

## Bwrdd Gweithredol 20fed Ionawr 2020

### Adroddiad Monitro Cyllideb Refeniw y Cyngor

#### Yr Argymhellion / Penderfyniadau Allweddol Sydd Eu Hangen:

Sicrhau bod y bwrdd yn derbyn yr adroddiad Monitro Cyllideb ac yn ystyried y sefyllfa cyllidebol.

Mae gorwariant sylweddol posibl o hyd ar lefel adrannol. Dylai'r Prif Swyddogion a'r Penaethiaid barhau i adolygu eu sefyllfaoedd cyllidebol yn feirniadol a pharhau i roi ar waith bob gweithrediad priodol angenrheidiol, er mwyn cadw o fewn yr adnoddau a ddosbarthwyd, fel mater o frys, gan gydnabod, oni chânt sylw, y bydd y rhain yn parhau i effeithio ar gyllidebau blynyddoedd i ddod.

#### Y Rhesymau:

I ddarparu'r newyddion i'r Bwrdd Gweithredol ynglyn a sefyllfa diweddaraf cyllideb 2019/20, ar 31ain Hydref 2019.

Ymgynghorwyd â'r pwyllgor craffu perthnasol: AMHERTHNASOL

Angen i'r Bwrdd Gweithredol wneud penderfyniad OES

Angen i'r Cyngor wneud penderfyniad NAC OES

YR AELOD O'R BWRDD GWEITHREDOL SY'N GYFRIFOL AM Y PORTFFOLIO:-

Cyng. David Jenkins

Y Gyfarwyddiaeth:  
Gwasanaethau Corfforaethol

Enw Cyfarwyddwr y  
Gwasanaeth:  
Chris Moore

Awdur yr Adroddiad:  
Randal Hemingway

Swyddi:

Cyfarwyddwr y Gwasanaethau  
Corfforaethol

Pennaeth y Gwasanaethau  
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# EXECUTIVE SUMMARY

## Executive Board 20<sup>th</sup> January 2020

The revenue budget monitoring reports for the period to 31st October 2019 are attached and indicate that:

### **COUNCIL FUND REVENUE ACCOUNT (Appendix A)**

Overall, the monitoring report forecasts an end of year overspend of £3,512k on the Authority's net revenue budget with an overspend at departmental level of £5,035k.

The most significant pressure points are within Education and Children's Services and the department needs to critically examine the current forecasted position.

### Chief Executive's Department

The Chief Executive Department is anticipating an underspend of £18k for the year. This is made up of a £339k overspend relating to non-delivery of Corporate Savings and a £357k net underspend on operational budgets.

**Corporate Savings:** £290k Non-delivery of the efficiency proposal in relation to Health & Safety and a £49k shortfall in Standby efficiency delivery.

### **Operational budgets** (£357k underspend):

The Chief Executive's section are anticipating an underspend of £4k due to a small saving on supplies and services.

There is an anticipated £20k underspend in the People Management section. This is largely due to a saving on supplies and services within Business and Projects support of £16k and other very small underspends.

The ICT & Corporate Policy section are anticipating a £125k underspend due to part year vacant posts within the division.

Admin and Law are anticipating an underpend of £37k, this includes an £18k overspend on Land Charges due to a decline in demand for searches, and a £36k overspend in Legal services as a result of an additional responsibility allowance and a regrading not being budgeted for. There were also small overspends on Democratic Services Support and Civic Ceremonial. This is offset by a £104k underspend in Democratic services on printing, Members allowances and an increase in Members time charged to the HRA.

The Marketing and Media section are anticipating a £21k net overspend. This is largely due to an overspend of £120k within Marketing and Media on salary costs pending a staffing review within the whole division and also a loss of income streams from external partners (e.g. £80k from ERW) however potential alternative income streams are currently being sought. This is offset by an underspend on staffing costs in the Customer Services centres of £42k, £35k underspend within the Translation unit, and £25k within Marketing Tourism Development all due to vacant posts. These will all form part of the divisional staffing review due to be completed during this financial year.

The Electoral Services section is anticipating a £123k underspend for this financial year. This is due to £40k of additional income within Registrars following a statutory increase in fees, a £37k underspend in Electoral Services due to vacant posts and a £25k underspend on Coroners fees which fluctuates according to demand for the service. There is also an anticipated £20k underspend on Registration of Electors following receipt of a contribution from the Cabinet Office towards the costs of Individual electoral registration.

The Regeneration division is anticipating a £68k underspend for the year. This is made up of an overspend of £27k due to costs associated with meeting the Authority's objective to reduce carbon emissions in the forthcoming years; a net £27k overspend on admin buildings mainly due to a proposed rental income efficiency for Ty'r Nant no longer being achievable as the building is in the process of being sold; a £149k overspend at Nantyci Livestock market due to an anticipated shortfall in rental income and a £61k overspend on Provision Markets due to a reduction in lettings income as a result of market forces dictating that lettings rates are unable to keep up with budgeted income targets. This is offset by additional income of £147k in commercial properties and £110k in Industrial Premises due to high occupancy levels. There is also an anticipated £27k underspend on Regeneration Management due to staff time being charged to the City Deal project and a vacant post in Property resulting in a £47k underspend.

#### Department for Communities

The Department for Communities is projecting an £982k overspend for the year

Performance data shows increased demographic pressure on demand in line with national information that shows a year on year increase in Older People of 3.4%. Cost of agency staff at residential homes is expected to be £228k overspent due to workforce recruitment issues in parts of the county. There has been a significant increase in demand for domiciliary care that has only been partly offset by a fall in residential care placements, £237k overspend. Integrated Care Fund initiatives such as Releasing Time to Care resulting in lower demand e.g. for double handed care packages are being applied to try to reduce these costs. Private sector homes are also feeling the impact of greater demand predicting £213k overspend.

Physical Disabilities services hold several vacancies (mainly occupational therapists) resulting in £68k savings. Performance data shows pressure on demand for Direct Payments with this client group which will result in an overspend of £150k.

In Learning Disability services there is an overspend in Employment & Training re slower than anticipated delivery of savings of £109k; staff vacancies across the Division of -£134k, and pressures on packages of care of £50k resulting in the LD net overspend of £25k.

Professional fees relating to increased number of Deprivation of Liberty Standards (DoLS) referrals will result in an overspend of £16k.

Leisure Services are predicting a nil variance.

Housing & Public Protection Services are predicting a £3k underspend.

#### Corporate Services

The Corporate Services Department is projecting a £686k underspend for the year.

This is due to £447k of vacant posts, a £190k underspend in pre LGR pension costs, a £17k underspend on grant audit fees and a £9k reduction in our new bank contract costs. There is also £35k of net additional income from a new S151 support arrangement with M&WWFA.

#### Department for Education and Children

The Department for Education and Children is forecasting a net overspend of £1,082k at year end.

The main adverse budget variations relate to: increased demand for Special Educational Needs provision £676k; school based EVR and redundancy costs £86k; Education Other Than At School £166k; School Modernisation property decommissioning costs £105k; One off net balances of closed schools transferring back to the department £53k; School Meals & breakfast service sickness cover and kitchens' maintenance £77k ; Music Service running costs (mainly staff) exceeding the SLA income from schools by £166k; Dispute with LHB regarding the partnership arrangement for Garreglwyd Residential Unit £78k; Legal costs within Childrens' Services £58k based on year to date demand.

This is partially offset by staff vacancies and the utilisation of additional grants and external income to support core spend -£359k.

#### Schools Delegated Budgets

Schools working budgets are predicting a net overspend in year of approximately £3m. The year-end position 2018/19 resulted in a net deficit on school reserves of £373k which is a significant change from the historical situation of holding healthy school reserves within the balance sheet. The position is being considered in detail by the Directors in liaison with Portfolio Members, and a further report with corrective actions will be presented at the earliest opportunity.

## Environment

The department is anticipating an overspend of £675k for the financial year, largely due to pressures within Planning and School Transport.

The Waste and Environmental Services division is projecting a £115k overspend. There is a £56k anticipated overspend on green waste collection as it is not yet self-financing and a third vehicle has now been introduced to cater for potential additional customers. The cleansing service is overspent by £63k. Service reviews have commenced to look at ways to reduce costs within the service. The Sustainable Drainage Approval Body Unit is likely to overspend by £70k for the year due to anticipated income not materialising based on current income trends. Landfill sites are also predicted to overspend by £8k. This is offset by an anticipated underspend of £83k on public conveniences as a result of the capital repayment element being deducted from the Danfo final quarter cost, due to the end of the contract term.

Highways and Transportation are anticipating a £158k overspend for the year. This is down to a projected £297k overspend on school transport due to increases in the number of pupils with additional learning needs, a number of successful appeals along with increased contractor costs and an increased minimum wage. There is also a £92k anticipated overspend in car parks due to the temporary loss of spaces in St Peters car park and also a general reduction in the volume of car parking fees. There has also been vacant Civil Enforcement Officers posts during the year leading to a reduction in penalty charge notices income. This is offset by a £130k underspend on Traffic Management due to an increase in income from Traffic regulation orders and salary savings on 2 vacant posts during the year. Street Works and Highways adoption are also anticipating an £82k underspend due to additional income from highway adoption agreements.

Planning Division is anticipating a £407k overspend for the year. There is a projected £446k shortfall in development management income, but this overspend is partially offset by additional income generated from running training courses at the Tywi centre.

The Business Support Division is expecting to be £31k underspent largely due to a few short term vacant posts during the year.

## **HOUSING REVENUE ACCOUNT (Appendix B)**

The HRA is predicting to be underspent by £333k for 2019/20. Repairs and Maintenance is likely to be overspent by £83k mainly due to additional servicing/breakdown costs; Supervision & Management is projecting an underspend of £10k mainly due to staff related travelling costs. Provision for bad debt will be underspent by £14k. Capital financing charges will be £333k less than budgeted due to a slight reduction in interest rates and an underspend on the capital programme.

Income (inclusive of rents) will be increased by approximately £59k.

Lists of the main variances are attached to this report.

|                           |     |
|---------------------------|-----|
| DETAILED REPORT ATTACHED? | YES |
|---------------------------|-----|

## IMPLICATIONS

**I confirm that other than those implications which have been agreed with the appropriate Directors / Heads of Service and are referred to in detail below, there are no other implications associated with this report :**  
**Signed: Chris Moore** **Director of Corporate Services**

| Policy, Crime & Disorder and Equalities | Legal       | Finance    | ICT         | Risk Management Issues | Staffing Implications | Physical Assets |
|---|-------------|------------|-------------|------------------------|-----------------------|-----------------|
| <b>NONE</b>                             | <b>NONE</b> | <b>YES</b> | <b>NONE</b> | <b>NONE</b>            | <b>NONE</b>           | <b>NONE</b>     |

1. Finance  
 Council Fund  
 Overall, the Authority is forecasting an overspend of £3,512k.  
 HRA  
 The HRA is predicting to be underspent by £333k for 2019/20.

## CONSULTATIONS

**I confirm that the appropriate consultations have taken in place and the outcomes are as detailed below**  
**Signed: Chris Moore** **Director of Corporate Services**

- 1. Scrutiny Committee – Not applicable**
- 2. Local Member(s) – Not applicable**
- 3. Community / Town Council – Not applicable**
- 4. Relevant Partners – Not applicable**
- 5. Staff Side Representatives and other Organisations – Not applicable**

**Section 100D Local Government Act, 1972 – Access to Information**

**List of Background Papers used in the preparation of this report:**

**THESE ARE DETAILED BELOW**

| Title of Document | File Ref No. | Locations that the papers are available for public inspection |
|-------------------|--------------|---|
| 2019/20 Budget    |              | Corporate Services Department, County Hall,<br>Carmarthen     |