



## **CABINET**

***Following the meeting of the Policy and Resources/Cabinet Scrutiny  
Committee on  
WEDNESDAY, 26 JULY 2017***

***COUNCIL CHAMBER - PORT TALBOT CIVIC CENTRE***

### **Part 1**

1. To receive any declarations of interest from Members
2. To receive the Report of the Corporate Directors' Group re Revenue Budget Monitoring 2017/18 (*Pages 3 - 32*)
3. To receive the Report of Head of Financial Services re Capital Programme Monitoring 2017/18 (*Pages 33 - 38*)
4. Any urgent items (whether public or exempt) at the discretion of the Chairman pursuant to Statutory Instrument 2001 No.2290 (as amended)

**S.Phillips**  
**Chief Executive**

**Civic Centre**  
**Port Talbot**

**Thursday, 20 July 2017**

### **Cabinet Members:**

Cllrs. R.G.Jones, A.J.Taylor, C.Clement-Williams, D.W.Davies,  
D.Jones, R.G.Jones, E.V.Latham, A.R.Lockyer, P.A.Rees,  
P.D.Richards, A.J.Taylor and A.Wingrave



## NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

### CABINET

#### REPORT OF THE CORPORATE DIRECTORS GROUP

26<sup>th</sup> JULY 2017

#### SECTION A – MATTERS FOR DECISION

WARDS AFFECTED: ALL

#### BUDGET MONITORING REPORT 2017/18

##### 1 Purpose of Report

1.1 This is a monitoring report which provides details for Cabinet to scrutinise and review the overall Authority budget position.

1.2 The report is set out as follows:-

| Section | Description                                                                                            |
|---------|--------------------------------------------------------------------------------------------------------|
| 2       | Current year financial position identifying the major variances for scrutiny by members                |
| 3       | Grants awarded – outlining any changes in grant funding for member information                         |
| 4       | Budget virements – identifying those virements which require approval from members                     |
| 5       | Reserve movements –outlining proposed changes in the use of reserves for member approval               |
| 6       | Future year FFP savings – identification of risks identified regarding current year savings strategies |

1.3 Members are invited to request further detailed reports relating to the issues raised, for consideration by the relevant scrutiny board.

##### 2 Current Year Financial Position

2.1 The Net Directly Controlled Budget is projected to over spend by £769k, but this is partly offset by a projected underspend of £186k in the other elements of the budget (inclusive of proposed net

transfer to/from reserves). The net projected over spend is therefore £583k, as outlined in the table below.

|                            | <b>Original budget 2017/18</b> | <b>Revised budget 2017/18</b> | <b>Projected Outturn 2017/18</b> | <b>Variance</b> |
|----------------------------|--------------------------------|-------------------------------|----------------------------------|-----------------|
|                            | £'000                          | £'000                         | £'000                            | £'000           |
| ELLL - Schools             | 79,952                         | 79,952                        | 79,952                           | <b>0</b>        |
| ELLL - Other               | 23,547                         | 23,652                        | 23,795                           | <b>143</b>      |
| SSHH                       | 76,444                         | 76,194                        | 76,657                           | <b>463</b>      |
| ENVT                       | 32,710                         | 32,520                        | 32,863                           | <b>343</b>      |
| CORP                       | 16,554                         | 16,754                        | 16,574                           | <b>-180</b>     |
| <b>Directly controlled</b> | <b>229,207</b>                 | <b>229,072</b>                | <b>229,841</b>                   | <b>769</b>      |
| Other                      | 45,470                         | 45,605                        | 45,419                           | -186            |
| <b>Budget Requirement</b>  | <b>274,677</b>                 | <b>274,677</b>                | <b>275,260</b>                   | <b>583</b>      |

- 2.2 The following paragraphs provide details of significant variances (>£50k) from the agreed budget for 2017/18, together with an explanation of the ways in which these variances are being managed.

### **Education, Leisure and Lifelong Learning**

The Directorate has a budget of £79.952m for Schools and £23.652m for other Education, Leisure and Lifelong Learning services. The ELLL budget contains savings targets of £1.248m (5.3%), and is currently projected to overspend by £143k.

The main variance contributing to the over spend is:-

- **Princess Royal Theatre £68k overspend**

An additional income target was included in the budget for 17/18, and additional marketing capacity has been recruited in order to improve the income generating capacity. However, based on bookings to date there is concern that the target will not be achieved in full.

**The Education Leisure and Lifelong Learning budget is currently projected to overspend by £143k. Work is ongoing to**

**monitor expenditure in order to identify further savings to offset the pressures identified, to reduce the overspend as much as possible.**

## **Social Services Health & Housing**

The Directorate has a budget of £76.194m which includes savings targets of £2.552m (3.3%), and is currently projected to over spend by £463k.

The main variances contributing to the over spend are:-

- **Children – Social Work £394k underspend**  
The under spend is due to vacant posts/hours.
- **Children Residential Care – External Provision £534k overspend**  
The budget is based on 9 children but there are currently 11 in residential care, with a further 2 placements anticipated. The projection assumes that the children will remain in their current placements until the end of the financial year.
- **External Foster Placements £83k underspend**  
The under spend is due to a savings on placement costs.
- **Youth Offending Team £89k underspend**  
The underspend is due to savings on staff costs across the Joint service.
- **Child & Family Management £136k underspend**  
The underspend is due to staff savings and a reduction in projected cost of legal fees.
- **Community Care Social Work £239k overspend**  
The overspend is as a result of increased staff costs including 6 new social work posts. It is anticipated that the increased capacity will enable more packages of care to be reviewed and “right sized” thereby generating savings on placements costs to offset this pressure.
- **Homecare – internal £491k underspend**  
The underspend is due to vacant posts resulting in additional work carried out by externally provided domiciliary care providers.
- **Domiciliary Care - External Provision £763k overspend**

The budget includes combined FFP savings targets (SSHH 566& SSHH608) of £1.3m, which have not yet been delivered in full. This overspend is partly offset by the under spend reported above against the internal homecare service. It is also expected that as packages of care are reviewed savings can be realised through right sizing, reducing double handed cases and by reducing demand for the service. A dynamic purchasing system will go live on 14<sup>th</sup> August whereby providers bid for packages of care, and it is anticipated that this will also generate savings by reducing the costs paid.

- **Community Resource Team £129k underspend**

The underspend is due to savings on staff costs.

- **Other Community Care – Direct Payments £65k overspend**

The overspend is due to an increase in the number of service users which will require later in the year a budget virement from other service budgets. The council continues to seek to maximise the number of Direct Payments provided.

- **PD – Residential Care – External Provision £190k overspend**

The overspend is due to an increase in the number of service users.

- **PD – Other community Care – Third Sector/ILF £344k underspend**

The budget includes the Welsh Independent Living Grant (WILG) of £1.273m, which relate to Direct Payments to service users who are recipients of the former Independent Living Fund. The Authority currently has 64 recipients whose payments amount to £919k, the balance is available to offset the appointment of social workers carrying out a review of the care packages in line with Council policy. The outcome of these reviews is expected to produce cost savings ongoing into the next financial year. The grant is expected to be transferred into RSG in 2018/19.

- **LD – External Placements £382k overspend**

The budget contains an FFP savings target of £750k which has not yet been achieved in full. Work is ongoing to identify further savings by right sizing packages of care.

- **LD – Day Opportunities – Care & support £63k underspend**

The underspend is due to part year savings from vacant posts. It is anticipated that posts will be filled from September 2017.

- **MH – External Placements £160k overspend**

The budget includes a FFP savings target of £500k, which has only partially been achieved to date.

**The Social Services Budget is currently projected to overspend by £463k. Work is ongoing to identify savings to reduce this projected position.**

## **Environment**

The Directorate has a budget of £32.520m which includes savings targets of £1.115m (3.4%), and is currently projected to overspend by £343k.

The main variances contributing to the overspend are:-

- **Public Lighting £204k overspend**

An overspend is projected as the actual inflationary increase (13%) on electricity exceeded the provision included in the budget. The projection is based on actual usage for 2016/17, however it is anticipated that a reduction in usage due to the installation of LED bulbs should help to reduce some of this pressure.

**The Environment budget is projected to overspend by £343k.**

## **Corporate Services**

The Directorate has a budget of £16.754m which includes savings targets of £864K (5.2%), and is currently projected to underspend by £180k.

The main variances contributing to the under spend are:-

- **Housing Benefit administration £65k underspend**

The underspend is due to receipt of £69k additional grant from DWP for welfare reform new burdens.

- **Human Resources/ Unions £66k underspend**

The underspend is due to savings on staff costs due to vacant posts and reduced hours.

**The Corporate Services Directorate is projected to under spend by £180k.**

### Other Services

- **Levies – underspend £18k**
- **Council Tax Support – underspend £168k**
- **Contingency – virements are proposed later in this report which results in the contingency provision being reduced by £305k. At this early stage in the financial year it is assumed that the contingency, pay and pensions provision and management of change provision will be fully committed.**

A summary of the overall Net Authority budget is included in Appendix 1

### 3 Grants

The following grants have been awarded since the quarter 2 report

| Value         | Directorate | Service                                                                                                                                                                                                                                                                                           |
|---------------|-------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| £16k          | ELLL        | Stepladder Transition Project – funded by the Gordon Cook Foundation for the advancement and promotion of education and training to promote character development and citizenship. The Authority will distribute funding to projects in 3 cluster schools – Cymmer Afan, Cefn Saeson, Dwr y Felin |
| £84k          | ELLL        | Small & Rural Schools Innovation Grant                                                                                                                                                                                                                                                            |
| £499k & £449k | SSHH        | Social Care Workforce Grant – to support Living Wage costs and cost of sleep-ins.                                                                                                                                                                                                                 |
| £69k          | CORP        | Welfare Reform New Burdens                                                                                                                                                                                                                                                                        |
| £20k          | ELLL        | Families First additional funding for parenting training                                                                                                                                                                                                                                          |
| £25k          | ELLL        | Music – musical instruments, and development of regional/national database to enable effective sharing of instruments                                                                                                                                                                             |



|       |      |                                                                                                        |
|-------|------|--------------------------------------------------------------------------------------------------------|
| £825k | ELLL | CAM Nesa – ESF funding – reduce number of young people Not in Education, Employment or Training (NEET) |
| £50k  | ELLL | Additional Learning Needs Innovation funding                                                           |

## 4 Budget Virements

4.1 The Council's Constitution requires the prior approval of any virement that does not involve a significant variation in the level or nature of the delivery of the service agreed by Council in the Revenue Budget as follows:-

Less than £100,000 – Corporate Directors

More than £100,000 but less than £500,000 – Cabinet

More than £500,000 – Council

4.2 Virements agreed by Corporate Directors are identified in Appendix 2

4.3 Virements requiring **Cabinet** approval are outlined below

| Amount    | Directorate | Service                                       |
|-----------|-------------|-----------------------------------------------|
| £249,900  | SSHH        | Children Social Work                          |
| -£341,070 | SSHH        | Day Care External Provision                   |
| £91,170   | SSHH        | Internal Fostering Service                    |
| -£250,000 | SSHH        | Elderly Residential Care – External Provision |
| £250,000  | Other       | Capital Financing                             |
| £105,000  | ELLL        | Home to School Transport                      |
| £200,000  | CORP        | ICT – re Microsoft Enterprise Licenses        |
| -£305,000 | Other       | Contingency                                   |
| -£190,022 | ENVT        | Highways roads & Transport- other works       |
| £190,022  | Other       | Capital financing                             |

The net effect of all of the above virements are summarised in Appendix 1.

## 5 Reserve Movements

The following reserve movements are proposed as a result of changes arising during quarter 1.

| <b>Amount</b> | <b>Specific Reserve</b>        | <b>Explanation</b>                                                                                                                                            |
|---------------|--------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|
| £10,000       | ELLL Equalisation Reserve      | Utilise funds transferred to the reserve in 16/17 to fund match funding required for the Arts Council of Wales Grant at Pontardawe Arts Centre                |
| £10,000       | ELLL Equalisation Reserve      | Utilise funds transferred to the reserve in 16/17 to fund costs at Cefn Coed Colliery Museum.                                                                 |
| £17,367       | LAWDC Reserve                  | Utilise funds held in reserve to fund aftercare costs at Giants Grave                                                                                         |
| £40,000       | ENVT Equalisation Reserve      | Utilise funds transferred to the reserve in 16/17 to fund costs of reusable green bags for waste.                                                             |
| £55,498       | ENVT Equalisation Reserve      | Utilise funds transferred to the reserve in 16/17 to fund the extra match funding required due to the delay in the start of the Workways scheme.              |
| £19,545       | ERVR Reserve                   | Transfer from reserve to fund costs of VR in Accountancy                                                                                                      |
| £65,000       | Corporate Equalization Reserve | Utilise part of the £125k transferred to the reserve in 16/17 to fund the purchase and software license costs for the Corporate Performance Management system |
| £18,075       | Voluntary Organisation Reserve | Transfer from reserve to fund additional grants awarded in 17/18                                                                                              |

### **Specific Reserves Summary**

|                                                    |                 |
|----------------------------------------------------|-----------------|
|                                                    | £'000           |
| <b>Opening balance on specific reserves 1/4/17</b> | <b>(30,628)</b> |
| Budgeted contributions (to) /from reserves         | 2,263           |
| Additional reserve movements this quarter          | 236             |

**Estimated closing balance on specific reserve** (28,129)  
**31/3/18**

Details of all the above are included in Appendix 3

**5.1 General Reserve**

|                                                         | £'000           |
|---------------------------------------------------------|-----------------|
| <b>Opening balance on the general reserve 1/4/17</b>    | <b>(19,737)</b> |
| Budgeted contributions (to) /from reserves              | (665)           |
| Additional reserve movements this quarter               | 0               |
| <b>Estimated closing balance on the general reserve</b> | <b>(20,402)</b> |
| <b>31/3/18</b>                                          |                 |

Details of all budgeted movements against the general reserve are included in Appendix 4.

**6 Forward Financial Plan Monitoring 2018/19 to 2019/20**

- 6.1 The list of savings strategies included in the budget for 2017/18 are outlined in Appendix 5. Any variation to delivering the budget including the savings for 2017/18 are included in relevant narrative above.

Further work to update the FFP for 2018/19 and beyond will be separately reported to members.

**7. Members Scrutiny**

Scrutiny Members are invited to request further reports on selected items from within this report for consideration at the individual Scrutiny Committee.

**8. Consultation**

This item is not subject to external consultation.

**9. Recommendations**

It is recommended that:

- the budget monitoring information is scrutinised and management arrangements put in place to minimise overspends and the adverse impact on reserves.

- Members note the additional grants received
- the proposed reserve movements and budget virements are recommended for approval by Cabinet.

#### **10. Reason for Proposed Decision**

To update the Council's budget for additional grants received, budget virements and reserve movements in line with the Council's Constitution.

#### **11. Implementation of Decision**

The decision is proposed for implementation after consultation with the scrutiny committee and then consideration and approval by Council.

#### **12. Appendices**

Appendix 1 – Revenue Budget Summary 2017/18

Appendix 2 – Virements approved by Corporate Directors

Appendix 3 – Schedule of Specific Reserves

Appendix 4 – Schedule of General Reserve

Appendix 5 – Forward Financial Plan Savings Monitor

#### **13. Background Papers**

Budget working papers 2017/18

#### **14. Officer Contact**

For further information on this report item, please contact:

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**Summary**  
**at Quarter 1 30th June 2017**

|                                                    | <b>Original<br/>Budget<br/>2017/18<br/>£</b> | <b>Virements</b> |                  |                  | <b>Revised<br/>Budget<br/>2017/18<br/>£</b> | <b>Projected<br/>Outturn<br/>2017/18<br/>£</b> | <b>Variance<br/>2017/18<br/>£</b> |
|----------------------------------------------------|----------------------------------------------|------------------|------------------|------------------|---------------------------------------------|------------------------------------------------|-----------------------------------|
|                                                    |                                              | <b>Quarter 1</b> | <b>Quarter 2</b> | <b>Quarter 3</b> |                                             |                                                |                                   |
| Education, Leisure and Lifelong Learning - Schools | 79,952,000                                   | 0                | 0                | 0                | 79,952,000                                  | 79,952,000                                     | 0                                 |
| Education, Leisure and Lifelong Learning - Other   | 23,547,000                                   | 105,000          | 0                | 0                | 23,652,000                                  | 23,794,811                                     | 142,811                           |
| Social Services Health & Housing                   | 76,444,000                                   | -250,000         | 0                | 0                | 76,194,000                                  | 76,656,912                                     | 462,912                           |
| Environment                                        | 32,710,000                                   | -190,022         | 0                | 0                | 32,519,978                                  | 32,863,486                                     | 343,508                           |
| Corporate Services                                 | 16,554,000                                   | 200,000          | 0                | 0                | 16,754,000                                  | 16,573,860                                     | -180,140                          |
| <b>Directly Controlled Expenditure</b>             | <b>229,207,000</b>                           | <b>-135,022</b>  | <b>0</b>         | <b>0</b>         | <b>229,071,978</b>                          | <b>229,841,069</b>                             | <b>769,091</b>                    |
| Swansea Bay Port Authority                         | 53,000                                       |                  |                  |                  | 53,000                                      | 44,637                                         | -8,363                            |
| Fire Authority                                     | 7,104,000                                    |                  |                  |                  | 7,104,000                                   | 7,098,848                                      | -5,152                            |
| Margam Crematorium                                 | 1,000                                        |                  |                  |                  | 1,000                                       | 559                                            | -441                              |
| Archives                                           | 92,000                                       |                  |                  |                  | 92,000                                      | 88,400                                         | -3,600                            |
| Magistrates Court                                  | 14,000                                       |                  |                  |                  | 14,000                                      | 13,237                                         | -763                              |
| Capital Financing                                  | 17,830,000                                   | 440,022          |                  |                  | 18,270,022                                  | 18,270,022                                     | 0                                 |
| Council Tax Support                                | 17,397,000                                   |                  |                  |                  | 17,397,000                                  | 17,228,964                                     | -168,036                          |
| Contingency                                        | 1,550,214                                    | -305,000         |                  |                  | 1,245,214                                   | 1,245,214                                      | 0                                 |
| Pay & Pensions Provision                           | 650,000                                      |                  |                  |                  | 650,000                                     | 650,000                                        | 0                                 |
| Management of Change                               | 800,000                                      |                  |                  |                  | 800,000                                     | 800,000                                        | 0                                 |
| Miscellaneous                                      | 0                                            |                  |                  |                  | 0                                           | 0                                              | 0                                 |
| Cont from Fire Authority Reserve                   | -21,000                                      |                  |                  |                  | -21,000                                     | -21,000                                        | 0                                 |
| <b>Net Budget Requirement</b>                      | <b>274,677,214</b>                           | <b>0</b>         | <b>0</b>         | <b>0</b>         | <b>274,677,214</b>                          | <b>275,259,950</b>                             | <b>582,736</b>                    |
| RSG                                                | -161,547,001                                 |                  |                  |                  | -161,547,001                                | -161,547,001                                   | 0                                 |
| NNDR                                               | -46,023,812                                  |                  |                  |                  | -46,023,812                                 | -46,023,812                                    | 0                                 |
| Discretionary rates relief                         | 211,536                                      |                  |                  |                  | 211,536                                     | 211,536                                        | 0                                 |
| Council Tax                                        | -67,317,937                                  |                  |                  |                  | -67,317,937                                 | -67,317,937                                    | 0                                 |
| <b>Total Funding</b>                               | <b>-274,677,214</b>                          | <b>0</b>         | <b>0</b>         | <b>0</b>         | <b>-274,677,214</b>                         | <b>-274,677,214</b>                            | <b>0</b>                          |

### Virements Agreed by Corporate Directors – during Quarter 1

| <u>Value</u> | <u>Dir</u> | <u>Service</u>                            |
|--------------|------------|-------------------------------------------|
| -6,294       | ELLL       | Pontardawe Arts Centre                    |
| 6,294        | ELLL       | Princess royal Theatre                    |
| -28,420      | SSHH       | Children -social work                     |
| -47,000      | SSHH       | Adoption service                          |
| 47,000       | SSHH       | External foster Placements                |
| -29,400      | SSHH       | Central Services                          |
| -4,240       | SSHH       | Child & Family Management                 |
| -10,650      | SSHH       | Community care Management                 |
| 50,540       | SSHH       | Business Support Services                 |
| -73,960      | SSHH       | Community Care Social work                |
| 20,420       | SSHH       | Other Community care - Direct Payments    |
| 43,000       | SSHH       | PD - Residential Care- External Provision |
| -3,070       | SSHH       | Residential Care Trem y Mor / Respite     |
| 28,150       | SSHH       | LD External Placements                    |
| 35,370       | SSHH       | Day Opportunities - complex Needs         |
| -32,300      | SSHH       | Transport                                 |
| 4,560        | SSHH       | MH - External Provision                   |
| -30,770      | SSHH       | Housing Advice Options                    |
| -14,230      | SSHH       | Homeless Supported Tenancies              |
| 45,000       | SSHH       | Hostels                                   |
| 37,560       | ENVT       | Highways Maintenance - Reactive           |
| -37,560      | ENVT       | Highways Maintenance - Streetworks        |
| 35,784       | ENVT       | Dog & Litter Wardens                      |
| -35,784      | ENVT       | Pest Control                              |
| -1,315       | ENVT       | Asset & energy Management                 |
| -7,757       | ENVT       | Strategic Development                     |
| 41,222       | ENVT       | Corporate Services & Best Value           |
| -32,150      | ENVT       | Support services                          |
| 82,211       | ENVT       | General Environmental Health              |
| -11,581      | ENVT       | Food Health & Safety                      |
| -2,114       | ENVT       | Trading Standards                         |
| -68,516      | ENVT       | Pollution control services                |
| 64,347       | CORP       | Communications & Marketing - Digital      |

| <u>Value</u> | <u>Dir</u> | <u>Service</u>                                      |
|--------------|------------|-----------------------------------------------------|
| -64,347      | CORP       | One Stop shop/Customer Services                     |
|              |            |                                                     |
| 12,471       | ELLL       | Parent /Pupil and Governor support                  |
| -12,471      | ELLL       | Education Welfare Service                           |
| 4,380        | SSHH       | Social Work - Children & Family                     |
| -54,000      | SSHH       | Community Care Social Work                          |
| 10,540       | SSHH       | Elderly - Other Community Care/ direct payments     |
| 22,200       | SSHH       | PD- Residential Care - external provision           |
| 14,530       | SSHH       | LD - External Placements                            |
| 2,350        | SSHH       | MH - External Placements                            |
| -44,000      | SSHH       | Children & Family - adoption service                |
| 44,000       | SSHH       | Children & Family - external foster placements      |
| 6,300        | CORP       | HR - reallocation of FFP savings across HR division |
| -1,800       | CORP       | HR training                                         |
| -4,500       | CORP       | HR - OHU                                            |

## SCHEDULE OF SPECIFIC RESERVES

| Description                                            | Actual Reserve Balance at 1/4/17 | 2017/18 Budgeted Contrib. to reserve | 2017/18 Budgeted Contrib. from reserve | 2017/18 In-year Changes already agreed | 2017/18 In-Year Changes proposed in Period | Estimated Reserve Balance at 31/3/18 |
|--------------------------------------------------------|----------------------------------|--------------------------------------|----------------------------------------|----------------------------------------|--------------------------------------------|--------------------------------------|
|                                                        | £'000                            | £'000                                | £'000                                  | £'000                                  | £'000                                      | £'000                                |
| <b>EDUCATION, LEISURE &amp; LIFELONG LEARNING</b>      |                                  |                                      |                                        |                                        |                                            |                                      |
| <b><i>Delegated Schools Cash Reserves</i></b>          |                                  |                                      |                                        |                                        |                                            |                                      |
| Primary Schools Reserve A/C                            | -2,059                           | 0                                    | 0                                      | 0                                      | 0                                          | -2,059                               |
| Secondary Schools Reserve A/C                          | -569                             | 0                                    | 0                                      | 0                                      | 0                                          | -569                                 |
| Special Schools Reserve A/c                            | -127                             | 0                                    | 0                                      | 0                                      | 0                                          | -127                                 |
| ER Reserve Primary                                     | -48                              | 0                                    | 0                                      | 0                                      | 0                                          | -48                                  |
| Repair and Maintenance Reserve                         | -161                             | 0                                    | 0                                      | 0                                      | 0                                          | -161                                 |
|                                                        | <b>-2,963</b>                    | <b>0</b>                             | <b>0</b>                               | <b>0</b>                               | <b>0</b>                                   | <b>-2,963</b>                        |
| <b><i>Education, Leisure and Lifelong Learning</i></b> |                                  |                                      |                                        |                                        |                                            |                                      |
| Education Equalisation Reserve                         | -55                              | 0                                    | 0                                      | 0                                      | 20                                         | -35                                  |
| Home to School Transport                               | 0                                | 0                                    | 0                                      | 0                                      | 0                                          | 0                                    |
|                                                        | <b>-55</b>                       | <b>0</b>                             | <b>0</b>                               | <b>0</b>                               | <b>20</b>                                  | <b>-35</b>                           |
| <b>Total Education Leisure &amp; Lifelong Learning</b> | <b>-3,018</b>                    | <b>0</b>                             | <b>0</b>                               | <b>0</b>                               | <b>20</b>                                  | <b>-2,998</b>                        |
| <b>SOCIAL SERVICES, HEALTH &amp; HOUSING</b>           |                                  |                                      |                                        |                                        |                                            |                                      |
| <b><i>Hillside Secure Unit</i></b>                     |                                  |                                      |                                        |                                        |                                            |                                      |
| Hillside General Reserve                               | -1,713                           | -139                                 | 202                                    | 0                                      | 0                                          | -1,650                               |
| <b><i>Other</i></b>                                    |                                  |                                      |                                        |                                        |                                            |                                      |
| WB Safeguarding Board Reserve                          | -100                             | 0                                    | 0                                      | 0                                      | 0                                          | -100                                 |
| Substance Misuse Joint Committee                       | -27                              | 0                                    | 0                                      | 0                                      | 0                                          | -27                                  |
| Homecare ECM Equipment Reserve                         | -43                              | -10                                  | 0                                      | 0                                      | 0                                          | -53                                  |
| Community Care Transformation Reserve                  | -108                             | 0                                    | 0                                      | 0                                      | 0                                          | -108                                 |
| Social Services Equalisation                           | -40                              | 0                                    | 0                                      | 0                                      | 0                                          | -40                                  |
| Youth Offending Team - Equalization                    | -153                             | 0                                    | 0                                      | 0                                      | 0                                          | -153                                 |
| <b>Total Social Services, Health and Housing</b>       | <b>-2,184</b>                    | <b>-149</b>                          | <b>202</b>                             | <b>0</b>                               | <b>0</b>                                   | <b>-2,131</b>                        |



## SCHEDULE OF SPECIFIC RESERVES

| Description                                       | Actual Reserve Balance at 1/4/17 | 2017/18 Budgeted Contrib. to reserve | 2017/18 Budgeted Contrib. from reserve | 2017/18 In-year Changes already agreed | 2017/18 In-Year Changes proposed in Period | Estimated Reserve Balance at 31/3/18 |
|---------------------------------------------------|----------------------------------|--------------------------------------|----------------------------------------|----------------------------------------|--------------------------------------------|--------------------------------------|
|                                                   | £'000                            | £'000                                | £'000                                  | £'000                                  | £'000                                      | £'000                                |
| <b>ENVIRONMENT</b>                                |                                  |                                      |                                        |                                        |                                            |                                      |
| <i>Directorate</i>                                |                                  |                                      |                                        |                                        |                                            |                                      |
| Concessionary Fare - Bus Pass Replacement Reserve | -152                             | 0                                    | 0                                      | 0                                      | 0                                          | -152                                 |
| Asset Recovery Incentive Scheme                   | -86                              | 0                                    | 0                                      | 0                                      | 0                                          | -86                                  |
| Local Development Plan Economic Development       | -126                             | 0                                    | 39                                     | 0                                      | 0                                          | -87                                  |
| Winter Maintenance Reserve                        | -40                              | -200                                 | 200                                    | 0                                      | 0                                          | -40                                  |
| Building Maintenance Reserve                      | -764                             | 0                                    | 0                                      | 0                                      | 0                                          | -764                                 |
| Environment Equalization Reserve                  | -100                             | 0                                    | 100                                    | 0                                      | 0                                          | 0                                    |
| Environment Legacy Reserve (SWTRA)                | -184                             | 0                                    | 50                                     | 0                                      | 95                                         | -39                                  |
|                                                   | -60                              | 0                                    | 0                                      | 0                                      | 0                                          | -60                                  |
|                                                   | <b>-1,512</b>                    | <b>-200</b>                          | <b>389</b>                             | <b>0</b>                               | <b>95</b>                                  | <b>-1,228</b>                        |
| <i>Operating Accounts</i>                         |                                  |                                      |                                        |                                        |                                            |                                      |
| Stock Reserve                                     | -36                              | 0                                    | 0                                      | 0                                      | 0                                          | -36                                  |
| Operating Account -Equalisation                   | 0                                | 0                                    | 0                                      | 0                                      | 0                                          | 0                                    |
| Fleet Maintenance Reserve                         | -100                             | 0                                    | 15                                     | 0                                      | 0                                          | -85                                  |
| Vehicle Tracking                                  | -12                              | 0                                    | 0                                      | 0                                      | 0                                          | -12                                  |
| Operating Accounts -Vehicle Renewals              | -1,705                           | 0                                    | 498                                    | 0                                      | 0                                          | -1,207                               |
|                                                   | <b>-1,853</b>                    | <b>0</b>                             | <b>513</b>                             | <b>0</b>                               | <b>0</b>                                   | <b>-1,341</b>                        |
| <b>Total Environment</b>                          | <b>-3,365</b>                    | <b>-200</b>                          | <b>901</b>                             | <b>0</b>                               | <b>95</b>                                  | <b>-2,568</b>                        |
| <b>FINANCE /CHIEF EXEC</b>                        |                                  |                                      |                                        |                                        |                                            |                                      |
| Elections Equalisation Fund                       | -367                             | 0                                    | 200                                    | 0                                      | 0                                          | -167                                 |
| Health & Safety/Occupational Health               | -104                             | 0                                    | 30                                     | 0                                      | 0                                          | -74                                  |
| Development Fund for Modernisation                | -145                             | 0                                    | 90                                     | 0                                      | 0                                          | -55                                  |
| IT Renewals Fund                                  | -1,512                           | 0                                    | 500                                    | 0                                      | 0                                          | -1,012                               |
| Corporate Services Equalisation Reserve           | -805                             | 0                                    | 436                                    | 0                                      | 65                                         | -304                                 |
| Building Capacity                                 | -72                              | 0                                    | 21                                     | 0                                      | 0                                          | -51                                  |

## SCHEDULE OF SPECIFIC RESERVES

| Description                              | Actual Reserve Balance at 1/4/17 | 2017/18 Budgeted Contrib. to reserve | 2017/18 Budgeted Contrib. from reserve | 2017/18 In-year Changes already agreed | 2017/18 In-Year Changes proposed in Period | Estimated Reserve Balance at 31/3/18 |
|------------------------------------------|----------------------------------|--------------------------------------|----------------------------------------|----------------------------------------|--------------------------------------------|--------------------------------------|
|                                          | £'000                            | £'000                                | £'000                                  | £'000                                  | £'000                                      | £'000                                |
| Digital Modernisation                    | -270                             | 0                                    | 211                                    | 0                                      | 0                                          | -59                                  |
| Voluntary Organisation Reserve           | -51                              | 0                                    | 0                                      | 0                                      | 19                                         | -32                                  |
| <b>Total Finance /Chief Exec</b>         | <b>-3,327</b>                    | <b>0</b>                             | <b>1,488</b>                           | <b>0</b>                               | <b>84</b>                                  | <b>-1,755</b>                        |
| <b>CORPORATE RESERVES</b>                |                                  |                                      |                                        |                                        |                                            |                                      |
| Insurance-Claims Reserve                 | -4,724                           | -280                                 | 280                                    | 0                                      | 0                                          | -4,724                               |
| Swansea Bay City Deal                    | -50                              | 0                                    | 0                                      | 0                                      | 0                                          | -50                                  |
| Income Generation Project Reserve        | -200                             | 0                                    | 0                                      | 0                                      | 0                                          | -200                                 |
| Housing Warranties                       | -220                             | 0                                    | 0                                      | 0                                      | 0                                          | -220                                 |
| Fire Authority Reserve                   | -52                              | 0                                    | 21                                     | 0                                      | 0                                          | -31                                  |
| Waste Reserve                            | -423                             | 0                                    | 0                                      | 0                                      | 0                                          | -423                                 |
| LAWDC Contingency Reserve                | -988                             | 0                                    | 0                                      | 0                                      | 17                                         | -971                                 |
| Treasury Management Equalisation Reserve | -3,075                           | 0                                    | 0                                      | 0                                      | 0                                          | -3,075                               |
| ER/VR - Transitional Reserve             | -6,243                           | 0                                    | 0                                      | 0                                      | 20                                         | -6,224                               |
| Accommodation Strategy                   | -2,760                           | 0                                    | 0                                      | 0                                      | 0                                          | -2,760                               |
| <b>Total Corporate Reserves</b>          | <b>-18,735</b>                   | <b>-280</b>                          | <b>301</b>                             | <b>0</b>                               | <b>37</b>                                  | <b>-18,677</b>                       |
| <b>TOTAL ALL REVENUE RESERVES</b>        | <b>-30,628</b>                   | <b>-629</b>                          | <b>2,892</b>                           | <b>0</b>                               | <b>236</b>                                 | <b>-28,129</b>                       |

|                                                  | <b>Original<br/>Estimate<br/>2017/18</b> | <b>Revised<br/>Estimate<br/>2017/18</b> | <b>Difference<br/>2017/18</b> |
|--------------------------------------------------|------------------------------------------|-----------------------------------------|-------------------------------|
|                                                  | <b>£'000</b>                             | <b>£'000</b>                            | <b>£'000</b>                  |
| <b>Opening balance 1st April</b>                 | <b>Cr 17,345</b>                         | <b>Cr 19,737</b>                        | <b>Cr 2,392</b>               |
|                                                  |                                          |                                         |                               |
| Council Tax increased income                     | Cr 1,400                                 | Cr 1,400                                | <b>0</b>                      |
| Capital - Phase II Accommodation financing costs | 350                                      | 350                                     | <b>0</b>                      |
| Doubtful Debt Provision                          | 160                                      | 160                                     | <b>0</b>                      |
| Contributions to the Economic Development Fund   | 200                                      | 200                                     | <b>0</b>                      |
| Community Councils Grant Scheme                  | 25                                       | 25                                      | <b>0</b>                      |
|                                                  |                                          |                                         |                               |
|                                                  |                                          |                                         |                               |
| <b>Estimated Closing balance 31st March</b>      | <b>Cr 18,010</b>                         | <b>Cr 20,402</b>                        | <b>Cr 2,392</b>               |

| Ref     | Board as at Feb 2017 | Description                                                                         | Lead          | Main Impacts                                                                                                                                                                                         | Net Budget 2016/17 | % saving over 3 years | 2017/18 £000 | 2018/19 £000 | 2019/20 £000 |
|---------|----------------------|-------------------------------------------------------------------------------------|---------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|-----------------------|--------------|--------------|--------------|
| ELLL524 | ECR                  | Leisure Services                                                                    | Aled Evans    | Reduction in Celtic Leisure contract sum via contract efficiencies                                                                                                                                   | 1,568              | 13%                   | 200          | 0            | 0            |
| ELLL604 | ECR                  | Restructure of library service / further reduction or transfer of library provision | Andrew Thomas | Secure efficiencies in Baglan and Skewen Libraries. Explore further options by working closely with both communities. Savings proposals for 2017-18 reduced from £54k to £15k following consultation | 1,555              | 1%                    | 15           | 0            | 0            |
| ELLL605 | ECR                  | Reduction in subsidy for Cefn Coed Museum                                           | Chris Millis  | Continue consultation and working with the friends of Cefn Coed Museum to make efficiency savings.                                                                                                   | 65                 | 15%                   | 10           | 0            | 0            |
| ELLL624 | CYPE                 | Increase price of school meals by 10p from £2.30 from September 2017                | Chris Millis  | Increase price for school meals charged to parents                                                                                                                                                   | 1,814              | 2%                    | 30           | 0            | 0            |
| ELLL626 | CYPE                 | Review of Welsh translation unit and running costs                                  | Chris Millis  | Cost efficiencies and service charges moving towards full cost recovery over time                                                                                                                    | 75                 | 27%                   | 20           | 0            | 0            |
| ELLL701 | CYPE                 | Reduction of Schools Base budget                                                    | Aled Evans    | Less funding for schools.                                                                                                                                                                            | 79,616             | 1%                    | 434          | 0            | 0            |

| Ref     | Board as at Feb 2017 | Description                                                   | Lead                        | Main Impacts                                                                                                                                                                                                         | Net Budget 2016/17 | % saving over 3 years | 2017/18 £000 | 2018/19 £000 | 2019/20 £000 |
|---------|----------------------|---------------------------------------------------------------|-----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|-----------------------|--------------|--------------|--------------|
| ELLL702 | CYPE                 | Reduce the DBS budget                                         | Chris Millis                | Traditionally the LA has paid for DBS checks on behalf of schools. This is no longer sustainable. Schools will be required to comply with the Safer Recruitment Policy. Regional working has reduced the unit costs. | 251                | 11%                   | 28           | 0            | 0            |
| ELLL703 | CYPE                 | School Cleaning - moving towards full cost recovery over time | Chris Millis                | Risk that schools may choose to opt out of using the service.                                                                                                                                                        | 173                | 44%                   | 76           | 0            | 0            |
| ELLL704 | CYPE                 | Age profiles of children attending out of county placements   | Andrew Thomas               | No major impact, pupils will have reached school leaving age. Possible potential savings in special school transport costs                                                                                           | 1,614              | 26%                   | 135          | 213          | 72           |
| ELLL705 | CYPE / ECR           | Vacancy Management                                            | Andrew Thomas /Chris Millis | Additional workload for staff. Prioritised workloads.                                                                                                                                                                | 19,000             | 0%                    | 30           | 0            | 0            |
| ELLL706 | ECR                  | Increase Income Target - NPT Works                            | Chris Millis                | Continued improvement in service delivery.                                                                                                                                                                           | 568                | 5%                    | 30           | 0            | 0            |
| ELLL707 | ECR                  | Reduce Subsidy - Pontardawe Arts Centre                       | Andrew Thomas               | Further reduction in funding to theatres, possibly a reduction in opening times. Following consultation in 2017-18 savings target reduced from £40k to £30k.                                                         | 487                | 23%                   | 30           | 40           | 40           |

| Ref     | Board as at Feb 2017 | Description                                                                                    | Lead                        | Main Impacts                                                                                                                                                | Net Budget 2016/17 | % saving over 3 years | 2017/18 £000 | 2018/19 £000 | 2019/20 £000 |
|---------|----------------------|------------------------------------------------------------------------------------------------|-----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|-----------------------|--------------|--------------|--------------|
| ELLL708 | ECR                  | Reduce Subsidy - Gwyn Hall                                                                     | Andrew Thomas               | More efficient management of Celtic Leisure contract.                                                                                                       | 260                | 46%                   | 40           | 40           | 40           |
| ELLL709 | ECR                  | Re-structure specific service delivery due to changes in level of service provision            | Andrew Thomas               | Two year redeployment of a member of staff to a grant funded post, thereby saving core cost.                                                                | 146                | 27%                   | 39           | 0            | 0            |
| ELLL710 | CYPE / ECR           | Innovative use of grant funding                                                                | Andrew Thomas /Chris Millis | Review existing grants in order to maximise the use of grant funding                                                                                        | 20,227             | 0%                    | 100          | 0            | 0            |
| ELLL712 | CYPE                 | Reduce Special Education Needs budget for schools. Amended to a reduction in management costs. | Andrew Thomas               | Following consultation responses, no cuts will be made to SEN budgets. The savings targets identified will be delivered by a reduction in management costs. | 406                | 11%                   | 27           | 19           | 0            |
| ELLL713 | CYPE                 | Negotiate a 10% reduction towards the Core Costs of ERW                                        | Chris Millis                | Reduced contribution towards the central support team of ERW.                                                                                               | 1,177              | 0%                    | 4            | 0            | 0            |
| ELLL714 | ECR                  | Withdraw match support for Disability Sports Coordinator's post                                | Chris Millis                | Withdrawal of match funding support for a Disability Sports Co-ordinator                                                                                    | 129                | 12%                   | 0            | 15           | 0            |

| Ref     | Board as at Feb 2017 | Description                                                                    | Lead         | Main Impacts                                                                                          | Net Budget 2016/17 | % saving over 3 years | 2017/18 £000 | 2018/19 £000 | 2019/20 £000 |
|---------|----------------------|--------------------------------------------------------------------------------|--------------|-------------------------------------------------------------------------------------------------------|--------------------|-----------------------|--------------|--------------|--------------|
| ELLL715 | CYPE                 | Implementation of the recommendations from the catering review                 | Chris Millis | Reduction in the conditions of service for staff.                                                     | 1,814              | 6%                    | 0            | 100          | 0            |
| ELLL716 | ECR                  | Ensure that the running costs of Tir Morfa Education Centre are self-financing | Chris Millis | Potential additional pressure on Adult Education, Skills and Training Unit and Youth Service Budgets. | 76                 | 100%                  | 0            | 76           | 0            |
| SSHH514 | SCHH /CYPE           | Workforce Strategy Savings                                                     | All SSHH     | Implement new grading structure                                                                       | 32,000             | 0%                    | 95           | 0            | 0            |
| SSHH516 | SSHH                 | Homecare - Review of savings opportunities                                     | N Jarman     | Continue to improve the efficiency of the Homecare Service                                            | 3,981              | 8%                    | 338          | 0            | 0            |
| SSHH540 | CYPE                 | Children Services                                                              | A Jarrett    | Savings arising from ongoing reductions in Looked After Children                                      | 22,071             | 3%                    | 614          | 0            | 0            |
| SSHH543 | SCHH                 | Restructure of Social Work Teams                                               | N Jarman     | Full year impact of previous years changes to Social Work workforce operations                        | 2,997              | 4%                    | 125          | 0            | 0            |

| Ref     | Board as at Feb 2017 | Description             | Lead      | Main Impacts                                                                                                                                                                                                                                          | Net Budget 2016/17 | % saving over 3 years | 2017/18 £000 | 2018/19 £000 | 2019/20 £000 |
|---------|----------------------|-------------------------|-----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|-----------------------|--------------|--------------|--------------|
| SSHH605 | SCHH                 | Respite and day care    | N Jarman  | Modernisation of LD and OP respite and day care-rationalisation of premises and increase capacity utilisation (particularly Trem-y-Mor respite). Savings in Transport included by Environment Directorate.                                            | 2,149              | 12%                   | 250          | 0            | 0            |
| SSHH701 | SCHH                 | Complex Needs           | A Jarrett | Modernisation of complex needs service - rationalisation of premises and increase capacity utilisation, transferring more packages of care internally.                                                                                                | 1,613              | 0%                    | 0            | 0            | 0            |
| SSHH702 | SCHH                 | Community Resource Team | A Jarrett | Improve the flow of service users through the whole system which will allow more efficient use of the re-ablement service. Anticipated savings should arise from reduced demand for long term residential care and reduced hours of domiciliary care. | 2,566              | 12%                   | 300          | 0            | 0            |



| Ref     | Board as at Feb 2017 | Description                                    | Lead          | Main Impacts                                                                                                                                                                            | Net Budget 2016/17 | % saving over 3 years | 2017/18 £000 | 2018/19 £000 | 2019/20 £000 |
|---------|----------------------|------------------------------------------------|---------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|-----------------------|--------------|--------------|--------------|
| SSHH703 | SCHH                 | Placements Budget                              | A Jarrett     | Reduce Placements budgets (extend the PTI approach to all packages of care), implement Local Area Co-ordination model and re-introduce panel arrangements for elderly residential care. | 32,150             | 2%                    | 500          | 0            | 0            |
| SSHH705 | SCHH                 | Supporting People                              | Angela Thomas | Review of externally commissioned housing services resulting in better use of grant to support independent living and Learning Disability Services.                                     | 4,894              | 5%                    | 225          | 0            | 0            |
| SSHH706 | SCHH                 | Housing Services                               | Angela Thomas | Savings from staff vacancy and better use of hostels                                                                                                                                    | 1,003              | 6%                    | 65           | 0            | 0            |
| SSHH707 | SCHH                 | Commissioning services                         | Angela Thomas | Restructure and staff savings                                                                                                                                                           | 729                | 5%                    | 40           | 0            | 0            |
| ENV508  | E&H/E CR             | Workforce Strategy Savings                     | All ENVT      | Implement new grading structure                                                                                                                                                         | 14,000             | 0%                    | 14           | 0            | 0            |
| ENV531  | ECR                  | Cease security contract for Authorities Estate | S Brennan     | Cease security contract costs                                                                                                                                                           | 2,295              | 1%                    | 20           | 0            | 0            |
| ENV534  | ECR                  | Reduce Building Maintenance expenditure        | S Brennan     | Will reduce maintenance works on County's buildings                                                                                                                                     | 1,804              | 3%                    | 50           | 0            | 0            |
| ENV556  | E&H                  | Waste Disposal                                 | M Roberts     | Anticipated procurement savings                                                                                                                                                         | 4,811              | 3%                    | 160          | 0            | 0            |

| Ref    | Board as at Feb 2017 | Description                            | Lead      | Main Impacts                                                                          | Net Budget 2016/17 | % saving over 3 years | 2017/18 £000 | 2018/19 £000 | 2019/20 £000 |
|--------|----------------------|----------------------------------------|-----------|---------------------------------------------------------------------------------------|--------------------|-----------------------|--------------|--------------|--------------|
| ENV639 | E&H                  | Waste Collection                       | M Roberts | Savings from side waste restriction                                                   | 1,552              | 3%                    | 40           | 0            | 0            |
| ENV603 | ECR                  | Planning                               | N Pearce  | Revised table of charges for pre-applications                                         | 217                | 5%                    | 10           | 0            | 0            |
| ENV606 | ECR /E&H             | Civic Building                         | S Brennan | Additional rental Income at Pontardawe one stop shop                                  | 2,295              | 0%                    | 8            | 0            | 0            |
| ENV612 | ECR                  | Sandfields Young Business Centre       | S Brennan | Increase Income                                                                       | 63                 | 16%                   | 10           | 0            | 0            |
| ENV614 | ECR                  | Planning                               | N Pearce  | Reduce car allowances, professional fees, advertising costs                           | 217                | 6%                    | 12           | 0            | 0            |
| ENV615 | ECR                  | Building Control                       | N Pearce  | Reduce office and general expenditure                                                 | 268                | 3%                    | 8            | 0            | 0            |
| ENV616 | ECR                  | Planning Policy                        | N Pearce  | Reduce office and general expenditure                                                 | 332                | 1%                    | 2            | 0            | 0            |
| ENV617 | E&H                  | Wildlife, Countryside and Biodiversity | N Pearce  | Reduction in expenditure                                                              | 156                | 7%                    | 11           | 0            | 0            |
| ENV618 | ECR                  | Property division                      | S Brennan | Running costs savings re asset management, strategic development and land acquisition | 539                | 6%                    | 33           | 0            | 0            |
| ENV623 | ECR                  | Business Support Fund                  | S Brennan | Decrease in budget available to support Businesses                                    | 269                | 3%                    | 9            | 0            | 0            |
| ENV644 | ECR                  | Building Maintenance                   | S Brennan | Reduction in building maintenance budget                                              | 1,804              | 3%                    | 50           | 0            | 0            |
| ENV626 | ECR                  | Planning                               | N Pearce  | Reduce staff costs                                                                    | 217                | 17%                   | 36           | 0            | 0            |

| Ref    | Board as at Feb 2017 | Description                            | Lead            | Main Impacts                                                                                                   | Net Budget 2016/17 | % saving over 3 years | 2017/18 £000 | 2018/19 £000 | 2019/20 £000 |
|--------|----------------------|----------------------------------------|-----------------|----------------------------------------------------------------------------------------------------------------|--------------------|-----------------------|--------------|--------------|--------------|
| ENV627 | E&H                  | Wildlife, Countryside and Biodiversity | N Pearce        | Reduce staff costs                                                                                             | 156                | 23%                   | 36           | 0            | 0            |
| ENV629 | ECR /E&H             | Civic Building                         | S Brennan       | Reduce staff costs                                                                                             | 2,295              | 1%                    | 20           | 0            | 0            |
| ENV637 | E&H                  | Community Transport                    | D Griffiths     | Full year savings from changes to Social Services Day services in 2016/17 resulting in reduced transport costs | 1,145              | 23%                   | 260          | 0            | 0            |
| ENV640 | E&H                  | Street furniture                       | M Roberts       | Reduce purchases                                                                                               | 29                 | 10%                   | 3            | 0            | 0            |
| ENV641 | E&H                  | Public Conveniences                    | S Brennan       | Review and close public conveniences e.g. Resolven                                                             | 191                | 8%                    | 15           | 0            | 0            |
| ENV645 | E&H                  | Management of stray dogs               | M Roberts       | Full year impact of savings partially delivered in 2016/17                                                     | 117                | 9%                    | 10           | 0            | 0            |
| ENV701 | E&H                  | Community Services Transport Savings   | Dave Griffiths  | Service review including vehicle running cost savings                                                          | 1,145              | 17%                   | 200          | 0            | 0            |
| ENV702 | E&H                  | Transport Admin staff reduction        | Dave Griffiths  | Staff savings                                                                                                  | 637                | 4%                    | 23           | 0            | 0            |
| ENV703 | ECR /E&H             | Cease to use MENTOR system             | Michael Roberts | Functionality to be replaced by in-house solution                                                              | 3,506              | 1%                    | 49           | 0            | 0            |
| ENV704 | E&H                  | Survey Team                            | Michael Roberts | Reduction in staff costs                                                                                       | 89                 | 29%                   | 26           | 0            | 0            |
| ENV705 | E&H                  | Crematorium/ Cemeteries                | Michael Roberts | Amalgamation of the two services.                                                                              | 1,000              | 5%                    | 0            | 20           | 33           |

| Ref     | Board as at Feb 2017 | Description                                               | Lead          | Main Impacts                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Net Budget 2016/17 | % saving over 3 years | 2017/18 £000 | 2018/19 £000 | 2019/20 £000 |
|---------|----------------------|-----------------------------------------------------------|---------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|-----------------------|--------------|--------------|--------------|
| ENV706  | ECR /E&H             | Asset Sponsorship                                         | Nicola Pearce | Income generation - move to 18/19 due to lead in time                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 332                | 23%                   | 0            | 75           | 0            |
| CORP503 | PRB                  | Workforce Strategy Savings                                | All CORP      | Implement new grading structure                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 18,000             | 0%                    | 40           | 0            | 0            |
| CORP576 | PRB                  | Introduce revised access to service policy across council | Karen Jones   | Implement the digital by choice strategy, moving more customers to self-serve options thus reducing the volume of telephone and face to face enquiries. The channel shift will reduce the staffing requirement across Customer Services and change the skills mix. New voice technology to provide opportunities to automate a significant element of the switchboard function. The target has been re-profiled over the next 3 years, rather than £150k in 2017/18 due to delays in introducing new voice technology | 547                | 24%                   | 22           | 75           | 36           |

| Ref     | Board as at Feb 2017 | Description                                      | Lead          | Main Impacts                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Net Budget 2016/17 | % saving over 3 years | 2017/18 £000 | 2018/19 £000 | 2019/20 £000 |
|---------|----------------------|--------------------------------------------------|---------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|-----------------------|--------------|--------------|--------------|
| CORP577 | PRB                  | Review of CCTV operation to further reduce costs | Karen Jones   | Discussion with the City and County of Swansea to establish if a business cases exists to create a joint CCTV monitoring service which would restore 24/7 monitoring across the remaining cameras has been unsuccessful, therefore the £44k saving for 17/18 has been withdrawn. The target has been reduced from £114k as Members elected not to pursue further reduction in the monitoring service. The £30k saving in 19/20 is available following the end of the current contract period. | 236                | 13%                   | 0            | 0            | 30           |
| CORP591 | PRB                  | Legal Staffing                                   | David Michael | Reduction I childcare Legal Team and other legal services running costs                                                                                                                                                                                                                                                                                                                                                                                                                       | 857                | 12%                   | 100          | 0            | 0            |
| CORP598 | PRB                  | ICT - Strategies to be identified                | Steve John    | Identify new income streams - but if these cannot be identified will result in reduction of staff.                                                                                                                                                                                                                                                                                                                                                                                            | 4,104              | 9%                    | 359          | 0            | 0            |
| CORP602 | PRB                  | Human Resources                                  | Sheenagh Rees | Reduce non salary budget lines, e.g. car allowances, printing expenses, postage costs, etc.                                                                                                                                                                                                                                                                                                                                                                                                   | 1,264              | 1%                    | 15           | 0            | 0            |

| Ref     | Board as at Feb 2017 | Description                                         | Lead          | Main Impacts                                                                                                                                                                                                                                         | Net Budget 2016/17 | % saving over 3 years | 2017/18 £000 | 2018/19 £000 | 2019/20 £000 |
|---------|----------------------|-----------------------------------------------------|---------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|-----------------------|--------------|--------------|--------------|
| CORP603 | PRB                  | Reduce Corporate Training Budgets                   | Sheenagh Rees | Reduced provision of corporate management development and equalities training, which will now be minimal.                                                                                                                                            | 208                | 5%                    | 11           | 0            | 0            |
| CORP604 | PRB                  | Reduce Occupational Health Professional fees budget | Sheenagh Rees | Introduction of Occupational Health on line referral system and the referral hotline number will reduce unnecessary referrals to the service and increase capacity of professional nursing team, reducing the need for externally purchased service. | 268                | 7%                    | 10           | 10           | 0            |
| CORP608 | PRB                  | Democratic Services                                 | Karen Jones   | Reduce budgets to reflect actual costs across a range of headings                                                                                                                                                                                    | 1,362              | 1%                    | 15           | 0            | 0            |
| CORP609 | PRB                  | Corporate strategy                                  | Karen Jones   | Remodelling of staffing arrangements to take account of the impact of new legislation on the corporate strategy function                                                                                                                             | 256                | 9%                    | 18           | 6            | 0            |
| CORP613 | PRB                  | Financial Services - increase Income generation     | Dave Rees     | Limited scope for income generation                                                                                                                                                                                                                  | 2,616              | 1%                    | 23           | 0            | 0            |

| Ref     | Board as at Feb 2017 | Description                                              | Lead      | Main Impacts                                                                                                                                                                                                                                                                                                      | Net Budget 2016/17 | % saving over 3 years | 2017/18 £000 | 2018/19 £000 | 2019/20 £000 |
|---------|----------------------|----------------------------------------------------------|-----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|-----------------------|--------------|--------------|--------------|
| CORP614 | PRB                  | Financial Services - reduce staffing across the division | Dave Rees | Reduced capacity to provide services to the public and other directorates following staffing reductions via ER/VR.                                                                                                                                                                                                | 5,247              | 4%                    | 210          | 0            | 0            |
| CORP701 | PRB                  | Non staff savings                                        | D Rees    | Limited scope for further non staff savings                                                                                                                                                                                                                                                                       | 891                | 1%                    | 6            | 0            | 0            |
| CORP702 | PRB                  | Staff reductions                                         | S John    | The ICT service will be significantly impaired. Development capacity will fall and service requests will take longer to effect. Income generation and/or collaborative opportunities may offset some job losses/service issues. A number of posts are funded from reserves which will be exhausted by March 2018. | 4,104              | 10%                   | 0            | 200          | 200          |

| Ref     | Board as at Feb 2017 | Description                                                                                                                                   | Lead          | Main Impacts                                                                                                                                                                                                                                                                                                                                                 | Net Budget 2016/17 | % saving over 3 years | 2017/18 £000 | 2018/19 £000 | 2019/20 £000 |
|---------|----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|---------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|-----------------------|--------------|--------------|--------------|
| CORP703 | PRB                  | Increase Emergency Planning Team charges for externally provided services carried out in relation to COMAH work to ensure full cost recovery. | Sheenagh Rees | The Council has a duty to address the statutory requirements of the COMAH regulations including the development, production, maintenance and testing of COMAH off site emergency plans. The Council is entitled to recover the costs for providing this service. The charging regime has been reviewed to ensure that costs match current service provision. | 87                 | 8%                    | 7            | 0            | 0            |
| CORP704 | PRB                  | Delete vacant assistant HR officer post                                                                                                       | Sheenagh Rees | The team will no longer have a 'training grade' post which has been used to grow our own HR Officers - a result of this, should HR Officer vacancies arise which need to be filled, will be that that we will have to go to the external market to fill.                                                                                                     | 1,264              | 2%                    | 28           | 0            | 0            |
| CORP705 | PRB                  | Human Resources - Occupational Health, Health & Safety                                                                                        | Sheenagh Rees | Delete partial hours where post holders have reduced their working hours.                                                                                                                                                                                                                                                                                    | 1,264              | 1%                    | 0            | 15           | 0            |
|         |                      |                                                                                                                                               |               | Total                                                                                                                                                                                                                                                                                                                                                        |                    |                       | 5,779        | 904          | 451          |



## NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

### CABINET

### REPORT OF THE HEAD OF FINANCIAL SERVICES

26<sup>th</sup> July 2017

#### SECTION A – MATTERS FOR DECISION

#### WARDS AFFECTED – ALL

#### CAPITAL BUDGET MONITORING 2017/18

##### **Purpose of Report**

1. To provide Members with information in relation to delivery of the 2017/18 Capital Programme.

##### **Background**

2. On 1<sup>st</sup> February 2017 Council approved its Capital Programme for 2017/18, the report detailed planned Capital Expenditure totalling £59.273m for the financial year.

The purpose of this report is to update Members as to the delivery of this Programme as at 30<sup>th</sup> June 2017 and to seek approval for a further updated budget position.

##### **Targeted Achievements**

3. As Members are aware the following achievements are being targeted during this financial year:
  - Construction of a new Welsh Medium Secondary School in the South of the County (Ysgol Gymraeg Bro Dur) with a budget of £17.5m and £31m for a new Comprehensive School in Margam to replace the Lower and Upper sites of Dyffryn Comprehensive as well as Groes Primary School (Ysgol Newydd Margam). Members should also note that Bae Baglan has won Welsh Project of the Year at the Construction Excellence awards and will be going forward to the UK Awards in November. It has also won Local Authority Building Control Awards for Wales and is going forward for the UK

Final and has been short listed for the Eisteddfod Architectural awards which will be announced on 4<sup>th</sup> August.

- Construction of a £7.6m new primary school in Briton Ferry, 'Ysgol Newydd Briton Ferry', on the site of the former Cwrt Sart Comprehensive School. The project will see three primary schools (Brynhyfryd, Llansawel and Ynysmaerdy) with significant surplus capacity and backlog maintenance issues close and be replaced by a new 21st Century school.
- Continuation of the construction and re-modelling works at the Welsh Medium 3-16 School Site in Ystalyfera, Ysgol Newydd Gymunedol Gymraeg.
- Ongoing improvements to the Council's Street Lighting Infrastructure.
- Town Centre Regeneration including the commencement of the next phase of the redevelopment of Neath Town Centre.
- Completion of the Integrated Transport Hub in Port Talbot. The Hub will improve access to employment on strategic sites and integrate public transport connecting bus and rail services and will improve public transport's viability as a realistic alternative for commuting.
- Further investment of £3m into Disabled Facility Grants to assist people to live at home.
- Investment of c£3m in Schools Capital Maintenance and Highways and Engineering Maintenance improvements.

### **Changes to the approved Budget**

4. The updated Capital Programme now totals £64.708m with the main changes proposed being:
  - Projects and funding carried forward from 2016/17 totalling £2.951m, the majority of which relates to the phasing of the delivery of the Regeneration Programme.
  - Grant approvals received after the setting of the original budget namely:

- Local Transport Fund £0.837m which will be spent on improvements to bus routes and cycle ways.
- Transport Grant £0.5m to fund ongoing land compensation claims relating to the PDR 2 road scheme.
- Road Safety Grant £0.582m which will fund a number of road safety initiatives within the County Borough.

## 2017/18 Capital Expenditure

5. Details of Capital Expenditure as at 30<sup>th</sup> June 2017 is outlined in the table below:

**Table 1 – Capital Budget and Spend 2017/18**

|                                      | Original Budget<br>£'000 | Proposed Budget<br>£'000 | Actual @<br>30 <sup>th</sup> June<br>2017 |
|--------------------------------------|--------------------------|--------------------------|-------------------------------------------|
| Ysgol Bae Baglan *                   | 1,339                    | 869                      | -537                                      |
| Ysgol Newydd Gymunedol Gymraeg       | 4,497                    | 3,472                    | 218                                       |
| Ysgol Newydd Briton Ferry            | 5,210                    | 4,951                    | 253                                       |
| Ysgol Gymraeg Bro Dur                | 10,196                   | 10,125                   | 1,007                                     |
| Ysgol Newydd Margam                  | 19,418                   | 19,488                   | 935                                       |
| Schools Capital Maintenance          | 1,100                    | 1,083                    | 182                                       |
| Highways and Engineering Maintenance | 1,625                    | 2,035                    | 175                                       |
| Integrated Transport Hub             | 2,539                    | 2,539                    | 0                                         |
| Bridge Strengthening – Alltwen Hill  | 715                      | 779                      | 0                                         |
| Retaining Edge Work – Afan Valley    | 360                      | 299                      | 0                                         |
| Health and Safety                    | 850                      | 1,080                    | 491                                       |
| Street Lighting                      | 1,650                    | 1,482                    | 147                                       |
| Vehicle Replacement Programme        | 1,596                    | 1,596                    | 533                                       |
| Regeneration                         | 532                      | 3,380                    | 158                                       |
| Neath Town Centre Redevelopment      | 2,000                    | 2,000                    | 2                                         |
| PDR 2 – Land Compensation            |                          | 500                      | 2                                         |
| Bus Routes and Cycle Ways (LTF)      |                          | 837                      | 1                                         |
| Road Safety Improvements             |                          | 582                      | 0                                         |
| Safe Routes in Communities           |                          | 250                      | 0                                         |
| Disabled Facilities Grants           | 3,000                    | 3,063                    | 637                                       |
| Housing Energy Efficiency Works      |                          | 477                      | 346                                       |
| Contingency                          | 381                      | 601                      | 0                                         |
| Remaining Capital Programme          | 2,265                    | 3,220                    | 480                                       |
| <b>Total</b>                         | <b>59,273</b>            | <b>64,708</b>            | <b>5,030</b>                              |

\* The negative actual relates to contract retention accounted for in 2016/17 but not yet paid.

## **Revenue Budget Virement**

6. In order to fund the next phase of the street lighting replacement programme a further revenue budget virement of £190k is required between the Environment Directorate Budget and the Capital Financing Budget. Member approval for this virement is sought within the Revenue Budget Monitoring report.

## **Risk Management**

7. The capital programme is actively managed by managers and the Capital Programme Steering Group to comply with all relevant planning conditions, legislation, regulations and health and safety.

## **Consultation**

8. There is no requirement under the Constitution for external consultation on this item.

## **Recommendations**

9. It is recommended that Members:
  - As outlined in Table 1, approve and commend to Council the proposed 2017/18 budget totalling £64.708m
  - Note the position in relation to expenditure as at 30<sup>th</sup> June 2017.

## **Reason for proposed decisions**

10. To update the capital programme for 2017/18 and inform Members of the current year spend to date.

## **Implementation of Decision**

11. The decisions are proposed for implementation after consultation with the Scrutiny Committee and approval by Council.

## **List of Background Papers**

12. Capital Programme working files

## **Officer Contact**

13. For further information on this report item, please contact:

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