

Pecyn Dogfennau Cyhoeddus



Mae'r adroddiadau canlynol yn Eitemau Gwybodaeth ar gyfer y Pwyllgor Craffu Corfforaethol ac Adfywio.

- 1 Gwasanaethau Corfforaethol a Chyllid Amrywiol - Adroddiad Monitro Cyllideb 2024/25 (Cyfnod 3).
- 2 Gwasanaethau Adfywio a Chynllunio – Adroddiad Monitro Cyllideb 2023/24 (Cyfnod 3)



CORPORATE AND REGENERATION SCRUTINY COMMITTEE INFORMATION ITEM - 23RD SEPTEMBER 2024

**SUBJECT: CORPORATE SERVICES AND MISCELLANEOUS FINANCE 2024/25
BUDGET MONITORING REPORT (PERIOD 3)**

**REPORT BY: CORPORATE DIRECTOR OF EDUCATION AND CORPORATE
SERVICES**

1. PURPOSE OF REPORT

- 1.1 To inform members of projected revenue expenditure for the Directorate of Corporate Services and Miscellaneous Finance for the 2024/25 financial year as at the 30th June 2024.

2. SUMMARY

- 2.1 This report summarises the most recent budget monitoring projections for 2024/25 based on the financial information available as at the 30th June 2024.
- 2.2 The attached appendices outline more detailed budget monitoring figures and provide commentary on the more significant variations against budget.

3. RECOMMENDATIONS

- 3.1 Corporate Services and Regeneration Scrutiny Committee Members are requested to note the contents of this report and the detailed budget monitoring pages that follow in respect of Corporate Services directorate and Miscellaneous Finance which all fall within the remit of this Scrutiny Committee.

4. REASONS FOR THE RECOMMENDATIONS

- 4.1 To ensure Members are apprised of the latest financial position for the 2024/25 financial year for the Directorate of Corporate Services and Miscellaneous Finance.

5. THE REPORT

5.1 Introduction

- 5.1.1 The report outlines the revenue budget position for Corporate Services and Miscellaneous Finance based on the financial information available as at the 30th June 2024. Projected outturn figures for the financial year are compared with the budget to

show the anticipated under or overspend.

5.1.2 The table below summarises the present budget monitoring position, which is reporting an overall overspend of £3.116m. Appendices 1 and 2 provide more detail on the budget variation projections for each service.

Table 1 – 2024/25 Projected Net Year-End Revenue Position by Service

Directorate/Service Division	2024/25 Revised Budget	2024/25 Projected Outturn	Projected (Over)/ Underspend
	£m	£m	£m
Corporate Services			
- Chief Executive & Deputy Chief Executive	0.440	0.429	0.011
- Corporate Director of Education & Corporate Services	0.159	0.156	0.003
- Corporate Finance	2.473	2.559	(0.086)
- Customer & Digital Services	9.197	9.188	0.008
- Legal and Democratic Services	4.075	4.030	0.045
- People Services	4.662	4.605	0.057
- Business Improvement Services & Catering	7.685	7.571	0.114
- General Fund Housing	4.881	5.507	(0.626)
- Private Housing	1.039	0.989	0.049
Sub-Total: -	34.612	35.036	(0.424)
Miscellaneous Finance	39.068	41.761	(2.692)
Total:	73.680	76.796	(3.116)

5.2 Corporate Services

5.2.1 The Directorate of Corporate Services is currently forecasting a net overspend of £0.424m for the 2024/25 financial year, full details of which are provided in Appendix 1.

5.2.2 There is an anticipated net overspend of £0.086m in Corporate Finance. The breakdown consists of £0.106m overspend from not achieving the staff vacancy management savings target, and an income shortfall of £0.029m which mainly relates to a shortfall in Housing Benefit Subsidy. The shortfall is due to claims migrating from Housing Benefit to Universal Credit, which has resulted in a reduction of caseloads being processed through the Council. These overspends have been partially offset by £0.049m supplies & services and admin cost savings. This has been achieved through low spend to date and the use of one-off reserves.

5.2.3 There is an anticipated net underspend of £0.008m in Digital Services, after accounting for the one-off use of reserves. The Head of Digital Services is reviewing the current structure to meet service delivery demands. Budgets need to be realigned to reflect this, once this has been completed the overspends/underspends in each section will be more reflective of the current position. Currently IT services is showing an overspend of £0.122m, this is offset by an underspend in Procurement of £0.052m and an underspend in Customer First of £0.078m.

5.2.4 As agreed by Cabinet as part of the 2023/24 Outturn report the procurement budget

has been updated to show a further £0.300m income target for the forecast income as a result of the “Wales Wide” food procurement contract. The income is not guaranteed and depends on how much the framework is used, this figure has been based on the amount achieved in 2023/24 and will be closely monitored and reported on this year. If due to demand and membership it does not meet the target the budget will need to be adjusted through future budget setting rounds. This saving has now been captured and reported against the £5m Mobilising Team Caerphilly (MTC) 2024/25 in-year savings target.

- 5.2.5 Legal and Governance is projecting a net underspend of £0.045m after allowing for the transfer to earmarked reserves. This has largely been achieved through £0.038m of staff savings, due to a combination of employees working lower hours than budgeted and staff turnover resulting in some employees being paid at lower salary scale points. In addition, there is a projected underspend on administrative costs of £0.007m, this has been achieved through reduced spend on photocopying.
- 5.2.6 The overall transfer to earmarked reserves is £0.028m, consisting of an underspend of £0.039m on Members’ Allowances which is being partially offset by an overspend of £0.010m on Electoral Services. This overspend is forecast from not achieving the staff vacancy management savings target.
- 5.2.7 There is a projected net underspend of £0.057m for People Services. After taking account of the agreed use of reserves Human Resources is projecting a net underspend of £0.048m. This is largely due to staff savings from delays in filling vacant posts and some temporary reductions in working hours, resulting in an underspend of £0.061m. This underspend is being partially offset by a projected overspend of £0.013m, mainly on subscription charges for 2024/25.
- 5.2.8 After taking account of the agreed use of reserves Health and Safety is projecting a net underspend of £0.013m. This is due to staff savings from delays in recruitment and low spend on additional hours.
- 5.2.9 Occupational Health is projecting a net underspend of £0.034m from staff vacancies.
- 5.2.10 After taking account of the agreed use of reserves the Communications Unit is projecting a net overspend of £0.029m. Non-staffing budgets are forecasting a net £0.058m overspend, this is a high-level forecast with spend largely based on outturn information from 2023/24, as demand is led by services across the whole authority. This service is currently being reviewed under Mobilising Team Caerphilly (MTC) to see if it can be delivered more efficiently and to remove internal invoicing. This pressure is being partially offset by an underspend on staffing which has been achieved through delays in recruitment to vacant posts.
- 5.2.11 CMT Support is anticipating a small overspend of £0.009m which is mainly due to not achieving the vacancy savings target.
- 5.2.12 The Apprentice Programme is progressing, with a number of apprentices employed. In line with previous approvals, budget and reserves are ring-fenced to support this programme and reserves will be drawn down accordingly.
- 5.2.13 There is a projected net underspend of £0.114m in Business Improvement Services and Catering. This has largely been achieved through staff savings where there has been a £0.061m underspend through a combination of vacancy savings, employees

not paid at the top of scale, and employees opting out of the pension scheme. There has also been a saving of £0.050m due to a Project Manager post being covered by grant funding. Furthermore, additional grant funding has been received through multiply of £0.006m which has been offset by a small overspend of £0.003m on supplies and services and admin costs.

- 5.2.14 Catering is currently being reviewed under MTC. At this stage it has been assumed that the service can deliver within budget. The service has flagged a risk with regard to achieving the staff vacancy management saving, this will be monitored closely throughout the financial year.
- 5.2.15 There is a projected overspend of £0.576m on Housing Services (excluding the Housing Revenue Account (HRA)).
- 5.2.16 General Fund Housing is projecting an overspend of £0.626m, which is mainly as a result of the increased length of time of Bed and Breakfast placements as well as increased costs by providers. This has been an ongoing issue for the past few years having been reported to members previously.
- 5.2.17 This service area includes a statutory duty for Temporary Accommodation which is demand led and difficult to predict. The demand for B & B placements as a result of Covid-19 has been significant with on average 70 cases per month, together with accompanying security costs for the relevant establishments which are also increasing significantly. Welsh Government (WG) have confirmed further funding in 2024/25 of £0.662m via the No One Left Out Grant, however this is lower than the previous year. WG confirmed funding in 2023/24 of £0.623m which was increased towards the end of the year to £0.864m. In addition, budgetary growth of £1.747m was approved by Council for the 2023/24 financial year in recognition of cost pressures in this area with further growth of £1.004m also being approved for 2024/25.
- 5.2.18 Securing permanent move on options for single people is a significant challenge as there is a significant shortage of one bed/single person accommodation and turnover is low in our existing single person accommodation. In addition, it is often this client group who has a higher level of support need and therefore due to the lack of suitable single person permanent housing, are not able to move on to the specialist supported housing provision within the Borough, and therefore this has an impact on the number of placements, length of placement and the cost of the placement. This is having a significant impact on the cost of our non-permanent housing as we have a statutory duty to provide interim accommodation until a suitable offer of housing is made.
- 5.2.19 Furthermore, there could be an increase and delay with placements as a result of the current Ukraine situation and the increased UK wide Asylum dispersal proposals by central government. It is important to note that for every temporary accommodation placement, the council has to fund on average 80% of the cost. The Department of Work and Pension (DWP) only funds on average 20% of the cost via housing benefits, which is why the overspend is increasing.
- 5.2.20 Whilst we are in the process of establishing and developing alternative models, we are still required to provide interim housing and therefore are reliant on hotels and bed and breakfast establishments. Security provision is currently being reviewed with a view to reducing or withdrawing from some establishments. Processes are also being redrafted to expediate Housing Benefit claims, and the allocations policy is also being reviewed. Cabinet recently agreed to adopt the WG Leasing Scheme Wales policy

which will involve utilising private landlords and give more options to discharge statutory duties.

5.2.21 In the long term, however, Welsh Government has set out an ambitious Programme for Government with the aim of making our community a better place to live and work, which will be achieved in part, by reforming homelessness services to focus on prevention and rapid rehousing, which should in theory eradicate the need for B & B placements. However, this a long-term strategy likely to take 5-10 years. Emergency Accommodation will still be required but on a smaller scale and officers are currently undertaking a review with regard what this provision will look like for CCBC in the longer term. In the meantime, the Council are maximising its Caerphilly Keys Private Rented Sector project so that the Housing Solutions Team can maximise move on within that sector. Funding from the Welsh Government's TACP (Transitional Accommodation Capital Programme) and previously the Homeless Phase 2 Funding has also helped Caerphilly Homes buy back 42 predominantly ex-council homes. TACP funding also includes a modular housing element that officers are currently considering.

5.2.22 There is further consideration being given to the Welsh Government White Paper proposal to ending homelessness with interim accommodation where standards, space sharing, young people and the use of hotels and B&Bs are concerned, but timescales or impact are not clear yet.

5.2.23 Private Sector Housing is projecting an underspend of some £0.049m. After receiving £0.635m budgetary growth in 2023/24, the budget no longer has to rely on its fee income to be able to fund the service. However, some agency fee income was still being recovered whilst officers awaited a decision on reviewing the Private Sector Housing Renewal Policy, which was approved by Cabinet on 3rd April 2024. The team will continue to receive a reduced level of fee income following the approval of the new policy. However, permanent savings cannot yet be offered up until the policy has had time to embed and prior backlogs have been completed.

5.3 Miscellaneous Finance

5.3.1 Miscellaneous Finance is currently forecasting a net overspend of £2.692m for the 2024/25 financial year, full details of which are provided in Appendix 1.

5.3.2 There is a projected net overspend £0.074m relating to Pension Contributions to Former Authorities. This overspend has been calculated based on current charges to Torfaen, RCT and Gratuity Payments. Payments fluctuate as they are dependent on the individuals in the scheme and their circumstances.

5.3.3 There is a projected net overspend of £0.280m on Capital Financing budgets. This mainly relates to a £0.260m shortfall in investment Income, resulting from interest rates forecasting to fall more sharply than originally anticipated. In addition, debt charges (principal repaid) are projecting a net overspend of £0.020m due to a higher than anticipated movements in capital expenditure.

5.3.4 There is a projected overspend of £0.067m on the Trade Union budget. We are currently still in discussions with Trade Union colleagues to review and update our facilities agreement to ensure that equitable support arrangements are in place.

5.3.5 The Counsel Fees budget is projected to be breakeven at present, but this is a volatile

budget that will be monitored closely during the financial year.

- 5.3.6 A contingency of £0.409m was established in the approved 2024/25 budget for transport contract price increases, and this is currently showing as an underspend to partially offset a overspend reported under Education & Lifelong Learning for Home to School Transport. Home to School Transport has been prioritised under MTC, officers are reviewing this area to ensure the most appropriate and most cost-effective provision is provided for pupils. A more certain forecast will be available in September once contracts have been reviewed and pupil requirements confirmed.
- 5.3.7 A £5m MTC in-year savings target was set as part of the 2024/25 budget. Savings have been approved for £1.301m to date with a further £1m identified and forecast as at 30th June 2024, so this is currently reporting a £2.698m overspend.
- 5.3.8 The MTC programme is ongoing and as further services are reviewed and projects developed, new efficiencies and savings will come forward and the endeavour is to deliver the full £5m in 2024/25.
- 5.3.9 The Council Tax Reduction Scheme has an existing approval to ringfence any underspends to a earmarked reserve, the projection is that £0.186m will be transferred to the reserve at year end.
- 5.3.10 There is projected underspend of £0.018m on Valleys Regional Park Contribution. This underspend is resulting from the confirmed contribution for the 2024/25 financial year.

5.4 Savings BRAG

- 5.4.1 As approved by Council on the 27th of February 2024, the 2024/25 budget includes savings totalling £12.650m for the services covered in this report and £7.673m authority wide savings. The savings are reflected in the budgets and monitoring positions detailed above. These savings need to be delivered in full or they will result in an overspend at year end. Robust monitoring of savings delivery is therefore critical to managing the risk, to report on what savings have been achieved and progress made throughout the year, and to inform financial planning to ensure budgets remain deliverable.
- 5.4.2 The table below summarises the assessment of savings delivery for 2024/25 as at the 30th of June 2024, full details at saving level can be found in Appendix 2.

Savings have been assessed based on the following:

Blue – The element of saving fully achieved already at this point in the year.

Green – The element of saving that is forecast to be achieved by year end but has not been achieved yet.

Amber - The element of saving considered to have some deliverability risk but is still forecast to be achieved this financial year.

Red – The element of saving containing significant deliverability risk and therefore forecast to not be achieved this financial year and reported as an overspend.

Table 2 – Savings delivery BRAG assessment 2024/25 as at 30th June 2024

Service	Total £m	Blue £m	Green £m	Amber £m	Red £m
Corporate Services Directorate	0.782	0.000	0.668	0.008	0.106
Chief Executive	0.004	0.000	0.004	0.000	0.000
Director	0.006	0.000	0.001	0.005	0.000
Corporate Finance	0.086	0.083	0.003	0.000	0.000
Digital Services	0.227	0.000	0.227	0.000	0.000
Legal and Governance Support	0.086	0.086	0.000	0.000	0.000
People Services	0.403	0.140	0.263	0.000	0.000
Busies Improvement Services and Catering	0.020	0.020	0.000	0.000	0.000
General Fund Housing	0.232	0.032	0.000	0.200	0.000
Private Housing	0.000	0.000	0.000	0.000	0.000
Miscellaneous Finance	10.805	6.289	4.162	0.354	0.000
Total	12.650	6.650	5.326	0.567	0.106
Mobilising Team Caerphilly	5.000	1.123	0.178	1.000	2.699
General Fund Services non-pay inflationary pressures to be absorbed	2.673	0.000	0.000	2.673	0.000
Total	7.673	1.123	0.178	3.673	2.699

5.4.3 £7.773m savings have been assessed as being fully achieved as at the 30th June 2024. £5.504m savings are forecast to be achieved by the end of financial year. £4.240m savings are considered to have some deliverability risk but are still forecast to be achieved this financial year. £2.805m savings have been assessed as having significant deliverability risk and are therefore not forecast to be achieved this financial year. These savings have been reported as overspends within the above forecasts.

5.4.4 As detailed in paragraph 5.2.2, £0.106m of the staff vacancy management saving is forecast not to be achieved in Corporate Finance and has been reported as an overspend, this will be closely monitored as this could change depending on staff turnover.

5.4.5 £2.699m of the Mobilising Team Caerphilly in-year saving target is currently forecast to not be achieved, however as detailed in paragraphs 5.3.7 and 5.3.8 the programme is ongoing and as further services are reviewed and projects developed, new efficiencies and savings will come forward and the endeavour is to deliver the full £5m in 2024/25.

5.4.6 Savings will be closely monitored over the coming months and any changes reflected and reported in future monitoring reports.

5.5 Conclusion

- 5.5.1 The services included within this Scrutiny Committee report have a total net budget of £73.680m and are forecasting an overspend of £3.116m based on information as at the 30th June 2024.
- 5.5.2 Services are managing in-year pressures as detailed throughout the report, the net overspend is largely due to the current forecast on the authority-wide Mobilising Team Caerphilly savings target. The MTC programme continues to review services that have been prioritised and develop efficiency and savings proposals alongside this, increased financial control measures have been put in place and all endeavours will be made to deliver the full £5m in 2024/25.
- 5.5.3 This is the first quarter of revenue budget monitoring, so forecasts contain a high level of uncertainty and assumptions. Budgets and savings delivery will continue to be closely monitored between reporting cycles to ensure management action is taken on areas forecasting to overspend.

6. ASSUMPTIONS

- 6.1 Assumptions linked to this report were detailed in the budget report to Council on 27th February 2024.
- 6.2 The projected outturn position is based on actual income and expenditure details to the end of June 2024 and forecast projections to end of the financial year.

7. SUMMARY OF INTEGRATED IMPACT ASSESSMENT

- 7.1 This report is for information only, so an IIA is not required.

8. FINANCIAL IMPLICATIONS

- 8.1 As detailed throughout the report.

9. PERSONNEL IMPLICATIONS

- 9.1 There are no direct personnel implications arising from this report.

10. CONSULTATIONS

- 10.1 There are no consultation responses that have not been reflected in this report.

11. STATUTORY POWER.

- 11.1 Local Government Acts 1972 and 2003 and the Council's Financial Regulations.

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Cllr G. Johnston, Chair of Corporate and Regeneration Scrutiny
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Appendices:

- Appendix 1 2024/25 (Period 3) Corporate Services and Miscellaneous Finance Budget Monitoring Report.
- Appendix 2 2024/25 (Period 3) Corporate Services and Miscellaneous Finance Savings BRAG

APPENDIX 1 - 2024/25 (PERIOD 3) CORPORATE SERVICES & MISCELLANEOUS FINANCE BUDGET MONITORING REPORT

CORPORATE SERVICES DIRECTORATE & OTHER	2024/25 Revised Budget	2024/25 Projected Outturn	Projected (Over)/Underspend
SUMMARY			
CHIEF EXECUTIVE/DEPUTY CHIEF EXECUTIVE AND SECRETARIAT	439,888	429,379	10,509
DIRECTOR CORPORATE SERVICES & EDUCATION	158,812	156,210	2,602
CORPORATE FINANCE			
Financial services & Internal Audit	2,719,373	2,781,044	(61,671)
Approved Use of Reserves - IR 35 Officer	(50,187)	(48,916)	(1,271)
Approved Use of Reserves -Capital Accounting Officer	(50,187)	(47,614)	(2,573)
Approved Use of Reserves -Ledger Assistant	(36,474)	(34,910)	(1,564)
Approved Use of Reserves -C Tax Billing Officers	(36,204)	(34,308)	(1,896)
Approved Use of Reserves - Business Partner	(22,923)	(22,418)	(505)
Approved Use of Reserves - Assistant Accountant	(50,187)	(33,458)	(16,729)
	2,473,211	2,559,419	(86,208)
DIGITAL SERVICES			
IT Services	6,693,673	6,780,642	(86,969)
Digital Services Manager (50%)	(42,767)	(42,054)	(713)
IT Support for Schools	(249,782)	(216,985)	(32,797)
Digital Transformation	(71,792)	(69,750)	(2,042)
End User Reserve	(50,000)	(50,000)	0
Procurement	1,372,563	1,320,020	52,543
Customer First	1,544,836	1,466,577	78,259
	9,196,731	9,188,449	8,282
LEGAL & GOVERNANCE SUPPORT			
Legal & Democratic Services	1,314,900	1,269,448	45,452
Members Allowances	2,249,442	2,210,940	38,502
Ringfenced to Earmarked Reserves	0	38,502	(38,502)
Electoral Services	510,836	521,278	(10,442)
Approved Use of Reserves - Electoral Services Apprentices	0	(10,442)	10,442
	4,075,178	4,029,726	45,452
PEOPLE SERVICES			
Human Resources	2,700,192	2,610,359	89,833
Approved Use of Reserves - Managing Attendance Officers	(87,175)	(52,212)	(34,963)
Approved Use of Reserves - HRA Post	(49,815)	(49,815)	0
Approved Use of Reserves - HRO Post	(30,071)	(23,245)	(6,826)
Health & Safety	1,066,600	1,035,886	30,714
Approved Use of Reserves - Fire&Asbestos Officers	(68,431)	(50,969)	(17,462)
Occupational Health	251,605	217,149	34,456
Communications Unit	637,925	715,973	(78,048)
Approved Use of Reserves - Social Media Management System	(14,500)	(14,000)	(500)
Approved Use of Reserves - Waste & Recycling Project	0	(48,916)	48,916
CMT Support	203,860	212,775	(8,915)
Apprentice Programme	373,369	344,085	29,284
Approved Use of Reserves - Apprentice	(321,184)	(291,900)	(29,284)
	4,662,375	4,605,170	57,205
BUSINESS IMPROVEMENT SERVICES AND CATERING			
Management	153,713	148,001	5,712
Policy	351,630	332,411	19,219
Equalities	486,223	487,245	(1,022)
Performance Management Unit	260,826	267,162	(6,336)
Transformation	573,897	528,396	45,501
Approved Use of Reserves - Project Officer Universal Primary FSM Scheme	(13,323)	(12,933)	(390)
Approved Use of Reserves - Place Shaping (Bang on the table)	(14,500)	(14,500)	0
Approved Use of Reserves - Mobilising Team Caerphilly	(102,992)	(102,992)	0
Community Empowerment Fund	250,000	250,000	0
Decarbonisation	232,913	242,986	(10,073)
Approved Use of Reserves - Fleet Review Officer	(2,882)	(2,882)	0
Approved Use of Reserves - Decarbonisation Officers	(65,684)	(65,684)	0
Approved Use of Reserves - Decarbonisation Revenue Reserve	(30,532)	(91,982)	61,450
Catering	5,606,063	5,606,063	0
	7,685,352	7,571,291	114,061
TOTAL CORPORATE SERVICES	28,691,547	28,539,645	151,902

APPENDIX 1 - 2024/25 (PERIOD 3) CORPORATE SERVICES & MISCELLANEOUS FINANCE BUDGET MONITORING REPORT

CORPORATE SERVICES DIRECTORATE & OTHER	2024/25 Revised Budget	2024/25 Projected Outturn	Projected (Over)/Underspend
HOUSING SERVICES			
General Fund Housing	4,881,197	5,506,735	(625,538)
Private Housing	1,038,810	989,389	49,421
			0
	5,920,007	6,496,124	(576,117)
TOTAL NON-CORPORATE SERVICES	5,920,007	6,496,124	(576,117)
TOTAL SERVICES	34,611,554	35,035,769	(424,215)

MISCELLANEOUS FINANCE	Estimate 2024-25	Anticipated Outturn 2024-25	Anticipated Variance 2024-25
MISCELLANEOUS FINANCE			
Staff Related Costs			
Pension Contribution - Former Authorities Ongoing	946,689	1,016,733	(70,044)
Recharge to Education - Former Authorities	(150,629)	(146,913)	(3,716)
	796,060	869,820	(73,760)
Statutory Benefit Schemes			
Council Tax Benefits (CTRS)	17,986,238	17,800,000	186,238
Ringfenced to Earmarked Reserves	0	186,238	(186,238)
DHP Rent allowances	40,128	40,128	0
DHP Rent Rebates	299,149	299,149	0
DHP Income	(339,277)	(339,277)	0
General Rent Allowances	17,033,685	17,033,685	0
Rent Rebates	23,373,250	23,373,250	0
Rent Allowance War Widow Concessions	25,000	25,000	0
Housing Benefit Subsidy	(40,406,935)	(40,406,935)	0
	18,011,238	18,011,238	0
Levies Upon the Council			
Coroner	531,085	531,085	0
Archives	259,428	259,428	0
Fire Service Authority	10,809,351	10,809,351	0
	11,599,864	11,599,864	0
Capital Financing			
Debt Charges (Principal Repaid)	2,557,397	2,577,959	(20,562)
Debt Charges (Interest Payments)	6,608,163	6,608,163	0
Debt Charges (Debt Management Exp's)	41,792	41,792	0
Income from External Investments:	(4,667,961)	(4,408,328)	(259,633)
Earmarked for specific funds/balances	812,500	812,500	0
	5,351,891	5,632,086	(280,195)
Corporate and Democratic Core Costs			
Bank Charges	228,105	228,105	0
Income from HRA	(36,557)	(36,557)	0
External Audit Fees	439,001	439,001	0
Actuarial Fees	2,016	2,016	0
Income from HRA	(70,906)	(70,906)	0
Subscriptions	141,720	141,720	0
	703,379	703,379	0

APPENDIX 1 - 2024/25 (PERIOD 3) CORPORATE SERVICES & MISCELLANEOUS FINANCE BUDGET MONITORING REPORT

MISCELLANEOUS FINANCE	Estimate 2024-25	Anticipated Outturn 2024-25	Anticipated Variance 2024-25
Grants to Voluntary sector			
Assistance to Voluntary sector	8,735	8,735	0
Discretionary Rate Relief	196,735	196,735	0
	205,470	205,470	0
Private Finance Initiative			
PFI Schools	1,879,519	1,879,519	0
PFI SEW	3,211,885	3,211,885	0
	5,091,404	5,091,404	0
Other			
Counsel Fees	297,129	297,129	0
Careline	17,789	17,789	0
Carbon Management Scheme	4,302	4,302	0
PV Panel Maintenance	2,292	2,292	0
PV Panels Income	(64,448)	(64,448)	0
Risk Management Contribution	(479,330)	(479,330)	0
Class 1A NI	(97,880)	(97,880)	0
City Deal	151,039	151,039	0
Miscellaneous Items	25,309	25,309	0
Trade Union Facilities	38,502	105,165	(66,663)
PFI Review	851,944	851,944	0
Contract Price Home to School Transport	409,000	0	409,000
Transformation Savings	(3,876,525)	(1,178,000)	(2,698,525)
Valleys Regional Park Contribution	30,000	12,074	17,926
	(2,690,877)	(352,615)	(2,338,262)
TOTAL MISCELLANEOUS FINANCE	39,068,429	41,760,645	(2,692,216)
EXPENDITURE TO DIRECTORATE SUMMARY	73,679,983	76,796,414	(3,116,431)

Appendix 2 - 2024/24 (Period 3) Corporate Services and Miscellaneous Finance Savings BRAG

Reference Number	Directorate	Service Area	Details	Total £	Blue £	Green £	Amber £	Red £
CS1	Corporate Services	Corporate Services All	Adjustment to gross pay budgets to incorporate vacancy management.	734,501		628,008		106,493
CS2	Corporate Services	Corporate Services All	Reduction in mileage budgets to reflect new flexible working models.	7,612		7,206	406	
CS3	Corporate Services	Corporate Services All	20% reduction in staff training budgets.	39,878		32,338	7,540	
CS4	Corporate Services	Chief Executive	Budget realignment on various non-pay budgets.	4,215		4,215		
CS5	Corporate Services	Director	Budget realignment on various non-pay budgets.	5,558		809	4,749	
CS6	Corporate Services	Corporate Finance	Head of Corporate Finance - Budget realignment on various non-pay budgets.	2,818		2,818		
CS7	Corporate Services	Corporate Finance	Internal Audit - Minor restructuring of Team.	54,280	54,280			
CS8	Corporate Services	Corporate Finance - Housing Benefits	Housing Benefits - Deletion of vacant 0.81 FTE Benefits Assessor post.	28,963	28,963			
CS9	Corporate Services	Digital Services	Digital Services Manager post temporarily funded through the Housing Revenue Account (HRA) and reserves.	93,310		93,310		
CS10	Corporate Services	Digital Services	IT Public Sector Broadband Aggregation (PSBA) saving - Temporary until outcomes of analogue switch off confirmed.	50,000		50,000		
CS11	Corporate Services	Digital Services	IT fixed telephone lines.	20,000		20,000		
CS12	Corporate Services	Customer Services	Cash in Transit (no longer required).	5,000		5,000		
CS13	Corporate Services	Customer Services	Photocopying (no longer required).	5,000		5,000		
CS14	Corporate Services	Customer Services	Customer Service Centres - Premises cleaning (temporary until decision on buildings). No impact on cleaning staff as sites are currently closed.	2,280		2,280		
CS15	Corporate Services	Customer Services	Saving in National Non-Domestic Rates (NNDR).	1,000		1,000		
CS16	Corporate Services	Procurement	Rebate income from Food Procurement Framework.	50,000		50,000		
CS17	Corporate Services	Legal & Governance	Deletion of vacant Grade 5 Administrative Assistant post.	36,200	36,200			
CS18	Corporate Services	Legal & Governance	Deletion of vacant Grade 6 Complaints Officer post.	40,095	40,095			
CS19	Corporate Services	Legal & Governance	Reduction in postage budget.	5,000	5,000			
CS20	Corporate Services	Legal & Governance	Additional grant income.	5,000	5,000			
CS21	Corporate Services	Human Resources	Deletion of MeUS Leadership Programme budget.	68,250	68,250			
CS22	Corporate Services	Human Resources	Deletion of vacant Grade 12 Human Resources Manager post.	71,792	71,792			
CS23	Corporate Services	Human Resources	Apprenticeship Budget - 2024/25 costs to be funded from reserves.	262,500		262,500		
CS24	Corporate Services	Business Improvement Services	Reduction in the budget for external Welsh Language Translation	20,000	20,000			
CS25	Corporate Services	General Fund Housing	Private Sector Housing - Budget realignment to reflect historical underspends.	32,000	32,000			
CS26	Corporate Services	General Fund Housing	Private Sector Housing - One-off contribution from agency fee income.	200,000			200,000	
		Sub-Total Corporate Services		1,845,252	361,580	1,164,484	212,695	106,493
MF1	Corporate Services	Miscellaneous Finance	Additional investment income due to increases in the Bank of England Base Rate.	3,224,628		2,964,995	259,633	
MF2	Corporate Services	Miscellaneous Finance	No revenue contribution to Capital Programme for 2024/25 only.	3,452,148	3,452,148			
MF3	Corporate Services	Miscellaneous Finance	Uncommitted free school meals grant transferred into the financial settlement in previous years - reflects historical financial position.	322,250	322,250			
MF4	Corporate Services	Miscellaneous Finance	Former Authorities pension contributions budget realignment.	150,000		76,240	73,760	
MF5	Corporate Services	Miscellaneous Finance	City Deal Debt Charges - Temporary saving to reflect no requirement to borrow in 2024/25.	757,306	757,306			
MF6	Corporate Services	Miscellaneous Finance	Deletion of uncommitted Targeted Rate Relief budget.	247,751	247,751			
MF7	Corporate Services	Miscellaneous Finance	Temporary saving on IT Replacement Strategy budget pending assessment of ongoing need.	148,644	148,644			
MF8	Corporate Services	Miscellaneous Finance	Deletion of the Matched Funding for Community Schemes budget.	16,783	16,783			
MF9	Corporate Services	Miscellaneous Finance	Deletion of Miscellaneous Items budget - no call on budget.	94,899	94,899			
MF10	Corporate Services	Miscellaneous Finance	Budget realignment on the Council Tax Reduction Scheme (CTRS) budget to reflect current commitments.	250,000	250,000			
MF11	Corporate Services	Miscellaneous Finance	Temporary reduction in debt charges budget due to there being no requirement to borrow in the 2024/25 financial year.	1,141,168		1,120,606	20,562	

Reference Number	Directorate	Service Area	Details	Total £	Blue £	Green £	Amber £	Red £
MF12	Corporate Services	Miscellaneous Finance	Clawback of part of the energy growth approved in the 2023/24 budget following a review of actual costs being incurred in-year.	999,000	999,000			
Sub-Total Corporate Services				10,804,577	6,288,781	4,161,841	353,955	0
ALL1	All Directorates	All Directorates	Mobilising Team Caerphilly Transformation Programme in-year savings target for 2024/25.	5,000,000	1,123,475	178,000	1,000,000	2,698,525
ALL2	All Directorates	All Directorates	General Fund Services non-pay inflationary pressures to be absorbed by services. A range of spend control measure are in the process of being developed through the Mobilising Team Caerphilly Transformation Programme to assist budget holders in managing down these inflationary pressures.	2,673,000			2,673,000	
Sub-Total All Directorates				7,673,000	1,123,475	178,000	3,673,000	2,698,525
Total				20,322,829	7,773,836	5,504,325	4,239,650	2,805,018



CORPORATE AND REGENERATION SCRUTINY COMMITTEE INFORMATION ITEM - 23RD SEPTEMBER 2024

**SUBJECT: REGENERATION AND PLANNING SERVICES 2024/25 BUDGET
MONITORING REPORT (PERIOD 3)**

REPORT BY: CORPORATE DIRECTOR FOR ECONOMY AND ENVIRONMENT

1. PURPOSE OF REPORT

1.1 To inform members of the projected revenue expenditure for the Regeneration and Planning Services division for the 2024/25 financial year as at the 30th June 2024.

2. SUMMARY

2.1 This report summarises the most recent budget monitoring projections for 2024/25 based on the financial information available as at the 30th June 2024 and provides commentary on the more significant variations against budget.

2.2 The attached appendices outline more detailed budget monitoring figures and the savings delivery BRAG.

3. RECOMMENDATIONS

3.1 Corporate Services and Regeneration Scrutiny Committee Members are requested to note the contents of this report and the detailed budget monitoring pages that follow in respect of the Regeneration and Planning Services division.

4. REASONS FOR THE RECOMMENDATIONS

4.1 To ensure Members are apprised of the latest financial position for 2024/25 financial year for the Regeneration and Planning Services division.

5. THE REPORT

5.1 Introduction

5.1.1 This report outlines the revenue budget position for the Regeneration and Planning Division that form part of the Economy and Environment Directorate based on financial information available as at the 30th June 2024. Projected outturn figures for the financial year are compared with the budget to show the anticipated under or overspend.

5.1.2 The table below summarises the present budget monitoring position for the Regeneration and Planning Services division which is reporting an overall overspend of

£0.234m. Appendix 1 provides more detail on the budget variation projections by service.

Table 1 – 2024/25 Projected Net Year-End Revenue Position by Service

Service Division	2024/25 Budget £m	2024/25 Projected Outturn £m	Projected (Over)/ Underspend £m
Regeneration	1.321	1.635	(0.314)
Planning Services	1.832	1.752	0.080
Total Regeneration and Planning Services Division	3.153	3.387	(0.234)

5.2 Regeneration and Planning Services Division

- 5.2.1 Overall, the service division is projecting an overspend of £0.234m against budget for 2024/25, details of which are provided in Appendix 1. The following paragraphs provide further details of those areas with significant variations against budgets.
- 5.2.2 Business Support and Urban Renewal is projecting a net £0.126m overspend. The service is managing multiple projects and funding streams, but the service is optimistic this position can be managed and improved for the next reporting period.
- 5.2.3 Events are currently projecting a £0.006m underspend. If a reprofile of the Shared Prosperity Fund (SPF) grant is approved, then all expenditure will be allocated to the grant which would increase the underspend.
- 5.2.4 A £0.203m overspend has been forecast on Property Operations. This relates to the Council's industrial properties where income budgets are forecast to be underachieved due to a number of vacant units within the portfolio. This position is further compounded by the need for additional maintenance costs. The service is engaging with businesses to encourage rental agreements for vacant units.
- 5.2.5 Town Centre Management is projecting an underspend of £0.009m, as a result of savings on administration costs.
- 5.2.6 Tourism Venues are anticipating that they will deliver the service within budget. This area has been prioritised for review under Mobilising Team Caerphilly (MTC), with public consultations underway for Blackwood Miners Institute and Llancaiach Fawr Manor. The outcome of these consultations and any subsequent decisions could impact on the budget position, but this cannot be determined at this time.
- 5.2.7 UK Shared Prosperity Fund (SPF) and C4WPlus Additional Funding initiatives are all fully funded from grant and are expected to spend in full. This has no effect on the outturns as the grants only fund the actual spend on the projects. If future grant funded programmes are not approved from April 2025, there will be potential redundancy costs which are currently being quantified.
- 5.2.8 Planning Services is projecting an underspend of £0.079m. This is due to vacant posts and staff turnover resulting in some employees being paid at lower salary scale

than budgeted. There is a small offset for software maintenance that had not been budgeted for.

5.3 Savings Delivery

5.3.1 As approved by Council on the 27th of February 2024, the 2024/25 budget includes savings totalling £0.415m for the Regeneration and Planning Services division. The savings are reflected in the budgets and monitoring positions detailed above. These savings need to be delivered in full or they will result in an overspend at year end. Robust monitoring of saving delivery is therefore critical to managing the risk, to report on what savings have been achieved and progress made throughout the year, and to inform financial planning to ensure budgets remain deliverable.

5.3.2 The table below summarises the assessment of savings delivery for 2024/25 as at the 30th of June 2024, full details at saving level can be found in Appendix 2.

Savings have been assessed based on the following:

Blue – The element of saving fully achieved already at this point in the year.

Green – The element of saving that is forecast to be achieved by year end but has not been achieved yet.

Amber - The element of saving considered to have some deliverability risk but is still forecast to be achieved this financial year.

Red – The element of saving containing significant deliverability risk and therefore forecast to not be achieved this financial year and reported as an overspend.

Table 2 – Savings Delivery BRAG Assessment 2024/25 as at 30th June 2024

Service	Total £m	Blue £m	Green £m	Amber £m	Red £m
Regeneration	0.411	0.289	0.092	0.030	0.000
Planning	0.004	0.000	0.000	0.004	0.000
Total	0.415	0.289	0.092	0.034	0.000

5.3.3 £0.289m, 70% of savings have been assessed as being fully achieved as at the 30th June 2024, this relates to staff savings from budget realignments, maximising grant contributions, the mothballing of the Winding House and the closure of Coffi Vista. £0.092m savings are forecast to be achieved by the end of financial year. £0.034m savings are considered to have some deliverability risk but are still forecast to be achieved this financial year. No savings have been assessed as having significant deliverability risk and not being achieved.

5.4 Conclusion

5.4.1 The Regeneration and Planning Services division has a total net budget of £3.153m and is forecasting an overspend of £0.234m based on information as at the 30th June 2024.

- 5.4.2 Service managers are managing in-year pressures as detailed throughout the report, and action is being taken on the two significant areas of forecast overspend in Regeneration and the service is optimistic this position can be improved.
- 5.4.3 This is the first quarter of revenue budget monitoring, so forecasts contain a high level of uncertainty and assumptions. Budgets and savings delivery will continue to be closely monitored between reporting cycles to ensure management action is taken on areas forecasting to overspend.

6. ASSUMPTIONS

- 6.1 Assumptions linked to this report were detailed in the budget report to Council on 27th February 2024.
- 6.2 The projected outturn position is based on actual income and expenditure details to the end of June 2024 and forecast projections to the end of the financial year.

7. SUMMARY OF INTEGRATED IMPACT ASSESSMENT

- 7.1 An IIA is not necessary for this information only report.

8. FINANCIAL IMPLICATIONS

- 8.1 As detailed throughout the report.

9. PERSONNEL IMPLICATIONS

- 9.1 There are no direct personnel implications arising from this report.

10. CONSULTATIONS

- 10.1 There are no consultation responses that have not been reflected in this report.

11. STATUTORY POWER.

- 11.1 Local Government Acts 1972 and 2003 and the Council's Financial Regulations.

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Consultees: Cllr G Johnston, Chair of Corporate Services and Regeneration Scrutiny Committee
Cllr A McConnell, Vice Chair of Corporate Services and Regeneration Scrutiny Committee
D Street, Deputy Chief Executive

Mark S Williams, Corporate Director for Economy and Environment
Allan Dallimore, Regeneration Services Manager
Ryan Thomas, Planning Services Manager
Stephen Harris, Head of Financial Services and S151 Officer
Leanne Sykes, Deputy Head of Financial Services and S151 Officer
Cllr J. Pritchard, Cabinet Member for Prosperity, Regeneration and Climate
Change
Cllr P Leonard, Cabinet Member for Planning and Public Protection

Appendices:

Appendix 1 - 2024/25 (Period 3) Regeneration and Planning Services Budget Monitoring
Report

Appendix 2 - 2024/25 (Period 3) Regeneration and Planning Services Savings BRAG

Appendix 1 - 2024/25 (Period 3) Regeneration and Planning Services Budget Monitoring Report

Regeneration and Planning Services Division	2024/25 Revised Budget	2024/25 Projected Outturn	Projected (Over)/Under spend
Regeneration & Planning Senior Management Support	187,839	187,839	0
Support Services			
Business Support & Urban Renewal (Including movement on reserves)	627,864	753,659	(125,795)
Events	(7,027)	(13,074)	6,047
Property Operations	(1,301,590)	(1,098,237)	(203,353)
Town Centre Management	335,977	326,912	9,065
Tourism Venues			
Tourism Venues Management Support	87,113	87,113	0
Llanciach Fawr	484,507	484,507	0
Winding House & Museum	100,757	100,757	0
Cwmcarn Visitor Centre	280,819	280,819	0
Blackwood Miners Institute	347,150	347,150	0
Arts Development	176,559	176,559	0
Community Regeneration			
Use of Reserves for Apprentice Gateway Scheme	1,204	1,204	0
UK Shared Prosperity Fund			
Community & Places	7,801,328	7,801,328	0
Local Businesses	6,950,486	6,950,486	0
People & Skills	4,232,007	4,232,007	0
Multiply	2,989,378	2,989,378	0
SPF Admin	499,791	499,791	0
UKSPF Grant	(22,472,991)	(22,472,991)	0
Planning Services			
Planning Services Management	109,517	120,967	(11,450)
Regeneration & Planning Administrative Support	648,471	658,709	(10,238)
Strategic Planning	384,258	443,449	(59,191)
Development Control	293,910	238,861	55,049
Building Control	167,608	90,147	77,461
Land Charges	29,172	10,873	18,299
GIS & Land Gazetteer	70,089	62,586	7,503
Land Registry Automation	128,673	126,393	2,280
TOTAL	3,152,870	3,387,192	(234,322)

Appendix 2 - 2024/25 (Period 3) Regeneration and Planning Services BRAG

Reference Number	Directorate	Service Area	Details	Total	Blue	Green	Amber	Red
				£	£	£	£	£
EE4	Economy & Environment	Regeneration	Business Enterprise and Renewal Team budget realignments.	34,000	34,000			
EE5	Economy & Environment	Regeneration	Business Support and Funding - Increased rental income from industrial portfolio.	30,000			30,000	
EE6	Economy & Environment	Regeneration	Reduction in tourism venue subsidies.	30,000	30,000			
EE7	Economy & Environment	Regeneration	Community Projects budget realignments.	3,182	3,182			
EE8	Economy & Environment	Regeneration	Temporary reduction in Caerphilly Enterprise Fund budget to be funded through grant.	50,912	50,912			
EE9	Economy & Environment	Regeneration	Temporary reduction in the Events budget to be funded through grant.	91,511		91,511		
EE10	Economy & Environment	Regeneration	Close Coffi Vista and lease building to private sector (possible additional income with the lease). Staff to be redeployed.	78,044	78,044			
EE11	Economy & Environment	Regeneration	Mothball the Winding House while a Community Asset Transfer (CAT) is explored. Staff will temporarily transfer to alternative buildings. The engine will continue to be run by volunteers on a monthly basis as it does at present.	93,000	93,000			
EE12	Economy & Environment	Planning	Additional income from charging for specialist heritage advice.	2,000			2,000	
EE13	Economy & Environment	Planning	Introduction of new fee for street naming and numbering.	2,000			2,000	
Total				414,649	289,138	91,511	34,000	0