



POLICY AND RESOURCES SCRUTINY COMMITTEE – INFORMATION ITEM

**SUBJECT: CORPORATE SERVICES AND MISCELLANEOUS FINANCE REVENUE
BUDGETS 2021-22**

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

1. PURPOSE OF REPORT

1.1 To provide Members with details of the 2021/22 revenue budgets for Corporate Services and Miscellaneous Finance.

2. SUMMARY

2.1 The report provides details of the 2021/22 revenue budgets for Corporate Services and Miscellaneous Finance.

2.2 Budget monitoring reports will be prepared throughout the financial year to ensure that Members are updated on projected spend against budgets.

3. RECOMMENDATIONS

3.1 That Scrutiny Committee Members note the content of this report.

4. REASONS FOR THE RECOMMENDATIONS

4.1 To ensure that the Scrutiny Committee is provided with full details of the 2021/22 revenue budgets for Corporate Services and Miscellaneous Finance.

5. THE REPORT

5.1 2021/22 Revenue Budget

5.1.1 The Welsh Government's Revenue Support Grant (RSG) for Caerphilly CBC for the 2021/22 financial year is a net cash increase of £9 m (3.1%) after adjusting for changes in the Council Tax base.

5.1.2 Specific grants transferred into the Settlement for Caerphilly CBC were £247k, which related to the 2020-21 teachers pay award.

5.1.3 Members will recall that due to the increase in the Financial Settlement and the approved uplift in Council Tax of 3.9%, there were no additional savings required for the 2021-22 financial year

to deliver a balanced budget. The centrally held savings in advance from 2020/21 have now been utilised as part of the approved budget for 2021/22.

5.1.4 The approved 2021/22 budgets for Corporate Services and Miscellaneous Finance total £74.596m and full details are provided in Appendix 1.

5.2 Corporate Services

5.2.1 The 2021/22 budget for Corporate Services is £23.623m which includes £1.546m of budget growth items.

5.2.2 In line with the budget strategy agreed at Council on the 24th February 2021 the Corporate Services base budget has been uplifted for inflation. An allowance has been made for living Wage (£0.162k), 0.75% for non-pay (£67k) and 0.75% on Fees and Charges (£14k).

5.2.3 2021/22 growth items of £1.546m were approved and applied to the relative service areas: -

- Business Improvement Services - £202k to support the delivery of the Council's Transformation Programme.
- Peoples Services - £52k to support the delivery of the Council's Transformation Programme, together with £80k to fund two Fire Safety Officers based within the Health & Safety team.
- Digital services - £1,212m to allow for review of the existing infrastructure along with the investment in the latest Microsoft Office 365 Licenses.

5.2.4 The 2021/22 budget also includes the agreed use of reserves to fund staff in the following areas:

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- People Services
- Corporate Finance
- Digital Services
- Business Improvement Services

5.3 Miscellaneous Finance

5.3.1 The 2021/22 budget for Miscellaneous Finance is £50.973m.

5.3.2 The main budget increases/reductions, in line with the budget strategy agreed at Council on the 24th February 2021 are: -

- £118k for non-pay budgets headings/Fees & Charges (0.75%).
- £92k for City Deal.
- £328k for Community Empowerment Fund.
- £173k for Levies.
- £1,773k for Pay Contingency.
- -£202k Private Finance Initiative in line with the agreed grant profiling
- £272k to support the delivery of the Council's Transformation Programme.

5.3.3 The budget for the Council Tax Reduction Scheme has been increased by £602k.

5.3.4 £2,011k savings in advance held centrally have been taken for the 2021/22 financial year.

6. ASSUMPTIONS

6.1 All assumptions linked to the Authority's budget strategy for financial year 2021/22 are detailed in the Report agreed by Council on 24th February 2021.

6.2 The 2021/22 Budget does not include additional costs or income losses associated with Covid-19, this is on the assumption that these costs will continue to be funded through the Welsh Government Covid-19 Hardship Fund.

6.3 A range of other assumptions have been made in setting the Authority's budget, this is in respect of pay and non-pay inflationary increases and inescapable service pressures.

7. SUMMARY OF INTEGRATED IMPACT ASSESSMENT

7.1 An IIA is not necessary for this Information Only Report.

8. FINANCIAL IMPLICATIONS

8.1 As identified throughout the report.

9. PERSONNEL IMPLICATIONS

9.1 The personnel implications of agreed savings will be carefully managed and if required staff will be fully supported to identify appropriate redeployment opportunities.

10. CONSULTATIONS

10.1 This report has been sent to the Consultees listed below and all comments received are 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: - R. Edmunds, Corporate Director for Education & Corporate Services
S. Harris, Head of Financial Services & S151 Officer
R. Tranter, Head of Legal Services
L. Donovan, Head of People Services
L. Lucas, Head of Customer & Digital Services
C. Harrhy, Chief Executive
L. Allen, Principal Accountant, Housing.
D. Street, Corporate Director Social Services
M.S. Williams, Corporate Director for Economy & Environment
M. Williams, Interim Head of Property
S. Richards, Head of Education Planning and Strategy.
A. Southcombe, Finance Manager, Corporate Services
Cllr E. Stenner, Cabinet Member for Performance, Economy & Enterprise
Cllr C. Gordon, Cabinet Member for Corporate Services
Cllr L. Phipps, Cabinet Member for Housing
Cllr J. Pritchard, Deputy Leader & Cabinet Member for Infrastructure & Property
Cllr G. Kirby, Chair of P&R Scrutiny
Vice Chair of P&R Scrutiny

Background Papers

- Report to Council 24/02/21 – Budget Proposals for 2021/22 and Medium-Term Financial Outlook
- Budget working papers – Accountancy Section

Appendices

Appendix 1 – 2021/22 Revenue Budgets (Corporate Services and Miscellaneous Finance)