

## Council Fund 2021/22 ADULT Select Month 2 Detailed Statement

### Overall Revenue Position

Table 1: Council Fund 2021/22 Outturn Forecast Summary Statement at Month 2

Service Area	Original Budget 2021/22	Budget Adjustments Months 1-2	Revised Annual Budget	Forecast Outturn	Forecast (Under) / Over Spend @ M2
	'000's	'000's	'000's	'000's	'000's
<b>Social Care, Health &amp; Safeguarding</b>	52,825	(182)	52,643	54,308	1,665
Children & Young People	56,526	23	56,549	57,381	832
Enterprise	21,852	(206)	21,646	24,115	2,469
MonLife	3,951	17	3,968	6,978	3,010
Chief Executives Unit	2,745	(105)	2,640	2,692	52
People & Governance	3,359	(11)	3,348	3,341	(7)
Resources	7,457	(453)	7,004	8,112	1,108
Corporate Costs & Levies	23,415	823	24,238	24,259	21
<b>Net Cost of Services</b>	<b>172,130</b>	<b>(94)</b>	<b>172,036</b>	<b>181,186</b>	<b>9,150</b>
Appropriations	5,836	94	5,930	5,930	0
<b>Expenditure to be Financed</b>	<b>177,966</b>	<b>0</b>	<b>177,966</b>	<b>187,116</b>	<b>9,150</b>
Financing	(177,966)	0	(177,966)	(178,096)	(130)
<b>Net General Fund (Surplus) / Deficit</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>9,020</b>	<b>9,020</b>

Table 2: Council Fund 2021/22 Outturn Forecast Detailed Statement at Month 2

Service Area	Original Budget 2021/22	Budget Adjustments Months 1-2	Revised Annual Budget	Forecast Outturn	Forecast (Under) / Over Spend @ M2
	'000's	'000's	'000's	'000's	'000's
Adult Services	8,341	(34)	8,307	8,596	289
Children Services	16,147	(138)	16,009	17,136	1,127
Community Care	24,386	(73)	24,313	24,711	398
Commissioning	1,431	(2)	1,429	1,295	(134)
Partnerships	436	0	436	436	0
Public Protection	1,524	18	1,542	1,543	1
Resources & Performance	560	47	607	591	(16)
<b>Social Care, Health &amp; Safeguarding</b>	<b>52,825</b>	<b>(182)</b>	<b>52,643</b>	<b>54,308</b>	<b>1,665</b>

Service Area	Original Budget 2021/22	Budget Adjustments Months 1-2	Revised Annual Budget	Forecast Outturn	Forecast (Under) / Over Spend @ M2
Individual Schools Budget	46,488	43	46,531	46,531	0
Resources	1,167	(21)	1,146	1,149	3
Standards	8,871	1	8,872	9,701	829
<b>Children &amp; Young People</b>	<b>56,526</b>	<b>23</b>	<b>56,549</b>	<b>57,381</b>	<b>832</b>
Enterprise & Community Animation	2,837	72	2,909	4,052	1,143
Facilities & Fleet Management	5,487	(54)	5,433	5,984	551
Neighbourhood Services	11,233	(180)	11,053	11,398	345
Placemaking, Highways & Flood	2,295	(44)	2,251	2,681	430
<b>Enterprise</b>	<b>21,852</b>	<b>(206)</b>	<b>21,646</b>	<b>24,115</b>	<b>2,469</b>
Countryside & Culture	1,422	0	1,422	1,476	54
Finance & Business Development	1,735	(1)	1,734	1,734	0
Leisure, Youth & Outdoor Adventure	794	18	812	3,768	2,956
<b>MonLife</b>	<b>3,951</b>	<b>17</b>	<b>3,968</b>	<b>6,978</b>	<b>3,010</b>
Policy, Scrutiny & Customer Service	2,745	(105)	2,640	2,692	52
<b>Chief Executives</b>	<b>2,745</b>	<b>(105)</b>	<b>2,640</b>	<b>2,692</b>	<b>52</b>
People & Governance	3,359	(11)	3,348	3,341	(7)
<b>People &amp; Governance</b>	<b>3,359</b>	<b>(11)</b>	<b>3,348</b>	<b>3,341</b>	<b>(7)</b>
Finance	3,526	(130)	3,396	4,152	756
Information, Communication Technology	3,136	(387)	2,749	2,749	0
Commercial & Corporate Landlord	795	64	859	1,211	352
<b>Resources</b>	<b>7,457</b>	<b>(453)</b>	<b>7,004</b>	<b>8,112</b>	<b>1,108</b>
Precepts & Levies	21,362	0	21,362	21,375	13
Coroner's	147	0	147	147	0
Archives	182	0	182	182	0
Corporate Management	339	0	339	315	(24)
Non Distributed Costs (NDC)	643	0	643	675	32
Strategic Initiatives	(836)	823	(13)	(13)	0
Insurance	1,578	0	1,578	1,578	0
<b>Corporate Costs &amp; Levies</b>	<b>23,415</b>	<b>823</b>	<b>24,238</b>	<b>24,259</b>	<b>21</b>

Service Area	Original Budget 2021/22	Budget Adjustments Months 1-2	Revised Annual Budget	Forecast Outturn	Forecast (Under) / Over Spend @ M2
<b>Net Cost of Services</b>	<b>172,130</b>	<b>(94)</b>	<b>172,036</b>	<b>181,186</b>	<b>9,150</b>
Fixed Asset Disposal Costs	30	0	30	30	0
Interest & Investment Income	(134)	0	(134)	(134)	0
Interest Payable & Similar Charges	3,736	0	3,736	3,736	0
Charges Required under Regulation	6,404	0	6,404	6,404	0
Other Investment Income	0	0	0	0	0
Borrowing Cost Recoupment	(3,619)	0	(3,619)	(3,619)	0
Contributions to Reserves	163	0	163	163	0
Contributions from reserves	(744)	94	(650)	(650)	0
<b>Appropriations</b>	<b>5,836</b>	<b>94</b>	<b>5,930</b>	<b>5,930</b>	<b>0</b>
<b>Expenditure to be Financed</b>	<b>177,966</b>	<b>0</b>	<b>177,966</b>	<b>187,116</b>	<b>9,150</b>
General Government Grants	(69,465)	0	(69,465)	(69,465)	0
Non Domestic Rates	(32,017)	0	(32,017)	(32,017)	0
Council tax	(83,636)	0	(83,636)	(84,136)	(500)
Council Tax Benefit Support	7,152	0	7,152	7,522	370
<b>Financing</b>	<b>(177,966)</b>	<b>0</b>	<b>(177,966)</b>	<b>(178,096)</b>	<b>(130)</b>
<b>Net General Fund (Surplus) / Deficit</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>9,020</b>	<b>9,020</b>

## DIRECTORATE – DIVISION VARIANCE COMMENTS

<b>SOCIAL CARE, HEALTH &amp; SAFEGUARDING</b>	<b>Month 2</b>	<b>Month 5</b>	<b>Month 7</b>	<b>Month 9</b>	<b>Outturn</b>
<b>Deficit / (Surplus) £'000s</b>	<b>1,665</b>	<b>0</b>	<b>0</b>	<b>0</b>	

### **SOCIAL CARE, HEALTH & SAFEGUARDING DIRECTOR'S COMMENTARY:**

The month 2 directorate outturn for 2021/22 is, at this early stage in the financial year, an over spend of £1.665m. The overspend would be £1.75M higher if not assisted by the Social Care Workforce and Sustainability Grant from Welsh Government of £1.242m and £500k of Intermediate Care Funding (ICF) and Discharge to Reassess monies from Health.

The Adult Services division at month 2 has a predicted overspend of £536k, largely as a result of additional carer recruitment to our in house care at home service, and increased care packages in the South of the County. This area of the directorate is benefitting from the Social Care Workforce and Sustainability (SCWS) grant of £1.242m, plus ICF and Discharge to Reassess funding from Health totalling £150k, with ICF scheduled to terminate at 31<sup>st</sup> March 2022.

Children's Services has a forecast overspend of £1.127m. At the end of 2019/20 CLA numbers stood at 213 and remain the same at the end of the first 2 months of this year, which is a positive outcome. However, new children have required high cost residential placements, as opposed to those leaving which have been more in the lower cost fostering/kinship/family placements, accounting for £500k of the overspend. A recent legal case has led to the need for the directorate to pay kinship carers in line with foster carer rates, along with the increase in payment to foster carers due to increasing skills training, producing £272k of the overspend. Legal costs associated with court proceedings accounting for £238K of the over spend, with the remaining £117k due to continued use of agency staffing. This element of the directorate has also benefitted from ICF funding of £350K.

Public Protection continues to strive to remain within its budget and early prediction is a slight overspend of £2k, with plans being looked at to hopefully curtail this as we move through the financial year.

### **ADULT SERVICES**

<b>Outturn Forecast</b>	<b>Month 2</b>	<b>Month 5</b>	<b>Month 7</b>	<b>Month 9</b>	<b>Outturn</b>
<b>Deficit / (Surplus) £'000s</b>	<b>289</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Additional recruitment of carers, over and above budget, into our in house care at home service to facility additional packages of care.

### **CHILDREN SERVICES**

<b>Outturn Forecast</b>	<b>Month 2</b>	<b>Month 5</b>	<b>Month 7</b>	<b>Month 9</b>	<b>Outturn</b>
<b>Deficit / (Surplus) £'000s</b>	<b>1,127</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Even with reducing CLA numbers, new children have required high cost residential placements as a result of increased complexity, as opposed to those leaving which have been more in the lower cost fostering/kinship/family placements, accounting for £500k of the overspend. A recent legal case has led to the need for the directorate to pay kinship carers in line with foster carer rates, along with the

increase in payment to foster carers due to increasing skills training, producing £272k of the overspend. Legal costs associated with court proceedings accounting for £238k of the over spend, with the remaining £117k due to continued use of agency staffing.

### COMMUNITY CARE

Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	397	0	0	0	0

The over spend in in the South of the County in our Chepstow Integrated team resulting from increased care packages.

### COMMISSIONING

Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'s	(134)	0	0	0	0

Ongoing vacant Commissioning Officer post and due to the continued closure of day facilities transport costs are lower than budget.

### PARTNERSHIPS

Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	0	0	0	0	0

No variances

### RESOURCES & PERFORMANCE

Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	(16)	0	0	0	0

Vacant posts within the Finance team which have recently been appointed too.

ENTERPRISE	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	2,470	0	0	0	

### ENTERPRISE DIRECTOR'S COMMENTARY:

The Enterprise Directorate is forecasting a £2.47m adverse variance at month 2. The impacts of COVID are still having a pronounced effect upon the services provided within Enterprise along with increased demand for services across the portfolio. Both a projected loss of income and additional costs incurred continue to feature at this time and are currently forecast at £2.2m.

Each service area sets out the detail behind these projections within the next sections of the report and the key financial issues, risks and implications are described.

Across all Service Area's we are looking to ensure that all eligible additional costs and income losses will be claimed against any Welsh Government funding being made available.

## ENTERPRISE & COMMUNITY ANIMATION

Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	1,041	0	0	0	0

Enterprise & Community Animation is forecasting a £1.041m overspend, this is mainly due to :-

- **Housing** - £1.041m overspend, this can be broken down into 4 main areas :-
  - **Homelessness** – If levels remain the same for rest of year then we are expecting a pressure of £977k split between B&B costs of £301k and hostel security costs of £676k. We anticipate that the first 6 months will be funded by WG Covid-19 grant but if this does end in September than there is a potential impact on budget of £505k.
  - **Sewage Treatment Plants** - £27k overspend – Delays in NRW decision to approve a replacement system at Shirenewton has meant that the plant still needs to be-emptied on a regular basis to avoid leaks.
  - **Social Housing Grant** - £73k overspend – Change in grant T&Cs has meant that core staff costs are no longer claimable causing a budget pressure.
  - **Shared Housing & Private Leasing** - £50k underspend - It is very early in the year for an accurate forecast for this service due to the volatility in rental payments, but if levels remain the same as last year then net income will be enough to return an underspend against budget.

## CAPITAL OUTTURN

The summary forecast Capital position at Month 2 is as follows:

### Forecast Capital Outturn Position 2021/22 at Month 2

Select Portfolio	Slippage B/F	Original Budget	Budget Adjustments	Provisional Slippage	Revised Budget 2021/22	Forecast	Variance
	£000's	£000's	£000's	£000's	£000's	£000's	£000's
<b>Expenditure</b>							
Children & Young People	15,381	14,423	1,261	0	31,065	31,065	0
Economic & Development	19,244	546	606	0	20,396	20,396	0
Adult	5,964	0	0	0	5,964	5,964	0
Strong Communities	8,554	11,545	1,708	0	21,807	21,807	0
<b>Total Expenditure</b>	<b>49,143</b>	<b>26,514</b>	<b>3,575</b>	<b>0</b>	<b>79,232</b>	<b>79,232</b>	<b>0</b>
<b>Financing</b>							
Supported Borrowing	0	(2,431)	0	0	(2,431)	(2,431)	0
General Capital Grant	0	(2,438)	0	0	(2,438)	(2,438)	0
Grants and Contributions	(19,096)	(13,160)	(3,575)	0	(35,831)	(35,831)	0
S106 Contributions	(711)	0	0	0	(711)	(711)	0
Unsupported Borrowing	(27,031)	(4,094)	0	0	(31,125)	(31,125)	0
Earmarked Reserve & Revenue Funding	(241)	0	0	0	(241)	(241)	0
Capital Receipts	(2,064)	(2,891)	0	0	(4,955)	(4,955)	0
Leasing	0	(1,500)	0	0	(1,500)	(1,500)	0
<b>Total Financing</b>	<b>(49,143)</b>	<b>(26,514)</b>	<b>(3,575)</b>	<b>0</b>	<b>(79,232)</b>	<b>(79,232)</b>	<b>0</b>

The capital expenditure forecast outturn at month 2 shows a balanced budget as currently no under or over spends are being forecast mainly due to expenditure plans still needing to be refined given the early stage in the financial year. A change in Senior Management positions within the Property Management structure and continuing delays in contracting work due to Covid-19 restrictions are expected to have an impact during the year, however this will take some time to become clear.

## Useable Capital Receipts Available

In the table below, the effect of the changes to the forecast capital receipts on the useable capital receipts balances available to meet future capital commitments are illustrated.

	2021/22	2022/23	2023/24	2024/25	2025/26
	£000	£000	£000	£000	£000
Balance as at 1st April	9,581	15,550	15,162	14,076	12,989
Capital receipts used for financing	(2,059)	(684)	(684)	(684)	(684)
Capital receipts used to support capitalisation direction	(2,208)	(2,208)	(507)	(507)	(507)
Capital receipts Received or Forecast	10,236	2,504	104	104	104
<b>Forecast Balance as at 31st March</b>	<b>15,550</b>	<b>15,162</b>	<b>14,076</b>	<b>12,989</b>	<b>11,902</b>