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THIS IS A MEETING WHICH THE PUBLIC ARE ENTITLED TO ATTEND

2nd March 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 Monday, 9th March, 2020 at 10.00 am.

Yours faithfully



Michelle Morris
Managing Director

AGENDA

Pages

1. SIMULTANEOUS TRANSLATION

You are welcome to use Welsh at the meeting, a minimum notice period of 3 working days is required should you wish to do so. A simultaneous translation will be provided if requested.

2. APOLOGIES

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

Municipal Offices
Civic Centre
Ebbw Vale
NP23 6XB

Swyddfeydd Bwrdeisio
Canolfan Dinesig
Glyn Ebwy
NP23 6XB

a better place to live and work
lle gwell i fyw a gweithio

To receive.

3. **DECLARATIONS OF INTEREST AND DISPENSATIONS**

To receive.

4. **JOINT SCRUTINY COMMITTEE (BUDGET MONITORING)** 5 - 10

To receive the minutes of the special Joint Scrutiny Committee held on 28th January, 2020.

(Please note the minutes are for accuracy points only.)

5. **ACTION SHEET - 18TH NOVEMBER 2019** 11 - 12

To receive the action sheet.

6. **CAPITAL BUDGET MONITORING, FORECAST FOR 2019/20 FINANCIAL YEAR** 13 - 32

To consider the report of the Chief Officer Resources.

7. **REVENUE BUDGET MONITORING - 2019/20, FORECAST OUTTURN TO 31ST MARCH 2020** 33 - 68

To consider the report of the Chief Officer Resources.

8. **USE OF GENERAL AND EARMARKED RESERVES 2019/20** 69 - 82

To consider the report of the Chief Officer Resources.

To: Councillor S. Healy (Chair)
Councillor G. Paulsen (Vice-Chair)
Councillor M. Cook
Councillor J. Holt
Councillor C. Meredith
Councillor G. Thomas
Councillor P. Baldwin
Councillor D. Bevan
Councillor M. Cross
Councillor G. A. Davies
Councillor G. L. Davies
Councillor M. Day
Councillor P. Edwards
Councillor L. Elias

Councillor K. Hayden
Councillor J. Hill
Councillor W. Hodgins
Councillor M. Holland
Councillor H. McCarthy
Councillor J. Millard
Councillor M. Moore
Councillor J. C. Morgan
Councillor J. P. Morgan
Councillor L. Parsons
Councillor K. Pritchard
Councillor K. Rowson
Councillor T. Sharrem
Councillor T. Smith
Councillor B. Summers
Councillor S. Thomas
Councillor H. Trollope
Councillor J. Wilkins
Councillor D. Wilkshire
Councillor B. Willis
Councillor 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 1364 369">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="363 414 1364 672">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="363 705 1364 840">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		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>
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

<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>
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

<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>
	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

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
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 - 2019/20 Funding Estimates
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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
324580	Brynmawr 3G Pitch	817,225	650,657	166,568	20,344	630,313	650,657	0
324590	Tredegar 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 - Tredegar 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 Tredega	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

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
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

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>
	Environment Portfolio	9,149,390	8,146,937	1,002,453	1,459,068	6,687,869	8,146,937	0

Capital Programme - 2019/20 Funding Estimates
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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
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

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>
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)
<i>Sub Total</i>	<u>(30,450)</u>	<u>(113,395)</u>	<u>82,945</u>	<u>200,858</u>
<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)
<i>Sub Total</i>	<u>315,850</u>	<u>415,115</u>	<u>(99,265)</u>	<u>(198,070)</u>
<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)
<i>Sub Total</i>	<u>64,890</u>	<u>70,207</u>	<u>(5,317)</u>	<u>(2,357)</u>
<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
<i>Sub Total</i>	<u>1,401,970</u>	<u>1,426,827</u>	<u>(24,857)</u>	<u>4,939</u>
<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
<i>Sub Total</i>	<u>8,703,410</u>	<u>8,637,951</u>	<u>65,459</u>	<u>81,881</u>
<u>CORPORATE CHARGES</u>				
Corporate Recharges	4,274,560	4,274,556	4	4
Senior Management Restructure	(12,590)	0	(12,590)	(12,590)
<i>Sub Total</i>	<u>4,261,970</u>	<u>4,274,556</u>	<u>(12,586)</u>	<u>(12,586)</u>
CORPORATE SERVICES TOTAL EXPENDITURE	<u>14,717,640</u>	<u>14,711,261</u>	<u>6,379</u>	<u>74,666</u>

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>Action: 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>Reason for adverse variance: 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
				<p><u>Action:</u></p> <p>Consideration will be given to an in year budget virement from the Psychology Budget.</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
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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