

Meeting of:	Homes and Safe Communities Scrutiny Committee
Date of Meeting:	Wednesday, 07 July 2021
Relevant Scrutiny Committee:	Homes and Safe Communities
Report Title:	Revenue and Capital Monitoring for the Period 1st April to 31st May 2021
Purpose of Report:	To advise Scrutiny Committee of the progress relating to revenue and capital expenditure for the period 1st April to 31st May 2021
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"> • 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. • The capital budget for this Committee has been set at £48.652m. 	

Recommendation

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

Reason for Recommendation

1. 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 for 2021/22 (minute no c472) and the Housing Revenue Account budget for 2021/22 (minute number c473). There is no approved drawdown from the Council Fund during 2021/22.

2. Key Issues for Consideration

Revenue

- 2.1 It is early in the financial year and it is anticipated that services within this Committee's remit will outturn within budget at year end. A breakdown of this year's budget is shown in the table below.

Directorate/Service	2021/22 Original Budget	2021/22 Projected	Variance (+)Favourable (-) Adverse
	£000	£000	£000
Youth Offending Service	707	707	0
Regulatory Services	1,825	1,825	0
Public Sector Housing (HRA)	(25)	(25)	0
Council Fund Housing	1,420	1,420	0
Private Housing	980	980	0
Total	4,907	4,907	0

- 2.2 Youth Offending Service - It is early in the financial year and it is anticipated that this service will outturn on target.

- 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. Income, particularly Licensing income, has been affected by the pandemic however as with other services, WG has funded such losses.
- 2.4** Public Sector Housing (HRA) - The HRA is expected to outturn on target and any under/overspends in year will be offset by changes to the contributions to capital expenditure thus changing the reliance on Unsupported Borrowing.
- 2.5** Council Fund Housing - In response to the WG guidance on managing homelessness during the COVID-19 pandemic and the need to ensure that accommodation can be provided to ensure that those without a home can be protected, supported and isolated if necessary, the Housing Solutions Team have pre-booked 125 rooms in 3 local hotels to the end of September 2021 in order to accommodate these clients during the pandemic. In addition, Ty Iolo hostel, bed and breakfast accommodation and leased and shared properties in the private rented sector and provided by the Council are being utilised. The additional accommodation costs have been funded by the WG Hardship grant. The team are looking at a longer term strategy to deal with this situation should WG funding cease in the future. The historic savings target of £75k for CCTV will once again not be achieved this year as the current monitoring arrangement with Bridgend Council has been extended until March 2022, to allow a strategy for future monitoring to be agreed. It is anticipated that unless this saving can be covered by underspends elsewhere within the service, funding shall be drawn down from reserves to cover this shortfall.
- 2.6** Private Housing - Disabled Facility Grants clients have understandably been anxious about having officers and contractors enter their property since the pandemic hit and though the position has improved in recent months, fee income does remain behind profile. Any shortfall between April and September 2021 will be claimed back from the WG lost income funding. At this stage of the year it is anticipated that the division will outturn within target.

Due to technical accounting adjustments it has been requested that a budget virement is approved which will increase the Private Housing budget by £63k and reduce the Development Management budget accordingly. The revised budget for the year will then be £1,043k. This adjustment has not been reflected in the earlier table included in this report, however, if approved by Cabinet, the budget change will be reflected in the next monitoring report

2021/22 Efficiency Targets

- 2.7** As part of the Final Revenue Budget Proposals for 2021/22 an efficiency target of £6k has been set for services under this Committee and a breakdown is shown in Appendix 1. It is anticipated that this target will be achieved this year.

Capital

- 2.8** Appendix 2 details financial progress on the Capital Programme as at 31st May 2021. Members should be aware that Appendix 2 includes requests for unspent committed expenditure to be slipped from the 2020/21 Capital Programme into 2021/22 as approved by emergency powers. The following changes have been made to the Capital Programme since the last report to Committee.
- 2.9** Housing Improvement Programme 2021/22 - The budget for the 2021/22 Housing Improvement Programme was agreed by Cabinet on 22nd February 2021, minute number C488. Recommendation 3 stated that "The Managing Director and the Head of Finance, in consultation with the Cabinet Member for Performance and Resources, is given delegated authority to make additions, deletions or transfers to or from the 2021/22 to 2025/26 Housing Improvement Programme as appropriate". It has been approved through delegated authority that the 2021/22 budget of £36.754m is allocated as shown below:-

Scheme	Budget £'000
WHQS Internals	1,353
WHQS Externals	1,694
Individual Schemes	2,760
Emergency Works	300
Aids and Adaptations	350
Energy Efficiency	5,075
Common Parts	3,800
WHQS Environmental Improvements	5,066
New Build	16,356
TOTAL	36,754

- 2.10** ICF - Penarth Older Persons Village - ICF grant of £300k has been awarded to the Council for Disabled Facility Grants scheme. This scheme is already built into the 2020/21 Capital Programme however was funded from internal monies. Therefore, this results in £300k internal monies being released. It was approved via emergency powers that the £300k internal monies are carried forward into the 2021/22 Capital Programme and vired to the Penarth Older Persons Village scheme.

- 2.11** HRA New Build- Barry Town Centre Gateway - Cabinet approved the report on the proposals as part of the Barry Town Centre Gateway project to facilitate the redevelopment of two sites comprising Gladstone Road Bridge compound site and Broad street clinic. The two sites will deliver new affordable residential apartments and replacement Broad Street Clinic. It has therefore been requested to bring forward £100k from the 2022/23 Capital Programme into 2021/22 for feasibility and design works.
- 2.12** ENABLE Grant - The Council has received an award of funding of £177,320 in relation to ENABLE - Support for independent living. The Funding relates to the period 1st April 2021 to 31st March 2022. The purpose of the funding is to support the delivery of adaptations and integrate service delivery. Grant funding can only be used for Capital costs in relation to the delivery of adaptations under the Enhanced Adaptations Service, ENABLE - Support for independent living. It has been requested to include this scheme in the 2021/22 Capital programme with a budget of £177,320.

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

APPROVED EFFICIENCY TARGETS - 2021/22**APPENDIX 1****Service****2021/22****General Fund Housing**

Corporate Recovery and Efficiency Savings 21/22

4

Total General Fund Housing**4****Private Housing**

Corporate Recovery and Efficiency Savings 21/22

2

Total Private Housing**2****TOTAL****6**

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		
		Youth Offending Service					
0	0	Salisbury Road No. 91 (YOS) External Repairs Phase 2	15	15	0	R Evans	Investigation works being carried out
0	0		15	15	0		
		Housing Improvement Programme					
38	38	HRA Internal Works	1,467	1,467	0	M Punter	Maintenance of WHQS e.g. Kitchens, bathrooms, rewires and heating systems. Delegated authority detailed as part of this report.
82	82	HRA External Works	3,014	3,014	0	M Punter	Continuation of installation of windows & doors, roof replacements, wall repairs, sewage treatment works and Airey properties refurbishment. Delegated authority detailed as part of this report.
0	0	Individual Schemes	4,434	4,434	0	M Punter	Delivery of individual schemes and External Wall insulation on 17 Leaseholder blocks. Delegated authority detailed as part of this report.
0	0	Energy Efficiency	5,206	5,206	0	M Punter	Continuation of External Wall Insulation and Energy efficiency. Delegated authority detailed as part of this report.
20	20	Emergency Works	497	497	0	M Punter	Emergency works schemes i.e. Building works to resolve property structural and damp issues. Delegated authority detailed as part of this report.
3	3	Aids and Adaptations	350	350	0	M Punter	Delivery of major adaptations. Delegated authority detailed as part of this report.
0	0	Common Parts	5,301	5,301	0	M Punter	Delivery of the fire safety management upgrade works and communal area improvements. Delegated authority detailed as part of this report.
1	1	Environmental Improvements	6,111	6,111	0	M Punter	On-going works to the Buttrills Estate, Williams/Irving and Owen scheme and Highway Maintenance Schemes. Delegated authority detailed as part of this report.
375	375	New Build	19,708	19,808	-100	M Punter	Requested to bring forward £100k from the 2022/23 Capital Programme as part of this report. Continuation of Holm View, Court Road former amenity site, Haywood Lane and new schemes Holm View Phase 2, Cwrt St Cyres, Maes Y Ffynon, Hayes Wood Road and Colcot clinic. Also includes feasibility works for new schemes and acquisition of properties/land. Delegated authority detailed as part of this report.
0	0	IHP- Heating retrofit	695	695	0	M Punter	Continuation of heating retrofit scheme
0	0	ICF - Penarth Older Persons Village	300	300	0	M Punter	Continuation of previous years scheme. Emergency powers detailed as part of this report.
0	0	Everyone Garden Education Centre	5	5	0	M Punter	For final account
519	519		47,088	47,188	-100		
		Community Safety					
0	0	Upgrade of CCTV system	348	348	0	M Punter	Scheme will be discussed at Business Cabinet on the 12th July
0	0		348	348	0		
		Private Housing					
65	65	Disabled Facilities Grant	1,196	1,196	0	P Chappell	In the process of issuing grants.
0	0	Penarth Renewal Area	5	5	0	P Chappell	Carried forward from 2020/21 Capital Programme
65	65		1,201	1,201	0		
584	584	COMMITTEE TOTAL	48,652	48,752	-100		