



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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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