

Meeting of:	Healthy Living and Social Care Scrutiny Committee
Date of Meeting:	Tuesday, 12 October 2021
Relevant Scrutiny Committee:	Healthy Living and Social Care
Report Title:	Revenue and Capital Monitoring for the Period 1st April to 31st August 2021
Purpose of Report:	To advise Scrutiny Committee of the progress relating to revenue and capital expenditure for the period 1st April to 31st August 2021
Report Owner:	Report of the Director of Social Services
Responsible Officer:	Carys Lord Head of Finance/ Section 151 Officer
Elected Member and Officer Consultation:	Each Scrutiny Committee will receive a monitoring report on their respective areas. This report does not require Ward Member consultation
Policy Framework:	This report is for Executive decision by the Cabinet
<p>Executive Summary:</p> <ul style="list-style-type: none"> • The revenue position for 2021/22 will be challenging with the continuing pressure for the service both operationally and financially as a result of the COVID 19 pandemic. This will impact both as a result of incurring additional expenditure but also from a loss of income. Funding has been provided by Welsh Government to cover some of the issues. • A savings target for the year has been set at £135k. • The currently approved capital budget has been set at £5.249m. 	

Recommendation

1. That Scrutiny Committee consider the position with regard to the 2021/22 revenue and capital budgets.

Reason for Recommendation

2. That Members are aware of the projected revenue outturn for 2021/22.

1. Background

- 1.1 Council on 10th March 2021 approved the revenue budget (minute no 472) and the capital budget (minute 471) for 2021/22.

2. Key Issues for Consideration

Revenue

- 2.1 It is still early in the financial year however it is anticipated that Social Services could require a potential unplanned transfer from reserves at year end of £1.15m.

	2021/22	2021/22	Variance
Directorate/Service	Original Budget	Projected	(+)Favourable (-) Adverse
	£000	£000	£000
Children and Young People	17,700	18,350	-650
Adult Services	52,742	53,242	-500
Resource Management & Safeguarding	292	292	0
Unplanned use of reserves to fund overspend	0	(1,150)	+1,150
Leisure Services	678	678	0
Total	71,412	71,412	0

- 2.2 Children and Young People Services – It is anticipated that the outturn at year end could be an adverse variance of around £650k. There still remains pressure on the children’s placements budget given the complexities of the children currently being supported and the high cost placements some of these children require to meet their needs. This is further impacted by the COVID-19 pandemic

and the significantly higher demand for placements. However, work continues to ensure that children are placed in the most appropriate and cost effective placements. It is anticipated that the placement budget could overspend by £400k at year end. The outturn position will fluctuate if the number of children looked after and/or complexity of needs change, particularly with the potential high cost of each placement. Legal costs are being incurred as a result of increasing and complex Court cases that require Counsel's involvement with a potential projected overspend of £210k. In addition this year there will again be greater costs incurred in relation to children being placed for adoption outside the Vale, Valleys and Cardiff Adoption Collaborative area which could result in an adverse variance of £200k but will reduce the number of children looked after when these children become subject of Adoption Orders. Over the last 18 months there has been growing pressure on the Division due to an increased demand for the service, linked to the impact of the COVID-19 pandemic and it has been necessary to try to increase staff capacity to manage this demand. The additional posts agreed will be funded from Social Services reserves. There are potentially favourable variances across the Division, most particularly in the current foster payments budget, that could total around £160k. It should be noted however that the foster payments budget remains subject to spend and the favourable variance may not continue and could change during the year. Any overspend at year end will be funded from Social Service reserves.

- 2.3** Adult Services - It is still early in the financial year and at present a £500k overspend is being projected relating to the Community Care Packages budget. There is continuing pressures on this budget which is extremely volatile and therefore work continues to assess a realistic year end position. WG has agreed to continue to provide funding via the Hardship grant up to 31st March 2022 for void beds, domiciliary care and residential and supported accommodation providers however the level of funding will be tapered off in the last 6 months of the year. Health still continues to provide a large quantity of PPE for both the Council and external care providers which is being distributed by the Council. Any overspend at year end will be funded from Social Service reserves.
- 2.4** Leisure Services - The Parks element of the revenue budget can no longer be reported separately, as operationally it is an integrated part of the new Neighbourhood Services. It is therefore only possible to report the Leisure and Play element under this heading. As Parks capital schemes are separately identifiable, they will continue to be reported to this Committee. Currently the Leisure Services heading is shown as breakeven however depending on how the pandemic progresses and the potential grant funding available from Welsh Government there could be an adverse outturn on this budget relating to the leisure centre contract with the external operator.

2021/22 Efficiency Targets

- 2.5** As part of the Final Revenue Budget Proposals for 2021/22, an efficiency target of £135k was set for the Committee. Attached at Appendix 1 is a statement showing the efficiency target for 2021/22. Work is being undertaken to identify appropriate savings and it is anticipated that the Social Services saving could be achieved by year end but the position will be reviewed as the year progresses. It is anticipated that the Leisure saving will not be made in full this year.

Capital

- 2.6** Appendix 2 details financial progress on the Capital Programme as at 31st August 2021. The following changes have been made to the Capital Programme since the last report to Committee.
- 2.7** 4 Carys Close Refurbishment Project - The Council has been awarded £275k 'in principle' from the capital Integrated Care Fund (ICF) to renovate, upgrade and remodel 4 Carys Close. The end provision will be a supported living fully accessible bungalow, with a studio flat conversion of the existing garage. Both dwellings will utilise smart technology to maximise citizens independence. This 'in principle' support is based on the estimated project costs submitted by the Council. Once the actual/confirmed planned costs are available for the project, the Council must submit a further Part 2 application for consideration by the Welsh Government before they issue the final award letter. However, in order to determine the level of cost detail required for the Part 2 application, detailed project work will be required to be undertaken by the Property Design team. As the Council is going to incur expenditure on the project prior to receipt of the final award letter, some expenditure will be incurred at our own risk. The value of at-risk work will be around £25k to £30k. Emergency powers have been used to include this scheme with a budget of £275k into the 2021/22 Capital Programme to be funded from ICF grant.
- 2.8** Penarth Leisure Centre Lift Renewal - Tenders relating to the lift refurbishment works at Penarth Leisure Centre have been returned and are in excess of the current funding identified in the capital programme. Given the unique nature of lift works, there is no real opportunity to make any cost savings in this instance. The current budget for this scheme is £46,669 however the works are anticipated to cost £62,669. The scheme had to be committed as soon as possible as there are increasingly long lead in times being quoted for lift works. Emergency powers have been used to vire £16,000 from the 'Leisure Centre Works' scheme (which is currently unallocated) to the Penarth Leisure Centre Lift Renewal scheme in the 2021/22 Capital Programme.
- 2.9** Allotment Support Grant 2021/22 - The Council has been awarded £32,837 capital funding in relation to the 2021/22 Allotment Support Grant. The funding relates to the period 5 July 2021 to 25 February 2022. The Purpose of the funding is to support the Council to increase the availability of good quality

allotment plots. Funding will be used to assist the creation of new plots, bringing derelict plots back into use, improving accessibility, improving site services, improving site security, improving site management, increase recycling / renewability and increase biodiversity/pollinators. Emergency powers have been used to include this new scheme into the 2021/22 Capital Programme with a budget of £32,837.

- 2.10** Barry Leisure Centre Flume - Quotes received for the removal of the flume at Barry Leisure Centre are slightly higher than anticipated and in order to ensure that the building is made good, following the removal of the slide, further funding is required in addition to the £30k allocated. Emergency powers have been used to increase the Barry Leisure Centre Flume scheme budget by £16,900 in the 2021/22 Capital Programme, this is to be funded by a virement of £12,500 from the Leisure Centres Works Scheme budget which is currently unallocated and from a £4,400 revenue contribution from the Leisure Centre revenue maintenance budget.
- 2.11** Cowbridge Leisure Centre Roofing - Tenders relating to the roof have been returned and a cost reduction exercise has been completed to bring the scheme within the original budget. This however does not cover the solar PV panel element of the scheme. An agreement has been drawn up with Legacy Leisure regarding the provision of the solar PV panels on the roof of the leisure centre which will be undertaken as part of the main re-roofing contract by a specialist sub-contractor. It is predicted that within 10 years, the capital contribution from energy funds towards the cost of the re-roofing/PV scheme will have been repaid in full and in the following 10 to 20 years the PV system will generate revenue for the Council. It is anticipated that the PV system will reduce CO2 emissions by 15 tonnes per annum. Emergency powers have been used so that the scheme can be committed as soon as possible as there are increasingly long lead in time for the roofing materials required for this project. The solar PV panel element of works has been tendered separately, and with associated on costs and fees is anticipated to cost £80k. The emergency powers were used to increase this scheme budget by £80k to be funded from the Energy Management reserve.
- 2.12** Neighbourhood Services Buildings for Compliance Issues and Community Centres - There was a budget of £64,669 for this scheme on the 2021/22 Capital Programme. There are two elements of work that need to be carried out that are below the £10k capital threshold and therefore considered revenue spend. The schemes are outlined below:
- Penarth Lower Community Centre (replacement flooring) £4k
 - Castleland Community Centre (roof repair and associated repair works) £6k

Emergency powers have been used to reduce the capital budget in the 2021/22 Capital Programme by £10k and these schemes have been reclassified as revenue. The remaining budget was £54,669, however the total cost of works for all the schemes is anticipated to cost £87,969. The Barry Island Community Centre roof works have not yet been committed however urgent works need to commence to prevent further damage to the building and for Health and Safety reasons. Emergency powers have, therefore, also been used to increase this scheme budget by £33,300 which is funded from a £10,000 virement from the All Services Asset Renewal budget, £2,000 contribution from Millwood Bowling Club, £15,300 contribution from Buttrills Community Centre, and a £6,000 contribution from Barry Island Community Centre.

	Original Budget	Budget Required	Variance	Funding Source of variance
	£	£	£	
Millwood Bowling Club Fence	10,000	12,000	2,000	£2k contribution from Millwood Bowling Club
St Athan Community Centre Heating	17,250	17,250	0	
Buttrills Community Centre Roof works	13,500	28,800	15,300	£15.3k contribution from Buttrills Community Centre
Barry Island Community Centre Roof	13,919	29,919	16,000	£6k from Barry Island Community Centre and £10k virement from the All Services Asset Renewal budget.
Total	54,669	87,969	33,300	

3. How do proposals evidence the Five Ways of Working and contribute to our Well-being Objectives?

- 3.1** The revenue budget has been set in order to support services in the delivery of the Council's Well-being objectives. It is therefore important for expenditure to be monitored to ensure that these objectives are being delivered.
- 3.2** The revenue budget has been set and is monitored to reflect the 5 ways of working.
- 3.3** **Looking to the long term** - The setting of the revenue budget requires planning for the future and takes a strategic approach to ensure services are sustainable and that future need and demand for services is understood.
- 3.4** **Taking an integrated approach** - The revenue budgets include services which work with partners to deliver services e.g. Health via ICF.

- 3.5 Involving the population in decisions** – As part of the revenue budget setting process there has been engagement with residents, customers and partners.
- 3.6 Working in a collaborative way** – The revenue budgets include services which operate on a collaborative basis e.g. Shared Regulatory Service, Vale Valleys and Cardiff Adoption Service.
- 3.7 Understanding the root cause of issues and preventing them** – Monitoring the revenue budget is a proactive way of understanding the financial position of services in order to tackle issue at the source as soon as they arise.

4. Resources and Legal Considerations

Financial

- 4.1** As detailed in the body of the report

Legal (Including Equalities)

- 4.2** There are no legal implications.

5. Background Papers

None

PROGRESS ON APPROVED EFFICIENCIES 2021/22

Service	Total Efficiency £000	Projected Efficiency £000	RAG Status	Update Comments, Issues & Actions	Relevant Scrutiny Committee	Project Manager
Corporate Recovery and Efficiency Savings 21/22	76	76	Green	It is anticipated that savings can be achieved but this will need to be reviewed as the year progresses	Health Living & Social Care	Suzanne Clifton
Pensions Adjustment	3	3	Green		Health Living & Social Care	Suzanne Clifton
Leisure Services	56	36	Red	A saving has been made at Holm View Leisure Centre	Health Living & Social Care	Emma Reed
COMMITTEE TOTAL	135	115	85%	Amber		

Green = on target to achieve in full
 Amber = forecast within 20% of target
 Red = forecast less than 80% of target

PROFILE TO DATE	ACTUAL SPEND 2021/22		APPROVED PROGRAMME 2021/22	PROJECTED OUTTURN 2021/22	VARIANCE AT OUTTURN 2021/22	PROJECT SPONSOR	COMMENTS
£000	£000		£000	£000	£000		
		Directorate of Social Services					
0	0	Social Services Asset Renewal	31	31	0	L Carver	To be allocated
		Adult Services					
0	0	Cartref Porthceri External Repairs Phase 2	15	15	0	A Phillips	Drainage survey to be procured.
0	0	Rondell House Day Centre Electrical Upgrade	30	30	0	A Phillips	Works to be programmed.
		Slippage					
0	0	Radon	10	10	0	A Phillips	For Social Services buildings.
15	0	Ty Dewi Sant -Electrical Upgrade	15	15	0	A Phillips	Scheme complete.
0	0	WCCIS Implementation	10	10	0	A Phillips	Carried forward from 2020/21.
0	0	IT Developments in Homes	98	98	0	A Phillips	IT developments in residential homes. Surveys to be carried out this month, then programme of works will be determined.
		ICF					
1	1	ICF - Southway Community Facility	5	5	0	A Phillips	Fire doors
0	0	ICF Ty Dewi Sant	49	49	0	A Phillips	Account to be finalised.
130	95	ICF -Transition Smart House (6A Castle Ave)	130	130	0	S Clifton	Scheme complete, account to be finalised.
22	22	ICF - Dementia friendly passenger lifts at Cartref and Southway residential homes	145	145	0	A Phillips	Orders have been placed, delays with the lifts being manufactured, no start date yet.
0	0	ICF - Sluice room upgrade	175	175	0	A Phillips	Works in Cartref are complete and are nearing completion in Southway. There is one outstanding in Ty Dyfan. Ty Dewi works are still to be carried out.
201	201	ICF - Ty Dyfan and Cartref Dementia Improvements	514	514	0	A Phillips	Ty Dyfan works anticipated to complete towards the end of October. Works will then start on Cartref Porthceri bedrooms
0	0	ICF - 4 Carys Close Refurbishment Project	275	275	0	A Phillips	The first project meeting has been carried out. Anticipated to have sign off on the base plans by the end of September. Emergency powers detailed as part of this report.
369	319		1,502	1,502	0		
		Children's Services					
0	0	Flying Start - Security shutters at Skomer Road	40	40	0	R Evans	This works was under £10k and therefore carried out from the revenue budget, internal discussions are taking place to allocate this money.
0	0	Flying Start - Family Centre Heating System	45	45	0	R Evans	Tenders are being evaluated.
40	18	Flying Start - Ladybirds and Butterflies outdoor play areas	40	40	0	R Evans	Welsh Government grant. Scheme complete, account to be finalised.
0	0	Flying Start - Skomer Road new heating system, redecoration and car park	65	65	0	R Evans	Welsh Government grant. Quotes being obtained for works.
32	0	Gibbonsdown, Skomer Road FS: Extension	32	32	0	R Evans	Welsh Government grant. Scheme complete, account to be finalised.
72	18		222	222	0		
		Leisure & Tourism					
0	0	Barry Leisure Centre Boiler Renewal	175	175	0	D Knevett	Scheme anticipated to start later in the year, budget is split over two years.
0	0	Penarth Leisure Centre Water Heaters Renewal	75	75	0	D Knevett	Order has been placed, materials to be delivered in October.
1	1	Penarth Leisure Centre, High Level Glazing	180	180	0	D Knevett	Works not yet started on site, specialist engineering firm looking at this scheme.
1	1	Barry Leisure Centre Flume	47	47	0	D Knevett	Works progressing, flume is demolished. Scheme nearing completion. Emergency powers detailed as part of this report.
0	0	Allotment Support Grant 2021/22	33	33	0	D Knevett	Emergency powers detailed as part of this report.
		Slippage					
0	0	Barry Leisure Centre Hall Floor	20	20	0	D Knevett	Main hall complete, carry forward of £20k is for further works.
5	5	Cowbridge Leisure Centre Roofing	434	434	0	D Knevett	Works are on site. Emergency powers detailed as part of this report.
19	19	Barry Leisure Centre Dry Changing Rooms	42	42	0	D Knevett	Finalising scheme.
0	0	Barry and Penarth LC Upgrade Changing Rooms	70	70	0	D Knevett	Finalising scheme.
12	12	Sports Wales Grant	42	42	0	D Knevett	Grant approved to be carried forward for continuation of schemes.
0	0	Llantwit Major Leisure Centre - Rebuild brickwork	75	75	0	D Knevett	Anticipating scheme to go out to tender in October.
0	0	Leisure Centres Works	79	79	0	D Knevett	Leisure centre contingency pot.
51	51	Penarth Leisure Centre, Boiler Renewal	93	93	0	D Knevett	Scheme complete bar snagging.
0	0	Penarth Leisure Centre, Lift Renewal	63	63	0	D Knevett	Orders have been placed, long delivery times. Emergency powers detailed as part of this report.
10	10	Llantwit Major Leisure Centre, Lift Renewal	47	47	0	D Knevett	Orders have been placed, long delivery times.
7	7	Electrical Renewal Barry & Penarth Leisure Centres	63	63	0	D Knevett	Finalising scheme.
0	0	Cowbridge Leisure Centre Replacement water heaters/replacement flue	4	4	0	D Knevett	Finalising scheme.
106	106		1,542	1,542	0		

PROFILE TO DATE	ACTUAL SPEND 2021/22		APPROVED PROGRAMME 2021/22	PROJECTED OUTTURN 2021/22	VARIANCE AT OUTTURN 2021/22	PROJECT SPONSOR	COMMENTS
£000	£000		£000	£000	£000		
		Neighbourhood Asset Renewal					
0	0	Neighbourhood Services buildings for compliance issues and community centres	88	88	0	D Knevett	Emergency powers detailed as part of this report.
0	0	Parks	62	62	0	E Reed	Works will include Aberthaw play around (estimate £30k), discussions are being carried out to allocate the remainder of the budget.
0	0		150	150	0		
		Parks and Grounds Maintenance					
0	0	Gladstone Park Interpretation Scheme	23	23	0	A Sargent	Internal discussions taking place.
		Parks and Grounds Maintenance Slippage		0			
0	0	Jenner Park Stadium Lighting	22	22	0	D Knevett	Finalising scheme.
0	0	Romilly Tennis Courts	149	149	0	D Knevett	Report went to Cabinet on the 27th September.
8	8	All Wales Play Opportunity Grant	15	15	0	D Knevett	Porthkerry swing and Romilly Park path works.
49	33	Green Recovery Grant	49	49	0	E Reed	Scheme complete, account to be settled.
2	0	Playground Refurbishment - Treoes Play Area	2	2	0	A Sargent	Scheme complete.
7	7	Cary Cymru Grant - Keep Wales Tidy	15	15	0	A Sargent	Emergency powers detailed as part of this report.
66	48		275	275	0		
		S106 Funding					
3	0	Ogmore Community Facility and associated play area	3	3	0	M Goldsworthy	Scheme complete.
2	0	Wick Multi Use Games Area	2	2	0	M Goldsworthy	Scheme complete.
5	5	The Knap Gardens – water and biodiversity project	102	102	0	M Goldsworthy	This scheme had to be re tendered, tenders are duck back mid September.
0	0	Central Park – play area improvements	98	98	0	M Goldsworthy	Scheme is out to tender, tenders due to be returned mid September.
0	0	North Penarth Open Space Improvements	102	102	0	A Sargent	Works anticipated to commence in October.
2	2	Belle Vue Pavilion in Penarth	1,125	1,125	0	M Goldsworthy	The planning application is in process. Anticipated to go out to tender late August. Some of this scheme could potentially roll into 2022/23, awaiting confirmation. Emergency powers detailed as part of this report.
0	0	Windmill Lane Play Area	67	67	0	M Goldsworthy	Scheme out for consultation.
3	3	Clos Tyniad Glo/Clos Peiriant Play Area	59	59	0	M Goldsworthy	Tenders have been returned and are being evaluated.
15	10		1,558	1,558	0		
628	501	COMMITTEE TOTAL	5,249	5,249	0		