

POLICY & RESOURCES SCRUTINY COMMITTEE
2nd FEBRUARY 2022

**REVENUE & CAPITAL BUDGET
MONITORING REPORT 2021/22**

To consider and comment on the following issues:

- That Scrutiny receives the Authority's Corporate Budget Monitoring Report, the Chief Executive and Corporate Services departmental reports and the Savings Monitoring report and considers the budgetary position.

Reasons:

- To provide the Committee with an update on the latest budgetary position, as at 31st October 2021, in respect of 2021/22.

To be referred to the Cabinet for decision: NO

Cabinet Member Portfolio Holders:

- Cllr. Emlyn Dole (Leader)
- Cllr. David Jenkins (Resources)
- Cllr. Ann Davies (Communities and Rural Affairs)

Directorate: Corporate Services	Designation:	Tel No. / E-Mail Address:
Name of Director of Service: Chris Moore	Director of Corporate Services	01267 224120 CMoore@carmarthenshire.gov.uk
Report Author: Chris Moore		

EXECUTIVE SUMMARY
POLICY & RESOURCES SCRUTINY COMMITTEE
2nd FEBRUARY 2022

Revenue & Capital Budget
Monitoring Report 2021/22

The Financial Monitoring report is presented as follows:

Revenue Budgets

Appendix A – Authority Corporate Budget Monitoring Report

Overall, the monitoring report forecasts an end of year underspend of £1,279k on the Authority's net revenue budget with an underspend at departmental level of £1,726k.

At a high level this is due to a combination of:

- additional COVID19 related costs and lost income being largely refunded under the Welsh Government hardship scheme
- some services still paused or impacted by lockdown measures and social distancing during Q1.
- Utilisation of some capital financing underspends, due to some significant pressure points on in-year capital project budgets, which was approved as part of a separate report.

Appendix B

Chief Executive and Corporate Services detailed variances for information purposes only.

Capital Budgets

Appendix C – Corporate Capital Programme Monitoring 2021/22

The current capital programme is based on information available as at the end of October 2021. Appendix C shows a forecasted net spend of £74,790k compared with a working net budget of £105,168k, giving a -£30,378k variance. The variance projected at this time relates mainly to delays with regeneration projects.

The net budget includes the original H.R.A. and General Fund capital programmes approved by Council on 3rd March and slippage from 2020/21 and, amendments approved by Cabinet on 25th October 2021. Some of the budgets have also been amended to account for differences in actual grant allocations compared with the anticipated allocations at the time the programme was approved.

Appendix D

Details the main variances against agreed budgets for each department.

New Projects to note and approve for the current year:

Private Housing: Additional grant has been awarded to the ENABLE programme of £338k, taking the total amount of grant for this project to £307k in 2021/22 which is 100% funding by the grant.

Social Care: £375k has been awarded in Intermediate Care Fund (ICF) grant funding for various projects.

Regeneration: As part of Westminster Government's Levelling Up programme across the United Kingdom the Carmarthen West and Pembrokeshire South bid was successful in attracting £15.86m grant funding for the Carmarthen Hub. The grant requires a match

funding from the County Council of £3.748m. This funding will be identified as part of the five-year budget setting process, however, £544k match funding is required in 2021/22 for the initial stages of the project. It is proposed to fund this from underspends within the current year and slip the variance as negative slippage to future years at the end of year.

Environment: The Dinefwr bid for Levelling up was also successful and awarded £16.775m to deliver the Towy Valley Path. This bid requires £1.864m match funding from the County Council which will be identified as part of the five-year budget setting process. £563k match funding is required during the current year and it is proposed to fund this from underspends on other projects and slip the variance as negative slippage to future years. As part of the current five-year programme, in-house council funding was reduced against this project as it had historically not been supported by external funds, however, a commitment was given to restore that funding should external funding materialise. Supporting the match funding for this project will deliver on that commitment.

Education and Children: £600k ICF grant has been awarded for the refurbishment of the residential accommodation at Rhydygors.

Slippage to future years of the five-year capital programme.

Regeneration: £20.594m of expenditure on City Deal projects to be slipped forward to future years to correlate with the construction phase.

Environment: £6.249m of expenditure on the fleet replacement programme. social welfare buses, refuse and highways lorries not being replaced in this financial year. The slippage will be built into future years of the five-year capital programme.

Appendix E

Details a full list of Chief Executive and Regeneration schemes, respectively. There are no Corporate Services schemes.

Savings Report

Appendix F

The Savings Monitoring report.

DETAILED REPORT ATTACHED?

YES – A list of the main variances is attached to this report.

IMPLICATIONS

I confirm that other than those implications which have been agreed with the appropriate Directors / Heads of Service and are referred to in detail below, there are no other implications associated with this report.

Signed: **Chris Moore** Director of Corporate Services

Policy, Crime & Disorder and Equalities	Legal	Finance	ICT	Risk Management Issues	Staffing Implications	Physical Assets
NONE	NONE	YES	NONE	NONE	NONE	NONE

3. Finance

Revenue

Overall, the Authority is forecasting an underspend of £1,279k.

Policy and Resources Services are projecting to be under the approved budget by £1,440k.

Capital

The capital programme shows an in-year variance of -£30,378k against the 2021/22 approved budget as at 31st October 2021.

Savings Report

The expectation is that at year end £281k of Managerial savings against a target of £451k are forecast to be delivered. There were no Policy savings put forward.

CONSULTATIONS

I confirm that the appropriate consultations have taken in place and the outcomes are as detailed below:

Signed: **Chris Moore** Director of Corporate Services

1. Local Member(s) – N/A
2. Community / Town Council – N/A
3. Relevant Partners – N/A
4. Staff Side Representatives and other Organisations – N/A

CABINET MEMBER PORTFOLIO HOLDER(S) AWARE / CONSULTED?
YES

(Include any observations here)

Section 100D Local Government Act, 1972 – Access to Information

**List of Background Papers used in the preparation of this report:
THESE ARE DETAILED BELOW:**

Title of Document	File Ref No. / Locations that the papers are available for public inspection
2021/22 Budget	Corporate Services Department, County Hall, Carmarthen
2021-26 Capital Programme	Online via corporate website – Minutes of County Council Meeting 3 rd March 2021