

NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

CABINET

REPORT OF CORPORATE DIRECTORS GROUP

13 JANUARY 2021

SECTION A – MATTER FOR DECISION

WARDS AFFECTED: ALL

Draft Budget for Consultation 2021/22

1. Purpose of Report

To seek Member approval to consult on the draft budget proposals, financial savings, service reductions and income generation proposals for 2021/22.

To confirm that consultation will take place to the 12th February 2021 prior to reviewing responses and setting a budget for 2021/22 in early March 2021.

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 2021/22 Budget will be required to be taken in March 2021, following the end of public consultation and receipt of the Welsh Government's Final Local Government Settlement.

The Covid19 pandemic delayed announcements of the UK Government's one year Spending Review until 25 November 2020 and hence the Welsh Government's Draft Budget and the Provisional Local Government Settlement until just before Christmas.

On the 22nd December 2020 The Welsh Government (WG) published its details of the 2021/22 Provisional Local Government Settlement. The settlement shows that the Welsh Government will provide Local Government with funding of £4.651bn, a 3.8% increase on the adjusted base for 2020/21. Neath Port Talbot Council's share is £236.680m which is 6th best in Wales and an increase of £9.9m or 4.2%.

WG also published details of most of the specific grants available for 2021/22. On an All Wales basis the total amount available is £968m with a few more to be announced. This is a £10m increase on the current year having taken account of transfers into the settlement and those yet to be announced. The amount of specific grants due to each Council have started to be released with further details expected during January/February.

For 2021/22 the total funds available to run Council Services is £317m but this remains short of what is required to meet inflation, pay awards and other demand pressures which total £320.2m. Therefore there is a funding shortfall next year of £3.235m. This report sets out the proposals to consult on how to close that gap by implementing the already approved cuts/income generation of £135k and the use of £3.1m of general reserves to balance the budget.

Members should note that the Welsh Government's Final Settlement is expected to be published on the 2nd March 2021.

Due to the impact of Covid19 the Chancellor of the Exchequer has delayed his Budget Statement until 3 March 2021, with a further multi-year UK Government Spending Review announcement due later in 2021, which will inform public spending plans for the next few years. The outcome of that review will allow the Welsh Government to develop plans and hopefully multi-year funding settlements for 2022/23 and onwards. In addition to the 2021/22 budget gap the Forward Financial Plan to 31st March 2024 shows a projected funding gap of over £36m. A further report on options to close this medium term gap will be prepared for Members consideration later in the year.

3. Background

Neath Port Talbot Council's net revenue budget for the current year of 2020/21 amounts to £304.082m and together with grants and income from services results in a gross budget of £445m which is

invested in services across the County Borough. The Council also invests annually more than £50m in major improvements through its capital programme.

There is a statutory duty on 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 few years to 2023/24. Members will note that the Council has delivered £92m of savings since 2010 but as of last March there remained a projected funding gap of over £28m for the 3 years to 31 March 2024 as per below:

Funding Gap at March 2020

	2021/22	2022/23	2023/24
	£'000	£'000	£'000
Budget Gap before Directorate Savings	8,694	10,647	9,347
Cumulative Gap	8,694	19,341	28,688
FFP Reductions	-366	-246	0
Budget Gap @ March 2020	8,328	10,401	9,347
Cumulative Gap @ March 2020	8,328	18,729	28,076

The Welsh Government's 2021/22 Draft Budget published on 21st December 2020 continues to prioritise and provide additional funding for the Health Service. However for 2021/22 it has also prioritised Local Government to reflect the response, delivery of initiatives and new duties that Local Authorities have undertaken during the Covid pandemic. WG and Local Government though will have to wait until later in 2021 for the UK Government to announce the outcome of its Spending Review before funding for future years are known. Given the adverse impact that Covid19 is having on the whole of the UK economy and on Government taxes we should expect that there will be ongoing budget challenges for the next few years.

4. Council Priorities 2020 – 2023

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

The onset of the Covid-19 Pandemic meant that it was not practical to publish a refreshed detailed Corporate Plan for 2020/21

For 2020/21 the well-being objectives and priorities for improvement set out in the 2019-2022 Plan remain the same.

The Council's updated Corporate Plan 2020-2023 was due to be presented to Council for approval in April 2020 and as part of that work the well-being objectives were reviewed and it was not considered necessary to make any changes and this was endorsed by Council on the 14th October 2020. It will be further reviewed and updated during 2021.

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 Year's Budget 2020/21

Neath Port Talbot Council approved its 2020/21 budget on the 6th March 2020. The medium term budget forecast, at that time, assumed a 1% increase in Welsh Government funding for each year from 2021/22. The forecast showed the need to identify budget reduction solutions of circa £28m over the next 3 financial years.

The following table summarises Council's Funding and Net Budget for 2020/21.

Funding 2020/21	Budget	Budget
	£m	%
Revenue Support Grant	£177.353	58.32%
National Non Domestic Rates	£49.409	16.25%
Discretionary Rates Relief	-£0.387	-0.13%
Council Tax	£77.707	25.56%
Total Income	£304.082	100.00%

Net Budget 2020/21	Budget	Budget
	£m	%
Education, Leisure & Lifelong Learning (including Schools at £90.137m)	£116.019	38.15%
Social Services, Health & Housing	£83.281	27.39%
Environment	£39.525	13.00%
Finance & Corporate Services	£18.208	5.99%
Fire Authority	£7.891	2.60%
Capital Financing	£19.282	6.34%
Council Tax Support	£18.748	6.16%
Other including Contingency	£2.778	0.91%
Use of Reserves	-£1.650	-0.54%
Budget Requirement	£304.082	100.00%

The Council's budget for 2020/21 is 3.8% or £11.086m above the Standard Spending Assessment (SSA) of £292.996m, which is the Welsh Government's assessment of the need to spend

6. Provisional Local Government Settlement 2021/22

The Minister for Housing and Local Government published the Welsh Government's Provisional Local Government Settlement on 21st December 2020.

The headlines are that for 2021/22 the Welsh Government will provide funding of £4.651bn to run local authority services across Wales. This increase of 3.8% is most welcomed and is only the second above inflation increase since 2007, following that for the current year. In addition the Welsh Government confirmed that they transferred £5.1m of specific grant into the settlement. The following table summarises those transfers:

Grants Transferred into Settlement	ALL Wales	NPT
	£'000	£'000
Teachers Pay	3,981	186
Coastal Risk Management	1,145	0
Total	5,126	186

The £4m for Teachers Pay refers to the increased cost above the current year's budget settlement for the teachers' pay award (to an average of 3.1%). This is for the period September 2020 to March 2021. Members should note that the additional full year costs for 2021/22 are included in the general provisional settlement.

The Neath Port Talbot Council share of the total funds available amounts to £236.68m. This is an increase of 4.2% on the current year, after transfers, and is the 6th best settlement in Wales.

As part of the Provisional Settlement the Welsh Government announced they would make available £968m of specific grants. Some indicative allocations of these grants have already been received with further information expected during January/February 2021. This improves our financial planning and budget certainty for 2021/22. A comparison of the published tables with the written announcement shows that a further £76.7m can be expected to be added to the specific grants schedule by the Final Budget stage.

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 £40m to £50m.
- The Welsh Government has agreed to continue to provide £11m for Minority Ethnic and Gypsy, Roma and Traveller learners (an increase of £1m on the current year).
- The Sustainable Waste Grant has been reduced by £1m to £16.4m. It is estimated that NPT's share will reduce by £45k and this has been built into budget pressures.
- The table indicates that the Concessionary Fares Grant has increased by £29m to £60m. This increase reflects a technical adjustment to correct funds that had been included under Covid support in the current year.
- The £600k made available to eliminate charging for child burials and child cremations for the past three years continues to be available in 2021/22.
- Whilst the Road Safety grant has doubled to £2m, there has been a cut of £13m in the Childcare Offer Grant (down to £60m – mainly due to a one-off allocation in 2020/21 and additional capital allocation for next year), a cut of £3.1m to the Social Care Transformation Grant (now at £12.7m) and the Substance Misuse Grant reduced by £2.3m to £25m.
- Members will also note that at Appendix 4 that an additional column has been added into the grants schedule. This shows adjustments of £76.7m are expected when WG publish their grants schedule at Final Budget stage.
- Further clarification of the changes and conditions for all grants is being sought from the Welsh Government and will be incorporated into the Final Budget report.

The Minister also confirmed that the settlement and specific grants mentioned above exclude Covid related funding. Members will note that for 2021/22 the UK Government is providing WG with an additional £770m for Covid related costs. A second table at Appendix 4 shows the current year's allocation of Covid grants administered by Local Authorities totalling over £1bn excluding TTP costs that are outside this amount as they are funded via the

Health Budget. Further clarification on TTP and other Covid funding is expected over the next few months.

The settlement retains £244m for Council Tax Reductions Scheme (CTRS) support for another year. The arrangements for 2022/23 onwards will be determined as part of WG's wider considerations about how to make council tax fairer and future year budgets.

The Minister also confirmed that she was only providing a single year budget as WG is awaiting the outcome of their budget entitlement following the UK Government's Spending Review due later in 2021.

Provisional Capital Settlement

The Minister also published the Provisional Capital Settlement for 2021/22. The All Wales Capital Funding Settlement sees an increase of £80m to £724m in 2021/22. The main increases relate to City Deal funding for the Cardiff Capital and North Wales Regions (+£38m), Capital Childcare Offer (£21m increasing to £45m), Schools investment (+£12m), Ultra Low Emissions Vehicle Transmission (+£26m), other transport investment (+£15m) and Substance Misuse Action Fund (increasing by £4m to £5m) with some further grants to be confirmed.

It was also confirmed that the total amount of general capital allocation for Local Authorities will remain at £177.837m. NPT's share is £8.918m which is a reduction of £71k on the current year but over £900k higher than expected and as included in our forward Capital Programme. The Council's capital programme will be developed over the next few months and presented to Members for approval in March 2021.

7. Budget and FFP Gap 2021/22 to 2023/24

Attached at Appendix 3 is a schedule of the inflation, pay awards and other factors used to prepare the Draft Budget. Given the impact of Covid and the Chancellor of the Exchequer's announcement of 25 November 2020 general inflationary provision of 2%, 5% for energy and 1% for pay awards (in 2021/22 increasing to higher amounts in subsequent years) have been provided. Covid has impacted negatively on the UK economy resulting in lower tax revenues and therefore it is expected that

there will be further restrictions on public sector spending over the next few years. Therefore it has been assumed that Local Government funding in Wales will be flat lined from 2022/23. Attached at Appendix 2 is a list of pressures that have been built into the 2021/22 draft budget which total £7.739m.

For next year these provisions result in a budget funding gap of £3.235m, which is reduced to £135k through the proposed use of £3.1m from General Reserves with a further gap of £36m over the following 2 years. The following table summarises the latest position:

Updated FFP Gap January 2021

	2021/22	2022/23	2023/24
	£'000	£'000	£'000
Budget Gap before Directorate Savings	3,235	15,981	17,318
Cumulative Gap	3,235	19,216	36,534
FFP Reductions	-135	-176	-50
Funded from General Reserves	-3,100		
Budget Gap (gross of use of reserves) @ Jan 2021	0	18,905	17,268
Cumulative Gap @ Jan 2021	0	18,905	36,173

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 into the final budget decisions due in March 2021:

- Legislation
- Any 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 2021/22 provides for an increase in the delegated schools budget of £3.2m to £93.3m. This

represents a budget increase of 3.52% increase. It is appreciated that the Welsh Government has transferred specific grants such as for Teachers Pay into the general settlement as this provides additional funding certainty for our schools in 2021/22. The following table shows the projected budget for schools:

	2021-22	2022-23	2023-24
	£'000	£'000	£'000
Schools Prior Year Base	90,137	93,314	96,539
Sept 2020 Teachers Pay award to average of 3.1%	400		
Schools - Increased provision re Teaching Assistants	750	750	750
Inflation	1,777	2,225	3,181
Change in Pupil Numbers	250	250	250
Delegated Budget	93,314	96,539	100,720

Summary

The following tables show the estimated funding available from Welsh Government and Council Tax compared to the projected budget required for 2021/22 resulting in a budget gap of £3.235m before use of general reserves. In order to balance the draft budget though there is a need to increase council tax by 3.75%, use £3.1m from general reserves and make budget cuts/ increase income by £135k.

Estimated total funding available 2021/22

	£'000
Net Budget 2020/21	304,082
Increase in WG Funding	9,918
Increase in Council Tax proceeds	3,024
Draft Funds Available 2021/22	317,024

Estimated Budget required 2021/22

	£'000
Net Budget 2020/21	304,082
Pay Awards and inflation	6,602
Pressures	7,739
Transfers into 2021/22 settlement	186
Reverse use of General Reserves 20/21	1,650
Draft Budget Required 2021/22	320,259

Draft Budget Gap 2021/22

	£'000
Total Budget Required 2021/22	320,259
Estimated Funds Available	317,024
Total Budget Gap 2021/22	3,235
Less Use of General Reserves 2021/22	-3,100
Budget Gap 2021/22 after use of Reserves	135

8. Draft Savings, Service Reductions and Income Generation proposals, Use of Reserves and Council Tax for Consultation

Attached at Appendix 1 is a schedule of draft savings, service cuts/reductions and income generation proposals for public consultation. Members will note that the schedule as approved by Council on 6 March 2020 has been reviewed and updated and due to the impact of Covid no new proposals have been included. Some of the amounts proposed have slipped a year or been amended. The schedule totals £135k for 2021/22 with a further £226k over the following 2 years. The draft Budget also proposes the use of £3.1m 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	2021/22	2022/23	2023/24
	£000	£000	£000
Education Leisure & Lifelong Learning	85	146	0
Corporate Services	50	30	50
Total	135	176	50

Use of General and Specific Reserves

The Draft Budget for 2021/22 assumes the use of £3.1m of General Reserves. On the 1 April 2020 the General Reserves balance was £19.9m and once the projected in-year budget shortfall of £4m and 2020/21 original use of the reserve is taken into account the estimated balance at 31 March 2021 is £14.6m. Thus by utilising a further £3.1m next year the projected balance at 31 March 2022 will be less than £12m or 3.8%.

The Draft Budget also proposes to commit the use of some Specific Reserves including the following:

Specific Reserves	Mar-21	2021-22	2022-23	Mar-23
	£'000	£'000	£'000	£'000
	Est. Bal	Est. Use	Est. Use	Est. Bal
Corporate Contingency Reserve	-2,221	1,437	92	-692
IT Renewals Reserve	-761	100	100	-561
Environment Equalisation Reserve	-317	64		-253
Estimated Closing Balance 31st March	-3,299	1,601	192	-1,506

Council Tax

In relation to council tax the 2021/22 Draft Budget assumes a 3.75% increase. However, members should note that the actual Council Tax for next year will not be set until the Council's Budget setting meeting in early March. For information Members should note that a 1% increase in council tax generates £777k of additional funding or £590k 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 late January/February. 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 12th February 2021.

The Final Local Government Settlement announcement is expected on 2nd March 2021 and a report will be prepared setting out all changes. The Final Budget report due to be considered by Cabinet on 8th March 2021 will also take account of 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 including those mentioned by the Chancellor in his Budget announcement due on 3rd March 2021.

As members are aware 74.5% of the Council's funding comes from the Welsh Government. Councils have worked tirelessly during the Covid 19 pandemic to deliver financial support to families and businesses and also to continue to deliver critical work such as social care and welfare, education and waste services to the people in our communities. Councils, the Welsh Local Government Association and Trade Unions have over the past year set out the case for a reasonable funding settlement for local public services. The 3.8% increase announced in the 2021/22 Provisional Local Government Settlement is welcomed. 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 so that Councils can continue to provide essential services to the public and communities.

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 £135k in 2021/22 together with the use of £3.1m from General Reserves with a further budget gap of £36m over the following 2 years, assuming that WG don't provide any increased funding in both years. Whilst the net draft Budget for 2021/22 is £317m the projected gross investment across the County Borough next year will be circa £450m. However the proposals for savings/cuts and Council Tax increase will have different impact on services and stakeholders across the whole of the County Borough i.e. on citizens, on service users, staff and individuals included within the various protected characteristic groups set out in the Equality Act 2010 and other legislative measures. Individual Impact Assessments for specific proposals have previously been undertaken as there are no new proposals for next year and will be made available to Members as part of finalising budget 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 2021. 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 2021.

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 12th February 2021 prior to final decisions being made in March 2021.

15. Recommendation

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

16. Reason for Proposed Decision

To commence consultation on the 2021/22 draft 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 2021 to 2024 & Budget Pressures funded from Specific Reserves

Appendix 3 – Inflation and other Factors

Appendix 4 - Specific Grants Schedule 2021/22

19. Background Papers

Welsh Government Provisional Local Government Settlement Announcement of 22nd December 2020

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	Board	Description	Lead	Main Impacts	Net Budget 2020/21	% Savings	2021/22 £000	2022/23 £000	2023/24 £000
ELLL 707	ES&C	Pontardawe Arts Centre - Reduce Subsidy	Andrew Thomas	Operating cost savings and increased income from establishing a cinema which has been further delayed due to Covid 19 with an updated opening date in 2022/23. Capital investment support successfully sought from the Arts Council for Wales, the Friends of Pontardawe Arts Centre and the Council.	180	50%	0	90	0
ELLL 1003	ES&C	Cleaning services	Chris Millis	Movement toward full cost recovery of cleaning service over a 3 year period from 2020/21, to be funded by schools.	226	49%	55	56	0
ELLL 1004	ES&C	School transport - out of county	Chris Millis	Pupils leaving out of county placements	268	11%	30	0	0
CORP 902	CAB	Reduce management cost - Asst Chief Exec and Digital Services Division	Karen Jones	Full year effect from 2020/21 of Management review following staff turnover.	8,197	0%	30	0	0

Draft Budget Savings, Cuts and Income Generation for Consultation

Ref	Board	Description	Lead	Main Impacts	Net Budget 2020/21	% Savings	2021/22 £000	2022/23 £000	2023/24 £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 customers 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. Continued since 2019.	568	4%	20	0	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. Delayed due to Covid19 to 2022/23 on.	N/A	N/A	0	30	50
		Total					135	176	50

Revenue Service Pressures & Investment 2021 to 2024

Ref	Service area	2021/22	2022/23	2023/24
		£'000	£'000	£'000
ELLL11	Additional Learning Needs investment	430	500	500
ELLL14	Schools - increased pupil numbers	250	250	250
ELLL17	Out of county placements (inc transport)	87	0	0
ELLL21	Additional Teachers pay award to 3.1% Sept 2020 - schools	400	0	0
ELLL22	Additional Teachers pay award to 3.1% Sept 2020 - non schools	20	0	0
ELLL23	Free School Meals - increased provision following Covid19	315	0	0
ELLL24	Schools - Increased provision re Teaching Assistants	750	750	750
SSHH56	Children Services - Increase of 2 children in residential care	360	0	0
SSHH57	Adult Social Care above inflation increase	1,272	1,050	1,050
SSHH58	Additional dementia bed provision, ongoing cost of converting 10 beds to EMI	26	0	0
SSHH59	Homelessness - increased demand	200	0	0
SSHH60	Social Services increase in demand for services	250	0	0
ENVT26	Additional funds for LDP review for the period to 2024 - £224k available in LDP reserve	0	100	0
ENVT27	Waste services - increased demands due to higher tonnage	400	150	100
ENVT28	Highways and Streetcare budget increase	350	250	250
ENVT29	Asset Sponsorship Management Service - income below target threshold	15	0	0
ENVT30	Fixed costs funded out of Enabling Natural Resources and Wellbeing Grant	15	0	0
ENVT31	Decarbonisation Measures including staffing and maintenance of recharging points for electric vehicles	50	100	100
ENVT32	Reduction in Car Parking income base budget due to ongoing impact of Covid	300	-150	-150
ENVT33	Reduction in Rental income base budget due to ongoing impact of Covid	250	-150	-100
ENVT34	Loss of red fuel grant following change in legislation	0	48	0

Revenue Service Pressures & Investment 2021 to 2024

Ref	Service area	2021/22	2022/23	2023/24
		£'000	£'000	£'000
ENVT35	NNDR increase re Former Crown Building	79	0	0
ENVT36	Additional Town Centre Officers	70	0	0
ENVT37	Regeneration, Economic Development and Business Support additional capacity	100	100	0
CORP17	Housing Benefit Admin Subsidy Grant reductions	25	25	25
CORP19	Procurement Online Resources - Current Sell to Wales and e-tendering services possible end of WG payment delayed until 2022	0	40	0
CORP21	ICT Microsoft Licence - increased costs	50	0	0
CORP22	Procurement - full year impact from additional post provided in 2020 to manage increased Social Services and Environment contracts	5	0	0
CORP23	Local Government & Elections Act - 1 post built in to provide additional capacity. Further implications and impacts will be reviewed in year including web casting, cost of Peer Review process, Corporate Joint Committees (CJC's), petitioning etc.	35	0	0
CORP24	Domestic violence - 2 additional Posts - due to increased caseloads due to Covid and the need for resilience in the service.	76	0	0
CORP25	Media additional posts - to improve service resilience and to deliver the service via different methods (currently funded from TTP grant)	35	35	0
CORP26	Increased cost of architects and engineers IT Design Licences	30	0	0
CORP27	IT Coordination administration - for external IT applications	50	0	0
CORP28	IT costs re automated process to carry out repetitive processing work	30	0	0
CORP29	Poverty data analysis and support	27	0	0
CORP30	Information Governance - additional member of staff to manage information governance and data protection work	47	0	0
CORP31	Land Charges - reduced income levels as a result of HMRC Tax Liability for Official Search Fees	25	0	0

Revenue Service Pressures & Investment 2021 to 2024

Ref	Service area	2021/22	2022/23	2023/24
		£'000	£'000	£'000
CORP32	Legal Services - Data Protection Fee increase for Council and Registration Service as set by Information Commissioner's Office	5	0	0
CORP33	City Deal Property Legal Support	60	0	0
OTH009	New Green Book pay scale additional annual cost provision	250	250	0
CONT8	Council tax support - increase in claimants following COVID19	500	0	0
CONT1	General Contingency	500	3,000	3,000
CONT7	Capital financing costs re 21st Century Schools Band B investment	0	800	0
	Total	7,739	7,148	5,775

Revenue Service Pressures & Investment 2021 to 2024

Budget Pressures funded from Specific Reserves

Ref	Service area	2021/22	2022/23	Comment
		£'000	£'000	
ELLL25	Celtic Leisure - estimated additional costs prior to new contract operational in 2021	1,000	0	
ELLL26	Margam Park - loss of income due to Orangery being used as vaccination centre	279	0	Core staff and running costs
CORP34	Procurement - additional resources to manage Leisure, Margam Park and Waste contracts for 2 years	45	45	
CORP35	Safe & Well - 2 Posts to facilitate the service in 2021/22.	66	0	
CORP36	Information Governance - 3rd member of staff to work on audit of information governance and data protection work for 2 years	47	47	
CORP37	Local Government & Elections Act - 2 Posts plus cost of Peer Review process. More resources will be needed re Corporate Joint Committees (CJC's), petitioning etc. when the full implications of the legislation is known. Built in £35k into base for 1 post.	?		Fund from Reserve if no grant funding
CORP38	Web Casting of Council Meetings and associated tasks	?		Fund from Reserve if no grant funding
OTHER	TTP & Environmental Health officers - extension of contracts into 2021	?		Additional WG grant expected for Covid19 work
	Total from Corporate Contingency Reserve	1,437	92	The Reserve has an estimated balance of £2.221m at 31 March 2021

Revenue Service Pressures & Investment 2021 to 2024

Ref	Service area	2021/22	2022/23	Comment
		£'000	£'000	
ENVT38	One-off pressure to fund equipment delivery and literature for the roll-out of pilot absorbent hygiene product collection service	25		
ENVT39	One- off waste composition survey in preparation for May 2022 review	25		
ENVT40	Highways IT costs	14		
	Total from Environment Equalisation Reserve	64		The Reserve has an estimated balance of £317k at 31 March 2021
CORP39	Digital Services - Rewrite of Social Services system	100	100	
	Total from IT Renewals Reserve	100	100	The Reserve has an estimated balance of £761k at 31 March 2021

Inflation and other Factors

	Base Budget	2021/22	2022/23	2023/24
	£m			
Teachers Pay (September)	67	1.88%	2.16%	3.00%
Non Teachers Pay (April)	139	1.00%	2.50%	2.50%
Property	6.5	2.00%	2.00%	2.00%
Property - NNDR	3.8	0.00%	2.00%	2.00%
Property - Energy	4.8	5.00%	5.00%	5.00%
Transport	7.5	2.00%	2.00%	2.00%
Car Allowances	6.5	2.00%	2.00%	2.00%
Supplies and Services	126	2.00%	2.00%	2.00%
Food	1.7	5.00%	2.00%	2.00%
Levy - Fire Authority	7.9	2.43%	4.00%	2.00%
External Income	49	2.00%	2.00%	2.00%
WG - RSG & NNDR	226	4.20%	0.00%	0.00%
Council Tax	77.7	3.75%	TBD	TBD

TBD - To be determined

Provisional Settlement Specific Grants Schedule 2021/22

List of Indicative Grant Estimates

Portfolio and Grant Name	2020-21 (£000)	2021-22 (£000)	Change (£000)	Expected Adj. (£000)
<u>Education</u>				
Regional Consortia School Improvement Grant	148,211	148,211	0	
Pupil Development Grant	103,000	103,000	0	
Sixth Form Provision	95,722	95,722	0	21,700
PDG Access	10,454	10,454	0	
Youth Support	10,056	10,056	0	
Transition support for Minority Ethnic and Gypsy, Roma, Traveller learners ²	10,000	11,000	1,000	
Additional Learning Needs ²	7,155	7,155	0	
Reducing Infant Class Sizes Grant - Revenue	6,000	6,000	0	
Local Authority Post-16 Education Provision 2020-21 – Adult Learning Provision	4,915	4,915	0	
Teachers Pay	3,981	RSG		
Additional Learning Needs Transformation Fund	3,578	3,200	-378	
Small and Rural Schools Grant	2,500	2,500	0	
Whole School Approach to Wellbeing	2,000	2,000	0	
A Healthy and Nutritious Breakfast	835	TBC		
SEREN	827	526	-301	
Elective Home Education ²	400	400	0	
TOTAL	409,635	405,139	-4,495	
<u>Housing and Local Government</u>				
Children and Communities Grant ³	137,742	135,442	-2,300	
Housing Support Grant	123,688	123,688	0	40,000
Cardiff Capital Region City Deal ⁴	10,000	0	-10,000	
Cardiff Harbour Authority	5,223	5,223	0	
Affordable Housing Grant	2,515	2,515	0	
Digital Transformation Fund	1,500	1,500	0	
Electoral Reform Support ⁵	1,100	0	-1,100	
Child Burials	600	600	0	
EFAS 2020 Flooding	432	TBC		
Armed Forces Liaison Officer Grant	250	275	25	
South Wales Regional Aggregate Working Party (RAWP)	50	50	0	

Appendix 4

Portfolio and Grant Name	2020-21 (£000)	2021-22 (£000)	Change (£000)	Expected Adj. (£000)
Waste Planning Monitoring Report - North Wales and South East Wales	48	48	0	
Rural Housing Enabler	44	TBC		
North Wales Regional Aggregate Working Party (RAWP)	25	25	0	
Waste Planning Monitoring Report - South West Wales	16	16	0	
Armed Forces Day ⁶	0	20	20	
TOTAL	283,233	269,402	-13,831	
<u>Health and Social Services</u>				
Childcare Offer – Childcare Costs	73,455	60,000	-13,455	15,000
Social Care Workforce Grant	40,000	50,000	10,000	
Transformation Fund	15,866	12,699	-3,168	
Childcare Offer- Administration Grant	3,500	3,500	0	
Family Justice	3,000	TBC		
Adoption Services	2,300	2,300	0	
Family group conferencing – pump priming	2,200	TBC		
Early Years Integration Transformation Programme	1,686	TBC		
Intervention fund for supporting child and family well-being to safely divert cases from child protection registration	1,600	TBC		
Childcare Offer- Additional Support grant	1,350	1,500	150	
Transformation Programme	1,230	1,230	0	
Care Leavers hardship fund	1,000	TBC		
National Approach to Statutory Advocacy for Children and Young People	550	550	0	
National Fostering Framework	320	320	0	
Capacity Building Funding for Local Authorities - to support the implementation of the new Performance and Improvement Framework	220	220	0	
Young Carers ID card	200	200	0	
Maintaining the Delivery of the Wales Adoption Register	182	182	0	
Wales Community Care Information System (WCCIS) - top up	150	TBC		
Funding to support the placement of UASC	80	80	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	
Contact Services	21	4	-18	

Appendix 4

Portfolio and Grant Name	2020-21 (£000)	2021-22 (£000)	Change (£000)	Expected Adj. (£000)
Review of National Minimum Allowance for Registered Foster Carers in Wales 20-21 ⁵	10	0	-10	
Review of the Local Authority Performance Management Framework Grant	6	6	0	
TOTAL	149,036	132,900	-16,135	
<u>Environment, Energy and Rural Affairs</u>				
Sustainable Waste Management Grant	17,400	16,400	-1,000	
Food and Residual Waste Treatment Gate Fee Support	13,300	13,300	0	
Coastal Risk Management Programme ⁷	3,074	5,683	2,609	
Flood and Coastal Erosion Risk Management	2,610	TBC		
Enabling Natural Resources and Well-being in Wales Grant (ENRaW)	433	494	62	
Implementation of measures to tackle nitrogen dioxide emissions	418	373	-45	
Environment Act 1995 (Feasibility Study for Nitrogen Dioxide Compliance) Air Quality Direction ⁵	210	0	-210	
Local Authority Animal Health and Welfare Framework Funding	200	200	0	
Welfare of Horses ⁵	107	0	-107	
Smart Living Initiative	80	TBC		
Non-domestic (Business) Rates Support for Hydropower ⁵	9	0	-9	
TOTAL	37,842	36,451	-1,391	
<u>Economy and Transport</u>				
Free Concessionary Bus Travel	31,172	60,133	28,961	Covid adj.
Bus Revenue Support - Traws Cymru	3,238	4,367	1,129	
Arfor innovation Fund	1,000	TBC		
Road Safety Grant	950	2,000	1,050	
Anglesey Airport - Operation & Maintenance	800	800	0	
LA Grant Fund for Cyber Improvement ⁵	248	0	-248	
Funding to improve Cyber Resilience ⁵	100	0	-100	
Public Sector Certified Cyber Training Scheme Grant Fund ⁵	150	0	-150	
Bus Services Support Grant	25	25	0	
Mid Wales Applied Research & Innovation Study ⁵	25	0	-25	
Penrhos Feasibility Study ⁵	25	0	-25	
Nemesis Bioscience Welsh Phage Project ⁵	10	0	-10	
Accelerator Programme ⁵	9	0	-9	

Appendix 4

Portfolio and Grant Name	2020-21 (£000)	2021-22 (£000)	Change (£000)	Expected Adj. (£000)
Youth Discounted Travel Scheme (My Travel Pass)	2	2	0	
TOTAL	37,754	67,327	29,573	
<u>Mental Health, Wellbeing and Welsh Language</u>				
Substance Misuse Action Fund	26,488	25,063	-1,425	
Complex Needs Funding - Substance Misuse and Mental Health ⁵	881	0	-881	
Promote and Facilitate the use of the Welsh Language	374	374	0	
Deprivation of Liberty Safeguards (DoLS)	263	263	0	
Drug & Alcohol Initiatives Naloxone Programme	160	80	-80	
Major Events Unit Grants Scheme ⁶	0	15	15	
TOTAL	28,166	25,795	-2,371	
<u>Finance and Trefnydd</u>				
Retail, Leisure and Hospitality Rates Relief Scheme	27,700	27,700	0	
TOTAL	27,700	27,700	0	
<u>Deputy Minister and Chief Whip</u>				
Violence against Women, Domestic Abuse & Sexual Violence Grant (Core & Perpetrator element)	1,699	1,699	0	
Period Dignity in Schools	1,140	1,140	0	
Community Cohesion Grant	1,120	360	-760	
Period Dignity in Communities	220	220	0	
TOTAL	4,179	3,419	-760	
<u>Culture, Sport and Tourism</u>				
MALD strategic grants, including Fusion	208	208	0	
Specialist Service Grants	25	25	0	
TOTAL	233	233	0	
All Grants	977,776	968,366	-9,410	76,700
All Grants excluding TBC and RSG transfers (like-for like comparison)	958,013	968,366	10,353	

Covid19 Specific Grants

Portfolio and Grant Name - Covid19 Grants	2020-21 (£000)	2021-22 (£000)	Change (£000)
<u>Housing and Local Government</u>			
Local Government Single Emergency Hardship fund	510,859	0	-510,859
Local Government COVID19 Council Tax Reduction	11,000	0	-11,000
Transforming Towns and Covid Recovery Revenue Funding	550	0	-550
COVID19 Local Resilience Forum Crisis Funding	550	0	-550
TOTAL	522,959	0	-522,959
<u>Finance and Trefnydd</u>			
COVID19 - Retail, Leisure and Hospitality Rates Relief Scheme	332,000	TBC	
TOTAL	332,000	0	-332,000
<u>Economy and Transport</u>			
Bus Emergency Support	72,696	TBC	
TOTAL	72,696	0	-72,696
<u>Health and Social Services</u>			
Support for Social Care Workforce	40,464	0	-40,464
Childcare Provider Grant	4,500	0	-4,500
Child Development Fund	3,500	0	-3,500
Promote Family Stability and Relationship Quality	800	TBC	
Early Year Integration Transformation Programme - New Pathfinders	120	TBC	
TOTAL	49,384	0	-49,384
<u>Education</u>			
Accelerated Learning Programme (ALP)	16,588	11,849	-4,739
Local Authority Post-16 Education Provision 2020-21 Recruit, Recover, Raise Standards: Accelerating Learning Programme.	4,187	TBC	
Face Covering	1,885	0	-1,885
Safe Operation of Schools (cleaning materials)	729	0	-729
TOTAL	23,389	11,849	-11,540
<u>Environment, Energy and Rural Affairs</u>			
Green Recovery Circular Economy Revenue Fund	5,500	0	-5,500
Smart Living COVID reconstruction challenges	385	0	-385
TOTAL	5,885	0	-5,885

Appendix 4

Portfolio and Grant Name - Covid19 Grants	2020-21 (£000)	2021-22 (£000)	Change (£000)
<u>Culture, Sport and Tourism</u>			
Local Government Cultural Service Fund	2,700	0	-2,700
Cultural Resilience Fund	700	TBC	
TOTAL	3,400	0	-3,400
<u>Deputy Minister and Chief Whip</u>			
Violence against Women, Domestic Abuse & Sexual Violence Grant- Needs Based Covid 19 element	1,035	1,035	0
TOTAL	1,035	1,035	0
All Grants	1,010,748	12,884	-997,864
All Grants excluding TBC (like-for like comparison)	596,432	12,884	-583,548