

Action Plan

Corporate Services 2020/21 Forecast Adverse Variances (as at 30 September 2020)

Appendix 4a

Service Area	2020/2021 Variance at June 2020 Forecast £	2020/2021 Variance at Sept 2020 Forecast £	Action Required & Timescale	Financial Impact £	Responsible Officer
IT Service		(160,000)	<p><u>Reason for Adverse variance</u></p> <ul style="list-style-type: none"> • In the original IT Collaboration Business Plan, £100,000 income was built into the budget to be funded from reserves, with the view that future savings, due to merging of software systems, would produce savings and therefore reduce the need of reserve funding. • These savings have not yet been achieved, as the Software Contracts are still Blaenau Gwent's responsibility. • The increasing cost of the SRS Management Fee, since its start, has also increased this cost pressure of £4,000 and £29,000 which has been shown on the PSBA income line. • The Information Security service provided by Gwent Police has also increased over the years by £10,000. • Also, Gwent Archives now have a direct SLA with the SRS £17,000. <p><u>Actions</u></p> <ul style="list-style-type: none"> • All IT contracts are now reviewed and re-negotiated through the Procurement team, to ensure that the best terms and conditions are achieved. • Following the deployment of Office 365, opportunities to scale back the number of systems operating across the council, are being explored, to reduce costs. 	Unknown	Anne-Louise Clark

Action Plan

Corporate Services 2020/21 Forecast Adverse Variances (as at 30 September 2020)

Appendix 4a

Service Area	2020/2021 Variance at June 2020 Forecast £	2020/2021 Variance at Sept 2020 Forecast £	Action Required & Timescale	Financial Impact £	Responsible Officer
			<p><u>Updates</u></p> <ul style="list-style-type: none"> • Holding £84,000 refund from SRS, however, this may be required for the Data Centre move. • Will be considering options to reduce software expenditure, due to Office 365 upgrade. • Working with SRS to review and suspend contracts, I.e. telephony costs. • Cannot mitigate the management fee increase over and above set estimates. • Cannot mitigate Information Security officer. • Cannot mitigate PSBA income line. • Seeking refund for Gwent Archives, due to SLA not being direct with the SRS. 		
<p>Registration of Births, Marriages and Deaths</p>	<p>(64,742)</p>	<p>(40,798)</p>	<p><u>Reason for Adverse variance</u></p> <ul style="list-style-type: none"> • Reduced income, due to Covid-19 pandemic (e.g. restrictions on wedding ceremonies) <p><u>Actions</u></p> <ul style="list-style-type: none"> • Loss of income formed part of the quarter 1 claim to WG for financial support. In addition, The Registrar Service is working to clear the backlog of registration services which could have a positive impact on the forecast level of income by the year end. 	<p>Unknown</p>	<p>Andrea Jones</p>

Action Plan

Corporate Services 2020/21 Forecast Adverse Variances (as at 30 September 2020)

Appendix 4a

Service Area	2020/2021 Variance at June 2020 Forecast £	2020/2021 Variance at Sept 2020 Forecast £	Action Required & Timescale	Financial Impact £	Responsible Officer
			<p><u>Updates</u></p> <ul style="list-style-type: none"> • Quarter 2 has seen a slight improvement in income following the easing of the lockdown. It has been assumed that this level of income will continue for the rest of the financial year however, it could be dependent upon further lockdowns being enforced. • Funding from WG regarding loss of income due to Covid-19 has been received. This equates to 50% of our initial claim as it is assumed that income will improve throughout the year. This will be reviewed towards the end of the financial year. 	3,960	
<p>Council Tax Reduction Scheme</p>	(627,383)	(541,007)	<p><u>Reason for Adverse variance</u></p> <ul style="list-style-type: none"> • This is due to an increase in the number of claimants following the Covid-19 pandemic. It has been assumed that the increased level of claimants will continue for the remainder of the financial year. New claims processed in Quarter 1 of 2020, compared to the same period in 2019, have increased by 911 (an increase of 158%). <p><u>Actions</u></p> <ul style="list-style-type: none"> • The WLGA, on behalf of all LA's, has collated the CTRS cost pressure across Wales and information has been 	Unknown	Rhian Hayden

Action Plan

Corporate Services 2020/21 Forecast Adverse Variances (as at 30 September 2020)

Appendix 4a

Service Area	2020/2021 Variance at June 2020 Forecast £	2020/2021 Variance at Sept 2020 Forecast £	Action Required & Timescale	Financial Impact £	Responsible Officer
			<p>submitted to WG officials, with a view to it being considered by Ministers in the “Star Chamber”. It is hoped that WG will consider providing additional funding to address this pressure.</p> <p>Updates</p> <ul style="list-style-type: none">• New claims processed in Quarter 2 of 2020, compared to the same period in 2019, are consistent indicating that the cost pressure will not worsen. This however could be dependent upon further lockdowns being enforced.• £87,000 income has now been received from WG in respect of Quarter 1.	87,000	

Action Plan

Social Services

2020/21 Forecast Adverse Variances (as at 30 September 2020)

Appendix 4b

Service Area	2020/2021 Variance at June 2020 Forecast £	2020/2021 Variance at Sept 2020 Forecast £	Action Required & Timescale	Financial Impact £	Responsible Officer
Looked After Children	(399,699)	(499,699)	<p>Legal Services</p> <p><u>Reason for Adverse variance</u></p> <ul style="list-style-type: none"> • There is an ongoing pressure in this area due to the number of looked after children, and the problems with retention and recruitment of staff has resulted in more services being outsourced to an external provider. It is anticipated that the Legal budget will be significantly overspent again this year. <p><u>Actions</u></p> <ul style="list-style-type: none"> • A long term solution will need to be identified in conjunction with Legal Services to mitigate this cost pressure for future years and a collaborative arrangement for legal services is being considered with a neighbouring council. • This cost pressure is currently being offset by favourable variances within other social services budgets. 		Tanya Evans

Action Plan

Economy

2020/21 Forecast Adverse Variances (as at 30 September 2020)

Appendix 4c

Service Area	2020/2021 Variance at June 2020 Forecast £	2020/2021 Variance at Sept 2020 Forecast £	Action Required & Timescale	Financial Impact £	Responsible Officer
General Offices	(18,132)	(254)	<p><u>Reason for Adverse variance</u></p> <ul style="list-style-type: none"> • Covid 19, which resulted in the GO being closed to the general public, has had a detrimental effect on conference and meeting room facilities (including refreshments and equipment hire). <p><u>Actions</u></p> <ul style="list-style-type: none"> • A claim for loss of income to Welsh Government has been submitted • Re-open the facility to business users and tenants. • Consider diversifying from meeting rooms to office rentals. • Review BGCBC staff office and consider making available as offices to let to businesses. • Future proof the building and adopt new technology for Microsoft Team Meetings, as the video conferencing will have a huge effect on our industry, so we need to embrace it. • Introduce a registered business address for a fee. • Engage with academia (Coleg Gwent), to consider lecture theatre i.e. cinema. 		

Action Plan

Economy

2020/21 Forecast Adverse Variances (as at 30 September 2020)

Appendix 4c

Service Area	2020/2021 Variance at June 2020 Forecast £	2020/2021 Variance at Sept 2020 Forecast £	Action Required & Timescale	Financial Impact £	Responsible Officer
			<p><u>Update:</u></p> <ul style="list-style-type: none"> • Loss of income funding has been received from Welsh Government which has contributed towards the improved financial position. 	8,500	
Nursery Units	(226,063)	(181,869)	<p><u>Reason for Adverse variance</u></p> <ul style="list-style-type: none"> • a delay to the refurbishment/investment to improve attractiveness to incoming and existing tenants as a result of Covid-19 • 1 month rental holiday in April given to all businesses within the Units • Covid 19, detrimental effect to the worldwide/local economy. Business start-ups, expansions (including business relocations) on hold. Business community in hibernation mode. • Business Tenant Support Scheme introduced to support SME's within the portfolio i.e. April rent free period and rental holidays. <p><u>Actions</u></p> <ul style="list-style-type: none"> • Business Rates and Business Innovation Team at BGCBC, worked extremely hard to support business tenants with Covid 19 grants schemes. 		

Action Plan

Economy

2020/21 Forecast Adverse Variances (as at 30 September 2020)

Appendix 4c

Service Area	2020/2021 Variance at June 2020 Forecast £	2020/2021 Variance at Sept 2020 Forecast £	Action Required & Timescale	Financial Impact £	Responsible Officer
			<ul style="list-style-type: none"> • Refurbishment scheme underway at Roseheyworth Business Park to focus on constrained business, which will result in further revenue potential. • An exercise to re-value the rentals and potential yield investments. • Secure marketing budget, to Increase marketing awareness to attract new customers i.e. rightmove.co.uk • Re-gear existing leases and offer financial incentives for new tenants. • Exploring options to secure external funding for further refurbishment schemes (WG) i.e. Phase 2 – Roseheyworth Business Park. • Investment plan to review and secure funding for wider refurbishment scheme across the portfolio. <p><u>Update:</u></p> <ul style="list-style-type: none"> • Loss of income funding has been received from Welsh Government which has contributed towards the improved financial position. 	57,890	

Action Plan

Economy

2020/21 Forecast Adverse Variances (as at 30 September 2020)

Appendix 4c

Service Area	2020/2021 Variance at June 2020 Forecast £	2020/2021 Variance at Sept 2020 Forecast £	Action Required & Timescale	Financial Impact £	Responsible Officer
Estate Management Non Rechargeable	(54,831)	(10,769)	<p><u>Reason for Adverse variance</u></p> <ul style="list-style-type: none"> • Review of non-operational -assets under Bridging the Gap delayed due to staff redeployment on Covid-19 workstreams and suspension of recruitment within the Council <p><u>Actions</u></p> <ul style="list-style-type: none"> • Recruitment commenced • Reduction of expenditure could help but large items of maintenance could limit possibilities <p><u>Update:</u></p> <ul style="list-style-type: none"> • Loss of income funding has been received from Welsh Government which has contributed towards the improved financial position. 	25,540	

Action Plan

Environment

2020/21 Forecast Adverse Variances (as at 30 September 2020)

Appendix 4d

Service Area	2020/2021 Variance at June 2020 Forecast £	2020/2021 Variance at Sept 2020 Forecast £	Action Required & Timescale	Financial Impact £	Responsible Officer
Technical Services	(96,000)	0	<p><u>Reason for Adverse variance</u></p> <ul style="list-style-type: none"> • Anticipated loss of income as a result of COVID-19. <p><u>Actions</u></p> <ul style="list-style-type: none"> • Loss of income to potentially be met by way of Covid-19 grant funding from WG in 20/21. <p><u>Updates</u></p> <ul style="list-style-type: none"> • Income received from Hardship fund has improved the financial position from quarter 1 	93,920	C Rogers / M Price
Waste Services	(548,076)	(331,583)	<p><u>Reason for Adverse variance</u></p> <ul style="list-style-type: none"> • Additional cost of 2 Wardens with no budget • An increase in residual waste tonnages during the lockdown period, offset partly by the WG Hardship Fund. • There is a decrease in recycle income of £90k compared to 19/20. This is due to fluctuations in the market prices and a general downturn. Only the decrease in income from the plastics, cardboard and textiles market has been directly affected by Covid, and hardship funding has been built in to offset this. • Also, an additional savings target was built in of £90k based on Consultants analysis, assuming this would be achieved as a result of the opening of the New HWRC. 		C Rogers / M Stent

Action Plan

Environment

2020/21 Forecast Adverse Variances (as at 30 September 2020)

Appendix 4d

Service Area	2020/2021 Variance at June 2020 Forecast £	2020/2021 Variance at Sept 2020 Forecast £	Action Required & Timescale	Financial Impact £	Responsible Officer
			<p>However, this has not been achieved partly due to the delay in opening.</p> <ul style="list-style-type: none"> • An increase in green waste recycling costs - £40,000 mainly as a result of the contractor closing for business which resulted in BG having to implement a contingency arrangement at short notice which has been costly. There is now a new contract in place. The increased tonnage collected during first lock down has been partly been offset by the hardship fund. • New Commercial Waste Service was suspended due to covid-19. The loss of income for the period April 2020 to June 2020 has been offset by the WG Hardship Fund. The budget is being reviewed. <p><u>Actions</u></p> <ul style="list-style-type: none"> • Increased costs to be potentially met by way of Covid 19 grant funding from WG in 20/21. • Commencing side waste enforcement from July 2020, which will reduce residual waste charges. Currently due to easement of side waste, the cost to the authority is approx. £18,000 per month. This figure will reduce as restrictions on black bags commence borough-wide. 		

Action Plan

Environment

2020/21 Forecast Adverse Variances (as at 30 September 2020)

Appendix 4d

Service Area	2020/2021 Variance at June 2020 Forecast £	2020/2021 Variance at Sept 2020 Forecast £	Action Required & Timescale	Financial Impact £	Responsible Officer
			<ul style="list-style-type: none"> • Capital bids have been accepted by Welsh Government for receptacles. This will contribute £80,000 towards the revenue budget. • The delay in the opening of the new HWRC has contributed positively to the revenue budget. <p><u>Update:</u></p> <ul style="list-style-type: none"> • Income received from Hardship fund has improved the financial position from quarter 1 relating to loss of income (£88,00) and increased disposal costs (£48,810) for April to August 2020. 	136,810	
Grounds Maintenance	(83,003)	(17,000)	<p><u>Reason for Adverse variance</u></p> <ul style="list-style-type: none"> • This includes an overspend on Premises expenditure, which could be in relation to CATS. This budget is currently being reviewed. <p><u>Update:</u></p> <ul style="list-style-type: none"> • Income received from Hardship fund has improved the financial position from quarter 1 • Full year SLA costs charged to the schools. 	39,000	C Rogers/ D Watkins

Action Plan

Environment

2020/21 Forecast Adverse Variances (as at 30 September 2020)

Appendix 4d

Service Area	2020/2021 Variance at June 2020 Forecast £	2020/2021 Variance at Sept 2020 Forecast £	Action Required & Timescale	Financial Impact £	Responsible Officer
Corporate Landlord	(68,850)	(57,536)	<p><u>Reason for Adverse variance</u></p> <p>Forecast overspend due to Social Services Buildings £41,000 and Non Operational and CATs buildings £16,000.</p> <p>There is £40,600 of rates expenditure due to Non Operational buildings, which includes £20,000 for the Business Resource Centre, which has now been disposed of. Need to release Non-Operational buildings, as these still have on-going residual costs to the authority.</p> <p><u>Actions</u></p> <ul style="list-style-type: none"> • Minimise and monitor expenditure on all non-essential maintenance buildings. 		C Rogers / M Price
Building Cleaning	(244,608)	0	<p><u>Reason for Adverse variance</u></p> <ul style="list-style-type: none"> • Potential reduction in schools SLA due to school's closure as a result of Covid 19 <p><u>Actions</u></p> <ul style="list-style-type: none"> • Loss of income to be potentially met by way of Covid 19 grant funding from WG in 20/21. 		C Rogers / M Price

Action Plan

Environment

2020/21 Forecast Adverse Variances (as at 30 September 2020)

Appendix 4d

Service Area	2020/2021 Variance at June 2020 Forecast £	2020/2021 Variance at Sept 2020 Forecast £	Action Required & Timescale	Financial Impact £	Responsible Officer
			<p><u>Updates</u></p> <ul style="list-style-type: none"> • Full year SLA costs charged to Schools have mitigated the cost pressure. 		
Catering Account	(215,804)	0	<p><u>Reason for Adverse variance</u></p> <ul style="list-style-type: none"> • Potential reduction in schools SLA and loss of school meals income due to school closure as a result of Covid 19, over and above the loss of income claim to Welsh Government for the period April to June 2020 <p><u>Actions</u></p> <ul style="list-style-type: none"> • Further loss of income claims to be potentially met by way of Covid 19 grant funding from WG in 20/21. <p><u>Updates</u></p> <ul style="list-style-type: none"> • Income received from Hardship fund in relation to paid meals. 	270,000	C Rogers / M Price
Environmental Health	(66,642)	(£89,044)	<p><u>Reason for Adverse variance</u></p> <ul style="list-style-type: none"> • Budget pressure arising from the end of the Public Protection Collaboration. • Some savings delayed due to staff sickness/extended notice period into the new financial year 		D Thompson

Action Plan

Environment

2020/21 Forecast Adverse Variances (as at 30 September 2020)

Appendix 4d

Service Area	2020/2021 Variance at June 2020 Forecast £	2020/2021 Variance at Sept 2020 Forecast £	Action Required & Timescale	Financial Impact £	Responsible Officer
			<ul style="list-style-type: none"> • Other staff savings postponed due to Covid 19 pandemic and reassessment of service needs. <p><u>Actions</u></p> <ul style="list-style-type: none"> • SMR 2 report and reassessment of service needs delayed due to Covid 19 pandemic. The Service is likely to need to submit an application for a cost pressure for 2021/22 <p><u>Updates</u></p> <ul style="list-style-type: none"> • No further update due to the ongoing pandemic. 		
Cwmcrachen Caravan Site	(25,079)	(£23,473)	<p><u>Reason for Adverse variance</u></p> <ul style="list-style-type: none"> • Electricity costs are the main reasons for the variance. The plan of action from 19/20 has continued (electricity meter changes and resident recharge increases) and this is led to a decrease in forecast net costs. Work is continuing. <p><u>Actions</u></p> <ul style="list-style-type: none"> • Further work is planned to attempt to reduce losses. <p><u>Updates</u></p> <ul style="list-style-type: none"> • Ongoing 		D Thompson

Action Plan

Environment

2020/21 Forecast Adverse Variances (as at 30 September 2020)

Appendix 4d

Action Plan

Planning Committee and Licensing Committee 2020/21 Forecast Adverse Variances (as at 30 September 2020)

Appendix 4e

Service Area	2020/2021 Variance at June 2020 Forecast £	2020/2021 Variance at Sept 2020 Forecast £	Action Required & Timescale	Financial Impact £	Responsible Officer
Licensing	(25,904)	(26,419)	<p><u>Reason for Adverse variance</u></p> <ul style="list-style-type: none"> • Delayed income, due to Covid 19 pandemic – (e.g. Pub and Club renewals) • Reduced income, due to Taxi fee proposed increases not actioned in 2019/20 and for 2020/21 due to pandemic, but inflationary increases have been applied to the budget in both years. • Potential further loss of income if local businesses are affected by the economic impacts of the pandemic <p><u>Actions</u></p> <ul style="list-style-type: none"> • Managers will monitor the budget and consider options to reduce costs. The Service is likely to need to submit an application for a cost pressure for 2021/22. <p><u>Updates</u></p> <ul style="list-style-type: none"> • Due to the ongoing pandemic, a revised fee setting policy approach is being considered (that will support local business but result in a continued shortfall) 		D Thompson