



Cyngor Castell-nedd Port Talbot
Neath Port Talbot Council

CABINET

20th September 2023

Report of the Chief Finance Officer – H.Jones

Wards affected – All

Matter for Decision

Revenue Budget Monitoring Report 2023/24 – As at the end of June 30th 2023

Purpose of Report

To provide Members with information in relation to the Council's projected revenue budget position and savings as agreed for 2023/24.

Background

This report sets out the Council's projected budget position based on information available as at 30th June 2023.

Budget Management Responsibility

Under the Council's Constitution and Financial Procedure Rules Corporate Directors are responsible for managing their Budgets within the overall cash limit approved by Council.

A Corporate Director may exercise virements on budgets under his or her control for any amount on any one budget head during the year, following notification to the Chief Finance Officer provided that:

- a) overall expenditure and income is contained within the cash limit
- (b) except where virement would involve a significant variation in the level or nature of the delivery of the service approved by Council in the Revenue Budget.

Summary

The Council's net revenue budget for 2023/24 is £360.973m (£338.020m in 2022/23). When the budget was set a number of service savings and efficiencies were required totalling £15.352m. The current position on these savings are attached in appendix 2, with a red,amber,green (RAG) rating to show their current status.

The overall budget position as at June 2023 is a £2.867m overspend. As the financial year progresses, services will need to continually review expenditure and income in their areas to mitigate the impact of the overall budget overspend.

| Summary 2023/24 | | | | | | | | |
|--|-----------------|-----------------|----------------|-------------------|------------------------|---------------------|-------------|---------------------------|
| | Original Budget | Virements Qtr 1 | Revised Budget | Projected Outturn | Possible pay award adj | Probable Commitment | Reserves | Variance ~ Under / (Over) |
| | £'000 | | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Education, Leisure and Lifelong Learning - Schools | 102,086 | | 102,086 | 102,086 | 0 | | | 0 |
| Education, Leisure and Lifelong Learning - Other | 31,677 | -272 | 31,405 | 32,288 | -442 | | 2 | -443 |
| Social Services Health & Housing | 105,572 | 337 | 105,909 | 108,349 | -1,000 | | | -1,440 |
| Environment | 46,262 | | 46,262 | 47,953 | -1,000 | | 277 | -968 |
| Strategy and Corporate | 21,357 | -45 | 21,312 | 22,802 | -387 | | -637 | -466 |
| Directly Controlled Expenditure | 306,954 | 20 | 306,974 | 313,478 | -2,829 | 0 | -358 | -3,317 |
| Levies and contributions | 10,203 | | 10,203 | 10,203 | | | | 0 |
| Capital financing | 19,608 | | 19,608 | 19,608 | | | | 0 |
| Pay contingency | 4,714 | | 4,714 | 0 | 2,829 | 1,885 | | 0 |
| Contingency | 781 | -20 | 761 | 761 | | | | 0 |
| Energy efficiency/Transition/Contingency | 2,800 | | 2,800 | 0 | | 2,800 | | 0 |
| Council Tax Reduction Scheme (CTRS) | 19,413 | | 19,413 | 18,963 | | | | 450 |
| | | | | | | | | 0 |
| Contributions from reserves | -3,500 | | -3,500 | -3,500 | | | | 0 |
| | | | | | | | | 0 |
| (Overspend) / Underspend | 360,973 | 0 | 360,973 | 359,513 | 0 | 4,685 | -358 | -2,867 |

At present it is difficult to quantify the effect of the pay settlement for 2023/24. The current projections reflect the latest pay offer for green book staff of £1,925 per employee up to grade 13 and then 3.88% thereafter. The base budget included a provision for a 4% pay award and it has been calculated that based on the current offer that a further £2.8m will be required to fund this uplift. A pay contingency budget was set aside in the 2023/24 budget setting process and once the pay award has been finalised, a virement will be requested to move this budget to the individual service directorates.

The vacancy management target for the council in 2023/24 is £2.915m. To date Social Services, Health and Housing Directorate have indicated that this will be met in full with a shortfall of £1.032m in total for the rest

of the Council. For the purposes of this budget monitoring report, this unidentified shortfall of £1.032m has not been built into the current overspend as it is anticipated that as the year goes on, these targets will be met in full or savings elsewhere will be identified to offset them.

The cost of energy remains difficult to predict. Officers are currently working on projections for 2023/24 and a separate paper will be brought to update members. As a reminder, an inflation increase of 50% was allocated for energy in base budgets, with a further 50% placed in an energy contingency/renewable energy budget.

In order to try to address the overspend position Officers will look to implement additional cost saving and income generation measures in year. These measures will only be where they can be delivered within existing policy frameworks.

Significant service variances of £100k or more are detailed below.

Education Leisure and Lifelong Learning (ELLL)

Based on costs incurred to date the ELLL directorate is projected to overspend by £443k assuming additional funding is provided to cover the additional pay award. The main variances included in this £443k overspend are:

Out of County placements £229k underspend

Due to a mixture of additional income from children attending NPT schools and a reduction in independent sector placements.

School specific contingencies £223k overspend

This relates to the current cost of providing portacabins on the Cwmtawe school site for the pupils from Godre'rgraig primary school. Officers have been asked to look into the option of purchasing these portacabins to see whether this would represent better value for money.

Home to school transport £488k overspend

There have been 23 new routes since the budget was set, this pressure now brings the current cost of the home to school service to approximately £9.4m.

The following risks have been identified within the ELLL directorate:

Welsh Government (WG) has passed legislation that means speed limits on most restricted roads will reduce from 30mph to 20mph from September 2023. The transport section are currently reviewing the impact of this on Home to School Transport. It is likely some existing routes will need to be revised and additional routes procured.

Schools have indicated that they will need £8.5m over and above the delegated budget this year. There is currently only £6.5m in reserves meaning that potentially schools will go into a deficit reserve position of £2m. All schools currently reporting a deficit budget have been requested to submit a recovery plan and going forward in 2023/24 all schools will be asked to submit a quarterly budget position which will be monitored and reported to cabinet.

Social Services Health & Housing (SSHH)

Based on costs incurred to date the SSHH directorate is projected to overspend by £1.440m assuming additional funding is provided to cover the additional pay award. The main variances included in this £1.440m overspend are:

Adoption Service £100k underspend

The cost of the joint service is shared out between the partners, Swansea, NPT and Bridgend and is apportioned on the number of adoption placements made each year. It is anticipated that NPT will receive a refund of £100k of its initial contribution based on refunds received in prior years. There is a risk that NPT adoption numbers could be higher this year and therefore a greater contribution required, placements will be monitored throughout the year and adjustments made if necessary.

Elderly Residential Care £1.22m underspend

The under spend is due to additional income, an increase in pensions has led to increased assessed charges and additional recovery of fees following the sale of residents assets.

Elderly Domiciliary Care £601k overspend

An overspend in the external market due to additional hours commissioned, 7,885 hours per week compared with 7,345 in the budget. This is partially offset by vacant posts within the in-house homecare service.

Physical Disability Placements £212k overspend

Due to new placements.

Learning Disabilities £207k overspend

The projection is based on placements agreed and approximate start dates included for new placements. No costs have been included for placements that have been agreed in principle but no placement found, assuming that the additional cost will be offset by placement discharges.

The following risks are highlighted as potential future costs which are not included in the figures:

- Implications for night care from Fire Service report, need for more than 1 member of staff on night cover
- New placements (Careers Wales) at Star College and Beechwood College

Mental Health £827k overspend

Projection includes any placements where costs have been agreed. New placements where costs have been agreed will have approximate start dates. It does not include placements agreed in principle and out to brokerage, on the assumption that the additional cost will be offset by placement discharges.

Housing Advice/Supported Tenancies £1m overspend

At the start of the pandemic WG changed the policy relating to homelessness to ensure no-one was sleeping rough. The policy change resulted in a much higher than average demand for temporary accommodation and meant that a significant amount of additional accommodation needed to be sourced urgently.

That specific change in policy has now been integrated into the Housing Wales Act via a secondary legislation change, therefore the majority of households presenting are now eligible for temporary accommodation so demand is likely to remain at current levels for some time.

Prior to the pandemic, average number in temporary accommodation at any one time was 50 households. Latest figures show 185 households are in temporary accommodation.

Work is ongoing to implement the Rapid Rehousing Plan which will ultimately reduce the use of temporary accommodation in the longer

term and increase the stock of social housing across the borough, however this will develop over a period of between 5 – 10 years.

Hostels £190k overspend

This overspend is due to additional security being needed at two hostel sites.

Risks

The SSHH budget is currently being underpinned by the use of £4.8m of earmarked directorate reserves. These reserves are being used to fund the 'pressures to be monitored' which were included in the 2023/24 budget proposals as potential pressures which would not be built into the base budget but would require reserve funding if they became real costs.

It is not sustainable to continue to fund these costs from reserves on a permanent basis as the directorate reserves will run out in 2025/26 so consideration will need to be given as to how these costs can be funded on a permanent basis if they are going to be ongoing.

Environment (ENV)

Based on costs incurred to date the ENV directorate is projected to overspend by £968K assuming additional funding is provided to cover the additional pay award. The main variances included in this £968k overspend are:

Public lighting £492K overspend

This is due to the energy inflationary increase being in excess of the inflationary allowance, which is partially offset by other savings. This estimate has been based on one months' bill so will be monitored each month and regularly updated.

Car Parking £326K overspend

This overspend is due to two reasons. Firstly, due to a fall in footfall since COVID in town centres, the car parking income is lower. Secondly the budget agreed at Cabinet and Council included a proposal that car parking income would need to increase by £200k. To date Members have not agreed to any increases, the overspend is therefore based on existing car parking charges and usage,

Civic Buildings £411K overspend

This is due to increases in electricity and gas in excess of the inflationary allowance. This estimate is based on current bills and will be regularly monitored and updated.

Refuse Disposal £413K Underspend

This saving is mainly due to the anticipated increased waste recycling income compared to budget. This has arisen due to the introduction of a new sorting line to separate aluminium from steel cans, resulting in a much improved price per tonne of income for the recycling products. The full impact of the improved income will not be experienced until July and this figure may be further increased.

Corporate Services (CORP)

Based on costs incurred to date the CORP directorate is projected to overspend by £466K assuming additional funding is provided to cover the additional pay award. The main variance included in this £466k overspend is:

Digital Services £305k overspend

This overspend is due to an increase in the software licenses over the past 5 years.

Central Budgets

Council tax reduction scheme £450k underspend

This budget is projecting to underspend by £450k with 15,699 people currently receiving a reduction to their council tax in year.

Virements

Please see below proposed virements which will need to be agreed as cross directorate budget transfers.

| Virements across directorates | | | |
|--------------------------------------|------------------------------|----------------|--|
| Directorate | Service Area | Value £ | Reason |
| To SSHH from ELLL | Community Safety | 292,553 | Community Safety now sits under SSHH |
| To SSHH from ELLL | Substance misuse action fund | 43,797 | Substance misuse action fund now sits under SSHH |

| | | | |
|------------------------------|----------------------------------|----------------|---|
| To ELLL from CORP | Commercial and Income Generation | 64,984 | Commercial officer post moved under new line management |
| To CORP from Central Budgets | Digital Services | £ 20,000 | Agreed contribution to staffing costs |
| | | 421,334 | |

Update on actions included within the 2023/24 budget strategy

The approved budget strategy for 2023/24 included a number of actions which were to be progressed during the financial year. This section of the report contains some information in regards to progress to date.

Expansion of Welfare Rights Service

The budget strategy allowed for a temporary expansion of the Welfare Rights Service. Two additional posts have been created and appointments made and the staff have commenced employment.

Further streamlining of internal assessment arrangements

Scoping work has been undertaken to map current arrangements in terms of where assessments take place and what software is used to store the relevant information. Further work to streamline the above will need to feature in the forward work programme for digital services and prioritised accordingly.

Improvements in speed of payment to microbusinesses

Changes have been made to payment processes for residential care providers, reducing transaction time and saving the equivalent of one post within the finance division. Further work will need to be undertaken on different business sectors.

Expansion of work with Chwarae Teg

The Ment2Be mentoring scheme has been launched - the scheme was developed with the primary aim of supporting the career development and progression of low paid women within our workforce, but it will be inclusive offer open to all employees who are interested in career development. Further work is currently being developed.

Energy efficiency arrangements and renewable energy

Work has commenced with schools regarding looking at ways of reducing consumption as we move into the winter months. The environment directorate have identified an officer to work initially with the top fourteen energy consuming schools. An external organisation with

expertise in helping schools reduce consumption is also in the process of being commissioned.

A number of potential renewable energy schemes have also been identified at various school sites. Discussions will take place with the relevant head teachers once the autumn term re-commences in September.

The Director of Strategy and Corporate services is working on a number of proposals in relation to reducing energy consumption in Civic buildings over the winter period. The details are currently being worked through with staff and trade unions.

Work is progressing to migrate physical IT servers onto 'the cloud' with seventy out of two hundred and fifty being able to be migrated in the first tranche which will again reduce energy costs.

Internal capacity is to be created to progress with work on looking at transitioning to renewable energy as this cannot be accommodated from within existing resources.

Council Reserves

Under the Council's constitution the use of existing reserves by Corporate Directors requires prior consultation with the Chief Finance Officer. The current position in relation to reserve balances as at 1st April 2023 and commitments agreed to date is detailed in Appendix 1 of this report.

Integrated Impact Assessment

There is no requirement to undertake an integrated impact assessment as this report summarises the Council's financial position

Valleys Communities Impacts

No Impact

Workforce Impacts

No Impact

Legal Impact

No Impact

Risk Management Impact

Due to the cost of living crisis, rising energy prices, inflation and post covid recovery, there is risk within the current budget projections which could result in significant variances.

Recent Welsh Government budget announcements also mean that there may be a risk around the availability of some in-year specific grants. Officers will monitor this situation and include any implications in subsequent budget monitoring reports.

Consultation

This item is not subject to external consultation

Recommendations

It is recommended that Cabinet:

- **Note** the contents of this report in relation to the current projected budget outturn and reserves position
- **Approve** the virements set out in the main body of this report.
- **Note** the progress against the agreed savings
- **Note** that Officers will look to implement additional cost saving and income generation measures in year in order to reduce the current overspend position. These measures will only be where they can be delivered within existing policy frameworks.

Reason for Proposed decision

To comply with the Council's constitution in relation to budget for virements.

Implementation of Decision

The decision is proposed for implementation after the three day call in period.

Appendices

Appendix 1-Reserve Schedule

Appendix 2-Agreed savings RAG rating

Background Papers

Budget Working Papers

Officer Contact

Huw Jones – Chief Finance Officer

h.jones@npt.gov.uk

Nicole Blackmore – Chief Accountant (Financial Planning)

n.l.blackmore@npt.gov.uk

Appendix 1 – Reserve Schedule

| Description | Reserve Balance at 1st April 2023 £ | Original budget reserves 2023/24 | Current Projected Balance @ 31st March 2024 £ | Additional movements to June 2023 £ | Closing reserves 2023/24 £ |
|--|---|---|--|--|----------------------------------|
| Education, Leisure and Lifelong Learning | | | | | |
| <u>Delegated Schools Reserves</u> | | | | | |
| ERVR Primary | Cr9,675 | 0 | Cr9,675 | 9,675 | Cr0 |
| Primary Schools | Cr3,248,428 | 0 | Cr3,248,428 | | Cr3,248,428 |
| Secondary Schools | Cr2,382,943 | 0 | Cr2,382,943 | | Cr2,382,943 |
| Special Schools | Cr825,780 | 0 | Cr825,780 | | Cr825,780 |
| Middle School | Cr98,639 | 0 | Cr98,639 | | Cr98,639 |
| Repair & Maintenance | Cr161,160 | 0 | Cr161,160 | | Cr161,160 |
| | Cr6,726,626 | 0 | Cr6,726,626 | 9,675 | Cr6,716,951 |
| <u>Education, Leisure and Lifelong Learning Other</u> | | | | | |
| Additional learning needs reserve | Cr2,741,462 | 0 | Cr2,741,462 | 0 | Cr2,741,462 |
| Equalisation Account-Education | Cr1,324,038 | 362,905 | Cr961,133 | 0 | Cr961,133 |
| Home to School Transport | 0 | Cr253,000 | Cr253,000 | 0 | Cr253,000 |
| | Cr4,065,500 | 109,905 | Cr3,955,595 | 0 | Cr3,955,595 |
| Total Education Leisure & Lifelong Learning | Cr10,792,126 | 109,905 | Cr10,682,221 | 9,675 | Cr10,672,546 |
| <u>Social Services, Health and Housing</u> | | | | | |
| Homecare ECM Equipment reserve | Cr361,756 | 6,756 | Cr355,000 | 0 | Cr355,000 |
| Community Care Transformation Reserve | Cr2,249,661 | 1,499,661 | Cr750,000 | 0 | Cr750,000 |
| Children's Residential Placements | 0 | 0 | 0 | 0 | 0 |
| SSHH IT Renewals Fund | Cr1,900,000 | 0 | Cr1,900,000 | 0 | Cr1,900,000 |
| Social Services Equalisation | Cr3,370,114 | 2,873,873 | Cr496,241 | 0 | Cr496,241 |
| Community Resilience Fund | Cr1,750,000 | 0 | Cr1,750,000 | 0 | Cr1,750,000 |

| Description | Reserve Balance at 1st April 2023 £ | Original budget reserves 2023/24 | Current Projected Balance @ 31st March 2024 £ | Additional movements to June 2023 £ | Closing reserves 2023/24 £ |
|---|-------------------------------------|----------------------------------|---|-------------------------------------|----------------------------|
| Housing Warranties Reserve | Cr220,000 | 0 | Cr220,000 | 0 | Cr220,000 |
| Hillside General Reserve | Cr431,098 | 0 | Cr431,098 | 0 | Cr431,098 |
| Ring fenced homecare funding | Cr234,000 | 0 | Cr234,000 | 0 | Cr234,000 |
| Youth Offending Team Reserve | Cr167,897 | 0 | Cr167,897 | 0 | Cr167,897 |
| Adoption Service | Cr880,000 | 500,000 | Cr380,000 | 0 | Cr380,000 |
| Total Social Services, Health and Housing | Cr11,564,526 | 4,880,290 | Cr6,684,236 | 0 | Cr6,684,236 |
| <u>Environment</u> | | | | | |
| Transport Reserve | Cr315,173 | 60,000 | Cr255,173 | 0 | Cr255,173 |
| Asset Recovery Incentive Scheme | Cr44,593 | 0 | Cr44,593 | Cr43,301 | Cr87,894 |
| Swansea Bay City Deal | Cr221,000 | 0 | Cr221,000 | 0 | Cr221,000 |
| Local Development Plan | Cr363,124 | 76,787 | Cr286,337 | 0 | Cr286,337 |
| Parking improvement | Cr88,000 | 63,000 | Cr25,000 | 0 | Cr25,000 |
| DARE Reserve | Cr2,000,000 | 0 | Cr2,000,000 | 0 | Cr2,000,000 |
| Waste Reserve | Cr1,536,454 | 900,000 | Cr636,454 | 0 | Cr636,454 |
| Winter Maintenance Reserve | Cr568,429 | 0 | Cr568,429 | 0 | Cr568,429 |
| Neath Market | Cr253,107 | 0 | Cr253,107 | 0 | Cr253,107 |
| Baglan Bay Innovation centre - dilapidation reserve | Cr77,517 | 0 | Cr77,517 | 0 | Cr77,517 |
| Renewable Energy Reserve | Cr17,959 | 0 | Cr17,959 | 0 | Cr17,959 |
| Environmental Health - Housing Equalisation | Cr95,000 | 58,301 | Cr36,699 | 0 | Cr36,699 |
| LAWDC Contingency Reserve | Cr815,177 | 0 | Cr815,177 | 0 | Cr815,177 |
| Workways – NPT | Cr325,522 | 0 | Cr325,522 | 0 | Cr325,522 |

| Description | Reserve Balance at 1st April 2023 £ | Original budget reserves 2023/24 | Current Projected Balance @ 31st March 2024 £ | Additional movements to June 2023 £ | Closing reserves 2023/24 £ |
|---------------------------------------|---|---|--|--|----------------------------------|
| Environment Equalization Reserve | Cr1,097,403 | 147,556 | Cr949,847 | 104,177 | Cr845,670 |
| Metal box Reserve | Cr779,909 | Cr305,333 | Cr1,085,242 | 0 | Cr1,085,242 |
| Pantteg Landslip Reserve | Cr500,000 | 0 | Cr500,000 | 0 | Cr500,000 |
| | | | | | 0 |
| <u>Trading Account</u> | | | | | 0 |
| Operating Account –Equalisation | Cr36,043 | 0 | Cr36,043 | 0 | Cr36,043 |
| Vehicle Tracking | Cr92,186 | 0 | Cr92,186 | 0 | Cr92,186 |
| Vehicle Renewals | Cr3,471,874 | 2,275,246 | Cr1,196,628 | 0 | Cr1,196,628 |
| Total Environment | Cr12,698,470 | 3,275,557 | Cr9,422,913 | 60,876 | Cr9,362,037 |
| <u>Chief Executives</u> | | | | | |
| Elections Equalisation Fund | Cr151,139 | Cr15,000 | Cr166,139 | 0 | Cr166,139 |
| Health & Safety/Occupational Health | Cr40,501 | 0 | Cr40,501 | 0 | Cr40,501 |
| Digital Transformation Reserve | Cr1,170,000 | 0 | Cr1,170,000 | 590,000 | Cr580,000 |
| Schools IT Equalisation (HWB) | Cr470,000 | 70,000 | Cr400,000 | 0 | Cr400,000 |
| Development Fund for Modernisation | Cr76,032 | 0 | Cr76,032 | 0 | Cr76,032 |
| Digital renewal reserve | Cr1,754,394 | 400,000 | Cr1,354,394 | 0 | Cr1,354,394 |
| Chief Executives Equalisation Reserve | Cr359,736 | 105,000 | Cr254,736 | 0 | Cr254,736 |
| Organisational development reserve | Cr4,636,436 | 280,000 | Cr4,356,436 | 17,000 | Cr4,339,436 |
| Building Capacity | Cr241,295 | 52,000 | Cr189,295 | 30,000 | Cr159,295 |
| Voluntary Organisation Reserve | Cr89,744 | 0 | Cr89,744 | 0 | Cr89,744 |
| Total Corporate Services | Cr8,989,277 | 892,000 | Cr8,097,277 | 637,000 | Cr7,460,277 |
| | | | | | |

| Description | Reserve Balance at 1st April 2023 £ | Original budget reserves 2023/24 | Current Projected Balance @ 31st March 2024 £ | Additional movements to June 2023 £ | Closing reserves 2023/24 £ |
|---|--|---|--|--|---|
| <u>Corporate Other</u> | | | | | |
| Insurance Reserve | Cr4,445,382 | 280,000 | Cr4,165,382 | 0 | Cr4,165,382 |
| Covid recovery | Cr1,406,578 | 824,650 | Cr581,928 | 0 | Cr581,928 |
| Income Generation Reserve | Cr1,663,230 | 0 | Cr1,663,230 | 0 | Cr1,663,230 |
| Members Community Fund Reserve | Cr351,974 | 0 | Cr351,974 | | Cr351,974 |
| Capital support reserve | Cr683,447 | 0 | Cr683,447 | 0 | Cr683,447 |
| Hardship relief scheme | Cr1,725,000 | 0 | Cr1,725,000 | 0 | Cr1,725,000 |
| Service resilience | Cr874,072 | 874,072 | 0 | 0 | 0 |
| Discretionary fund | Cr335,725 | 0 | Cr335,725 | 0 | Cr335,725 |
| Corporate Contingency | Cr2,492,766 | 930,273 | Cr1,562,493 | Cr349,922 | Cr1,912,415 |
| Strategic regeneration capacity building | Cr1,500,000 | | Cr1,500,000 | | Cr1,500,000 |
| Treasury Management Equalisation Reserve | Cr8,407,767 | 0 | Cr8,407,767 | 0 | Cr8,407,767 |
| Accommodation Strategy | Cr2,273,580 | 0 | Cr2,273,580 | 0 | Cr2,273,580 |
| Total Corporate Other | Cr26,159,521 | 2,908,995 | Cr23,250,526 | Cr349,922 | Cr23,600,448 |
| <u>Joint Committee</u> | | | | | |
| Margam Discovery Centre - Building Maintenance Reserve | Cr117,107 | Cr57,333 | Cr174,440 | 0 | Cr174,440 |
| Workways - Regional Reserve | Cr169,860 | | Cr169,860 | 0 | Cr169,860 |
| Environment Legacy Reserve (SWTRA) | Cr59,728 | | Cr59,728 | 0 | Cr59,728 |
| Substance Misuse Area Planning Board | Cr153,568 | | Cr153,568 | 0 | Cr153,568 |
| WB Safeguarding Board Reserve | Cr94,676 | | Cr94,676 | 0 | Cr94,676 |
| Intermediate Care pooled fund | 0 | | 0 | 0 | 0 |

| Description | Reserve Balance at 1st April 2023 £ | Original budget reserves 2023/24 | Current Projected Balance @ 31st March 2024 £ | Additional movements to June 2023 £ | Closing reserves 2023/24 £ |
|-------------------------------------|--|---|--|--|---|
| Total Joint Committee | Cr594,939 | Cr57,333 | Cr652,272 | 0 | Cr652,272 |
| Total All Earmarked Reserves | Cr70,798,859 | 12,009,414 | Cr58,789,445 | 357,629 | Cr58,431,816 |
| General Reserve | Cr20,150,693 | 4,900,000 | Cr15,250,693 | 0 | Cr15,250,693 |
| TOTAL ALL RESERVES | Cr90,949,552 | 16,909,414 | Cr74,040,138 | 357,629 | Cr73,682,509 |

2023/24 Budget – Savings monitoring RAG Analysis

| Ref | Savings strategy | Responsible officer | 2023/24 Saving £ | Deliverability Status R/A/G | Comment/ Consequence |
|-------|--|---------------------|---------------------|--------------------------------|--|
| | Efficiency/Economy measures identified | | | | |
| E&E1 | Car Allowances | All managers | 400,000 | Green | |
| E&E2 | CRB Checks | All managers | 10,000 | Green | |
| E&E3 | Eye tests | All managers | 7,000 | Green | |
| E&E4 | Water | All managers | 52,000 | Green | |
| E&E5 | General office expenses, books and subscriptions | All managers | 125,000 | Green | |
| E&E6 | Pat testing | All managers | 10,000 | Green | |
| E&E7 | Periodicals, municipal journals etc. | All managers | 2,500 | Green | |
| E&E8 | Window cleaning | All managers | 10,000 | Green | |
| E&E9 | Canvassing | All managers | 10,000 | Green | |
| E&E10 | Stationery | All managers | 75,000 | Green | |
| E&E11 | Conference fees - overnight travel etc. | All managers | 5,000 | Green | |
| E&E12 | Furniture purchasing | All managers | 10,500 | Green | |
| E&E13 | Postages | All managers | 3,000 | Green | |
| E&E14 | Medical Fees | All managers | 40,000 | Green | |
| E&E15 | External printing | All managers | 33,888 | Green | |
| E&E17 | Hire of room | All managers | 17,000 | Green | |
| | | | | | |
| | Accommodation | | | | |
| ACC1 | Buildings to be vacated - Closure of 5 satellite office buildings in phase 1 (2023/24) | Simon Brennan | 158,000 | Green | £113k achieved to date, Unable to negotiate surrender of Baglan resource centre-current lease ends August 25 th 2029. Savings achieve elsewhere |
| | | | | | |
| | Grants | | | | |
| GR1 | Maximisation of external grant funding | Simon Brennan | 500,000 | Green | Relates to SPF funding |

Appendix 2

| Ref | Savings strategy | Responsible officer | 2023/24 Saving £ | Deliverability Status R/A/G | Comment/ Consequence |
|---|--|---------------------|---------------------|--------------------------------|---|
| GR2 | Offset ALN post against existing grant | Hayley Lervy | 63,190 | Green | |
| GR3 | Catering business administrative post against grant | Rhiannon Crowhurst | 48,000 | Green | |
| | | | | | |
| | | | | | |
| <u>Subsidy removal</u> | | | | | |
| SUB1 | Margam Park | Chris Saunders | 100,000 | Green | |
| SUB2 | Increased income at skills and training unit | Chris Millis | 25,000 | Amber | Still in process of identifying what option to use to achieve this saving-original option no longer available |
| SUB3 | Full cost recovery of school cleaning service | Rhiannon Crowhurst | 167,275 | Amber | Discussion ongoing regarding phasing |
| SUB4 | Gnoll County Park | Mike Roberts | 30,000 | Red | Subject to delivery of LUF project |
| SUB6 | Afan forest park | Simon Brennan | 1,882 | Green | |
| SUB0 | Leisure Services | Chris Saunders | 250,000 | Green | One of pension saving and additional income |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| <u>Service Remodelling and integration</u> | | | | | |
| SERV1 | Digital Savings (Mobile and Photocopier contracts) | Chris Owen | 150,000 | Green | |
| | | | | | |
| Other | | | | | |
| OTHER1 | Pension Recharges - reduction in historic early access charges as numbers drop | Huw Jones | 67,000 | Green | |

Appendix 2

| Ref | Savings strategy | Responsible officer | 2023/24 Saving £ | Deliverability Status R/A/G | Comment/ Consequence |
|--------------|---|---------------------|---------------------|--------------------------------|---|
| OTHER2 | Treasury Management - increased interest on investments | Huw Jones | 500,000 | Green | |
| OTHER3 | Management of change recharge - Remove base budget for ER/VR use Organisation Development reserve if required | Andrew Thomas | 200,000 | Green | |
| OTHER4 | Fall in pupil numbers as per settlement | Andrew Thomas | 733,000 | Green | |
| OTHER5 | Pension Recharges - reduction in employer contribution rate from 2023/24 | Huw Jones | 5,109,000 | Green | |
| OTHER6 | Reversal of Social Care Levy - reduced employer national insurance contributions | Huw Jones | 1,364,000 | Green | |
| OTHER7 | Vacancy management target - assumed 5% reduction in salary costs due to natural vacancies / turnover | All Directors | 2,915,000 | Amber | To date there is a shortfall of £1.032m |
| OTHER8 | Council tax reduction scheme - reduction in claimants since pandemic levels | Huw Jones | 750,000 | Green | |
| OTHER9 | Council tax collection rate - Cabinet approved increase to collection rate of 98% in Nov2022 | Huw Jones | 1,000,000 | Green | |
| OTHER10 | Offset costs against capital programme | Huw Jones | 260,000 | Green | |
| OTHER11 | Corporate savings-Cex Budget - various initiatives across the four divisions of the corporate services portfolio - Legal, Finance, Digital and Organisational Development | Noelwen Daniel | 150,000 | Green | |
| | | | | | |
| Total | | | 15,352,235 | | |