

NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

CABINET

REPORT OF CORPORATE DIRECTORS GROUP

10th JANUARY 2020

SECTION A – MATTER FOR DECISION

WARDS AFFECTED: ALL

DRAFT BUDGET FOR CONSULTATION 2020/21

1. Purpose of Report

To seek Member approval to consult on the draft budget proposals, financial savings, service reductions and income generation proposals for 2020/21 and beyond.

To confirm that consultation will take place to the 4th February 2020 prior to reviewing responses and setting a balanced budget for 2020/21 in early March 2020.

2. Executive Summary

Today's report does not seek final decisions from Members on priorities or on where financial savings should be made. The aim of this report is to seek approval to go out to consultation and listen to the views of our County Borough citizens and stakeholders in relation to the issues set out in this report. Final decisions on setting the Council's 2020/21 Budget will be required to be taken in March 2020, following the end of public consultation and receipt of the Welsh Government's Final Local Government Settlement.

On the 16th December 2019 The Welsh Government (WG) published details of the Provisional Local Government Settlement for 2020/21. The settlement shows that the Welsh Government is providing £4.474bn of funding to Local Government which is a 4.3% increase on the adjusted base for 2019/20. Neath Port Talbot

Council's share is £226.762m which is 8th best in Wales and shows an increase of 4.5%.

For the first time in years the Welsh Government has published details of all specific grants funding for 2020/21. On an All Wales basis this shows the total amount available as £982 m. This is a £11m increase on the current year having taken account of transfers into the settlement. Details of the specific amounts due for each Council have started to be released with further details expected in January.

This report shows that for 2020/21 increases from the Welsh Government Grant and Council Tax improve the Council's funds available to run Council Services to £305m but this remains short of what is required to meet inflation, pay award, teachers pensions and other pressures which total £308.8m. This results in a funding shortfall in 2020/21 of £3.8m. This report sets out the draft proposals for consultation on how to close that gap, including the use of £1.65m of general reserves together with draft savings, cuts or additional income of £2.148m which are needed to balance the budget.

Members should note that the Welsh Government's Final Settlement is expected to be published on the 25 February 2020.

Following the recent UK election we expect the Chancellor of the Exchequer to issue a Budget Statement early in the New Year followed by a further UK Government Spending Review announcement due mid-2020 which will inform public spending plans for the next parliamentary period. The outcome of that review will allow the Welsh Government to develop plans and hopefully multi-year funding settlements for 2021 onwards. In addition to the 2020/21 gap the following 3 years of the Forward Financial Plan, to 31st March 2024, shows a projected funding gap of £28m. A further report on options to close this medium term gap will be prepared for Members consideration later in 2020.

3. Background

Neath Port Talbot Council's net revenue budget 2019/20 amounts to £288.168m and together with grants and income from services results in a gross budget of £433m which is invested in Council

services across the County Borough. The Council also annually invests some £50m through its capital programme.

There is a statutory duty for the Council to set a balanced budget each financial year. Prior to setting the budget the Council has a duty to consult stakeholders on changes to the Budget. One of the objectives of this report is to set out the projected funding gap for the next 4 years to 2023/24. In February 2019, when setting the Council's Budget for the current year, it was noted that the Council had delivered £90m of savings since 2010 but there remained a projected funding gap of £53m over the next 3 years to 31 March 2023.

Projected Funding Gap at February 2019

	2020/21	2021/22	2022/23
	£'000	£'000	£'000
Budget Gap Before Directorate Savings	20,843	15,548	16,368
Cumulative Gap	20,843	36,391	52,759
FFP Savings	-719	-295	-190
Budget Gap @ Feb 2019	20,124	15,253	16,178
Cumulative Gap @ Feb 2019	20,124	35,377	51,555

The Welsh Government's 2020/21 Draft Budget published on 16th December 2019 continues to prioritise and provide additional funding to the Health Service. The UK Government has recently announced that it will continue to provide additional funding to Health for the duration of this parliament. However, until they announce the outcome of the Spending Review the impact on other public services and Councils will not be known. As the Welsh Government will benefit from the Barnett consequential of such a decision it is highly likely that they will also continue to prioritise Health funding at the expense of Local Government and other public services. Hence we are likely to continue to face funding challenges over the next few years.

4. Council Priorities 2019 – 2022

The Council's Corporate Plan for 2019-2022 sets out the Council's strategic objectives and priorities for this administration period.

The setting of these strategic objectives - the Council's well-being objectives - fulfil the requirement under s3 (2)(a) of the Well-being of Future Generations (Wales) Act 2015.

The Council's three well-being objectives are:

Well-being Objective 1

To improve the well-being of children and young people - "All of our children and young people have the best start in life, so they can be the best they can be".

Well-being Objective 2

To improve the well-being of all adults who live in the county borough - "Everyone participates fully in community life – socially and economically".

Well-being Objective 3

To develop the local economy and environment so that the well-being of people can be improved - "the whole of Neath Port Talbot County Borough will be a vibrant and healthy place to live, work and enjoy recreational time".

Supporting each of the above well-being objectives are improvement priorities which fulfil different legal requirements set out in (s3(1)) of the Local Government (Wales) Measure 2009.

When setting the well-being objectives and priorities we analysed how they contribute to the seven national well-being goals that the Welsh Government requires all public bodies in Wales to contribute to.

5. Current Budget 2019/20

Neath Port Talbot Council approved its 2019/20 budget on the 14th February 2019 and finalised council tax setting at the meeting of 27th February 2019. The medium term budget forecast, at that time, assumed a 2% reduction in Welsh Government funding for each year

from 2020/21. The forecast showed the need to identify savings solutions of circa £53m over the next 3 financial years.

The following table summarises Council Funding and Net Budget for 2019/20.

Funding 2019/20	Budget	Budget
	£m	%
Revenue Support Grant	£168.695	58.54%
National Non Domestic Rates	£46.100	16.00%
Discretionary Rates Relief	-£0.330	-0.12%
Council Tax	£73.703	25.58%
Total Income	£288.168	100.00%

Net Budget 2019/20	Budget	Budget
	£m	%
Education, Leisure & Lifelong Learning (including Schools at £84.24m)	£109.091	37.86%
Social Services, Health & Housing	£79.681	27.65%
Environment	£37.535	13.03%
Finance & Corporate Services	£18.076	6.27%
Fire Authority	£7.470	2.59%
Capital Financing	£19.273	6.69%
Council Tax Support	£18.108	6.28%
Other including Contingency	£1.189	0.41%
Use of Reserves	-£2.255	-0.78%
Budget Requirement	£288.168	100.00%

The Council's budget for 2019/20 is 4.54% or £12.505m above the Standard Spending Assessment (SSA) of £275.663m, which is the Welsh Government's assessment of the need to spend

6. Provisional Local Government Settlement 2020/21

The Minister for Housing and Local Government published the Welsh Government's Provisional Local Government Settlement on 16th December 2019.

The headlines are that for 2019/20 the Welsh Government will provide funding of £4.474bn to run local authority services across Wales. This increase of 4.3% is much appreciated and is the first above inflation increase since 2007. In addition the Welsh Government confirmed that they transferred £53m of specific grant into the settlement. The following table summarises the position:

Grants Transferred into Settlement	ALL Wales	NPT
	£'000	£'000
Coastal Risk Management	151	151
NHS funded care	1,900	97
Teachers Pensions	39,112	1,826
Teachers Pay	12,018	561
Total	53,181	2,635

As members are aware the £39m for Teachers Pensions and £12m for Teachers Pay refer to grants received in relation to 7 months of costs incurred this year from September 2019 to March 2020 and thus its transfer into the base budget allows for such funds to be given to our schools in 2020/21. Members should note that the additional full year costs for 2020/21 are included in the general provisional settlement.

The Neath Port Talbot Council share of the total funds available amounts to £226.762m. This is an increase at 4.5% on the current year and is the 8th best settlement in Wales.

As part of the Provisional Settlement the Welsh Government announced they would make available £982m of specific grants and for the first time in many years have provided indicative allocations to us of these grants or we can expect such information during January 2020. This will much improve our financial planning and budget certainty for 2020/21.

Details of all the Specific Grants as published by the Welsh Government are set out in Appendix 4.

Members will note the following points in relation to individual grants:

- The Welsh Government has increased the grant for Social care from £30m to £40m.
- The Welsh Government has agreed to continue to provide £10m for Minority Ethnic and Gypsy, Roma and Traveller learners. The majority of this grant goes to the 4 Regional Authorities with £169k expected by this Council.
- The Sustainable Waste Grant has been reduced by £1.8m (10%) to £16.4m. It is estimated that NPT's share will reduce by £77k and this has been built into budget pressures.
- In the current year the Welsh Government provided specific grant to Fire Authorities to pay for the increased costs of Firefighter pensions. However, there is no information on whether there is continued funding of such costs in the Provisional Settlement or the Grants schedule. In line with the statutory timeline the Mid and West Wales Fire Authority have provided details of their Draft Budget and Draft Precept Requirements on the basis of both including and excluding the £1.8m grant currently received. We are seeking clarity from Welsh Government and the Fire Authority on this matter but in the meantime have built in the higher 9.5% increase in our budget.
- The £600k made available in the past two years continues to be available in 2020/21 to eliminate charging for child burials and child cremations.
- Further clarification of the changes and conditions for all grants is being sought from the Welsh Government and consequential impacts will be evaluated and reported to members.

The settlement continues to include the £244m for Council Tax Reductions Scheme (CTRS) support for another year. The arrangements for 2021/22 onwards will be determined as part of WG's wider considerations about how to make council tax fairer.

The Minister also confirmed that she was only providing budget information for one year as WG is awaiting the outcome of their budget entitlement following the UK Government's Spending Review due later in 2020.

Provisional Capital Settlement

The Minister also published the Provisional Capital Settlement for 2020/21. The All Wales Capital Funding Settlement sees an increase from £535m to £645m in 2020/21. The main increases relate to Capital Childcare Offer (£10.7m increasing to £54m) and Targeted Regeneration Investment - South East Wales (increasing from £6m to £42m). It was also confirmed that the total amount of general capital allocation for Councils will increase by £5m to £177.837m and that WG will continue their investment of £20m in Public Highways Refurbishment for another year. NPT's share of these funds is £8.989m from the general capital allocation and £753k of the Highways grant. The Council's capital programme will be developed over the next few months and presented to Members for approval in March 2020.

7. Budget and FFP Gap 2020/21 to 2023/24

Attached at Appendix 3 is a schedule of the inflation, pay awards and other assumed factors used to prepare the Draft Budget. Given the recent increases in the reported Retail Price and Consumer Price Indices together with pay award requests from Trade Unions the budget provides for increases of 2% across all years. It also assumes that the Welsh Government funding will increase by 1% per annum from 2021/22. Attached at Appendix 2 is a list of pressures that have been built into the draft budget which total £10.621m.

These provisions result in a budget funding gap in 2020/21 of £2.148m (after using £1.65m from general reserves) and a further £28m over the following 3 years. The following table summarises the latest position:

Updated FFP Gap January 2020

	2020/21	2021/22	2022/23	2023/24
	£'000	£'000	£'000	£'000
Budget Gap Before Directorate Savings	3,798	8,654	10,656	9,351
Cumulative Gap	3,798	12,452	23,108	32,459
FFP Reductions - Services & Central	-2,148	-346	-190	0
Use of General Reserves	-1,650			
Budget Gap @ Jan 2020	0	8,308	10,466	9,351
Cumulative Gap @ Jan 2020	0	8,308	18,774	28,125

Members should note though that work is ongoing to verify whether additional budgets are required for the following items. If so they will need to be built in to the final budget decisions due in March 2020:

- Legislation
- Reduction in specific grants affecting service need
- Any changes identified as part of the final Local Government Settlement or UK Government announcements.

Schools

In relation to schools, the draft budget for 2020/21 provides for an increase in the delegated schools budget of £5.6m to £90m. This represents a 4.4% increase in the budget when one takes account of the £1.8m extra funding provided in 2019/20 from grants and reserves. It is appreciated that the Welsh Government has transferred the specific grants re Teachers Pensions and Pay into the general settlement as this provides additional funding certainty for our schools in 2020/21. The 4.4% increase will provide the full

year funding of pensions and pay award to be made available to our schools next year. The following table shows the projected budget for schools:

	2020-21	2021-22	2022-23
	£'000	£'000	£'000
Schools Prior Year Base	84,424	90,050	92,285
2019-20 Pay & Pensions costs funded from grants/reserves	1,802		
Teachers Pensions increase 16.48% to 23.68% (5 months)	1,468		
Sept 2019 Teachers Pay award above 2% (5 months at 0.75%)	300		
Inflation	1,813	1,985	2,102
Est Pupil Numbers	243	250	250
Delegated Budget	90,050	92,285	94,637

The following tables show the estimated funding available from Welsh Government and Council Tax compared to the projected budget required for 2020/21 resulting in a budget gap of £3.798m before use of general reserves. In order to balance the draft budget though there is a need to use a further £1.65m of general reserves and make budget cuts/ increase income by £2.148m.

Estimated total funding available 2020/21

	£'000
Net Budget 2019/20	288,168
Increase in WG Funding	11,967
Increase in Council Tax proceeds	4,902
Draft Funds Available 2020/21	305,037

Estimated budget required 2020/21

	£'000
Net Budget 2019/20	288,168
Pay Awards and inflation	7,594
Pressures	8,183
Transfers into 2020/21 settlement	2,635
Reverse use of General Reserves 19/20	2,255
Draft Budget Required 2020/21	308,835

Draft Budget Gap 2020/21

	£'000
Total Budget Required 2020/21	308,835
Estimated Funds Available	305,037
Total Budget Gap 2020/21	3,798
Less Use of General Reserves 2020/21	-1,650
Budget Gap 2020/21 after use of Reserves	2,148

8. Draft Savings, Service Reductions and Income Generation proposals for Consultation

Attached at Appendix 1 is a schedule of draft savings, service cuts/reductions and income generation proposals for public consultation. The service schedule totals £2.148m for 2020/21 with a further £536k over the following 2 years. The draft Budget also proposes the use of £1.65m from General Reserves.

The total savings/cuts and use of reserves as shown in Appendix 1 are summarised as follows:-

Savings/Cuts and increased Income	2020/21	2021/22	2022/23
	£'000	£'000	£'000
Education Leisure & Lifelong Learning	326	155	0
Social Services Health & Housing	638	0	0
Environment	117	0	0
Corporate Services	567	191	190
Total Directorate	1,648	346	190
Central Savings	500	0	0
Total	2,148	346	190

Income Generation

Members should note that the Council including schools generated over £39m of external income during 2018/19. This was generated as follows:

	£'000	Comment
Sales	4,752	School meals, Margam Park, Theatres & Social Care meals
Fees & Charges	11,177	Arts & Theatres, car parking, Homecare
Contributions received	13,164	Residential care service user contributions
Misc. income	6,021	Schools & Environment
Rents	4,016	Property rents, wayleaves, lettings, homeless
Total	39,130	

The report includes proposals to generate additional income of £166k in 2020/21 and over £500k over the next 3 years with work ongoing to generate more income in subsequent years.

Council Tax

In relation to council tax the 2020/21 Draft Budget assumes a 5% increase. However, it should be noted that the actual Council Tax for next year will not be set until the Council's Budget setting

meeting in early March 2020. For information Members should note that every 1% increase in council tax generates some £740,000 of additional funding (£560k net of Council Tax Support).

9. Other Considerations

As in previous years members will review and scrutinise the draft proposals set out in this report in the relevant Scrutiny Committees during January 2020. Due to the late funding announcement by Welsh Government it is proposed that the consultation will commence immediately after today's Cabinet meeting and run until the 4th February 2020.

The Final Local Government Settlement announcement is expected on 25th February 2020 and a report will be prepared setting out all changes. The Final Budget report due to be considered by Cabinet on 5th March 2020 will also take account of all matters identified by stakeholders during the consultation period together with relevant issues from any UK and Welsh Government announcements. Continuous monitoring and appropriate changes will be made re Brexit, other economic, public spending and taxation matters.

As previously mentioned, 75% of the Council's funding comes from the Welsh Government. Local Authorities, the Welsh Local Government Association and Trade Unions have over the past year set out their case for a reasonable funding settlement for local public services and due to the delayed announcement of the Provisional Settlement this has been reflected in a much better than originally anticipated funding position. It is critical that both the UK and Welsh Governments provide clarity on future public spending plans and finances and ensure that proper funding is provided to Councils so that they can continue to provide essential public services.

10. Crime and Disorder Impact

The Council has a legal duty under Section 17 of the Crime and Disorder Act 1998 to carry out all its various functions with "due regard to the need to prevent Crime and Disorder in its area".

Individual proposals are being assessed as to their impact on crime and disorder and should any specific impact be identified these will

be identified against individual proposals and summarised in final proposals.

11. Integrated Impact Assessment

The Equality Act 2010 requires public bodies to “pay due regard to the need to:

- eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act;
- advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
- foster good relations between persons who share a relevant protected characteristics and persons who do not share it.”

This report identifies the need to make budget savings, cuts or generate extra income of £2.1m in 2020/21 and £28m over the following 3 years. Whilst the net draft Budget for 2020-21 is £305m the projected gross investment by the Council next year across the County Borough will be circa £420m. However the proposals for savings/cuts will have different impact on services across the whole of the County Borough i.e. on citizens, on service users, staff and individuals included within the various protected characteristics groups set out in the Equality Act 2010 and other legislative measures. Individual Impact Assessments for specific proposals are being undertaken and will be made available to Members as part of finalising proposals.

12. Sustainable Development

The Well-being of Future Generations Act 2015 (“the 2015 Act”) requires the Council to think about the long-term impact of their decisions, to work better with people, communities and each other and to prevent persistent problems such as poverty, health inequalities and climate change. The 2015 Act imposes a duty on all public bodies in Wales to carry out “sustainable development”, defined as being, “The process of improving the economic, social, environmental and cultural wellbeing of Wales by taking action, in accordance with the sustainable development principle, aimed at achieving the wellbeing goals.” The action that a public body takes in carrying out sustainable development includes setting and publishing wellbeing objectives, and taking all reasonable steps in exercising its functions to meet those objectives.

This report sets out many service change proposals, which taken together, represent a significant change in the Council's service delivery arrangements. However it should be noted that at this time these are draft proposals for consultation and not final decisions, those will be made in March 2020. As part of the sustainable development principle the Council has a duty to set a balanced budget. During these austere times this can cause a conflict between what the Council wants to provide and what it can afford. Stakeholder consultation on these draft proposals will enable the Council to take account of responses and other relevant information to assist it to finalise its allocation of resources in March 2020.

13. Workforce Impacts

The workforce will be impacted by the reduction in budget funding available to run services. The Council is sharing this report and information with trade unions and staff. The Council wishes to minimise compulsory redundancies and has makes available an early retirement/voluntary redundancy scheme.

14. Consultation

Today will commence the formal consultation with the public and all stakeholders on the draft budget proposals for savings/income generation.

Members will note the consultation will commence immediately following Cabinet today until the 4th February 2020 prior to final decisions being made in March 2020.

15. Recommendation

It is recommended that Members authorise the Chief Executive to consult the public on the draft budget savings, service changes and additional income proposals set out at Appendix 1 of this report.

16. Reason for Proposed Decision

To commence consultation on the 2020/21draft budget.

17. Implementation of Decision

The decision is proposed for implementation immediately after consultation with the Cabinet Scrutiny Committee.

18. Appendices

Appendix 1 - Draft Budget Savings, Cuts and Income Generation for Consultation

Appendix 2 - Revenue Service Pressures 2020 to 2023

Appendix 3 – Inflation and other Factors

Appendix 4 - Specific Grants Schedule 2020/21

19. Background Papers

Welsh Government Provisional Local Government Settlement Announcement of 16th December 2019

Budget working files

20. Officer Contact

For further information on this report item, please contact:

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Draft Budget Savings, Cuts and Income Generation for Consultation

Ref No.	Board	Description	Lead	Main Impacts	Net Budget 2019/20	% saving	2020/21 £000	2021/22 £000	2022/23 £000
ELLL 707	ES&C	Pontardawe Arts Centre - Reduce Subsidy	Andrew Thomas	Operating cost savings and increased income from establishing a cinema which is assumed to open January 2021. Capital investment support being sought from the Arts Council for Wales, the Friends of Pontardawe Arts Centre and the Council.	176	51%	50	40	0
ELLL 1001	ES&C	Leisure Trust	Andrew Thomas	Reduction in management fee paid to Celtic Leisure for the operation of Leisure Services.	1,260	8%	100	0	0
ELLL 1002	ES&C	Management & Admin	Andrew Thomas	Deletion of vacant post in Data Unit	1,107	2%	25	0	0
ELLL 1003	ES&C	Cleaning services	Chris Millis	Movement toward full cost recovery of cleaning service over 2 year period, to be funded by schools.	166	100%	80	85	0
ELLL 1004	ES&C	School transport - out of county	Chris Millis	Pupils leaving out of county placements	268	38%	71	30	0
SSHH 1001	SCHWB	Savings re Adult Family Placement fees	Angela Thomas	Adult Family Placements (AFP) provide family based care to adults in the community who need support, similar to children's foster care. Proposal to reduce the rates paid to AFP carers in line with the rates paid to children's foster carers.	14,753	0%	20	0	0

Draft Budget Savings, Cuts and Income Generation for Consultation

Ref No.	Board	Description	Lead	Main Impacts	Net Budget 2019/20	% saving	2020/21 £000	2021/22 £000	2022/23 £000
SSHH 1002	SCHWB	Review of Joint NPT & CHC packages of care	Angela Thomas	NPT to contribute 50% of cost less service user contribution. Increased cost will fall on Swansea Bay UHB. Net saving following additional investment of £80k to take legal advice and recover debt.	28,630	0%	28	0	0
SSHH 1003	SCHWB	Increased income from financial assessments	Angela Thomas	Ensure that all income due is collected	28,630	0%	20	0	0
SSHH 1004	SCHWB	Early Intervention and Prevention (Building Safe & Resilient Communities).	Angela Thomas	Low level care provided by the community. Support the development of community activity and volunteering opportunities, to prevent/delay the need for statutory service intervention.	48,220	0%	50	0	0
SSHH 1005	SCHWB	Reduction in NPT's contribution to the joint equipment service	Angela Thomas	The contribution rate is based on usage of the equipment service but will vary if usage increases.	451	2%	10	0	0
SSHH 1006	SCHWB	Accommodation	Angela Thomas	Accommodation savings due to reduction in the number of teams in Cimla hospital has led to a reduced service charge.	95	20%	20	0	0

Draft Budget Savings, Cuts and Income Generation for Consultation

Ref No.	Board	Description	Lead	Main Impacts	Net Budget 2019/20	% saving	2020/21 £000	2021/22 £000	2022/23 £000
SSHH 1007	SCHWB	Savings from external contracts	Angela Thomas	Savings from external contracts, cancel or reduce service level agreements with providers that are not delivering value for money.	48,220	0%	40	0	0
SSHH 1008	SCHWB	Staff turnover savings	Angela Thomas/Keri Warren	Staff vacancy management savings	37,584	0%	100	0	0
SSHH 1009	SCHWB	Savings achieved in 2019/20 rolling into 2020/21 from reduced number of LAC	Keri Warren	Continue to implement and manage the LAC strategy. Ensure that only those children who need to be in care are admitted and remain, and that those in care will always remain a top priority	21,252	1%	250	0	0
SSHH 1010	SCHWB	Savings in legal budgets	Keri Warren	Reduced number of Looked After Children enabling savings from a reduction in commissioned reports and use of external legal services for court proceedings.	480	21%	100	0	0
ENVT 1001	R&SD	Planning Policy	Nicola Pearce	Various expenditure savings	311	2%	5	0	0
ENVT 1002	R&SD	Countryside & Wildlife	Nicola Pearce	Income generation and expenditure savings	274	3%	8	0	0
ENVT 1003	R&SD	Building regulations and Business Support Unit	Nicola Pearce	Removal of vacant post	267	9%	25	0	0

Draft Budget Savings, Cuts and Income Generation for Consultation

Ref No.	Board	Description	Lead	Main Impacts	Net Budget 2019/20	% saving	2020/21 £000	2021/22 £000	2022/23 £000
ENVT 1004	S&E	Road Safety Driver Training Programme	David Griffiths	Increase income	244	4%	10	0	0
ENVT 1005	S&E	CCTV Mobile Enforcement	David Griffiths	Increase operational hours to generate more income	-447	-2%	10	0	0
ENVT 1006	R&SD	Public Conveniences	Simon Brennan	Savings from removal of NNDR	165	5%	8	0	0
ENVT 1007	R&SD	Sandfields Young Business Centre	Simon Brennan	Increase income from rent	-7	-91%	6	0	0
ENVT 1008	R&SD	Estates	Simon Brennan	Increase income from rent	618	3%	20	0	0
ENVT 1009	R&SD	Building Maintenance	Simon Brennan	Reduce expenditure	1,734	1%	25	0	0
CORP 702	CAB	ICT Staff reductions	Karen Jones	Development capacity will reduce and service requests will take longer to effect. Income generation and/or collaborative opportunities may offset some job losses/service issues.	4,022	4%	160	0	0
CORP 902	CAB	Reduce management cost – Asst. Chief Exec and Digital Services Division	Karen Jones	Management review following staff turnover	8,158	1%	30	30	0

Draft Budget Savings, Cuts and Income Generation for Consultation

Ref No.	Board	Description	Lead	Main Impacts	Net Budget 2019/20	% saving	2020/21 £000	2021/22 £000	2022/23 £000
CORP 903	CAB	Digital strategy - further transformation of customer services	Karen Jones	Following success of the Digital strategy this has enabled further remodelling of customer services to reflect a shift in customer volumes between face to face, online and telephone channels. This will mean a gradual reduction in face to face services. Automation of telephone calls at contact Centre Service leading to a reduction in the number of jobs	662	10%	36	30	0
CORP 904	CAB	Income generation - info asset sponsorship - implementing the corporate communications and community relations strategy	Karen Jones	Income Generation and Digital Strategy - Introduce targeted sponsorship and advertising policy for the Council's information assets, based on ethically and commercially sound policy. The business case is being developed and is likely to require pump prime funding i.e. invest to save	313	26%	0	30	50

Draft Budget Savings, Cuts and Income Generation for Consultation

Ref No.	Board	Description	Lead	Main Impacts	Net Budget 2019/20	% saving	2020/21 £000	2021/22 £000	2022/23 £000
CORP 905	CAB	Income generation - working towards a self-financing CCTV service	Karen Jones	Revisit the 2015 options appraisal to identify a strategy that can reduce/eliminate the Council subsidy for this non statutory service. Capital investment will be required to ensure the service can satisfy insurance, business continuity and service requirements	235	51%	0	40	80
CORP 906	CAB	Income generation - refocus the communications, community relations, customer services to promote Council services & functions	Karen Jones	Market the Council's services and functions to staff and the external customer base to increase participation in paid for services.	313	38%	20	40	60
CORP 1001	CAB	Staff reductions - Business Support	Craig Griffiths	Following retirement, operating hours of new role reduced from 37 to 30. Service efficiency affected, but limited effect on staff and service delivery.	2,242	0%	5	0	0
CORP 1002	CAB	Staff reductions	Craig Griffiths	Post deleted when paralegal leaves the team in June 2020 to commence a training contract. Reduced support to solicitors, workload to be absorbed by solicitors.	2,242	1%	21	6	0
CORP 1003	CAB	Staff reductions	Craig Griffiths	Delete Licensing Section vacant post	2,242	1%	15	0	0

Draft Budget Savings, Cuts and Income Generation for Consultation

Ref No.	Board	Description	Lead	Main Impacts	Net Budget 2019/20	% saving	2020/21 £000	2021/22 £000	2022/23 £000
CORP 1004	CAB	Reduction in Legal Services Resources	Craig Griffiths	Rely on other methods of research and in house IT system development. Potential reduction in resources available to fee earners. Training to be provided to access alternative resources.	38	26%	0	10	0
CORP 1005	CAB	Legal Services increased income	Craig Griffiths	Registrars - increased income from approved premises and online services. Legal services - increased income from Traffic Order charges to utility companies, third parties, Town Councils, land charges via new Environmental Information Regulations (EIR) charging structure and Procurement team support to organisations	178	11%	14	5	0
CORP 1006	CAB	Deletion of vacant posts in Financial Services	Huw Jones	Work has already been re-organised to mitigate against most of the reduction in staffing with further changes in 20/21 following Voluntary Retirement.	5,186	4%	190	0	0
CORP 1007	CAB	HR staff reductions	Sheenagh Rees	Restructuring took place following VR in March 2019, and work has been redistributed.	2,186	2%	42	0	0
CORP 1008	CAB	Learning, training & Development staff reduction	Sheenagh Rees	Restructuring took place following VR in September 2019, and work has been redistributed.	810	3%	24	0	0

Draft Budget Savings, Cuts and Income Generation for Consultation

Ref No.	Board	Description	Lead	Main Impacts	Net Budget 2019/20	% saving	2020/21 £000	2021/22 £000	2022/23 £000
CORP 1009	CAB	Health & safety - removal of British Standard Occupational Health and Safety 18001 accreditation	Sheenagh Rees	Internal cross cutting audit will replace the OHSAS 18001 accreditation	10	100%	10	0	0
OTH 1001	CAB	Savings in Capital financing budget	Huw Jones	Control expenditure and new borrowings within budget	19,273	3%	500	0	0
				Total			2,148	346	190

Revenue Service Pressures 2020 to 2023

Ref	Service area	2020/21	2021/22	2022/23
		£'000	£'000	£'000
ELLL5	Home to School Transport - Welsh Medium 2nd campus	35	0	0
ELLL9a	Teachers Increased Pension contributions from 16.48% to 23.6% - Centre	80	0	0
ELLL9b	Teachers Increased Pension contributions from 16.48% to 23.6% - Schools	1,468	0	0
ELLL11	Additional Learning Needs Investment	400	500	500
ELLL14	Schools - pupil number changes	243	250	250
ELLL15	SEN transport	100	0	0
ELLL17	Out of county placements (inc transport)	166	87	0
ELLL18	Think Family Partnership and Family Information Service - staff capacity	17	0	0
ELLL21	Free School Meals - increase in free school meals take up due to protection for families on UC.	100	0	0
ELLL22	Home to School transport - loss of spare seat income	28	0	0
ELLL23	School base budget - re Teachers pay and pension funded from grant in 19/20	1,802	0	0
ELLL24	Teachers pay award Sept 19 - schools	300	0	0
ELLL25	Teachers pay award sept 19 - Centre	10	0	0
SSHH51	Residential care - additional provision above 2% increase	280	280	280
SSHH53	National Living Wage - additional contract costs	250	250	250
SSHH54	Adult Services Learning Disabilities - transition growth	200	200	200
SSHH58	Youth Offending Service - increased staffing	100	0	0
SSHH60	Adult Services - Learning Disabilities extra placements costs	1,000	0	0
SSHH61	Adult Services - Elderly extra placement costs	414	0	0
SSHH62	Adult Services - Mental Health extra placement costs	185	0	0
ENVT26	Additional funds for LDP review for the period 2020 to 2024 £157k available in reserves	50	100	0
ENVT38	Estates - premises and other costs	30	0	0
ENVT39	Asset sponsorship reduced income	40	0	0
ENVT40	Ash Dieback Surveys, action plan & works. £1.4m over 15 years	75	0	0

Revenue Service Pressures 2020 to 2023

Ref	Service area	2020/21	2021/22	2022/23
		£'000	£'000	£'000
ENVT42	Shortfall in Sustainable Waste Management Grant	127	0	0
ENVT43	Recycling wood waste from Civic Amenity Sites	140	0	0
ENVT44	Refuse collection change in service provision	45	0	0
ENVT47	Car parks - NNDR costs	28	0	0
ENVT48	Metal Box running costs	360	0	0
ENVT50	Gypsy site additional running costs	40	0	0
ENVT51	Civic Building above inflation electricity increase	20	0	0
CORP17	Housing Benefit Admin Subsidy Grant reductions	50	25	25
CORP19	Procurement Online Resources - Sell to Wales and e-tendering services - possible end of WG payment.	0	40	0
CORP21	ICT Microsoft Licence	50	50	0
CORP22	Procurement - additional resources to manage increased Social Services and Environment contracts	55	5	0
CORP23	Performance and Risk Management System- 3 year license expires mid-2020, previously funded from reserves	40	0	0
CORP24	Domestic Violence Advice Service IDVA worker	38	0	0
CORP25	Administration of City Deal Scrutiny Committee work	28	0	0
CORP26	Coroner - increase in post mortem fees	20	0	0
CORP27	Welsh Translation- increased work volume in Democratic and Corporate Services	20	0	0
OTH009	New Green Book pay scale additional costs	150	250	250
OTH010	Increase in standby allowances agreed from December 2019.	151	0	0
OTH011	Contingency for additional pay award	1,300	0	0
CONT1	General Contingency	586	2,000	2,000
CONT7	Capital financing costs re 21st Century Schools Band B investment	0	0	800
	Total	10,621	4,037	4,555

Inflation and other Factors

	Base Budget	2020/21	2021/22	2022/23
	£m			
Teachers Pay	63.3	2.31%	2.00%	2.00%
Non Teachers Pay	131.5	2.00%	2.00%	2.00%
LGPS Pension Fund Revaluation	24.4	-1.85%	1.88%	3.32%
Property	7.1	2.00%	2.00%	2.00%
Property - NNDR	3.4	2.00%	2.00%	2.00%
Property - Energy	3.9	5.00%	5.00%	5.00%
Transport	7.4	2.00%	2.00%	2.00%
Car Allowances	6.0	2.00%	2.00%	2.00%
Supplies and Services	120.0	2.00%	2.00%	2.00%
Levies-Fire Authority	7.4	9.50%	4.00%	4.00%
External Income	39.1	2.00%	2.00%	2.00%
WG - RSG & NNDR	214.8	4.45%	1.00%	1.00%
Council Tax	73.7	5.00%	5.00%	TBD

TBD - To be determined

Appendix 4

Provisional Settlement Specific Grants Schedule 2020/21

	£'000s	£'000s	£'000s
Portfolio and Grant Name	2019-20	2020-21	Change
<u>Education</u>			
Regional Consortia School Improvement Grant ¹	140,623	154,399	13,776
Sixth Form funding	94,664	93,943	-721
Pupil Development Grant	92,767	101,367	8,600
Professional Learning ²	15,000	0	-15,000
Teachers Pay Grant 2019/20	12,018	RSG	N/A
Youth Support ³	10,056	10,056	0
Transition support for Minority Ethnic and Gypsy, Roma, Traveller learners ⁴	10,000	10,000	0
Costs associated with Teachers Pay ^{5,6}	7,500	0	-7,500
PDG Access ⁴	5,154	8,354	3,200
Reducing Infant Class Sizes Grant - Revenue	5,000	6,000	1,000
Adult Community Learning	4,418	4,418	0
Additional Learning Needs Innovation Fund	3,331	3,268	-62
Small and Rural Schools Grant	2,500	2,500	0
Whole School Approach	1,526	2,000	474
SEREN Foundation grant	655	655	0
School based supply cluster trial ⁵	350	0	-350
SEREN Academy grant	329	329	0
School Business Managers ⁵	200	0	-200
Foundation Phase Pilot (Flintshire only) ⁵	130	0	-130
Additional Learning Needs ⁴	0	7,192	7,192
Elective Home Education ⁴	0	1,500	1,500
TOTAL	406,220	405,982	-239
<u>Housing and Local Government</u>			
Children and Communities Grant(CCG) ⁷	136,442	135,442	-1,000
Housing Support Grant	123,688	123,688	0
Teachers' Pension Grant	39,112	RSG	N/A
Affordable Housing Grant (AHG) ⁵	18,762	0	-18,762
Sustainable Waste Management Grant	18,200	16,400	-1,800
Food and Residual Waste Treatment Gate Fee Support	10,017	13,300	3,284
Cardiff Capital Region City Deal	10,000	10,000	0
Cardiff Harbour Authority	5,223	5,223	0
Child Burials	600	600	0
Digital Transformation Fund	552	1,150	598
EU Support for Local Resilience Forums ⁵	500	0	-500

Appendix 4

Portfolio and Grant Name	2019-20	2020-21	Change
Support for Public Service Boards	400	400	0
South Wales Regional Aggregate Working Party (RAWP)	50	50	0
Waste Planning Monitoring Report - North Wales and South East Wales	49	50	1
Rural Housing Enabler	47	47	0
North Wales Regional Aggregate Working Party (RAWP)	25	25	0
Mid and South Wales Regional Viability Model and Assessment	19	0	-19
Waste Planning Monitoring Report - South West Wales	16	16	0
Armed Forces Day	15	20	5
Circular Economy Projects	0	1,000	1,000
TOTAL	363,716	307,411	-56,305
<u>Health and Social Services</u>			
Childcare Offer- Childcare Costs	46,150	56,177	10,027
Social Care Workforce and Sustainability Pressures Grant	30,000	40,000	10,000
Substance Misuse Action Fund	25,063	25,063	0
A Healthier West Wales (supported programmes 1, 3, 7)	4,484	7,483	2,999
Community Services - North Wales	3,732	2,041	-1,691
Integrated early intervention and intensive support for Children, Young People and Families - North Wales ⁵	2,407	0	-2,407
Childcare Offer- Administration Grant	2,323	2,323	0
Adoption Services	2,300	2,300	0
Together for Mental Health - North Wales	2,072	238	-1,834
Social Care Tasks Performed by a Registered Nurse in Nursing	1,900	RSG	N/A
Seamless Services For People with Learning Disabilities - North Wales ⁵	1,651	0	-1,651
Childcare Offer- SEN Grant	1,500	1,500	0
National Approach to Statutory Advocacy for Children and Young People	550	550	0
Early Years Integration Transformation Programme	463	463	0
Deprivation of Liberty Safeguards (DoLS)	263	263	0
Complex Needs Funding - Substance Misuse and Mental Health	229	1,018	789
Maintaining the Delivery of the Wales Adoption Register	178	178	0
National Fostering Framework – Developing Foster Wales Brand and Marketing	100	100	0
Drug & Alcohol Initiatives Naloxone Programme	80	80	0
Support Revision and Development of Wales Safeguarding Procedures for Adults and Children at Risk	75	75	0
Supporting Safeguarding Boards to deliver training for the implementation of Welsh Government policy and legislation	60	60	0
Residential care homes for Children - task and finish group	50	50	0

Appendix 4

Portfolio and Grant Name	2019-20	2020-21	Change
Review of the Local Authority Performance Management Framework Grant	34	34	0
Contact Centres	18	21	3
TOTAL	125,682	140,017	14,335
<u>Economy and Transport</u>			
Free Concessionary Bus travel	60,133	60,133	0
Bus Services Support Grant	25,000	25,000	0
Bus Revenue Support - Traws Cymru	2,530	3,187	657
Road Safety Grant	2,000	2,000	0
Arfor innovation Fund	1,000	1,000	0
Anglesey Airport - Operation & Maintenance	800	800	0
Continued support for Regional Skills Partnerships	495	495	0
Swansea Tidal Lagoon Taskforce ⁵	220	0	-220
Business Improvement District ⁵	78	0	-78
Youth Discounted Travel Scheme (My Travel Pass)	60	60	0
TOTAL	92,316	92,675	359
<u>Environment, Energy and Rural Affairs</u>			
Land Drainage and Coastal Protection	2,400	1,469	-931
Environment Act 1995 (Feasibility Study for Nitrogen Dioxide Compliance) Air Quality Direction ⁵	1,637	0	-1,637
Local Authority Animal Health and Welfare Framework Funding	200	200	0
Coastal Risk Management Programme ⁸	151	1,600	1,449
Smart Living Initiative	135	185	50
Enforcement support to take forward legislation relating to bovine TB ⁵	63	0	-63
Non-domestic (Business) Rates Support for Hydropower	8	9	1
TOTAL	4,594	3,463	-1,132
<u>Deputy Minister and Chief Whip</u>			
Period Dignity in Schools	2,300	2,300	0
Violence against Women, Domestic Abuse & Sexual Violence Grant	1,938	1,938	0
Community Cohesion Grant	1,120	1,120	0
Period Dignity in Communities ⁹	220	220	0
TOTAL	5,578	5,578	0
<u>Culture, Sport and Tourism</u>			
Regional Tourism Engagement Fund (RTEF)	976	976	0
MALD strategic grants, including Fusion	331	331	0
Specialist Service Grants	25	25	0
TOTAL	1,331	1,331	0

Appendix 4

Portfolio and Grant Name	2019-20	2020-21	Change
<u>International Relations and Welsh Language</u>			
Promote and Facilitate the use of the Welsh Language (WLG)	314	314	0
Major Events Unit Grants Scheme	150	600	450
TOTAL	464	914	450
<u>Finance and Trefnydd</u>			
High Street and Retail Rates Relief	23,600	24,200	600
Cyber Resilience Revenue Grant	98	800	702
TOTAL	23,698	25,000	1,302
All Grants	1,023,599	982,370	-41,229
All Grants excluding NA and RSG transfers (for like-for like comparison)	970,418	982,370	11,952