage • Other tenancy management/repairs (e.g Bailiff costs £8.5k). • <p><u>Actions:</u></p> <ul style="list-style-type: none"> • Investigation into corporate utility bill arrangements at the site to ensure correct billing. This is still ongoing. • Review to ensure that the council is full cost recovering against these costs. • New sub meters and payment meters installed • Reporting of any suspected illegal activity • To review after June 2020, to consider capital invest to save for direct supply if problems continue. | | D Thompson |
| Littering and Dog Control Orders | (14,418) | (14,729) | (33,500) | <p><u>Reason for Variance</u></p> <p>Staff turnover, Contractor management and financial challenges/viability. Reduced income.</p> <p><u>Actions:</u></p> <p>Agreement has been reached (Mid-January 2020) to change the contract to enable sustainable continuation for both the</p> | | D Thompson |

Action Plan

Environment

2019/20 Forecast Adverse Variances (as at 31 December 2019)

Appendix 4c

| Service Area | 2019/2020 Variance at June 2019 Forecast £ | 2019/2020 Variance at Sept 2019 Forecast £ | 2019/2020 Variance at Dec 2019 Forecast £ | Action Required & Timescale | Financial Impact | Responsible Officer |
|-----------------------|--|--|---|---|------------------|---------------------|
| | | | | <p>Authority and LA Support (Kingdom). Discussed and agreed in principle with Executive Member on 24/1/2020.</p> <p>Terms are as follows:</p> <ul style="list-style-type: none"> • Reduction to 2 x Enforcement Officers (75 hours/week) from 4 Officers. • 6% (4.5 hrs) to dedicated to Dog Control patrols • FPN income to be retained by LA Support. • Zero cost to the Authority. • Short notice to terminate contract for both parties. <p>Subject to signing the new SLA this pressure will not continue into 2020/2021.</p> | | |
| Coroners Court | (1,038) | (1,038) | (25,516) | <p><u>Reason for Variance</u> The adverse variance is as a result of additional costs following the service being brought back in house (Newport CC) and the recovery of 2018/2019 overspend.</p> <p><u>Actions</u> Further information is being sought from the lead authority.</p> | | |

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Agenda Item 8

Executive Committee and Council only

Date signed off by the Monitoring Officer: N/A

Date signed off by the Section 151 Officer: N/A

Committee: **Joint Budget Scrutiny Committee**

Date of meeting: **9th March 2020**

Report Subject: **Use of General and Earmarked Reserves
2019/2020**

Portfolio Holder: **Cllr N Daniels, Leader / Executive Member
Corporate Services**

Report Submitted by: **Rhian Hayden, Chief Officer Resources**

| Reporting Pathway | | | | | | | | |
|-----------------------------|---------------------------|--------------------------|-----------------|-------------------------------|--------------------|---------------------|---------|----------------------|
| Directorate Management Team | Corporate Leadership Team | Portfolio Holder / Chair | Audit Committee | Democratic Services Committee | Scrutiny Committee | Executive Committee | Council | Other (please state) |
| | 18/02/20 | 25.02.20 | | | 09/03/2019 | 11/03/2019 | | |

1. Purpose of the Report

- 1.1 To report to the members of the Joint Budget Scrutiny Committee the forecast reserves position for 2019/2020 as at Quarter 3 (31 December 2019).

2. Scope and Background

- 2.1 There are a number of statutory requirements concerning Local Authority Reserves, including:
- The Local Government Act 1972;
 - The Local Government Finance Act 1988;
 - The Local Government Finance Act 1992;
 - The Local Government Act 2003; and
 - The Accounts and Audit (Wales) Regulations 2014.
- 2.2 The CIPFA Local Authority Accounting Panel (LAAP) issued Bulletin 99: Local Authority Reserves and Balances in July 2014. This provides non-statutory guidance on relevant issues including:
- Proper accounting treatment; and
 - Principles to assess the adequacy of reserves.
- 2.3 To ensure compliance with CIPFA Local Authority Accounting Panel Bulletin 99 and identified best practice, the Council revised its protocol for managing reserves, with effect from April 2015.
- 2.4 One aspect of the revised protocol concerns the enhancement of Elected Member engagement and scrutiny, and to this end quarterly reports detailing the actual and forecast use of general and earmarked reserves, including changes in requirement/amounts and risk assessments, are prepared and presented to Executive and Joint Budget Scrutiny Committee during the financial year.
- 2.5 In order to adopt a long-term approach to the need to provide services to the citizens of Blaenau Gwent, the protocol was amended and agreed by Council in March 2016 to include a target level for general reserves. This was set as

4% of the last reported actual net revenue expenditure (as included in the Revenue Outturn return).

Options for Recommendation

3.1 That the Joint Budget Scrutiny Committee considers the attached report of forecast use of general and earmarked reserves for 2019/2020 and:

- note the planned forecast increase of the General Reserve to 4.54% (above the 4% target level) for 2019/2020 and future years strengthening the Council's Financial Resilience.
- consider the impact the £0.064m forecast adverse variance for 2019/2020 would have on the General Reserve target; and
- continue to challenge budget overspends and implement appropriate service Action Plans, where required.

Maintenance of general reserves at an adequate level is crucial to the Council being able to meet future liabilities arising from risks for which specific provision has not been made.

4. Evidence of how this topic supports the achievement of Council Priorities / Statutory Responsibilities / National Well-being Goals etc.

4.1 National Well-being Goals

The management of earmarked and general reserves (in recognition of the need to plan for known or predicted future obligations, unexpected events or emergencies), allows the Authority to deliver services in pursuance of its obligations under the national well-being goals.

4.2 Corporate Priorities

This report supports the Council Priority, "Efficient Council", as it is part of the financial planning and reporting arrangements which support the Council's financial resilience.

5. Implications Against Each Option

5.1 Financial Impact

5.1.1 Section 6 provides an overall summary of the forecast financial position in relation to the remaining balances in general and earmarked reserves at 31 March 2020.

5.1.2 Table 1 at 6.1.3 (below) shows the forecast position for the general reserve at year-end 2019/2020 to be an increase of £0.185m, to £6.079m. This balance would represent 4.54% of net revenue expenditure, £0.718m above the 4% target level of £5.361m, indicating some progress towards strengthening the financial resilience of the Council and allowing a buffer to deal with unexpected future issues.

5.1.3 The increase in general reserves is due to:

- £117,000 contribution as agreed by Council during the 2019/2020 budget setting process
- £132,000 as a result of a reduction in the Fire Service Precept charge following additional funding from Welsh Government for the increase in employers pension contributions.

5.1.4 Table 2 at 6.1.7 (below) shows the forecast level of earmarked reserves at 31 March 2020 to be £3.697m, an in year reduction of £3.132m. A substantial element of this reduction relates to school balances which are currently estimated to reduce by £1.061m over the financial year.

5.1.5 As a result of the positive provisional settlement, the Council has approved an increase to Reserves in excess of £1.5m for 2020/2021 when setting the 2020/2021 Budget, to support medium term financial planning and strengthening the Council's financial resilience.

5.2 Risk

5.2.1 The Council must ensure an appropriate level and use of reserves to support its financial sustainability and to meet future liabilities arising from risks for which a specific provision has not been made.

5.2.2 Included within the 2020/2021 budget, it is planned to increase reserves in excess of £1.5m, with a further £0.2m increase per annum planned for the life of the current Medium Term Financial Strategy.

5.2.3 Failure to comply with the requirements set out in CIPFA LAAP Bulletin 99: *Local Authority Reserves and Balances*, which include the implementation of a clear protocol for the establishment, use, control and review of reserves, could result in adverse comments by regulators.

5.2.4 A protocol for the management of reserves was adopted in April 2015 to mitigate the risk of non-compliance with CIPFA LAAP Bulletin 99 and identified best practice.

5.2.5 In the short-term, the level and adequacy of reserves are regularly reviewed and monitored through regular outturn/ forecast reporting. In the medium term, reserves are assessed as part of the budget-setting process and the Medium Term Financial Strategy, which includes provision for an increase in reserves of £0.2m per annum over the life of the Strategy.

5.2.6 In its Annual Audit Letter relating to the 2017/2018 financial year, the Wales Audit Office noted the continued fall in total general and earmarked revenue reserves (i.e. usable reserves). In comparison to all other Welsh Authorities, the letter indicated that, as at 31 March 2018, Blaenau Gwent had the lowest level of general and earmarked reserves expressed as a percentage of Gross Revenue Expenditure (4.63%, compared with a maximum of 23.62% and an average of 11.44%).

5.2.7 In order to meet this Welsh average, general and earmarked reserves would need to increase significantly to approximately £20.7m.

5.2.8 There is a risk that failure to increase reserves further will attract adverse criticism from regulators. This risk can be mitigated by increasing the Council fund Reserve.

5.3 **Legal**

5.3.1 The Local Government Finance Act 1992 requires authorities in England and Wales to have regard to the level of reserves needed for meeting estimated future expenditure when calculating the budget requirement.

5.3.2 Section 25 of the Local Government Act 2003 places a duty on chief finance officers' to report on the robustness of estimates and adequacy of reserves when the authority is considering its budget requirement.

5.3.3 Section 114 of the Local Government Finance Act 1988 requires the chief finance officer to report to all the authority's councillors if there is or is likely to be unlawful expenditure or an unbalanced budget. This would include situations where reserves have become seriously depleted and it is forecast that the authority will not have the resources to meet its expenditure in a particular financial year.

5.4 **Personnel**

5.4.1 There are no direct personnel/staffing implications arising out of this report.

6. **Supporting Evidence**

6.1 Performance Information and Data

6.1.1 The level of the Council's general reserve disclosed in the statutory accounts presented to Audit Committee in September 2019 for the financial year ended 31 March 2019 was £5.894m equating to 4.40% of net revenue expenditure (as reported in the 2018/2019 Revenue Outturn forms). The current 4% target level of general reserves in accordance with the reserves protocol is £5.361m.

6.1.2 The revenue budget forecast year-end position for 2019/2020 (as at end of Quarter 3) indicates an overspend of £0.064m after the application of £0.6m from earmarked reserves.

6.1.3 Therefore, the potential impact on the forecast outturn position for the general reserve at 31 March 2020 would be as follows:

| Table 1: General Reserve | £000 |
|---|-------|
| Balance at 31 March 2019 | 5,894 |
| Contribution to General Reserve | 117 |
| Reduction in Fire Authority Precept | 132 |
| Use of reserve: funding of forecast overspend | (64) |
| Forecast Balance at 31 March 2020 | 6,079 |

6.1.4 The forecast general reserve balance at 31 March 2020 of £6.079m would represent 4.54% of net revenue expenditure as reported in the 2018/2019 Revenue Outturn forms. The general reserve would therefore be £0.718m above the 4% target level of £5.361m

6.1.5 Appendix 1 gives details of the total earmarked reserves held at the start of the 2019/2020 financial year (£6.829m) with actual reserve movements to the end of quarter 3 (31 December 2019) and forecast movements to 31 March 2020.

6.1.6 The level of earmarked reserves has been determined in accordance with the agreed reserves protocol. The level of usable reserves available to the Authority increased by £2.352m in 2018/2019.

6.1.7 The current summary forecast outturn position for earmarked reserves at 31 March 2020 is as follows:

| Table 2: Earmarked Reserves | £000 |
|-----------------------------------|---------|
| Balance at 31 March 2019 | 6,829 |
| Reserve Adjustments | 2 |
| Actual Expenditure to Q3 | (901) |
| Forecast Expenditure to Q4 | (2,233) |
| Forecast Balance at 31 March 2020 | 3,697 |

6.1.8 For those reserves that have been utilised to fund actual expenditure to 31 December 2019 (£0.901m), details of the expenditure funded have been provided in Appendix 2. Details of additional income transferred to earmarked reserves (£0.002m) have been provided in Appendix 3.

6.1.9 During Quarter 3, earmarked reserves have been assessed for purpose, requirement and adequacy and adjusted where necessary to meet identified liabilities.

6.2 **Expected outcome for the public**

6.2.1 The management of earmarked and general reserves (in recognition of the need to plan for known or predicted future obligations, unexpected events or emergencies), helps demonstrate stewardship of the Authority's resources and its ability to provide services to the local community.

6.3 **Involvement** (*consultation, engagement, participation*)

Not applicable.

6.4 **Thinking for the Long term** (*forward planning*)

6.4.1 Stewardship of the Authority's resources allows for the provision of services to the local community in the short and long term.

6.5 **Preventative focus**

6.5.1 Not applicable.

6.6 **Collaboration / partnership working**

6.6.1 Not applicable.

6.7 **Integration(across service areas)**

6.7.1 Not applicable.

6.8 **EqIA**

6.8.1 An EQIA is not required as this report provides an estimated outturn position in relation to the Authority's reserve balances for the financial year, on an objective basis in accordance with relevant accounting standards, codes, concepts, principles, guidance and legislation.

7. **Monitoring Arrangements** (*State how the work will be monitored e.g. through scrutiny or directorate performance management arrangements*)

7.1 In the short-term, the level and adequacy of reserves are regularly reviewed and monitored through regular outturn/forecast reports.

- 7.2 There are legal requirements in respect of the reporting of reserves when setting the annual budget and the statutory outturn position is considered by the Authority's external auditors in their audit of the annual Statement of Accounts.
- 7.3 In the medium term, reserves are assessed as part of the Medium Term Financial Strategy.

Background Documents /Electronic Links

Appendix 1

Appendix 2

Appendix 3

REF: UOGER18/19.120

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Appendix 1: Earmarked Reserves Movements 2019-2020

| <u>Name of Reserve</u> | <u>Balance Brought</u> | <u>Reserve Adjustments</u> | | <u>Actual Expenditure</u> | <u>Forecast Expenditure</u> | <u>Balance Carried</u> |
|---|-------------------------|----------------------------|------------------|---------------------------|-----------------------------|--------------------------|
| | <u>Fwd 1 April 2019</u> | <u>Increases</u> | <u>Decreases</u> | | | <u>Fwd 31 March 2020</u> |
| | £ | £ | £ | £ | £ | £ |
| Deminimis Capital Works | 87,812.13 | 0.00 | 0.00 | 0.00 | (25,000.00) | 62,812.13 |
| Facilities | 121,963.00 | 0.00 | 0.00 | (65,988.00) | (55,975.00) | 0.00 |
| Energy Centre | 55,659.00 | 0.00 | 0.00 | 0.00 | (5,565.90) | 50,093.10 |
| IT Infrastructure | 133,809.48 | 0.00 | 0.00 | 0.00 | (50,000.00) | 83,809.48 |
| Land at Blaenant Road | 136,200.00 | 0.00 | 0.00 | 0.00 | 0.00 | 136,200.00 |
| WRAP Regional Vehicles | 51,944.85 | 0.00 | 0.00 | 0.00 | 0.00 | 51,944.85 |
| Budget Contingency Fund | 71,347.89 | 0.00 | 0.00 | (6,996.00) | (42,947.52) | 21,404.37 |
| Building Control Fees | 83,180.01 | 0.00 | 0.00 | 0.00 | (27,449.40) | 55,730.61 |
| Business Support | 9,005.50 | 0.00 | 0.00 | (2,450.00) | (6,555.50) | 0.00 |
| Cardiff Capital Region City Deal | 187,836.00 | 0.00 | 0.00 | 0.00 | 0.00 | 187,836.00 |
| Community Asset Transfers | 13,868.63 | 0.00 | 0.00 | (13,868.63) | 0.00 | 0.00 |
| Deposits and Bonds | 3,200.00 | 0.00 | 0.00 | 0.00 | (160.00) | 3,040.00 |
| Downsizing, Redundancy & Transitional Costs | 216,227.51 | 0.00 | 0.00 | (103,806.57) | (47,552.69) | 64,868.25 |
| Election Costs | 36,228.83 | 0.00 | 0.00 | 0.00 | (7,245.77) | 28,983.06 |
| Future Interest Rate | 106,000.00 | 0.00 | 0.00 | 0.00 | (106,000.00) | 0.00 |
| General/ Voluntary Sector Grants | 60,000.00 | 0.00 | 0.00 | (32,425.00) | (27,575.00) | 0.00 |
| ICT | 272,120.31 | 0.00 | 0.00 | (102,464.80) | (11,005.16) | 158,650.35 |
| Insurance Liabilities | 922,662.65 | 0.00 | (200,000.00) | 0.00 | (180,665.66) | 541,996.99 |
| Individual Schools Budget (ISB) | 186,153.00 | 0.00 | 0.00 | 0.00 | (33,507.54) | 152,645.46 |
| Land & Property Charges | 98,591.14 | 0.00 | 0.00 | 0.00 | (4,929.56) | 93,661.58 |
| Leisure Termination Costs | 165,238.28 | 0.00 | 0.00 | (160,648.00) | (4,590.28) | 0.00 |
| Local Development Plan | 192,166.54 | 0.00 | 0.00 | (15,726.00) | (22,707.31) | 153,733.23 |
| LMS Balances | 1,009,644.58 | 0.00 | 0.00 | 0.00 | (1,061,000.00) | (51,355.42) |
| Members Local Grants | 33,834.67 | 0.00 | 0.00 | 0.00 | (13,533.87) | 20,300.80 |
| Payroll Project Management | 23,529.97 | 0.00 | 0.00 | 0.00 | (23,529.97) | 0.00 |
| Person Centred Practice | 7,093.00 | 0.00 | 0.00 | 0.00 | (7,093.00) | 0.00 |
| Prudential Borrowing | 200,000.00 | 200,000.00 | 0.00 | (200,000.00) | 0.00 | 200,000.00 |
| Specialist Commercial Advice (Leisure Trust Review) | 64,538.00 | 0.00 | 0.00 | (9,474.00) | (22,795.00) | 32,269.00 |
| Specialist Commercial Advice (Waste Arrangements) | 28,522.07 | 0.00 | 0.00 | (26,619.76) | 0.00 | 1,902.31 |
| Stock Conditions Survey | 12,137.34 | 0.00 | 0.00 | 0.00 | (2,184.72) | 9,952.62 |
| Strategic Business Reviews | 250,000.00 | 0.00 | 0.00 | 0.00 | (62,500.00) | 187,500.00 |
| Superannuation | 500,000.00 | 0.00 | 0.00 | 0.00 | (25,000.00) | 475,000.00 |

Appendix 1: Earmarked Reserves Movements 2019-2020

| <u>Name of Reserve</u> | <u>Balance Brought Fwd 1 April 2019</u> | <u>Reserve Adjustments</u> | | <u>Actual Expenditure</u> | <u>Forecast Expenditure</u> | <u>Balance Carried Fwd 31 March 2020</u> |
|--|---|----------------------------|---------------------|---------------------------|-----------------------------|--|
| | | <u>Increases</u> | <u>Decreases</u> | | | |
| | £ | £ | £ | £ | £ | £ |
| Taxation | 141,917.68 | 0.00 | 0.00 | (5,640.00) | (1,455.88) | 134,821.80 |
| Technology Park Feasibility Study | 80,000.00 | 0.00 | 0.00 | (80,000.00) | 0.00 | 0.00 |
| Transport Oncost | 23,127.00 | 0.00 | 0.00 | 0.00 | (4,162.86) | 18,964.14 |
| Waste Services | 120,000.00 | 0.00 | 0.00 | 0.00 | (120,000.00) | 0.00 |
| Winter Maintenance | 200,000.00 | 0.00 | 0.00 | 0.00 | (36,000.00) | 164,000.00 |
| Aneurin Bevan Health Board - Education | 55,664.00 | 0.00 | 0.00 | 0.00 | (55,664.00) | 0.00 |
| Corporate Procurement | 44,633.86 | 0.00 | 0.00 | (44,633.86) | 0.00 | 0.00 |
| CRASB | 11,058.00 | 0.00 | 0.00 | 0.00 | 0.00 | 11,058.00 |
| Education - Gypsy Travellers | 43,618.42 | 0.00 | 0.00 | (8,729.00) | (34,889.42) | 0.00 |
| EU Exit Preparations for Food Enforcement | 9,738.00 | 0.00 | 0.00 | 0.00 | (9,738.00) | 0.00 |
| FR | 33,647.89 | 0.00 | 0.00 | (21,745.25) | 0.00 | 11,902.64 |
| Leadership Hallmark | 24,837.66 | 0.00 | 0.00 | 0.00 | 0.00 | 24,837.66 |
| Planning WAG Grant Planning Committee | 6,264.27 | 0.00 | 0.00 | 0.00 | (6,264.27) | 0.00 |
| Prevent | 10,000.00 | 0.00 | 0.00 | 0.00 | 0.00 | 10,000.00 |
| Regen General Contributions Unapplied (Town Centre Management) | 47,588.25 | 0.00 | 0.00 | 0.00 | (8,565.89) | 39,022.37 |
| Rights of Way Diversions | 20,255.00 | 0.00 | 0.00 | 0.00 | (3,645.90) | 16,609.10 |
| Section 106 Agreements | 225,390.20 | 0.00 | 0.00 | 0.00 | (40,570.24) | 184,819.96 |
| SEW Adoption Collaboration | 231,394.30 | 0.00 | 0.00 | 0.00 | 0.00 | 231,394.30 |
| SMIFFs | 13,558.11 | 0.00 | 0.00 | 0.00 | (4,474.18) | 9,083.93 |
| SSIA/PLOF Grant | 20,171.39 | 0.00 | 0.00 | 0.00 | (17,365.31) | 2,806.08 |
| Workforce Development Collaboration | 93,985.04 | 0.00 | 0.00 | 0.00 | 0.00 | 93,985.04 |
| Restrictive Physical Intervention | 5,903.75 | 0.00 | 0.00 | 0.00 | (1,948.24) | 3,955.51 |
| School Based Counselling | 2,385.00 | 0.00 | 0.00 | 0.00 | (2,385.00) | 0.00 |
| Youth Service | 23,030.81 | 2,500.00 | 0.00 | 0.00 | (8,425.17) | 17,105.64 |
| Total: | 6,828,683.01 | 202,500.00 | (200,000.00) | (901,214.87) | (2,232,623.19) | 3,697,344.95 |

Appendix 2: Expenditure Funded by Earmarked Reserves, 2019-2020

| <u>Name of Reserve</u> | <u>Actual Expenditure to Q3</u> | <u>Purpose of Expenditure</u> |
|---|---------------------------------|--|
| | £ | |
| Facilities | 65,988.00 | Works carried out at Brynmawr Market Hall Cinema. |
| Budget Contingency Fund | 6,996.00 | Funding the safeguarding of Teacher & Learning Responsibility payments at Abertillery Learning Campus following a restructure. |
| Business Support | 2,450.00 | Staff training costs. |
| Community Asset Transfers | 13,868.63 | Reserve fully utilised to fund Grounds CAT transfers. |
| Downsizing, Redundancy & Transitional Costs | 103,806.57 | Redundancies relating to staff downsizing . |
| General/ Voluntary Sector Grants | 32,425.00 | Funding the Authority's contribution towards the Citizens Advice Bureau. |
| ICT | 102,464.80 | Laptop Refresh |
| Leisure Termination Costs | 160,648.00 | Additional financial support to Aneurin Leisure to fund early termination costs. |
| Local Development Plan | 15,726.00 | Payment of invoice - AECOM Integrated Sustainability Appraisal. |
| Prudential Borrowing | 200,000.00 | Repairs to Roads |
| Specialist Commercial Advice (Leisure Trust Review) | 9,474.00 | Procurement of specialist advice for reviewing the delivery model. |
| Specialist Commercial Advice (Waste Arrangements) | 26,619.76 | Fees in respect of financial due diligence on Silent Valley Waste Services Ltd. |
| Taxation | 5,640.00 | To fund cost in relation to HMRC Making Tax Digital requirements. |
| Technology Park Feasibility Study | 80,000.00 | Provision of Concept Reports |
| Corporate Procurement | 44,633.86 | Utilising reserve for Strategic Business Review Support - 3rd Party Spend Consultant Fees |
| Education - Gypsy Travellers | 8,729.00 | Contribution towards employee costs in relation to Early Years. |
| IER | 21,745.25 | Stationery & Postage costs in relation to the Individual Electoral Register. |
| Total to Qtr 3: | 901,214.87 | |

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Appendix 3: Additional Income Transferred to Earmarked Reserves, 2019-2020

| <u>Name of Reserve</u> | <u>Income to Q3</u> | <u>Source of Income</u> |
|------------------------|---|---|
| Youth Service | <p style="text-align: center;">£</p> <p style="text-align: right;">2,500.00</p> | Increase in reserve to cover backdated restructure. |
| | | |
| | | |
| | | |
| Total to Qtr 3: | 2,500.00 | |

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