

CYFARFOD Y CABINET

13 MEDI 2021

ADRODDIAD MONITRO CYLLIDEB REFENIW Y CYNGOR 1 EBRILL 2021 – 30 MEHEFIN 2021

Yr Argymhellion / Penderfyniadau Allweddol Sydd Eu Hangen:

Sicrhau bod y Cabinet yn derbyn yr adroddiad Monitro Cyllideb ac yn ystyried y sefyllfa cyllidebol a'r camau cywirol priodol.

O ran adrannau yn rhagweld gorwariant sylweddol, dylai'r Prif Swyddogion a Phenaethiaid y Gwasanaethau 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, tra'n cydnabod y pwysau mae COVID19 wedi'i roi ar gyllideb yr Awdurdod yn ei gyfanrwydd.

Y Rhesymau:

I ddarparu'r newyddion i'r Cabinet ynglyn a sefyllfa diweddaraf cyllideb 2020/21, ar 30^{ain} Mehefin 2021.

Ymgynghorwyd â'r pwyllgor craffu perthnasol: AMHERTHNASOL

Angen i'r Cabinet wneud penderfyniad OES
Angen i'r Cyngor wneud penderfyniad NAC OES

YR AELOD O'R CABINET 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
Ariannol

Rhif ffôn: 01267 224886
Cyfeiriadau E-bost:

CMoore@sirgar.gov.uk

RHemingway@sirgar.gov.uk

EXECUTIVE SUMMARY
CABINET MEETING
13TH SEPTEMBER 2021

COUNCIL'S REVENUE BUDGET MONITORING REPORT
1ST APRIL 2021 - 30TH JUNE 2021

The revenue budget monitoring reports as at 30th June 2021 are attached and indicate that:

COUNCIL FUND REVENUE ACCOUNT (Appendix A)

Overall, the monitoring report forecasts an underspend for the year at departmental level of £285k. with a forecast underspend on the Authority's net revenue budget of £508k.

At a high level this is due to a combination of:

- additional COVID19 related costs and lost income being largely refunded under the Welsh Government hardship scheme
- some services still paused or impacted by lockdown measures and social distancing during Q1

The full year forecast reflects the impact which includes known financial positions up to the point of writing. As such the forecast continues to remain sensitive to any future worsening of the pandemic, in particular if any reintroduction public restrictions being required. In respect of April-June budgets, additional expenditure and income loss totalling approximately £6 million has been claimed under the Welsh Government hardship scheme.

Members should note that Council Tax collection remains below budgeted levels, this will continue to be monitored closely, particularly as the furlough scheme comes to an end.

Chief Executive's Department

The Chief Executive Department is anticipating an underspend of £219k for the year. This is made up of overspends due to a reduction in anticipated income from Commercial property, livestock markets and provision markets, offset by a net underspend on Industrial Premises, underspends on Member pay and travelling, staffing savings from vacant posts across the department along with savings on utilities costs associated with our administrative buildings.

Operational budgets

The Chief Executive's section has an underspend of £131k, primarily due to vacant posts and an underspend on supplies and services.

There is a £11k net overspend in the People Management section. This consists of £31k relating to a reduction in supplies and services costs, along with a £39k underspend due to fewer DBS checks being undertaken than budgeted for, along with other small underspends. These are offset by a £46k overspend in Employee Wellbeing, due to a shortfall in external SLA income. There is also a £40k overspend on various salary related costs..

The ICT & Corporate Policy section are reporting a £71k underspend largely due to part year vacant posts within the division, pending a team review which is due to be completed imminently.

Admin and Law are showing an underspend of £252k. Members pay and travelling are underspent by £120k. There is also additional income from external work of £34k along with a £98k saving on staff vacancies and supplies and services.

The Marketing and Media section have a £54k net underspend, made up of an overspend of £107k within Marketing and Media on salary costs, pending a staffing review within the whole division (2019/20 saving proposal), and also a loss of income streams from external partners such as ERW. Potential alternative income streams are currently being sought. This is offset by an underspend on staffing costs in the Customer Services Centres, Translation Unit and Yr Hwb. These will all form part of the divisional staffing review.

Statutory Services are reporting an overspend of £8k. This is made up of a saving on a vacant post, offset by an anticipated overspend on coroners, due to the additional costs associated with a jury inquest.

The Regeneration division is expecting a £271k overspend for the year. This is made up of an overspend of £472k due to a loss of income on Livestock markets, provision markets, farms and Commercial Properties, largely due to an overall reduction in occupancy levels, along with a rent free period at Carmarthen Mart.

This is offset by savings in utilities costs due to staff working from home of £86k, along with additional high levels of income due to continued high occupancy rates within industrial units, despite the pandemic of £92k. There is also an additional saving of £20k on staffing costs due to a vacant post along with other smaller savings.

Department for Communities

The Department for Communities is £769k overspent for the year. There are significant variances in social care services though these are largely offset by reduced costs where service provision is reduced due to COVID19 restrictions, or additional funding. Social care teams have prioritised the safe delivery of key services, meaning that the department has been unable to progress some of the planned savings proposals.

Older People's budgets have an underspend of £1,218k. There are significant underspends in both commissioned and local authority Residential Beds has decreased over the winter months as COVID19 outbreaks has sadly led to residents passing away and consequent impact on occupancy rates.

Physical Disabilities services are overspent by £33k. The budget variances across the range of services are due to alternative care provision in response to residential respite and community services restrictions.

In Learning Disability services, there is an overspend of £1,482k. Budgetary pressure remains on Residential and Group Homes / Supported Living as the savings target are difficult to deliver due to COVID19 restrictions.

The overspend in Mental Health of £401k is due to increased demand with the main budget pressure in Residential Beds and Group Homes / Supported Living.

Support Services are underspent by £207k largely due to additional income as result of transport support provided to health services.

Leisure & Culture Services is forecasting a £273k overspend. There is likely to be a material reduction in income across a number of Services due to the ongoing restrictions, with the recovery of lost income currently being funded by Welsh Government only guaranteed until the 30th September 2021.

Council Funded Housing and Public Protection Services are overspent by £5k.

Corporate Services

The Corporate Services Department is anticipating a £590k underspend for the year.

Rent Allowances are anticipating an underspend of £294k, largely due to efficient recovery of overpayments. There is a £328k underspend on pre LGR pension costs along with a £138k underspend on Rates Relief due to low take up of the scheme.

There are also underspends on salaries due to vacancies across the department, and staff not yet at the top of their scale, along with a reduction in bank charges. There is also £37k of net additional income from services provided to external organisations.

These underspends are offset by an expected overspend of £572k on Council Tax Reduction Scheme due to increased demand. We received a contribution from WG in 2020/21 to cover this shortfall, but we are yet to receive confirmation whether the same will apply this year.

Department for Education and Children

The Department for Education and Children is currently forecasting an underspend of £5k for the year.

A full review of budget allocation across the department is being undertaken to highlight both the immediate and longer term pressures. Where appropriate, budgets are being realigned.

£500k remains to be allocated across a number of services facing increasing demand – special

education needs £50k, commissioning & social work including legal costs £150k, are the most significant with a number of vacant posts being identified for immediate recruitment across the department.

£300k budget relating to deferred efficiencies will be applied to in year pressures such as school meals £90k, alternative education provision £56k, direct payments £56k.

Schools Delegated Budgets

Schools working budgets are forecasting to utilise £6.1m of their reserves in the current year. A significant proportion of this is committed for recovery and catch up as one-off additional expenditure, funded by grant received last year. Council officers are in the process of reviewing budget submissions however, there remain some schools which continue to experience difficulties in setting a balanced budget.

Environment

The Environment department is reporting a projected underspend of £241k for the financial year, largely due to increased income forecast from internal recharges reflecting the work projected to the end the financial year by property division.

The Waste and Environmental Services division is projecting a small overspend. The underachievement of income against budget on the Sustainable Drainage Approval service has resulted in a £63k overspend which is offset by a £35k surplus on Green Waste collections due to increased customer base and a £31k underspend in Flood Defence and Land Drainage as a result of 2 vacant posts during the first quarter.

Highways and Transportation are projecting a £70k overspend for the year. This is made up of a net loss of income of £117k in parking services due to the volume of ticket sales projected not matching anticipated growth, together with a £16k pressure on Nantyci Park & Ride due to a decrease in demand for the service. These pressures are offset by a £31k salary saving due to a vacant post and a reduction in an employee's contracted working hours within the Road Safety team and savings within other areas including traffic management.

The Planning Division is showing a forecasted £101k underspend, largely due to vacant posts within the team during the year including a vacant Head of Planning post, offset by an estimated shortfall in anticipated income.

The Property Division is reporting a £214k underspend, mainly due to increased income from Property Maintenance and Property Design reflecting additional work anticipated during the year.

The Business Support division is projecting a £3k overspend during the year.

HOUSING REVENUE ACCOUNT (Appendix B)

The HRA is predicting to be underspent by £1,476k for 2021/22. Repairs and Maintenance is forecast to be underspent by £1,243k. Budget managers are predicting underspends on Minor Works (£1,471k) due to capacity and procurement issues and an overspend on Voids/Responsive (£228k) mainly due to costs associated with longer void periods.

Supervision & Management and Support is projecting an underspend of £127k mainly due to staff vacancies (£66k), transport costs (£46k) due to reduced visits. Other various underspends of £17k

Income (inclusive of rents) will be over target by approximately £105k. This is made up predominantly of more than budgeted rental/service charge income of £37k primarily due to forecast fewer properties. We will receive more grant than anticipated of £53k primarily from Welsh Government and £15k in other income.

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 NONE	Legal NONE	Finance YES	ICT NONE	Risk Management Issues NONE	Staffing Implications NONE	Physical Assets NONE
--	----------------------	-----------------------	--------------------	---------------------------------------	--------------------------------------	--------------------------------

3. Finance

Council Fund

Overall, the Authority is forecasting an underspend of £508k at this point in time. The final out-turn position will be influenced by COVID19 related expenditure, income loss and respective claims from WG through the remainder of the financial year.

HRA

The HRA is predicting to be underspent by £1,476k for 2021/22.

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

**CABINET MEMBER PORTFOLIO
HOLDER(S) AWARE/CONSULTED**

NO

Include any observations here

**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
2021/22 Budget		Corporate Services Department, County Hall, Carmarthen