

Meeting of:	<b>Homes and Safe Communities Scrutiny Committee</b>
Date of Meeting:	<b>Tuesday, 10 December 2019</b>
Relevant Scrutiny Committee:	Homes and Safe Communities
Report Title:	Initial Revenue Budget Proposals 2020/21 and Revised Budget 2019/20
Purpose of Report:	To inform Scrutiny Committee of the amended revenue budget for 2019/20 and to submit for consultation the initial revenue budget proposals for 2020/21.
Report Owner:	Report of the Director of Environment and Housing
Responsible Officer:	Carys Lord, Head of Finance / Section 151 Officer
Elected Member and Officer Consultation:	The Corporate Management Team has been consulted on this report. The initial budget proposals will be the subject of consultation with Scrutiny Committees. The Trade Unions and Schools Forum will also be consulted.
Policy Framework:	This report is for executive decision by the Cabinet
Executive Summary:	<ul style="list-style-type: none"> <li>• The 2019/20 budget has been amended for internal transfers and technical adjustments. The overall total budget for the Committee is now £5.098m.</li> <li>• The Council is required under statute to fix the level of council tax for 2020/21 by 11th March 2020 and in order to do so, will have to agree a balanced revenue budget by that date.</li> <li>• The Council's provisional settlement has not yet been announced by Welsh Government and is expected this year in mid-December with the final settlement being received in February 2020. Even though this crucial information has not been received, the budget setting and consultation process has to commence in order to meet statutory deadlines.</li> </ul>

## **Recommendations**

It is recommended that:

1. The amended revenue budget for 2019/20 as set out in Appendix 1 be noted.
2. The Initial Revenue Budget Proposals for 2020/21 be considered and any recommendations, including those related to cost pressures and savings, be passed to Corporate Performance and Resources Scrutiny Committee as the lead Scrutiny Committee.

## **Reasons for Recommendations**

1. To note changes to the 2019/20 budget
2. In order that Cabinet can consider the comments of Scrutiny Committees and other consultees before making a final proposal on the budget.

### **1. Background**

- 1.1 The Council's budget is determined largely by the Revenue Support Grant (RSG) settlement set by the Welsh Government (WG). The provisional RSG settlement is expected to be received from WG in December 2019, with the final settlement due to be received in February 2020.
- 1.2 The Council is required under statute to fix the level of council tax for 2020/21 by 11th March 2020 and in order to do so, will have to agree a balanced revenue budget by the same date. To be in a position to meet the statutory deadlines and the requirements for consultation set out in the Council's Constitution, much of the work on quantifying the resource requirements of individual services needs to be carried out before the RSG settlement is notified to the Council.

### **2. Key Issues for Consideration**

#### **Revised Budget 2019/20**

- 2.1 Appendix 1 to this report sets out the amended budget for 2019/20, together with the necessary adjustments to be made to the original budget.
- 2.2 Asset Rents, International Accounting Standard (IAS) 19, Transfers and Recharges - These adjustments have no overall effect on the net budget of the Council. These are accounting adjustments largely outside the control of services. They

reflect charges for the use of capital assets, changes to inter-service recharges and transfers and pensions adjustments to comply with accounting standards.

**2.3** The following table compares the amended budget with the projected outturn for 2019/20.

Directorate/Service	2019/20	2019/20	2019/20	Variance
	Original	Amended	Projected	(+)Favourable
	Budget	Budget	Outturn	(-) Adverse
	£'000	£'000	£'000	£'000
Youth Offending Service	741	742	742	0
Regulatory Services	2,041	2,022	2,022	0
Council Fund Housing	1,309	1,326	1,326	0
Private Housing	1,209	1,008	1,008	0
<b>Total</b>	<b>5,300</b>	<b>5,098</b>	<b>5,098</b>	<b>0</b>

**2.4** Youth Offending Service - This service is currently expected to outturn on target.

**2.5** Regulatory Services - The allocation represents the Vale of Glamorgan's budget for its share of the Shared Regulatory Service (SRS). A separate set of accounts is maintained for the SRS and periodically reported to the Shared Regulatory Service Joint Committee. It is anticipated that the SRS will outturn on target.

**2.6** Council Fund Housing - A savings target of £75k for CCTV will not be achieved this year. If underspends do not materialise elsewhere within the service by year end, funding will be drawn down from reserves to cover the shortfall.

**2.7** Private Housing - The slippage on capital spend for Disabled Facility Grants (DFG's) has a knock-on effect to the agency fee income so it is anticipated that this may be below target at year-end. This is anticipated to be covered by staff vacancy savings within the team so it is still expected that the Division will achieve a balanced budget at year-end.

### **Savings 2019/20**

**2.8** As part of the Final Revenue Budget Proposals for 2019/20, a savings target of £211k was set for this Committee. Attached at Appendix 2 is a statement detailing the projected progress against savings targets for 2019/20. It is currently projected that there will be a shortfall against the savings target of £76k.

- 2.9** Each savings target has been given a RAG status. Green indicates that it is anticipated that the target will be achieved in full within the year, amber indicates that it is considered that the saving in the year will be within 20% of the target and red indicates that the saving to be achieved in year will be less than 80% of the target.
- 2.10** General Fund Housing - It is projected that the CCTV savings will not be achieved in 2019/20 which equates to a shortfall of £76k in 2019/20. There are ongoing discussions with South Wales Police and officers from the Police & Crime Commissioners office to address future CCTV provision in the Vale. The Council has committed a capital budget of £350k to support a new CCTV strategy with ongoing revenue commitment falling to partner agencies if agreement can be reached on a spend to save basis.
- 2.11** Further updates on progress against the savings targets will be provided to members during the year.

### **Budget Strategy 2020/21**

- 2.12** Cabinet approved the Budget Strategy for 2020/21 on the 15th July 2019, min no.C37.
- 2.13** The Budget Strategy for 2020/21 outlines that in order to establish a baseline, services should prepare initial revenue budgets based on the cost of providing the current level of service and approved policy decisions and including the existing savings target.
- 2.14** Increases to budgets approved during the course of a financial year can restrict the freedom the Council has to allocate its resources to priorities during the following budget cycle when it is aware of all the competing demands. Consequently:
- Supplementary estimates will only increase the base budget if Council has given specific approval to this effect. Increases met by virement within a year will not be treated as committed growth.
  - Directors should find the cost of increments and staff changes from their base budget unless the relevant specific approval has been given for additional funding.
  - The effect of replacing grant from outside bodies that has discontinued will not be treated as committed growth. In addition, before any project or initiative that is to be met either wholly or partly by way of grant may proceed, the exit strategy must be approved.
  - Certain items of unavoidable committed growth will continue and these include the effect of interest changes and the financing cost of the capital programme, increases in taxes, increases in levies and precepts charged by outside bodies and changes to housing benefits net expenditure.

- Services will be expected to achieve savings already approved by Cabinet as part of the 2019/20 final budget proposals and Directors are asked to continue work on achieving their Reshaping Services savings targets.
- It is envisaged that the costs of service development will need to be met from within the respective directorates.

**2.15** Having regard to the above, it is therefore proposed in respect of the 2020/21 Budget Process that Directors be instructed to prepare initial revenue budgets in accordance with a timetable agreed by the Head of Finance. Preparation should be on the following basis:

- Capital charges, central accommodation costs and central support costs to be estimated centrally.
- Services to prepare baseline budgets on current service levels as set out in the 2019/20 Final Revenue Budget report.
- Budgets to be broken down subjectively and objectively in as much detail as deemed appropriate by the Head of Finance.
- Budget reports to include revised estimates for 2019/20.
- Full account to be taken of the revenue costs, other than debt charges, of new capital schemes coming into use.
- Minimum savings targets to be met initially as detailed in the 2019/20 Final Revenue Budget report. Any savings made directly by services over and above individual service targets to count towards future saving targets or to meet unavoidable service cost pressures.
- Directors will continue to draw up Service Plans that set out the aims and objectives for the service and any possible future developments and efficiencies.
- As stated previously, it is expected that the revenue costs of service development will need to be met from within the respective services (in particular, from the savings made). As such, no revenue bids are initially to be made. However, services may still be asked to identify and prioritise any burgeoning revenue cost pressures for consideration.

### **Medium Term Financial Plan**

**2.16** The Medium Term Financial Plan (MTFP) 2019/20 to 2022/23 was presented to Cabinet on 7th October 2019 min no.C103. It considered the impact of different WG settlement scenarios and different increases in Council Tax.

**2.17** The latest Plan factored in a managed level of cost pressures and pay awards at the same level as in 2019/20.

**2.18** It modelled a council tax increase of 4.9%, being the increase agreed for 2019/20 and the possibility of increasing the level to the Welsh average which would be a

possible increase of 10.4% in 2020/21, followed by a 6.2% increase in the next two consecutive years.

- 2.19** It also considered a scenario where the settlement from WG was a 1% reduction for the years 2020/21, 2021/22 and 2022/23 and also a cash neutral settlement.
- 2.20** The outcome of these scenarios was that if there is a cash neutral or 1% reduction in the settlement from Welsh Government and if there is a 4.9% increase in council tax for each year of this Plan, there remains between £10.470m and £14.986m of savings to be identified for the 3 years of the Plan. If the council tax was to be increased to and maintained at the Welsh average, with a cash neutral or 1% reduction in the settlement from Welsh Government, there remains between £3.747m and £8.263m of savings to be identified for the 3 years of the Plan. This is after already planning for £748k of savings (excluding schools) for the same period.

### **Provisional Settlement 2020/21**

- 2.21** The Council's provisional settlement has not yet been announced by WG. In previous years, the provisional RSG settlement was received from WG during October with the final settlement being received in December. The provisional settlement is expected this year in mid-December with the final settlement being received in February 2020.
- 2.22** Given the timescales set out in the budget strategy this means a significant amount of the preparation for the budget will need to be completed prior to receiving the final settlement.
- 2.23** The late timescale for the settlement also delays the notifications that the Council receives regarding continuation of grant funding. In line with the budget strategy the withdrawal or reduction in grant funding should not give rise to committed growth within the budget. The service area should give consideration to the exit strategy that has been put in place in respect of the funding stream.

### **2020/21 Initial Budget Proposals**

- 2.24** As part of these initial proposals, it has been necessary to revisit the cost pressures facing services in order to build up a complete and up to date picture of the financial position of the Council. There are no cost pressures for this Committee. Since the production of the MTFP the impact of additional pressures has been reviewed and are now included in the appendix. This has resulted in an increased level of cost pressures which will need to be assessed by the Budget Working Group as part of the final proposals.
- 2.25** There is still uncertainty regarding some of the assumptions made regarding pay costs. Pay awards for 2020/21 have not been agreed and have been included in these projections as a 2% increase.

- 2.26** The Council's employer pension contributions are reviewed every 3 years and are currently being reassessed to commence from 1st April 2020. The final budget proposals will be amended accordingly when further clarification is received from the actuaries.
- 2.27** Details of the proposed areas for savings for 2020/21 to 2021/22 are attached at Appendix 3. The savings do not include the cost of any potential redundancies. Further work is ongoing to identify future projects that will realise savings for the Council via the Reshaping Service process.
- 2.28** A summary of the overall base budget for this Committee for 2020/21 is attached at Appendix 4. This has been derived by adjusting the 2019/20 budget for items such as pay inflation and unavoidable growth, but does not include identified cost pressures or savings. These are shown as a note to the table and are further detailed in Appendix 3 and 4 respectively. Adjustments shown include the following :
- Asset Rents, International Accounting Standard (IAS) 19 - Relates to accounting items outside the control of services. They reflect charges to services for the use of capital assets and adjustments in respect of pensions to comply with accounting standards.
  - Recharges/Transfers - Relates to changes in inter-service and inter Directorate recharges
  - Pay Inflation - This figure relates to pay awards for 2020/21.
- 2.29** Once the base budget for 2020/21 has been established, it must then be compared to the funding available to identify the extent of any shortfall.
- 2.30** Although the Council has not received its provisional settlement it has considered a number of scenarios as part of its MTFP which will now be updated in the context of the revised cost pressures submitted by service departments.
- 2.31** In scenario 1 with a cash neutral or flat settlement, which would provide the same funding to the Council as in 2019/20 and a projected AEF of £152.07m and Council Tax reflecting a 4.9% increase and standing at £77.655m, total available funding would be £229.725m. When compared to a base budget of £230.148m, this would result in a funding shortfall for 2020/21 of £0.423m.
- 2.32** If all identified cost pressures were funded, this would increase the shortfall to £10.481m. If all proposed savings were achieved, the shortfall would be reduced to £8.968m.
- 2.33** If the Council tax assumptions are further revised to take the Band D Council tax in line with the Welsh Average, which reflects a 10.4% increase, the shortfall would be £4.896m.

<b>Scenario 1 Projected Budget Shortfall Cash Neutral Settlement from WG</b>	<b>2020/21</b>
Funding Available	<b>£000</b>
Provisional AEF	152,070
Council Tax (incl 4.9% Increase)	77,655
Projected Funding Available	229,725
Base Budget	231,148
Use of Reserves	(1,000)
Total Base Budget	230,148
<b>Projected Shortfall Against Base Budget</b>	<b>(423)</b>
Assume all Cost Pressures Funded	(10,058)
<b>Projected Shortfall with Cost Pressures Funded</b>	<b>(10,481)</b>
Assume all Savings Achieved (including Schools)	1,513
<b>Projected Shortfall</b>	<b>(8,968)</b>
Increase Council Tax to Welsh Average (increase to 10.4%)	4,072
<b>Projected Shortfall</b>	<b>(4,896)</b>

- 2.34** In scenario 2 with a 1 % reduction in WG funding settlement and a projected AEF of £150.549m and Council Tax reflecting a 4.9% increase and standing at £77.655m, total available funding would be £228.204m. When compared to a base budget of £230.148m, this would result in a funding shortfall for 2020/21 of £1.944m.
- 2.35** If all identified cost pressures were funded, this would increase the shortfall to £12.002m. If all proposed savings were achieved, the shortfall would be reduced to £10.489m.
- 2.36** If the Council tax assumptions are further revised to take the Band D Council tax in line with the Welsh Average which reflects a 10.4% increase, the shortfall would be £6.417m.

<b>Scenario 2 Projected Budget Shortfall 1% Reduction in WG Settlement</b>	<b>2020/21</b>
	<b>£000</b>
Funding Available	
Provisional AEF	150,549
Council Tax (4.9% Increase)	77,655
Projected Funding Available	228,204
Base Budget	231,148
Use of Reserves	(1,000)
Total Base Budget	230,148
<b>Projected Shortfall Against Base Budget</b>	<b>(1,944)</b>
Assume all Cost Pressures Funded	(10,058)
<b>Projected Shortfall with Cost Pressures Funded</b>	<b>(12,002)</b>
Assume all Savings Achieved (including Schools)	1,513
<b>Projected Shortfall</b>	<b>(10,489)</b>
Increase Council Tax to Welsh Average (increase to 10.4%)	4,072
<b>Projected Shortfall</b>	<b>(6,417)</b>

- 2.37** A 1% increase in Council Tax at the 2019/20 Council Tax base equates to £740k. The level of increase in Council Tax will need to be carefully considered in parallel with the other options available to the Council in order to reduce the funding gap and to consider the impact on the residents of the Vale. As the population in the Vale of Glamorgan has increased from the previous year there may also be additional funding from the change in the Council Tax base.
- 2.38** The shortfall above is also based on the assumption that the savings target of £1.513m set for 2020/21 will be achieved in full. While all services are working towards achieving their 2020/21 targets, not all savings will be achieved in full for 2019/20. The potential for re-profiling savings will need to be assessed when setting the budget for 2020/21.
- 2.39** Further work will be undertaken by the Budget Working Group (BWG) in order to achieve a balanced budget for the final budget proposals for 2020/21. This will include a review of the use of reserves, a review around an increase in council tax, a review of all cost pressures, possible changes to the approved saving targets, a review of the inflation assumptions and the current financial strategies.

- 2.40** The BWG will consider the results of the budget engagement process in determining priorities for future savings and service delivery and the possible increase in Council Tax.

### **Next Steps**

- 2.41** The next stage is for the estimates to be submitted to Scrutiny Committees for consultation. Committees are asked to review the level of cost pressures with a view to suggesting ways in which these could be managed downwards and/or mitigated and to consider proposals for savings. Corporate Performance and Resources Scrutiny Committee is the lead Scrutiny Committee and will consider both the Initial Revenue Budget Proposals and any recommendations that other Scrutiny Committees have made. The responses of Scrutiny Committee must be made no later than the 19th December 2020.
- 2.42** The BWG will hold a series of meetings in November and December 2019 with the relevant Cabinet Members and officers to consider the budget proposals and they will submit their recommendations so that the Cabinet may make its final budget proposal. Before making its recommendation, the BWG will consider the comments made by Scrutiny, together with the results of consultation. The final proposals to Cabinet will include a review of the financial strategies required to achieve a balanced budget, which is sustainable in future years. Currently, the approved timetable requires Cabinet to approve the final budget proposals by no later than 3rd February 2020 and that Cabinet's final budget proposals will be considered by Council at a meeting to be held 24th February 2020 to enable the Council Tax to be set by 11th March 2020.

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

- 3.1** The BWG will ensure that budget proposals consider the requirements of the Well-being of Future Generations Act and the Council's 4 well-being outcomes as detailed in the Corporate Plan.
- 3.2** The Budget Working Group will also ensure that the budget proposals reflect the 5 ways of working which are;
- o Looking to the long term - The budget proposals are a means of planning for the future and take a strategic approach to ensure services are sustainable and that future need and demand for services is understood.
  - o Taking an integrated approach - The budget proposals highlight and encourages ways of working with partners.

- o Involving the population in decisions – As part of the budget proposal process there has been engagement with residents, customers and partners.
- o Working in a collaborative way – The budget proposals recognises that more can be achieved and better services can be provided by collaboration and it encourages this as a way of working in the future.
- o Understanding the root cause of issues and preventing them – The budget process is proactive and allows an understanding of the financial position so that issues can be tackled at the source.

## **4. Resources and Legal Considerations**

### **Financial**

- 4.1** Based on the assumption that all cost pressures will be funded in full, the estimated funding shortfall for 2020/21 will be £8.968m assuming a cash neutral settlement from WG and a 4.9% increase in Council Tax. If Council Tax is further increased in line with the Welsh average to shortfall for 2020/21 will be £4.896m.
- 4.2** If the settlement from WG reflects a 1% reduction in AEF, with all cost pressures being funded in full and the Council proceed with a 4.9% increase in Council Tax the estimated funding shortfall will be £10.489m. If Council Tax is further increased in line with the Welsh average to shortfall for 2020/21 will be £6.417m
- 4.3** WG has not issued details regarding the level of funding post 2020/21, however, it is anticipated that there will be further reductions in funding for Local Government going forward. It is therefore important that Directors achieve approved savings and look to mitigate further cost pressures through alternative means of service delivery and collaborative ventures.
- 4.4** Reserves are a way of setting aside funds from budgets in order to provide security against future levels of expenditure and to manage the burden across financial years. Funds no longer required may be transferred to the Council Fund and then set aside for other purposes or used to reduce council tax.
- 4.5** The Council has always taken a prudent approach with regard to specific reserves and uses them to mitigate known risks (financial and service) and contingent items, e.g. Insurance Fund. Other reserves have been established to fund Council priorities, and in particular the Capital Programme. This is important as the Council has limited capacity to realise sufficient sums from the sale of assets for capital investment. Sums have also been set aside to assist in budget

management. The Housing Revenue Account Reserve is ring-fenced to Housing and will be used to fund improvements to the Council's housing stock.

- 4.6** The Council Fund Reserve as at 31st March 2020 is projected to stand at £15.636m. There is also a £1m approved use of this reserve in 2020/21. This contribution will be further considered by the BWG when setting the 2020/21 budget, however, use of this reserve to balance the revenue budget will result in a higher level of savings being required in future years. The Section 151 Officer currently believes that the minimum balance on the Council Fund Reserve should be no less than £7m. This is considered sufficient to cover unforeseen expenditure whilst, in the short term, maintaining a working balance. Unforeseen expenditure can be substantial and several instances can occur in a year. Whilst there is no set requirement for the minimum level for the Council Fund Reserve, some commentators use 5% of the net budget as a guide. For the Vale this is around £11m. However, in view of the prudent approach the Council takes with regard to specific reserves, £7m is considered a reasonable minimum.
- 4.7** The Council presently benefits from a reasonable level of reserves, however, they are not inexhaustible and have taken years of careful financial management to develop to their current level. As part of the usual Budget process, an examination of the level of reserves is undertaken to ascertain their adequacy and strategy for use. A view to their level (i.e. whether the amount held in the fund is sufficient to requirements) and purpose (i.e. whether the need to hold the fund is still relevant) has been taken. The requirement for each specific reserve has also been considered in light of the Council's priorities and at this stage of the budget process no transfers between reserves are proposed.
- 4.8** Appendix 5 sets out the Committee's actual reserves as at 31st March 2019 and shows the estimated reserves balance for each year up to 31st March 2023.
- 4.9** The Council is planning to use a considerable amount of its specific reserves over the coming years, however, as reserves are a non-recurring means of funding, they can only be used as part of a specific financial strategy. The use of all reserves will be reviewed further, by the BWG, as part of the final budget setting process.

## **Employment**

- 4.10** Not all the savings required to meet the shortfall in funding will result in a reduction in staffing. Although the impact on individuals is likely to be mitigated as a result of natural wastage and the deletion of vacant posts, it is, nevertheless, expected that there will be a number of redundancies. The trade unions will be consulted on the details of any possible redundancies once known. Staffing implications relating to budget pressures within schools will need to be considered by individual governing bodies.

### **Legal (Including Equalities)**

- 4.11** The Council is required under statute to fix its council tax by 11th March 2020 and in order to do so will have to agree a balanced revenue budget by the same date.
  
- 4.12** These initial budget proposals have due regard to the requirements of the Council's Strategic Equality Plan including the Equalities Act 2010 and Public Sector Equality Duty for Wales. The subsequent development of individual strategies for achieving savings will require the completion of Equality Impact Assessments. This involves systematically assessing the likely (or actual) effects of policies on individuals who have a range of protected characteristics under the Act.

### **5. Background Papers**

- 5.1** Medium Term Financial Plan 2019/20 to 2022/23
- 5.2** Budget Strategy 2020/21

**AMENDED BUDGET 2019/20**

**APPENDIX 1**

	<b>2019/20 ORIGINAL AMENDED BUDGET</b>	<b>ASSET RENTS, IAS19, TRANSFERS &amp; RECHARGES</b>	<b>2019/20 AMENDED BUDGET</b>
	<b>£,000</b>	<b>£,000</b>	<b>£,000</b>
Youth Offending Service	741	1	742
Regulatory Services	2,041	(19)	2,022
Council Fund Housing	1,309	17	1,326
Private Housing	1,209	(201)	1,008
<b>COMMITTEE TOTAL 2019/20</b>	<b>5,300</b>	<b>(202)</b>	<b>5,098</b>

Title of Saving	Description of Saving	Total Saving £000	Projected Saving £000	RAG Status	Update Comments, Issues & Actions	Relevant Scrutiny Committee	Project Manager
<b>Regulatory Services</b>							
Shared Regulatory Service	Savings from collaborative service	102	102	Green	Reduced contribution to shared service agreed for year	Homes and Safe Communities	Miles Punter
<b>Total Regulatory Services</b>		<b>102</b>	<b>102</b>	<b>Green</b>	<b>100%</b>		
<b>Housing</b>							
CCTV	Review of service provision	76	0	Red	There are ongoing discussions with South Wales Police and officers from the Police & Crime Commissioners office to address future CCTV provision in the Vale. The Council has committed a capital budget of £350k to support a new CCTV strategy with ongoing revenue commitment falling to partner agencies if agreement can be reached on a spend to save basis.	Homes and Safe Communities	Mike Ingram
Third Party Spend	Savings from external procurement	30	30	Green	Savings allocated and budgets reduced accordingly	Homes and Safe Communities	Mike Ingram
<b>Total Housing</b>		<b>106</b>	<b>30</b>	<b>Red</b>	<b>28%</b>		
<b>Private Housing</b>							
Third Party Spend	Savings from external procurement	3	3	Green	Savings allocated and budgets reduced accordingly	Homes and Safe Communities	Marcus Goldsworthy
<b>Total Private Housing</b>		<b>3</b>	<b>3</b>	<b>Green</b>	<b>100%</b>		
<b>TOTAL</b>		<b>211</b>	<b>135</b>	<b>Red</b>	<b>64%</b>		

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

**Shortfall 76**

Service	Title & Description	2020/21	2021/22
<b>Regulatory Services</b>			
Shared Regulatory Service	Savings from collaborative service	34	0
<b>Total Regulatory Services</b>		<b>34</b>	<b>0</b>
<b>COMMITTEE TOTAL</b>		<b>34</b>	<b>0</b>

**BASE BUDGET 2020/21****APPENDIX 4**

	<b>Original Budget 2019/20 £'000</b>	<b>Asset Rents/ IAS 19 £'000</b>	<b>Original Budget 2019/20 £'000</b>	<b>Rechgs/ Transfs £'000</b>	<b>Budget Adjustment £'000</b>	<b>Pay Inflation £'000</b>	<b>Committed Growth £'000</b>	<b>Base Estimate 2020/21 £'000</b>
Youth Offending Services	741	(16)	725	(21)	0	13	0	717
Regulatory Services	2,041	1	2,042	(148)	0	0	0	1,894
Council Fund Housing	1,309	(23)	1,286	(1)	0	25	0	1,310
Private Housing	1,209	(8)	1,201	(213)	0	9	0	997
<b>COMMITTEE TOTAL</b>	<b>5,300</b>	<b>(46)</b>	<b>5,254</b>	<b>-383</b>	<b>0</b>	<b>47</b>	<b>0</b>	<b>4,918</b>

<b>Savings Applied £'000</b>	<b>Cost Pressures £'000</b>
0	0
34	0
0	0
0	0
<b>34</b>	<b>0</b>

**ANALYSIS OF RESERVES****APPENDIX 5**

Name	Bal	In	Out	Est	Comments	Est	Est	Est
	31/03/19			Bal		31/03/21	31/03/22	31/03/23
	£000	£000	£000	£000		£000	£000	£000
<b><u>Housing Revenue Account</u></b>	<b>2,668</b>	<b>0</b>	<b>-1,795</b>	<b>873</b>	The fund is ring fenced by statute for use by the Housing Revenue Account (HRA). As well as acting as a working balance for the HRA, it is also used to fund repairs and the capital programme.	890	919	936
Youth Offending Service	174	0	0	174	To assist with potential reductions in grant funding in future years and to carry out works at YOS building	174	174	174
Rural Housing Needs	56	0	0	56	To be used to fund Rural Enabler post.	46	36	26
Homelessness and Housing	592	0	-26	566	This sum will be used to support homelessness prevention work.	541	516	491
Housing Strategy	10	0	-10	0	During 2019/20 work will commence on updating the Local Housing Strategy. This funding will be used to produce the strategy including facilitating consultation events.	0	0	0
Supporting People	35	0	-35	0	To continue to provide housing support.	0	0	0
Community Safety	69	0	-29	40	To fund community safety initiatives.	40	40	40
Gypsy Traveller	1,052	0	0	1,052	To support the provision of a Gypsy/Traveller site and Gypsy Liaison Officer.	1,052	1,052	1,052
Regulatory Improvements	282	0	-75	207	Monies set aside for Regulatory Services issues and to be used for any future issues arising from the shared services collaboration.	207	207	207
Disabled Facilities	14	0	-14	0	To fund an Occupational Therapist within Disabled Facilities Grant team.	0	0	0
Private Sector Housing	262	0	-36	226	To fund initiatives for Private Sector Housing, including an Occupational Therapist within the DFG team.	175	123	70
Welfare Reforms	756	0	0	756	To fund pressures on the Authority resulting from changes to the Welfare Benefit System. The balance required in this reserve will be assessed when more information becomes available. This reserve could be used to finance any Department for Work and Pensions projects.	756	756	756
<b>TOTAL SPECIFIC RESERVES (excl HRA)</b>	<b>3,302</b>	<b>0</b>	<b>-225</b>	<b>3,077</b>		<b>2,991</b>	<b>2,904</b>	<b>2,816</b>