

Action Plan

Corporate Services 2020/21 Forecast Adverse Variances (as at 31 December 2020)

Appendix 4a

Service Area	2020/2021 Variance at June 2020 Forecast £	2020/2021 Variance at Sept 2020 Forecast £	2020/2021 Variance at Dec 2020 Forecast £	Action Required & Timescale	Financial Impact £	Responsible Officer
IT Service	(£160,000)	(£160,000)	(£160,000)	<p>Reason for Adverse variance</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 efficiencies have not been realised as the opportunity for joint contracting with the other partners has not progressed. It is unlikely that this element of the business case will now be realised. In 2020/2021 the budget for the SRS Management Fee did not match the actual charged leaving a shortfall of £4,000. An income line of £29,000 has been injected into the budget for the income from which has PSBA lines. This has never been achieved and therefore creates an ongoing gap. The Information Security service provided by Gwent Police has also increased over the years by £10,000. 	Unknown	Anne-Louise Clark

Action Plan

Corporate Services

2020/21 Forecast Adverse Variances (as at 31 December 2020)

Appendix 4a

Service Area	2020/2021 Variance at June 2020 Forecast £	2020/2021 Variance at Sept 2020 Forecast £	2020/2021 Variance at Dec 2020 Forecast £	Action Required & Timescale	Financial Impact £	Responsible Officer
				<ul style="list-style-type: none"> Also, Gwent Archives element of the management fee as due to move to Torfaen in 2020/2021. This did not happen and so we need to invoice Gwent Archives. Increase systems costs where the service pledged to pay into the central budget has not been actioned in previous years. <p>Actions</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. The funding for increased systems costs will now be vired from service budgets. <p>Updates</p> <ul style="list-style-type: none"> Holding £84k refund from SRS, however, this will potentially be transferred to the ICT Reserve to assist with the shortfall in the laptop refresh programme. 		

Action Plan

Corporate Services 2020/21 Forecast Adverse Variances (as at 31 December 2020)

Appendix 4a

Service Area	2020/2021 Variance at June 2020 Forecast £	2020/2021 Variance at Sept 2020 Forecast £	2020/2021 Variance at Dec 2020 Forecast £	Action Required & Timescale	Financial Impact £	Responsible Officer
Registration of Births, Marriages and Deaths	(£64,742)	(£40,798)	(£33,431)	<ul style="list-style-type: none"> Cannot mitigate the management fee increase over and above set estimates. £4k Cannot mitigate Information Security officer. £10K Cannot mitigate PSBA income line. £30k Cannot mitigate the non-achievement of efficiencies savings of £100k Seeking refund for Gwent Archives, due to SLA not being redirected to Torfaen. <p>Cost Pressure identified for 2021/22.</p>	Unknown	Andrea Jones
				<p>Reason for Adverse variance</p> <ul style="list-style-type: none"> Reduced income, due to Covid-19 pandemic (e.g. restrictions on wedding ceremonies) <p>Actions</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. 		

Action Plan

Corporate Services

2020/21 Forecast Adverse Variances (as at 31 December 2020)

Appendix 4a

Service Area	2020/2021 Variance at June 2020 Forecast £	2020/2021 Variance at Sept 2020 Forecast £	2020/2021 Variance at Dec 2020 Forecast £	Action Required & Timescale	Financial Impact £	Responsible Officer
				<p>Updates</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 of £3,958 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. Quarter 3 has shown further improvement which will hopefully continue to the end of the financial year therefore reducing the adverse effect of the pandemic. 		
Apprenticeship Levy	£5,559	£5,379	(£21,379)	<p>Reason for Adverse variance</p> <ul style="list-style-type: none"> This is due to an increase in the NI able pay of staff paid. There was a large increase in this charge in month 7 mainly due to the 	Unknown	Rhian Hayden

Action Plan

Corporate Services 2020/21 Forecast Adverse Variances (as at 31 December 2020)

Appendix 4a

Service Area	2020/2021 Variance at June 2020 Forecast £	2020/2021 Variance at Sept 2020 Forecast £	2020/2021 Variance at Dec 2020 Forecast £	Action Required & Timescale	Financial Impact £	Responsible Officer
				<p>take on and backdated pay for TTP staff, large amounts of overtime claims and additional hours (due to Covid-19) and the four weekly staff who transferred over to the new monthly payroll received additional pay for days owing from September.</p> <ul style="list-style-type: none"> This is an in year pressure only and should not be an issue in future years. <p>Actions</p> <ul style="list-style-type: none"> This will be funded by Departmental underspends, a virement will be actioned in quarter 4. 		
Council Tax Reduction Scheme	(£627,383)	(£541,007)	(£229,959)	<p>Reason for Adverse variance</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%). This position had improved by Quarter 2 as the level of 	Unknown	Rhian Hayden

Action Plan

Corporate Services 2020/21 Forecast Adverse Variances (as at 31 December 2020)

Appendix 4a

Service Area	2020/2021 Variance at June 2020 Forecast £	2020/2021 Variance at Sept 2020 Forecast £	2020/2021 Variance at Dec 2020 Forecast £	Action Required & Timescale	Financial Impact £	Responsible Officer
				<p>new claims, when compared to the same period in 2019, were consistent indicating that the cost pressure had not worsened.</p> <p>Updates</p> <ul style="list-style-type: none"> • New claims processed in Quarter 3 of 2020, compared to the same period in 2019, have decreased by 106 indicating that the cost pressure has decreased to that at the start of the year. This however could change following the recent lockdown that was enforced. • £174k income has now been received from WG in respect of Quarters 1 and 2. • £174k income has been committed in respect of Quarters 3 and 4, on the assumption that WG will continue to support this cost pressure. <p>A cost pressure of £280k has been identified for 2021/22 to reflect the increased CTRS applicants not directly linked to Covid-19.</p>		

Action Plan

Social Services

2020/21 Forecast Adverse Variances (as at 31 December 2020)

Appendix 4b

Service Area	2020/2021 Variance at June 2020 Forecast £	2020/2021 Variance at Sept 2020 Forecast £	2020/2021 Variance at Dec 2020 Forecast £	Action Required & Timescale	Financial Impact £	Responsible Officer
Looked After Children	(399,699)	(499,699)	(773,227)	<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. <p><u>Updates</u></p> <ul style="list-style-type: none"> Efforts have been made to progress the longer term solution with a neighbouring authority on 		Tanya Evans

Action Plan

Social Services

2020/21 Forecast Adverse Variances (as at 31 December 2020)

Appendix 4b

Service Area	2020/2021 Variance at June 2020 Forecast £	2020/2021 Variance at Sept 2020 Forecast £	2020/2021 Variance at Dec 2020 Forecast £	Action Required & Timescale	Financial Impact £	Responsible Officer
				our part, however little progress has been made due to the current pressures of COVID		

Action Plan

Economy

2020/21 Forecast Adverse Variances (as at 31 December 2020)

Appendix 4c

Service Area	2020/2021 Variance at June 2020 Forecast £	2020/2021 Variance at Sept 2020 Forecast £	2020/2021 Variance at Dec 2020 Forecast £	Action Required & Timescale	Financial Impact £	Responsible Officer
Nursery Units	(226,063)	(181,869)	(123,451)	<p>Reason for Adverse variance</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. a contingency for loss of rental income for 6 months from tenants who are deemed high risk in terms of rent payment (amounting to approx. £100,000). <p>Actions</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 31 December 2020)

Appendix 4c

Service Area	2020/2021 Variance at June 2020 Forecast £	2020/2021 Variance at Sept 2020 Forecast £	2020/2021 Variance at Dec 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. • Loss of income of £58,000 has been received from Welsh Government, reducing the forecast adverse variance • The department is working to secure rent repayment plans 		

Action Plan

Environment

2020/21 Forecast Adverse Variances (as at 31 December 2020)

Appendix 4d

Service Area	2020/2021 Variance at June 2020 Forecast £	2020/2021 Variance at Sept 2020 Forecast £	2020/2021 Variance at Dec 2020 Forecast £	Action Required & Timescale	Financial Impact £	Responsible Officer
Waste Services	(548,076)	(331,583)	(315,231)	<p>Reason for Adverse variance</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. However, this has not been achieved partly due to the delay in opening. • 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 		C Rogers / M Stent

Action Plan

Environment

2020/21 Forecast Adverse Variances (as at 31 December 2020)

Appendix 4d

Service Area	2020/2021 Variance at June 2020 Forecast £	2020/2021 Variance at Sept 2020 Forecast £	2020/2021 Variance at Dec 2020 Forecast £	Action Required & Timescale	Financial Impact £	Responsible Officer
				<p>lock down has been partly been offset by the hardship fund.</p> <ul style="list-style-type: none"> 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. Capital bids have been accepted by Welsh Government for receptacles. This has contributed £80,000 towards the revenue budget. 		

Action Plan

Environment

2020/21 Forecast Adverse Variances (as at 31 December 2020)

Appendix 4d

Service Area	2020/2021 Variance at June 2020 Forecast £	2020/2021 Variance at Sept 2020 Forecast £	2020/2021 Variance at Dec 2020 Forecast £	Action Required & Timescale	Financial Impact £	Responsible Officer
Grounds Maintenance	(83,003)	(17,000)	42,302	<p><u>Reason for Adverse variance</u></p> <ul style="list-style-type: none"> Quarter 1 identified an indicative anticipated figure for the impact on income that the Covid pandemic situation might have on the grounds budget. The situation improved at quarter 2 with some income being received from the Covid Hardship Fund and the externalisation of the summer grass cutting operations to a private provider also helped the situation. The positive position has continued to improve at quarter 3 where this service area is currently predicting a surplus position at the end of quarter 4. 		C Rogers/ D Watkins
Corporate Landlord	(68,850)	(57,536)	(65,067)	<p><u>Reason for Adverse variance</u></p> <ul style="list-style-type: none"> Forecast overspend due to Social Services Buildings £41,000 and Non Operational and CATs buildings £16,000. 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 		C Rogers / M Price

Action Plan

Environment

2020/21 Forecast Adverse Variances (as at 31 December 2020)

Appendix 4d

Service Area	2020/2021 Variance Forecast at June 2020 £	2020/2021 Variance Forecast at Sept 2020 £	2020/2021 Variance Forecast at Dec 2020 £	Action Required & Timescale	Financial Impact £	Responsible Officer
				<p>release Non-Operational buildings, as these still have on-going residual costs to the authority.</p> <p>Actions</p> <ul style="list-style-type: none"> Minimise and monitor expenditure on all non-essential maintenance buildings. 		
Bridge Maintenance	(0,000)	(13,383)	(24,522)	<p>Reason for Adverse variance</p> <ul style="list-style-type: none"> Emergency works required to re-build an unsafe / partially collapsed highway retaining wall. <p>Actions</p> <ul style="list-style-type: none"> Minimise and monitor expenditure on all non-essential bridge maintenance 		C Rogers
Environmental Health	(66,642)	(89,044)	(64,901)	<p>Reason for Adverse variance</p> <ul style="list-style-type: none"> Budget pressures resulting from the end of the Public Protection Collaboration have been built into the budget. Some savings delayed due to staff sickness/extended notice period into the new financial year Other staff savings postponed due to Covid 19 pandemic and reassessment of service needs. 		D Thompson

Action Plan

Environment

2020/21 Forecast Adverse Variances (as at 31 December 2020)

Appendix 4d

Service Area	2020/2021 Variance at June 2020 Forecast £	2020/2021 Variance at Sept 2020 Forecast £	2020/2021 Variance at Dec 2020 Forecast £	Action Required & Timescale	Financial Impact £	Responsible Officer
				<p><u>Actions</u></p> <ul style="list-style-type: none"> SMR 2 report and reassessment of service needs due to Covid 19 pandemic. The Service is likely to need to submit an application for a cost pressure for 21/22 <p><u>Updates</u></p> <ul style="list-style-type: none"> Variance has reduced. The ongoing pandemic is still impacting 		
Cwmcrachen Caravan Site	(25,079)	(23,473)	(33,697)	<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. The increase is due to necessary plot refurbishment/repair works 		D Thompson

Action Plan

Planning Committee and Licensing Committee 2020/21 Forecast Adverse Variances (as at 31 December 2020)

Appendix 4e

Service Area	2020/2021 Variance at June 2020 Forecast £	2020/2021 Variance at Sept 2020 Forecast £	2020/2021 Variance at Dec 2020 Forecast £	Action Required & Timescale	Financial Impact £	Responsible Officer
Dealing with Applications	(31,293)	(31,293)	(31,293)	<p><u>Reason for Adverse variance</u></p> <ul style="list-style-type: none"> Downturn in Planning Fees received due to the effects of covid 19. <p><u>Actions</u></p> <ul style="list-style-type: none"> The department is hopeful that fees will improve during the final three months of the year as we come out of Covid19 restrictions. Consideration will be given to submitting a claim to Welsh Government for loss of income in qtr 4 		

Action Plan

Planning Committee and Licensing Committee 2020/21 Forecast Adverse Variances (as at 31 December 2020)

Appendix 4e

Service Area	2020/2021 Variance at June 2020 Forecast £	2020/2021 Variance at Sept 2020 Forecast £	2020/2021 Variance at Dec 2020 Forecast £	Action Required & Timescale	Financial Impact £	Responsible Officer
Licensing	(25,904)	(26,419)	(26,733)	<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 19/20 and for 20/21 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 21/22. <p><u>Updates</u></p> <ul style="list-style-type: none"> • Due to the ongoing pandemic, a “no increase” fee setting policy approach is being considered (that will support local business but result in a continued shortfall) 		D Thompson