

NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

CABINET

REPORT OF THE CORPORATE DIRECTORS GROUP

1st August 2018

SECTION A – MATTERS FOR DECISION

WARDS AFFECTED: ALL

REVENUE BUDGET MONITORING REPORT 2018/19

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 £2.222m, but this is offset by a projected underspend of £564k in the other elements of the budget (inclusive of proposed net

transfer to/from reserves). The net budget is therefore projected to overspend by £1.658m, as outlined in the table below.

| | Original budget 2018/19 | Revised budget 2018/19 | Projected Outturn 2018/19 | Variance |
|----------------------------|--------------------------------|-------------------------------|----------------------------------|-----------------|
| | £'000 | £'000 | £'000 | £'000 |
| ELLL - Schools | 81,708 | 81,708 | 81,708 | 0 |
| ELLL - Other | 23,816 | 24,432 | 24,708 | 276 |
| SSHH | 78,632 | 78,712 | 80,212 | 1,500 |
| ENVT | 34,755 | 35,235 | 35,936 | 701 |
| CORP | 17,433 | 17,471 | 17,216 | -255 |
| Directly controlled | 236,344 | 237,558 | 239,780 | 2,222 |
| Other | 46,511 | 45,297 | 44,733 | -564 |
| Budget Requirement | 282,855 | 282,855 | 284,513 | 1,658 |

- 2.2 The following paragraphs provide details of significant variances (>£50k) from the agreed budget for 2018/19, 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 £81.708m for Schools and £23.816m for other Education, Leisure and Lifelong Learning services. The ELLL budget contains savings targets of £849k (3.6%).

The main variances are:-

- **School Meals £87k overspend**

The budget includes a savings target (ELLL715) of £100k to be achieved from implementing a new pay scale, but a delay implementation means that the savings will not be delivered in full during 2018/19.

- **Cleaning - £69k overspend**

The projected overspend is based on the actual costs incurred in the first three months of the year, and is due to high levels of sickness, and the associated cost of overtime.

- **Skills & Training Unit - £55k overspend**

The service income is reliant on a work based learning contract which is dependent on uptake and completion of courses, and is therefore difficult to accurately predict at this early stage in the year, as new entrants will be commencing in July. There is concern regarding the ability to achieve the income targets included in the budget, based on prior year figures.

The Education Leisure and Lifelong Learning budget is currently projected to overspend by £276k.

Work is ongoing to identify further savings to reduce the overspend wherever possible.

Social Services Health & Housing

The Directorate has a budget of £78.632m which includes savings targets of £4.550m (5.8%), and is currently projected to overspend by £1.5m.

The main variances contributing to the under spend are:-

- **Children – Social Work £258k underspend**

The under spend is due to vacant hours/posts.

- **Children Residential Care – £305k overspend**

The budget was based on 7 children, while the projection is based on the current number (10), and assumes that they will remain in placement until the end of the year, or until their 18th birthday, if earlier. The average cost of a residential placement is £190k.

- **Children Supported accommodation £75k underspend**

The supported lodgings contract will expire in October 2018, and an additional provision of £75k was included in the budget to fund any increased costs arising from the re-tender exercise. Given the pressures identified across the Directorate, options are being explored to contain expenditure for this service at current cost, and therefore the additional funding provided will not be required.

- **Fostering service £169k overspend**

An overspend is due to payments for 2 Looked after Children in high cost supported living placement (£328k) and a projected increase in special guardianship orders (£105k), which is partly offset by savings on staff costs, route 16 discretionary payments and savings arising from a reduction in fostering placements.

- **Adoption £60k underspend**
 The budget was based on payment of allowances for 57 children. An underspend is projected as payments are currently being made for 49 children.
- **External Foster Placements £125k underspend**
 The budget was based on 57 children, and an underspend is projected as 54 are currently in foster care, and the average cost per placement has also reduced. A virement is proposed to transfer £150k to the Learning Disability placements budget to fund the cost of cases that have transitioned into adult services.
- **Elderly Residential Care – external provision - £156k overspend**
 The budget includes FFP savings SSHH806/807 of £280k, which have not yet been fully achieved. Discussions are ongoing to utilise vacant short term beds in Pobl for long term residents, in order to offset this pressure.
- **Domiciliary Care - £1.267m overspend**
 The budget includes FFP savings targets of £2.5m (SSHH 801, 802, 805, 811, 812). Savings of £700k (£500k re internal homecare staff vacancies, and £200k due to reduction in packages of care) have been delivered. Changes in client needs and new care packages are being managed in line with total resources and on the basis of assessed need.
- **Community Resource Team - £103k underspend**
 The underspend is due to staff savings.
- **Other Community Care/direct Payments £70k overspend**
 The overspend is due to an increase in the number of direct payments for elderly service users.
- **PD External Placements £77k overspend**
 The overspend is due to additional placements since the budget was set. Work will continue to be undertaken throughout the year to identify further savings from reviewing packages of care, and by creating more effective models of care & support.
- **Other community Care – WILG £186k overspend**
 The Welsh Independent Living Grant (WILG) was transferred into the settlement for 18/19, and a FFP savings target of £500k (SSHH808) was included in the budget, to be achieved by reviewing all packages of care previously funded through WILG. The remaining pressure (£186k) is because the FFP savings target has not yet been fully achieved.
 As packages are reassessed the ongoing costs are transferred from the WILG budget to the mainstream placements budget.

A virement is therefore proposed to transfer funding from the WILG budget to reflect the packages that have been assessed to date.

- **Aids & Equipment £60k overspend**

The overspend is the NPT share of the projected overspend of the joint service. A new agreement between CCoS, NPTCBC and ABMU is currently being negotiated, in which the NPT share of costs and overspend is expected to reduce. It has not yet been confirmed when the new agreement will be agreed and implemented.

- **LD External Placements £424k overspend**

The budget includes an FFP savings target (SSHH804) of £500k, which has not yet been achieved. In addition there has been an increase in the number of placements. The projection assumes that ABMU will pay agreed sums in respect of sleep in uplifts and changes to placement costs.

Work will continue to be undertaken throughout the year to identify further savings from reviewing packages of care, reducing the cost of night time support and by creating more effective models of care & support.

A virement is proposed to transfer £150k from the external foster placements budget to fund cases that have transitioned to adult services.

- **MH External Placements £79k overspend**

This budget contains an FFP savings target of £100k, which has not yet been fully achieved, as a result of additional placements being made.

Work will continue to be undertaken throughout the year to identify further savings from reviewing packages of care, and by creating more effective models of care & support.

- **Housing Advice/Supported Tenancies £105k underspend**

The underspend is due to savings on staff costs.

- **Renovation Grants/ Renewal Area £85k overspend**

The budget includes an income target (£100k) which has not yet been achieved, but which is partly offset by staff savings (£15k).

Work will continue to be undertaken throughout the year to identify further savings from reviewing packages of care, reducing the cost of night time support and by creating more effective models of care & support, but at this stage it is anticipated that the Social Services Budget will overspend by £1.5m.

Environment

The Directorate has a budget of £34.755m which includes savings targets of £688k (2.0%), and is currently projected to overspend by £702k.

The main variances contributing to the overspend are:-

- **Waste Disposal & Recycling £528k overspend**
The budget includes total savings targets of £400k (£200k 17/18 and £200k18/19) which were anticipated from procurement of the service and reduction in side waste. However the procurement has been delayed and is unlikely to be concluded before March 2019. In 17/18 the pressure was partly offset by a one off rebate, but a rebate is unlikely to be available in 18/19.
There has also been an increase in the disposal of non-domestic waste in April/May 2018 compared with 2017, and if this trend continues will result in a further £100k pressure. This is a volatile budget and is being carefully monitored.
- **Household Waste Recycling Centres £81k overspend**
The budget includes a savings target of £100k to be achieved from the closure of the Pwllfawatkin site. However the closure has been delayed by a year resulting in the overspend.

The Environment budget is projected to overspend by £702k.

Corporate Services

The Directorate has a budget of £17.433m which includes savings targets of £648K (3.7%), and is currently projected to underspend by £255k.

The main variances contributing to the under spend are:-

- **Housing Benefit Administration £92k underspend**
The underspend is due to additional grant received from DWP.

The Corporate Services Directorate is projected to under spend by £255k.

Other Services

- **Council Tax Support – underspend £412k**
- **Contingency** - It is assumed that following the virements included in this report, the remaining contingency budget of £868k will be fully committed by year end.
- **Pay & Pension – £100k underspend**
- **Management of change** – it is assumed that this provision (£500k) will be fully utilised to fund the cost of ERVR or used to replenish the reserve.
- **Miscellaneous £50k underspend** – the underspend is largely due to savings arising from the AVC salary sacrifice scheme.

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

3 Grants

The following grants have been awarded since the budget was set.

| Value | Directorate | Service |
|----------|-------------|--|
| £84,941 | CORP | Housing Benefit Admin subsidy |
| £31,896 | CORP | Welfare Reforms – new burdens |
| £38,900 | CORP | HB - Verify Earnings and Pensions Alerts |
| £16,750 | CORP | Community Safety – Independent Domestic Violence Advisor Work |
| £88,083 | CORP | Strengthen delivery of the Armed Forces Covenant Fund (2 year funding with circa £44,000 being used in each year) |
| £55,844 | CORP | Public Service Board support |
| £166,939 | ELLL | Early Implementation of WG Childcare Offer |
| £90,435 | ELLL | Additional Additional Learning Needs Transformation Grant |
| £11,941 | SSHH | Mental Capacity act/ Deprivation of Liberty Safeguards (DOLS) |
| £85,527 | ELLL | Additional support for minority ethnic, gypsy, roma and traveller learners |
| £100,322 | ELLL | Financial assistance to families on low incomes for school uniform, kit and equipment for extra-curricular activities and after/out of school activities |

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

| Value | Dir | Service |
|-----------|------|-----------------------------|
| -£150,000 | SSHH | External Foster Placements |
| £163,570 | SSHH | PD External placements |
| -£180,130 | SSHH | Other Community Care / WILG |
| £166,560 | SSHH | LD External placements |
| -£300,000 | ENVT | Neighbourhood services |
| £300,000 | ENVT | Parks & Open spaces |

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

5 Reserve Movements

The following reserve movements are proposed

| Amount | Specific Reserve | Explanation |
|----------|---------------------------|--|
| £210,000 | Civic Buildings | Transfer from reserve to correct for rental income transferred to reserve in error in 17/18. Rental should be treated as receipt in advance - not reserve. |
| £22,000 | ELLL Equalisation Reserve | Transfer from reserve to utilise the underspend transferred to the reserve in 2017/18, to fund the cost of transition between contracts |

| | | |
|----------|---------------------------|---|
| | | within the Think Families First project. |
| £20,000 | ELLL Equalisation Reserve | Transfer from reserve to utilise the underspend transferred to the reserve in 2017/18, to fund the purchase of a generator at Margam Park |
| £10,000 | ELLL Equalisation Reserve | Transfer from reserve to utilise the underspend transferred to the reserve in 2017/18, to meet costs of additional HR capacity to manage sickness absence in schools. |
| £128,349 | BSSG grant Reserve | Transfer from reserve to fund expenditure on transport infrastructure in 2018/19, in accordance with WG grant issued in 2017/18 |
| £26,260 | ERVR Reserve | Transfer from reserve to fund ERVR costs in planning development control |

Specific Reserves Summary

| | |
|--|-----------------|
| | £'000 |
| Opening balance on specific reserves 1/4/18 | (38,578) |
| Budgeted contributions (to) /from reserves | 3 |
| Additional reserve movements already approved | |
| Additional reserve movements proposed this quarter | 417 |
| Estimated closing balance on specific reserve 31/3/19 | (38,158) |

Details of all the above are included in Appendix 3

General Reserve

| | |
|--|-----------------|
| | £'000 |
| Opening balance on the general reserve 1/4/18 | (19,980) |
| Budgeted contributions (to) /from reserves | (60) |
| Additional reserve movements already approved | |
| Additional reserve movements proposed this quarter | |
| Estimated closing balance on 31/3/19 | (20,040) |

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

6 Forward Financial Plan Monitoring 2019/20 to 2022/23

- 6.1 The list of savings strategies included in the budget for 2018/19 are outlined in Appendix 5. Any variation to delivering the budget including the savings for 2018/19 are included in relevant narrative above.

Further work to update the FFP for 2019/20 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 grant 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 2018/19

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 2018/19

14. **Officer Contact**

For further information on this report item, please contact:

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Appendix 1

Summary 2018-19 at Quarter 1 (30th June)

| | Original | Virements | | | Revised | Projected | Variance | |
|--|---------------------|----------------|----------------|----------|----------|---------------------|---------------------|------------------|
| | Budget | Cab | Quarter | Quarter | Quarter | Budget | Outturn | |
| | 2018/19 | 23/5/18 | 1 | 2 | 3 | 2018/19 | 2018/19 | |
| | £ | | | | | £ | £ | |
| Education, Leisure and Lifelong Learning - Schools | 81,708,000 | 0 | 0 | 0 | 0 | 81,708,000 | 81,708,000 | 0 |
| Education, Leisure and Lifelong Learning - Other | 23,816,000 | 615,970 | 0 | 0 | 0 | 24,431,970 | 24,707,880 | 275,910 |
| Social Services Health & Housing | 78,632,000 | 80,500 | 0 | 0 | 0 | 78,712,500 | 80,212,500 | 1,500,000 |
| Environment | 34,755,000 | 262,500 | 120,841 | 0 | 0 | 35,138,341 | 35,839,908 | 701,567 |
| Corporate Services | 17,433,000 | 38,000 | 0 | 0 | 0 | 17,471,000 | 17,215,846 | -255,154 |
| Directly Controlled Expenditure | 236,344,000 | 996,970 | 120,841 | 0 | 0 | 237,461,811 | 239,684,134 | 2,222,323 |
| Swansea Bay Port Authority | 46,000 | | | | | 46,000 | 46,011 | 11 |
| Fire Authority | 7,288,000 | | | | | 7,288,000 | 7,287,660 | -340 |
| Margam Crematorium | 1,000 | | | | | 1,000 | 559 | -441 |
| Archives | 91,000 | | | | | 91,000 | 91,700 | 700 |
| Magistrates Court | 13,000 | | | | | 13,000 | 11,006 | -1,994 |
| Capital Financing | 18,573,000 | | | | | 18,573,000 | 18,573,000 | 0 |
| Council Tax Support | 17,841,000 | | | | | 17,841,000 | 17,429,316 | -411,684 |
| Contingency | 989,000 | | -120,841 | | | 868,159 | 868,159 | 0 |
| Pay & Pensions Provision | 1,190,000 | -996,970 | | | | 193,030 | 93,030 | -100,000 |
| Management of Change | 500,000 | | | | | 500,000 | 500,000 | 0 |
| Miscellaneous | | | | | | 0 | -50,100 | -50,100 |
| Cont. from Fire Authority Reserve | -21,000 | | | | | -21,000 | -21,000 | 0 |
| Net Budget Requirement | 282,855,000 | 0 | 0 | 0 | 0 | 282,855,000 | 284,513,475 | 1,658,475 |
| Funded by: | | | | | | | | |
| RSG | -166,732,844 | | | | | -166,732,844 | -166,732,844 | 0 |
| NNDR | -45,607,965 | | | | | -45,607,965 | -45,607,965 | 0 |
| Discretionary Rate Relief | 216,432 | | | | | 216,432 | 216,432 | 0 |
| Council Tax | -70,730,623 | | | | | -70,730,623 | -70,730,623 | 0 |
| Total Funding | -282,855,000 | 0 | 0 | 0 | 0 | -282,855,000 | -282,855,000 | 0 |

Virements Agreed by Corporate Directors – during Quarter 1

| <u>Value</u> | <u>Directorate</u> | <u>Service</u> |
|--------------|--------------------|--|
| -£88,122 | ENVT | Highways Maintenance reactive - transfer to fund graduate posts |
| £29,374 | ENVT | Drainage - transfer to fund graduate posts |
| £29,374 | ENVT | Public Lighting & Signal Control - transfer to fund graduate posts |
| £5,065 | ENVT | Passenger Transport |
| -£42,000 | ENVT | Neighbourhood services |
| -£12,747 | ENVT | Dog & Litter Wardens |
| £12,747 | ENVT | Pest control |
| £29,374 | ENVT | Waste Management - transfer to fund graduate posts |
| £42,000 | ENVT | Parks & Open Spaces |
| -£10,000 | ENVT | Estates |
| £10,000 | ENVT | Asset & Energy Management |
| -£38,000 | ENVT | Building Maintenance |
| £50,000 | ENVT | Architectural Consultancy |
| -£12,000 | ENVT | Management support |
| -£5,065 | ENVT | Management support |
| -£24,288 | ENVT | Environmental Health |
| £24,288 | ENVT | Food & Health Safety |
| -£31,790 | CORP | ICT |
| -£24,361 | CORP | Legal Services |
| £24,361 | CORP | Land Charges |
| £31,790 | CORP | Human Resources - Training |
| £9,144 | ELLL | Parent/Pupil and Governor Support Unit |
| -£9,144 | ELLL | Support for SEN Pupils |
| £24,841 | ENVT | Highways Maintenance - Works Programme |
| -£30,000 | ENVT | Neighbourhood Services |
| -£14,623 | ENVT | Estates |
| -£55,059 | ENVT | Asset & Energy Management |
| £6,249 | ENVT | Civic Buildings |
| £77,885 | ENVT | Management Support |
| -£14,452 | ENVT | Support services |
| £96,000 | ENVT | Tourism |
| £30,000 | ENVT | Gnoll Country Park |
| £46,424 | CORP | ICT |
| -£46,424 | CORP | Procurement |
| -£120,841 | Other | Corporate contingency |

SCHEDULE OF SPECIFIC RESERVES

| Description | Updated Reserve Balance at 1/4/18 | 2018/19 Budgeted Cont. to reserve | 2018/19 Budgeted Cont from reserve | Changes already agreed | Changes proposed in Period | Estimated Reserve Balance at 31/3/19 |
|--|-----------------------------------|-----------------------------------|------------------------------------|------------------------|----------------------------|--------------------------------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| EDUCATION, LEISURE & LIFELONG LEARNING | | | | | | |
| <i>Delegated Schools Reserves</i> | | | | | | |
| ER Reserve Primary | -19 | -1 | 0 | 0 | 0 | -20 |
| Primary Schools Reserve A/C | -2,433 | 0 | 0 | 0 | 0 | -2,433 |
| Secondary Schools Reserve A/C | -274 | 0 | 0 | 0 | 0 | -274 |
| Special Schools Reserve A/c | -161 | 0 | 0 | 0 | 0 | -161 |
| Repair and Maintenance Reserve | -161 | 0 | 0 | 0 | 0 | -161 |
| | -3,048 | -1 | 0 | 0 | 0 | -3,049 |
| <i>Education, Leisure and Lifelong Learning</i> | | | | | | |
| Education Equalisation Reserve | -96 | 0 | 0 | 0 | 52 | -44 |
| Home to School Transport | -60 | 0 | 60 | 0 | 0 | 0 |
| | -156 | 0 | 60 | 0 | 52 | -44 |
| Total Education Leisure & Lifelong Learning | -3,204 | -1 | 60 | 0 | 52 | -3,093 |
| SOCIAL SERVICES, HEALTH & HOUSING | | | | | | |
| Homecare ECM Equipment Reserve | -53 | -10 | 0 | 0 | 0 | -63 |
| Community Care Transformation Reserve | -108 | 0 | 0 | 0 | 0 | -108 |
| Social Services Equalisation | -540 | 0 | 0 | 0 | 0 | -540 |
| Hillside General Reserve | -1,687 | -143 | 238 | 0 | 0 | -1,592 |
| Youth Offending Team - Equalization | -153 | 0 | 0 | 0 | 0 | -153 |
| Adoption service | -100 | 0 | 0 | 0 | 0 | -100 |
| Total Social Services, Health and Housing | -2,641 | -153 | 238 | 0 | 0 | -2,556 |
| ENVIRONMENT | | | | | | |
| <i>Directorate</i> | | | | | | |
| Concessionary Fare - Bus Pass Replacement Reserve | -152 | 0 | 0 | 0 | 0 | -152 |

SCHEDULE OF SPECIFIC RESERVES

| Description | Updated Reserve Balance at 1/4/18 | 2018/19 Budgeted Cont. to reserve | 2018/19 Budgeted Cont from reserve | Changes already agreed | Changes proposed in Period | Estimated Reserve Balance at 31/3/19 |
|---|-----------------------------------|-----------------------------------|------------------------------------|------------------------|----------------------------|--------------------------------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Asset Recovery Incentive Scheme | -126 | 0 | 0 | 0 | 0 | -126 |
| Local Development Plan | -142 | 0 | 0 | 0 | 0 | -142 |
| Economic Development | -40 | -200 | 200 | 0 | 0 | -40 |
| Winter Maintenance Reserve | -764 | 0 | 0 | 0 | 0 | -764 |
| Baglan Bay Innovation dilapidation reserve | -78 | 0 | 0 | 0 | 0 | -78 |
| Building Maintenance Reserve | 0 | 0 | 0 | 0 | 0 | 0 |
| Environment Equalization Reserve | -353 | 0 | 0 | 0 | 0 | -353 |
| BSSG Grant | -128 | 0 | 0 | 0 | 128 | 0 |
| Renewable energy | -4 | 0 | 0 | 0 | 0 | -4 |
| Environmental Health - housing equalisation | -20 | 0 | 0 | 0 | 0 | -20 |
| Operating Account -Equalisation | -36 | 0 | 0 | 0 | 0 | -36 |
| Vehicle Tracking | -92 | 0 | 0 | 0 | 0 | -92 |
| Operating Accounts -Vehicle Renewals | -1,465 | -1,063 | 0 | 0 | 0 | -2,528 |
| Total Environment | -3,399 | -1,263 | 200 | 0 | 128 | -4,334 |
| FINANCE /CHIEF EXEC | | | | | | |
| Elections Equalisation Fund | -202 | -15 | 0 | 0 | 0 | -217 |
| Health & Safety/Occupational Health | -94 | 0 | 54 | 0 | 0 | -41 |
| Development Fund for Modernisation | -110 | -5 | 0 | 0 | 0 | -115 |
| IT Renewals Fund | -1,495 | 0 | 421 | 0 | 0 | -1,073 |
| Corporate Services Equalisation Reserve | -662 | 0 | 424 | 0 | 0 | -238 |
| Building Capacity | -80 | 0 | 0 | 0 | 0 | -80 |
| Voluntary Organisation Reserve | -23 | 0 | 10 | 0 | 0 | -13 |
| Total Finance /Chief Exec | -2,666 | -20 | 909 | 0 | 0 | -1,778 |
| CORPORATE RESERVES | | | | | | |
| Insurance-Claims Reserve | -6,618 | -280 | 280 | 0 | 0 | -6,618 |
| Income Generation Project Reserve | -750 | 0 | 34 | 0 | 0 | -716 |

SCHEDULE OF SPECIFIC RESERVES

| Description | Updated Reserve Balance at 1/4/18 | 2018/19 Budgeted Cont. to reserve | 2018/19 Budgeted Cont from reserve | Changes already agreed | Changes proposed in Period | Estimated Reserve Balance at 31/3/19 |
|--|-----------------------------------|-----------------------------------|------------------------------------|------------------------|----------------------------|--------------------------------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Members Community Fund Reserve | -672 | 0 | 0 | 0 | 0 | -672 |
| Community Resilience Fund | -2,000 | 0 | 0 | 0 | 0 | -2,000 |
| Housing Warranties | -220 | 0 | 0 | 0 | 0 | -220 |
| Fire Authority Reserve | -31 | 0 | 0 | 0 | 0 | -31 |
| Pantteg Landslip Reserve | -500 | 0 | 0 | 0 | 0 | -500 |
| Waste Reserve | -393 | 0 | 0 | 0 | 0 | -393 |
| LAWDC Contingency Reserve | -971 | 0 | 0 | 0 | 0 | -971 |
| Treasury Management Equalisation Reserve | -5,755 | 0 | 0 | 0 | 0 | -5,755 |
| ER/VR - Transitional Reserve | -6,074 | 0 | 0 | 0 | 26 | -6,048 |
| Accommodation Strategy | -2,484 | -50 | 50 | 0 | 210 | -2,274 |
| Total Corporate Reserves | -26,468 | -330 | 364 | 0 | 236 | -26,198 |
| JOINT COMMITTEE RESERVES | | | | | | |
| Environment Legacy Reserve (SWTRA) | -60 | 0 | 0 | 0 | 0 | -60 |
| WB Safeguarding Board Reserve | -99 | 0 | 0 | 0 | 0 | -99 |
| Substance Misuse Joint Committee | -27 | 0 | 0 | 0 | 0 | -27 |
| Intermediate Care Pooled Fund Reserve | -14 | 0 | 0 | 0 | 0 | -14 |
| | -199 | 0 | 0 | 0 | 0 | -199 |
| TOTAL ALL REVENUE RESERVES | -38,578 | -1,768 | 1,771 | 0 | 417 | -38,158 |

General Reserve

Appendix 4

| | Original Estimate 2018/19 | Revised Estimate 2018/19 | Difference 2018/19 |
|--|--|---|-------------------------------|
| | £'000 | £'000 | £'000 |
| Opening balance 1st April | Cr 20,613 | Cr 19,980 | 633 |
| Council Tax increased income | Cr 1,000 | Cr 1,000 | 0 |
| Capital - Phase II Accommodation financing costs | 340 | 340 | 0 |
| Doubtful Debt Provision | 200 | 200 | 0 |
| Contributions to the Economic Development Fund | 200 | 200 | 0 |
| Community Councils Grant Scheme | 25 | 25 | 0 |
| Pantteg landslip - media support | 40 | 40 | 0 |
| NPT Works contract termination | 135 | 135 | 0 |
| | | | |
| | | | |
| Contribution from /to revenue | 0 | 0 | 0 |
| | | | |
| Estimated Closing balance 31st March | Cr 20,673 | Cr 20,041 | 633 |

| Ref | Board | Description | Lead | Main Impacts | 2018/19 £000 | 2019/20 £000 |
|---------|-------|--|---------------|---|-----------------|-----------------|
| ELLL704 | ES&C | Out of county placements | Andrew Thomas | No major impact, pupils will have reached school leaving age. Also savings in special school transport costs | 213 | 72 |
| ELLL707 | ES&C | Pontardawe Arts Centre - Reduce Subsidy | Andrew Thomas | Further reduction in funding to theatres, possibly a reduction in opening times. Investigating other income generation opportunities to compensate for reduced subsidy. | 40 | 40 |
| ELLL708 | ES&C | Gwyn Hall -Reduce Subsidy | Andrew Thomas | More efficient management of Celtic Leisure contract. | 40 | 40 |
| ELLL712 | ES&C | Reduction in management costs. | Andrew Thomas | Full year impact of 2017/18 decision | 19 | 0 |
| ELLL714 | ES&C | Disability Sport - Withdraw match support for Disability Sports Coordinator's post | Chris Millis | Full year effect of 2017/18 decision. No decrease in provision as grant terms and conditions met. | 15 | 0 |
| ELLL715 | ES&C | School Catering - Implementation of the review recommendations | Chris Millis | Savings from implementing new pay scale | 100 | 0 |

| Ref | Board | Description | Lead | Main Impacts | 2018/19 £000 | 2019/20 £000 |
|---------|-------|--|---------------|--|-----------------|-----------------|
| ELLL801 | ES&C | Re-negotiate current contract to deliver outdoor education at the Discovery Centre, Margam Park. | Andrew Thomas | Likely increased cost for NPT pupils - more in line with what other users pay. Every effort will be made to protect financially disadvantaged pupils from price increases. | 0 | 250 |
| ELLL802 | ES&C | Celtic Leisure Contract - negotiate a reduction in subsidy | Andrew Thomas | More efficient management of Celtic Leisure contract. | 50 | 100 |
| ELLL803 | ES&C | Youth Service - secure 5% efficiencies on core budget | Chris Millis | Reduced provision, resulting in less capacity to support young people. Aim to target more strategic activity | 25 | 0 |
| ELLL804 | ES&C | School meals | Chris Millis | Savings identified as a direct result of the reduction in the number of schools | 50 | 0 |
| ELLL805 | ES&C | Music - set 10% efficiency target | Chris Millis | Reduced access to music provision across the County Borough. | 17 | 0 |
| ELLL806 | ES&C | Cut ERW additional funding | Chris Millis | Cease annual contribution to ERW and reduce core funding on the basis there are now far fewer schools in NPT | 80 | 0 |

| Ref | Board | Description | Lead | Main Impacts | 2018/19 £000 | 2019/20 £000 |
|---------|-------|--|---------------|---|-----------------|-----------------|
| ELLL807 | ES&C | School cleaning - full cost recovery | Chris Millis | Increase current costs to primary and special schools. Possible risk of outsourcing. | 70 | 0 |
| ELLL808 | ES&C | Margam Park - market test with a view to appoint an operator for the catering functions. | Andrew Thomas | No impact to service users. Possible TUPE issues for staff for the very small number of staff who may be affected | 0 | 75 |
| ELLL809 | ES&C | Inclusion services - efficiency savings | Andrew Thomas | Further review of all areas of expenditure to secure efficiencies, e.g. vacancy management, out of county placements of pupils, maximising income | 50 | 0 |
| ELLL810 | ES&C | Cefn Coed Museum - reduce subsidy | Chris Millis | Consult and work with Friends of Cefn Coed Museum to identify income generation opportunities and volunteer contributions. | 5 | 5 |
| ELLL811 | ES&C | Home to School Transport - 1% savings target | Chris Millis | Home to school transport route re-tender savings. | 50 | 0 |
| ELLL812 | ES&C | Children and Young People - 5% efficiency on core budget costs | Chris Millis | Reduced provision, resulting in less capacity to support young people. | 25 | 0 |

| Ref | Board | Description | Lead | Main Impacts | 2018/19 £000 | 2019/20 £000 |
|---------|-------|----------------------|----------------------------------|--|-----------------|-----------------|
| SSHH801 | SCHWB | Direct Payments | Andrew Jarrett/ Angela Thomas | The Social Services and Wellbeing Act 2014 requires Councils to promote Direct Payments (DP). Social Workers will actively promote DP's to offer choice and control over the services they require. Savings will be made against the total placements budget. | 950 | 0 |
| SSHH802 | SCHWB | Asset Based Approach | Andrew Jarrett | The asset based approach is a successful strategy for reducing costs of social care by diverting demand and avoiding costs by earlier intervention & prevention; in addition to the very successful early intervention that already goes on. This means identifying sources of community provision which will meet people's needs in different ways. Savings will be made against the total adult placements budgets | 685 | 0 |

| Ref | Board | Description | Lead | Main Impacts | 2018/19 £000 | 2019/20 £000 |
|---------|-------|---------------------------------------|---------------|--|-----------------|-----------------|
| SSHH803 | SCHWB | Children's Services | Keri Warren | Savings will be made against the total children placements budget and will encompass a focus on ensuring that children who can live at home do so, and those that cannot are provided with stability in care. | 500 | 0 |
| SSHH804 | SCHWB | Learning Disabilities reconfiguration | Angela Thomas | Review of Independent Living packages of care, with a planned approach to re-assessing people's needs, to enable individuals to be as independent as possible. Explore how the use of assistive technology can support people in different ways, especially during the night. Work with the whole sector to create more effective models of care/support and promote greater independence. Savings will be made against the Learning disability placement budget | 500 | 0 |

| Ref | Board | Description | Lead | Main Impacts | 2018/19 £000 | 2019/20 £000 |
|---------|-------|--|---------------|--|-----------------|-----------------|
| SSHH805 | SCHWB | Review of domiciliary care packages of care | Angela Thomas | Carry out reviews for packages of independent sector domiciliary care within the community to ensure that people are supported to achieve greater independence and are not being over supported. | 85 | 0 |
| SSHH806 | SCHWB | Maximise usage of block booked residential care beds | Angela Thomas | Ensure the utilisation for the block contracted beds are maximised to the 80% contracted amount with the service provider - POBL. Manage the allocations into Pobl beds from a central point to ensure full occupancy, savings based on a reduction of independent sector placements due to maximising contracted beds. Savings will be made against the elderly residential care budget | 200 | 0 |

| Ref | Board | Description | Lead | Main Impacts | 2018/19 £000 | 2019/20 £000 |
|---------|-------|--|----------------------------------|--|-----------------|-----------------|
| SSHH807 | SCHWB | Reconfigure assessment & reablement beds within block contract | Angela Thomas | Review the use of assessment and reablement beds, convert a proportion of the capacity to long terms beds to maximise utilisation. Savings will be made by better use of the elderly residential care budget | 80 | 0 |
| SSHH808 | SCHWB | Welsh Independent Living Grant (WILG) Service Reviews | Angela Thomas | Review of all placements receiving WILG funding to create greater independence. Savings will be made against the WILG budget. | 500 | 0 |
| SSHH809 | SCHWB | Beaufort House | Angela Thomas | Reopen Beaufort house as a homeless hostel to increase homelessness provision in the Borough. | 150 | 0 |
| SSHH810 | SCHWB | Mental Health placements | Angela Thomas/ Beverly Cannon | Carry out a review of people's needs, within mental health residential services, to support people to access community based support and achieve greater independence. Savings will be made against the mental health placements budget. | 100 | 0 |

| Ref | Board | Description | Lead | Main Impacts | 2018/19 £000 | 2019/20 £000 |
|---------|-------|---------------------------|----------------------------------|--|-----------------|-----------------|
| SSHH811 | SCHWB | Double handling programme | Angela Thomas | Occupational Therapists to carry out a review of people receiving double handling care calls from the external homecare sector. Creating greater independence, with the right support and equipment. Savings will be achieved in the external domiciliary care service. | 300 | 0 |
| SSHH812 | SCHWB | Internal homecare review | Andrew Jarrett/ Angela Thomas | Carry out an in-depth review of the current homecare provision to explore the optimum operating model. Retain complex, reablement and rapid response elements, and explore ways to commission generic homecare from the independent sector. Savings will be achieved by deleting vacant post and reducing the flexible cover budget. | 500 | 0 |
| ENV706 | CS&PP | Asset Sponsorship | Nicola Pearce | Income generation | 75 | 0 |

| Ref | Board | Description | Lead | Main Impacts | 2018/19 £000 | 2019/20 £000 |
|--------|-------|---------------------------------------|-----------------|---|-----------------|-----------------|
| ENV801 | S&E | Car Parking | Dave Griffiths | Alignment and increase in charges. Retention of 1 hour free parking in Pontardawe. Introduction of mobile CCTV camera van enforcement with focus on dangerous parking outside schools and bus bays. | 175 | 0 |
| ENV802 | S&E | Waste Disposal Procurement | Michael Roberts | Subject to the outcome of procurement | 200 | 0 |
| ENV803 | S&E | Household Waste Recycling Centres | Michael Roberts | Alternative service delivery in the Upper Swansea Valley, but extend current service contract at Pwllfawatkin for 2018/19. | 100 | 0 |
| ENV804 | all | Staff redundancies /deletion of posts | all | Reduced staff capacity | 30 | 0 |
| ENV805 | CS&PP | Planning | Nicola Pearce | Reduced staff | 30 | 0 |
| ENV806 | R&SD | Crynant Business Centre | Simon Brennan | Increase rentals | 18 | 0 |
| ENV807 | S&E | Gnoll Country Park | Michael Roberts | Increase in charges including car parking | 30 | 0 |
| ENV808 | S&E | Survey Team | Michael Roberts | Service Review to ensure all costs are recovered from clients | 30 | 0 |

| Ref | Board | Description | Lead | Main Impacts | 2018/19 £000 | 2019/20 £000 |
|---------|-------|---|---------------|--|-----------------|-----------------|
| CORP576 | P&R | 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. | 0 | 36 |
| CORP577 | P&R | CCTV - cost savings | Karen Jones | Savings at the end of the current CCTV Maintenance contract period. | 0 | 30 |
| CORP604 | P&R | Occupational Health - reduce professional fees budget | Sheenagh Rees | Full year impact of savings from introducing Occupational Health on line referral system and the referral hotline number. | 10 | 0 |
| | | | | | | |
| CORP702 | P&R | Staff reductions | Steve John | 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 2020 | 200 | 100 |
| CORP705 | P&R | Human Resources - occupational health, health & safety | Sheenagh Rees | Delete partial hours where post holders have reduced their working hours. | 15 | 0 |

| Ref | Board | Description | Lead | Main Impacts | 2018/19 £000 | 2019/20 £000 |
|---------|-------|--|-----------------|---|-----------------|-----------------|
| CORP801 | P&R | Financial Services - Staff reductions in various teams across the finance division | Dave Rees | These reductions will require re-structuring of the relevant sections which may impact on performance levels. It is expected that the staff reduction should be achieved via ER/VR. | 163 | 95 |
| CORP802 | P&R | Financial Services - Non staff savings | Dave Rees | Further pressure to reduce spend on non staff expenditure heads. | 15 | 0 |
| CORP803 | P&R | Legal services | Craig Griffiths | Staff savings | 32 | 0 |
| CORP804 | P&R | Land charges | Craig Griffiths | Staff savings | 27 | 0 |
| CORP805 | P&R | Legal Services - corporate support services | Craig Griffiths | Staff savings | 13 | 0 |
| CORP806 | P&R | Health & safety - Staff reductions | Sheenagh Rees | Reductions in capacity to manage health and safety of projects and staff. | 15 | 0 |
| CORP807 | P&R | HR - Staff reductions | Sheenagh Rees | Reduce capacity to respond to statutory data returns, implement personnel committee reports, data cleansing, resulting in delays in response to queries, compilation of FOI requests. | 34 | 0 |
| CORP808 | P&R | Training | Sheenagh Rees | Non staff savings | 2 | 0 |

| Ref | Board | Description | Lead | Main Impacts | 2018/19 £000 | 2019/20 £000 |
|---------|-------|----------------------------------|-----------------|-----------------------------------|-----------------|-----------------|
| CORP809 | P&R | Corporate Services | Hywel Jenkins | Reduction in staff costs | 30 | 0 |
| CORP810 | P&R | Community Safety | Karen Jones | Staff savings | 8 | 0 |
| CORP811 | P&R | Community Safety | Karen Jones | Non staff savings | 2 | 0 |
| CORP812 | P&R | Democratic services | Karen Jones | Transport savings | 19 | 0 |
| CORP813 | P&R | Democratic services | Karen Jones | Staff savings | 17 | 0 |
| CORP814 | P&R | Democratic services | Karen Jones | Non staff costs | 3 | 0 |
| CORP815 | P&R | Corporate strategy | Karen Jones | Increase income | 23 | 0 |
| CORP816 | P&R | Corporate strategy | Karen Jones | Non staff savings | 2 | 0 |
| CORP817 | P&R | One stop shop | Karen Jones | Staff savings | 9 | 0 |
| CORP818 | P&R | One stop shop and contact Centre | Karen Jones | Non staff savings | 7 | 0 |
| CORP819 | P&R | Communications | Karen Jones | Non staff savings | 2 | 0 |
| OTH801 | P&R | Margam Crematorium | Craig Griffiths | Contribution from Joint Committee | 55 | 0 |
| | | | | | 6,790 | 843 |

NB amounts shaded as Amber are currently at risk of not being fully delivered.