

# CORPORATE PERFORMANCE & RESOURCES SCRUTINY COMMITTEE 12<sup>th</sup> DECEMBER 2023

## Revenue & Capital Budget Monitoring Report 2023/24

### THE SCRUTINY COMMITTEE IS ASKED TO:

- Receive 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 Scrutiny with an update on the latest budgetary position, as at 31<sup>st</sup> August 2023, in respect of 2023/24.

### CABINET MEMBER PORTFOLIO HOLDERS:

- Cllr. Darren Price (Leader)
- Cllr. Alun Lenny (Resources)
- Cllr. Phillip Hughes (Organisation and Workforce)

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|--|--------------------------------|--|
| <b>Directorate:</b><br>Corporate Services          | <b>Designation:</b>            | <b>Tel No. / E-Mail Address:</b>   |
| <b>Name of Director of Service:</b><br>Chris Moore | Director of Corporate Services | 01267 224120<br><a href="mailto:CMoore@cararthenshire.gov.uk">CMoore@cararthenshire.gov.uk</a> |
| <b>Report Author:</b><br>Chris Moore               |                                |  |

## EXECUTIVE SUMMARY

# CORPORATE PERFORMANCE & RESOURCES SCRUTINY COMMITTEE 12<sup>th</sup> DECEMBER 2023

## Revenue & Capital Budget Monitoring Report 2023/24

The Financial Monitoring report is presented as follows:

### Revenue Budgets

#### Appendix A – Authority Corporate Budget Monitoring Report

The revenue budget monitoring reports as at 31<sup>st</sup> August 2023 are attached and indicate that:

#### **COUNCIL FUND REVENUE ACCOUNT (Appendix A)**

Overall, the monitoring report forecasts an overspend for the year at departmental level of £8,730k, with a forecast overspend on the Authority's net revenue budget of £6,098k.

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

- Increased expenditure in adult social care to meet pent up demand as recruitment pressures have begun to ease a little across the sector
- persistent overspends in service areas where budget reductions have been implemented, but challenges in delivery have made it impossible to keep pace with the level of savings required
- Significant overspends in Childrens Services, driven by increased levels of demand combined with complexity, not seen before the pandemic, which has required both a higher number and increased cost of residential placements.

The capital financing underspend forecast at £2.25m is due to scheme delays, a reduced need to borrow and increased interest earned on positive cash balances, partially offset by in year direct revenue funding for a small number of projects as set out in the capital programme update.

The April NJC pay award remains unsettled at the point of writing. As part of the 2023/24 budget setting process the Authority has agreed a £1.5m in year contingency budget which is currently held centrally which provides a partial offset to any costs above the 5% allowed for in the budget.

The full year forecast reflects the impact which includes known financial positions at the point of preparation. As such the forecast does not contain the full impact of any additional in-year and grant adjustments. In line with our existing policies, forecast departmental overspends are met out of departmental reserves, where available.

## **Appendix B**

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

## **Capital Budgets**

### **Corporate Capital Programme Monitoring 2023/24**

The current capital programme is based on information available as at the end of August 2023.

**Appendix C** shows a forecasted net spend of £91,370k compared with a working net budget of £142,842k, giving a -£51,472k variance (-£48,693k General Fund and -£2,779k HRA).

The net budget includes the original H.R.A. and General Fund capital programmes approved by Council on 1<sup>st</sup> March and slippage from 2022/23. 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, and new grant awards received during the year to date.

## **Appendix D**

Details the main variances within each department.

### **New Projects and virements to note and approve for the current year:**

**Private Housing:** New award of £100k for DFG Top up Grant for Disabled Facilities and £15k for the Care & Repair - Small Repairs Scheme.

**Social Care:** A virement of £420k ICF among the Ceredigion Schemes for which Carmarthenshire holds the funding as regional lead authority – Cardigan Flats -£420k, Aberystwyth MH Flats £42k and Hafan Deg Dementia Wing & Sensory Garden, Lampeter £378k.

New grants awarded for the HCF fund : Step up/down Equipment £12k, Equipment for Disabled Children £12k, Sensory Bus £30k, Technology to increase confidence & Well-being in a Residential Setting £16k, Improve assessments & interventions for people with symptoms of Alcohol Related Brain Damage £20k, Refurbishment of Tir Einon £80k, Adult Adapted Bicycles – Johnstown Centre £10k, Caemaen Sensory Development £20k, Promoting Digital Technology £36k and Enhancing Sensory Opportunities in Coleshill £20k.

### **Place and Infrastructure:**

Flood Defence Works – virements to assign funding from the general match funding budget to match fund flood grant projects £150k as follows:

|   |          |
|---|----------|
| Margaret Street, Ammanford - Flood Mitigation   | 23,838   |
| Bronwydd Tip Culvert - Exp  | 42,106   |
| Small Scale Works Grant 2022/23 (Flood Defence) - Llansteffan Large Outfall           | 5,557    |
| Bronwydd Phase 2 - Exp  | 3,115    |
| Small Scale Works Grant 2023/24 (Flood Defence) - Flood Alert Early Warning Telemetry | 6,000    |
| Quarry Ffynnant - Construction Phase - Exp  | 69,384   |
| Flood Management General Match funding budget   | -150,000 |

Assign the £200k flood mitigation budget to Cae Ffynnon Culvert £199K, and £1k to Bronwydd Phase 2.

Approve revenue contributions of £45.9k and £49.9k for Brynglas Screen Drefach, and Llansteffan Large Outfall, respectively.

New grants awarded for Flood and Coastal Erosion Risk Management projects at Pentrepoeth Road, Llanelli £70k and Whitland £85k.

Brilliant Basics Funds 2023/25 – a new grant awarded of £224k for Llansteffan North Green car park improvements. £56k is to be funded from a revenue contribution.

Main Administrative Buildings Works – new funding for Llanelli Town Hall (Stone Ramp Access) £2k and Kidwelly Town Hall £40K from reserves.

**New Funds** to be approved to be brought into the capital programme to accommodate pressures on existing projects.

- £784k additional funding for the Oriel Myrddin Development to be funded by corporate Direct Revenue Financing.
- additional funding for the purchase of a property within social care to be funded by corporate Direct Revenue Financing (value currently market sensitive).
- £1.4m additional funding for Ty Elwyn refurbishment funded by corporate reserve. This will bring the total funding available for this project to £2.5m and enable works to start.

#### **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 |
| <b>NONE</b>                             | <b>NONE</b> | <b>YES</b> | <b>NONE</b> | <b>NONE</b>            | <b>NONE</b>           | <b>YES</b>      |

### 3. Finance

#### Revenue

Overall, the Authority is forecasting an overspend of £8,730k at this point in time. Corporate Performance & Resources Services are projecting to be under the approved budget by £1,037k.

#### Capital

The capital programme shows a variance of -£51,472k against the 2023/24 approved budget.

#### Savings Report

The expectation is that at year end £832k of Managerial savings against a target of £992k are forecast to be delivered. There were no Policy savings put forward.

### 7. Physical Assets

The expenditure on the capital programme will result in the addition of new assets or enhancement to existing assets on the authority's asset register.

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|--|--|
| <b>CABINET MEMBER PORTFOLIO HOLDER(S) AWARE / CONSULTED?</b><br>YES                                    | (Include any observations here)  |
| <b>Section 100D Local Government Act, 1972 – Access to Information</b>                                 |  |
| <b>List of Background Papers used in the preparation of this report:<br/>THESE ARE DETAILED BELOW:</b> |  |
| <b>Title of Document</b>   | <b>File Ref No. / Locations that the papers are available for public inspection</b>          |
| 2023/24 Budget   | Corporate Services Department, County Hall, Carmarthen                                       |
| 2023-28 Capital Programme  | Online via corporate website – Minutes of County Council Meeting 1 <sup>st</sup> March 2023. |