

Meeting of:	<b>Homes and Safe Communities Scrutiny Committee</b>
Date of Meeting:	<b>Wednesday, 15 January 2020</b>
Relevant Scrutiny Committee:	Homes and Safe Communities
Report Title:	<b>Revenue and Capital Monitoring for the Period 1st April to 30th November 2019</b>
Purpose of Report:	To advise Scrutiny Committee of the progress relating to revenue and capital expenditure for the period 1st April to 30th November 2019
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:	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"> <li>• The revenue position for 2019/20 is challenging with a savings target for the year for this Committee's services being set at £211k.</li> <li>• The capital budget for this Committee has been set at £21.391m.</li> </ul>	

## Recommendation

1. That Scrutiny Committee consider the position with regard to the 2019/20 revenue and capital budgets.

## Reason for Recommendation

1. That Members are aware of the projected revenue outturn for 2019/20.

## 1. Background

- 1.1 Cabinet on 18th November 2019 approved the revised Revenue Budget for 2019/20 (minute no c138) and the revised Housing Revenue Account budget for 2019/20 (minute number c140).

## 2. Key Issues for Consideration

### Revenue

- 2.1 It is anticipated that services within this Committee's remit will outturn within budget or with a favourable variance at year end.

	2019/20	2019/20	2019/20	Variance
Directorate/Service	Original Budget	Amended Budget	Projected	(+)Favourable (-) Adverse
	£000	£000	£000	£000
Youth Offending Service	741	742	642	+100
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
Public Sector Housing (HRA)	(21)	1,795	1,795	0
<b>Total</b>	<b>5,279</b>	<b>6,893</b>	<b>6,793</b>	<b>+100</b>

- 2.2 Youth Offending Service - It is anticipated that this service will outturn with an underspend of £100k at year end. This is due to staff vacancies.
- 2.3 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.
- 2.4 Council Fund Housing - A savings target of £75k for CCTV will not be achieved this year and therefore it is anticipated that unless this saving can be covered by

underspends elsewhere within the service, funding will be drawn down from reserves to cover the shortfall.

- 2.5** Private Housing - The reduction in capital spend for Disabled Facility Grants (DFG's) means that it is anticipated that the team's fee income will be less than target at year-end however this is anticipated to be mitigated by staff vacancy savings. It is therefore expected that the Division will achieve a balanced budget at year-end.
- 2.6** Public Sector Housing (HRA) - The HRA is expected to outturn on target and any underspends in year will be offset by additional contributions to Capital Expenditure thus reducing the reliance on Unsupported Borrowing.

### **2019/20 Savings Targets**

- 2.7** As part of the Final Revenue Budget Proposals for 2019/20, a savings target of £211k was set for this Committee. Attached at Appendix 1 is a statement detailing all savings targets for 2019/20. 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.

### **Capital**

- 2.8** Appendix 2 details financial progress on the Capital Programme as at 30th November 2019. The following changes have been made to the Capital Programme since the last report to Committee.
- 2.9** Penarth Older Person's Village - The Council has received an award of funding from the Integrated Care Fund (ICF) Capital Programme for this scheme and it has been requested that a budget of £120k is included in the 2019/20 Capital Programme.
- 2.10** Upgrade of CCTV System - As previously stated, negotiations are on-going with the Police regarding the requirements for this service and therefore the equipment will not be purchased this financial year. It has been requested that the budget of £350k is carried forward into the 2020/21 Capital Programme.
- 2.11** Disabled Facilities Grant - A number of recent referrals/applications have seen an increase in full means testing, which has resulted in a rise in applicants self-funding adaptations. This has been coupled with a reduction of referrals being received. This possible trend may also be due to the time of year or a combination of factors. The team will monitor the situation to establish if this is a continuing trend. In 2018/19 there was a considerable rise in applications

towards the end of the year. It has been requested that the 2019/20 budget is reduced by £100k.

- 2.12** Additional Disabled Facilities Grant - As detailed in the previous paragraph, there has been a reduction in commitments for these type of grants. It has therefore been requested that the budget is reduced by £150k in the 2019/20 Capital Programme.

### **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.

#### **Employment**

- 4.2** There are no employment implications.

**Legal (Including Equalities)**

**4.3** There are no legal implications.

**5. Background Papers**

None

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>		

<b>Shortfall</b>	<b>76</b>
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Green = on target to achieve in full  
Amber = forecast within 20% of target  
Red = forecast less than 80% of target

## CAPITAL MONITORING

APPENDIX 2

FOR THE PERIOD ENDED 30th NOVEMBER 2019

PROFILE TO DATE	ACTUAL SPEND 2019/20		APPROVED PROGRAMME 2019/20	PROJECTED OUTTURN 2019/20	VARIANCE AT OUTTURN 2019/20	PROJECT SPONSOR	COMMENTS
£000	£000		£000	£000	£000		
		<b>Youth Offending Service</b>					
0	0	91 Salisbury Road Boiler Renewal	2	2	0	R Evans	Fees to be paid.
<b>0</b>	<b>0</b>		<b>2</b>	<b>2</b>	<b>0</b>		
		<b>Housing Improvement Programme</b>					
490	490	HRA Internal Works	852	852	0	M Punter	Maintenance of WHQS.
1,212	1,212	HRA External Works	3,459	3,459	0	M Punter	Continuation of installation windows & doors, roof replacements, wall repairs and external wall insulation.
6	6	Jenner Road	143	143	0	M Punter	Delivery of Jenner Road walls.
0	0	Williams Crescent	100	100	0	M Punter	Delivery of communal improvements.
35	35	Emergency Works	420	420	0	M Punter	The continuation of Glanmor Crescent and Camrose Court scheme plus other emergency works.
198	198	Aids and Adaptations	526	526	0	M Punter	Continuation of the adapted extension scheme.
667	667	Common Parts	1,602	1,602	0	M Punter	Delivery of the fire safety management upgrade works and communal area improvements
516	516	Environmental Improvements	1,953	1,953	0	M Punter	On-going works to the Buttrills scheme.
2,043	2,043	New Build	10,044	10,044	0	M Punter	Continuation of Holm View/ Brecon Court and feasibility works for new schemes and acquisition of properties/land.
<b>5,167</b>	<b>5,167</b>		<b>19,099</b>	<b>19,099</b>	<b>0</b>		
		<b>Community Safety</b>					
		<b>Additional In Year Capital Funding</b>					
0	0	Upgrade of CCTV system	350	0	350	M Punter	Requested to carry forward £350k. A report will be presented to Cabinet shortly on the future provision of CCTV.
0	0	Community Safety Improvements	30	30	0	M Punter	Awaiting the lighting columns to be installed. Quotes have been received for the deployable CCTV cameras and will be purchased and installed during quarter 4.
<b>0</b>	<b>0</b>		<b>380</b>	<b>30</b>	<b>350</b>		
		<b>Private Housing</b>					
465	465	Disabled Facilities Grant	1,000	900	100	P Chappell	In the process of issuing grants. Requested to reduce budget by £100k
0	0	Additional Disabled Facilities Grant	150	0	150	P Chappell	In the process of issuing grants. Requested to reduce this budget by £150k
23	23	Barry Island and Cosmeston Toilets	97	97	0	P Chappell	Works are on site at Cosmeston. The final schedule is being drawn up early December for Barry Island toilets.
0	0	Penarth Renewal Area	6	6	0	P Chappell	Continuation of works
29	29	ENABLE Funding	161	161	0	P Chappell	Scheme on-going.
4	4	Housing Regeneration Area	496	496	0	P Chappell	Options being considered.
<b>521</b>	<b>521</b>		<b>1,910</b>	<b>1,660</b>	<b>250</b>		
<b>5,688</b>	<b>5,688</b>	<b>COMMITTEE TOTAL</b>	<b>21,391</b>	<b>20,791</b>	<b>600</b>		