

Council Fund 2020/21 ADULT Select Outturn Detailed Statement

Overall Revenue Position

Table 1: Council Fund 2020/21 Outturn Summary Statement

Service Area	Original Budget 2020/21	Budget Adjustments 2020/21	Revised Annual Budget	Actual Outturn	Actual (Under) / Over Spend @ Outturn	Forecast (Under) / Over Spend @ M9	Variance from M9 to Outturn
	'000's	'000's	'000's	'000's	'000's	'000's	'000's
Social Care, Health & Safeguarding	50,685	(170)	50,515	51,327	811	1,308	(497)
Children & Young People	55,539	480	56,019	56,093	75	86	(12)
Enterprise & Monlife	24,133	(1,946)	22,187	21,688	(499)	3,829	(4,328)
Chief Executives Unit	4,745	(81)	4,664	4,524	(140)	(4)	(136)
Resources	7,746	(445)	7,301	6,454	(847)	387	(1,234)
Corporate Costs & Levies	22,743	229	22,972	20,403	(2,569)	13	(2,582)
Net Cost of Services	165,591	(1,934)	163,658	160,488	(3,170)	5,619	(8,789)
Appropriations	4,856	2,192	7,049	10,623	3,574	(264)	3,838
Expenditure to be Financed	170,447	259	170,706	171,111	405	5,355	(4,950)
Financing	(170,447)	(259)	(170,706)	(171,111)	(405)	(208)	(197)
Net General Fund (Surplus) / Deficit	0	(0)	0	0	(0)	5,147	(5,147)

Table 2: Adult Select 2020/21 Outturn Detailed Statement

Service Area	Original Budget 2020/21	Budget Adjustm -ents 2020/21	Revised Annual Budget	Actual Outturn	Actual (Under) / Over Spend @ Outturn	Forecast (Under) / Over Spend @ M9	Variance from M9 to Outturn
	'000's	'000's	'000's	'000's	'000's	'000's	'000's
Adult Services	7,877	(55)	7,822	7,732	(90)	(62)	(28)
Community Care	24,434	30	24,464	24,239	(225)	59	(284)
Commissioning	1,483	(65)	1,418	1,249	(169)	(106)	(63)
Partnerships	436	0	436	436	0	0	0
Resources & Performance	546	(3)	543	553	10	1	9
Social Care, Health & Safeguarding	34,776	(93)	34,683	34,209	(474)	(108)	(366)
Planning & Housing	1,951	(130)	1,821	1,314	(507)	1,245	(1,752)
Enterprise	1,951	(130)	1,821	1,314	(507)	1,245	(1,752)
Adult Select Net Cost of Services	36,727	(223)	36,504	35,523	(981)	1,137	(2,118)

DIRECTORATE – DIVISION VARIANCE COMMENTS

SOCIAL CARE, HEALTH & SAFEGUARDING	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	1,630	1,448	1,707	1,308	811

SOCIAL CARE, HEALTH & SAFEGUARDING DIRECTOR'S COMMENTARY:

The directorate outturn for 2020/21 was an overspend of £811K, a £497K decrease since month 9, as a result of late Discharge to Reassess funding from Health of £553K. Of the over spend, £346K is as a result of the pressure from the additional 1.75% unfunded staff pay award and £242K unachievable 2% staff efficiency saving. The directorate budget was also assisted by the Social Care Workforce and Sustainability Grant from Welsh Government of £984K.

The Adult Services division finished the financial year with an underspend of £474K, an increase in underspend since M9 of £365K, largely due to funding received from Health via the Discharge to Reassess scheme. This area of the directorate has also benefitted in year from the Social Care Workforce and Sustainability (SCWS) grant of circa £1M and Intermediate Care Funding (ICF), with ICF has a planned termination date of 31st March 2022.

Children's Services has a predicted overspend of £1.353M, a £81K reduction since the reported M9 forecast. This element of the directorate received a significant injection as part of the 2020/21 budget allocation, however, this was based on CLA numbers at that time being 197. Since the budget for 2020/21 was set, the service had a further influx of children to 219 at the end of 2019/20, and at the close of the financial year CLA numbers stood at 213.

Public Protection continues to strive to remain within its budget, turning out an underspend of £67K, an increase in underspend since M9 of £50K, due to some reduced activity as a result of COVID 19.

ADULT SERVICES

Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	24	156	180	(62)	(90)

Net effect of additional pay award, not achieving the 2% staff efficiency saving and additional spend in the care at home service, less reduced premise expenditure with day service closures as a result of COVID 19 plus Winter Pressures funding from Health.

COMMUNITY CARE

Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	(63)	(209)	(4)	60	(225)

This division is being held up by a circa £1M SCWS grant plus Winter Pressures funding from Health.

COMMISSIONING

Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'s	(118)	(63)	(103)	(106)	(169)

Ongoing vacant Commissioning Officer post and realignment of Service Level Agreements, netting the costs of increased staff pay award.

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	1	(5)	(4)	0	10
As a result of the increased staff pay award.					

ENTERPRISE	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	5,950	5,113	4,617	3,829	(499)

ENTERPRISE DIRECTOR'S COMMENTARY:

The Enterprise and MonLife Directorate is forecasting an outturn position of £500k surplus at year end. This is an improved position since Month 9 and the details of these changes are provided within the next sections of this report.

The impact of COVID-19 has been significant across all of the services with both a loss of income and additional costs incurred to operate critical front line services during the pandemic. In addition to the direct impacts of the pandemic service areas identified pressures where budget savings have not been implemented or ongoing pressures continued to affect services.

Across all Services, all eligible additional costs and income losses have been claimed against any Welsh Government funding that has been made available. In addition, service areas have been successful in securing grant funding which has enabled us to passport core costs to grant funding activity. Since month 9 a number of service areas have been able to report a significantly improved position as WG has confirmed that costs or income losses can be covered by the support grants available due to COVID.

PLANNING, HOUSING and Highways Dev & Flooding

Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	1,011	1,067	993	1,245	(507)

Housing and Highways Dev & Flooding has underspent by £507k.

- **Housing** - £165k underspent - The majority of the under spend is found in our Shared Housing and Private Leasing schemes where net rental received from tenants has exceeded budgeted expectations. The final position on rent accounts cannot be calculated until financial year end so the extent of underspend was not known during the year and is the reason for the positive swing between reporting periods. In addition we have also been able to fund some staffing from grant funding. The increased expenditure relating to Welsh Government Covid related requirements to

support homeless households and implement new Welsh Government homeless policy, has been funded by the WG Covid support grant so has not affected outturn position.

3 CAPITAL OUTTURN

3.1 The summary Capital outturn position is as follows:

Capital Outturn Position 2020/21

Select Portfolio	Slippage B/F	Original Budget	Budget Revisions	Approved Slippage	Revised Budget 2020/21	Actual Outturn	Variance at Outturn	Variance at M9
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Expenditure								
Children & Young People	1,245	14,423	1,872	(15,381)	2,160	2,151	(9)	0
Economic & Development	17,496	3,068	30	(19,274)	1,320	1,320	0	0
Adult	300	5,678	0	(5,964)	14	14	0	0
Strong Communities	5,801	10,139	12,079	(9,301)	18,718	15,546	(3,171)	(157)
Total Expenditure	24,842	33,308	13,981	(49,920)	22,211	19,031	(3,180)	(157)
Financing								
Supported Borrowing	0	(2,417)	0	0	(2,417)	(2,417)	0	0
General Capital Grant	0	(2,423)	0	0	(2,423)	(2,423)	0	0
Grants and Contributions	(393)	(18,229)	(10,826)	19,095	(10,353)	(8,623)	(1,730)	157
S106 Contributions	(1,052)	0	(166)	711	(507)	(507)	0	0
Unsupported Borrowing	(22,546)	(5,275)	(2,032)	27,217	(2,637)	(3,442)	805	0
Reserve & Revenue Funding	(239)	(2)	(252)	241	(252)	(252)	0	0
Capital Receipts	(612)	(3,462)	(705)	2,656	(2,123)	(1,042)	(1,080)	0
Leasing	0	(1,500)	0	0	(1,500)	(325)	(1,175)	0
Total Financing	(24,842)	(33,308)	(13,981)	49,920	(22,211)	(19,031)	(3,180)	157

3.2 The capital expenditure outturn for 2020/21 shows a saving of £3.18m against budget, however it is important to note that this does not fully represent released capital financing available for future use. The variances can be explained as follows:

- Reduced usage of the Capitalisation Directive budget by £1.08m following clarification of the revenue outturn position. This subsequently releases capital receipts back to the capital receipts reserve to utilise for future capital investment.
- Specific grant funding budgets of £1.92m that have not been able to be spent within the financial year primarily due to a combination of late notification of the grant awards, a lack of resources available to complete eligible works and a shortage of appropriate schemes that fit within the grant criteria stipulated. This under spend does not release any capital financing for future use as the grant actually paid matches the overall expenditure.
- Vehicle replacement has under spent by £172k due to clarification of vehicles requirements during the year. These purchases were originally budgeted to be funded by leasing but following an options appraisal it was more cost-effective to finance the majority of vehicles via borrowing. The under spend does not release any capital financing for future use.

3.3 The outbreak of the Covid-19 pandemic has caused significant disruption to the progress of budgeted capital schemes with slippage at outturn totalling £49.92m (£40.45m at month 9). The Covid-19 impact is affecting both internally and externally managed projects, with disruption to external supply chains, increased contract risk and potential inflationary cost pressures sitting alongside internal resourcing pressures.

3.4 The forecast slippage is broken down as follows:

Scheme	Forecast Slippage Month 2 (000's)	Forecast Slippage Month 5 (000's)	Forecast Slippage Month 7 (000's)	Forecast Slippage Month 9 (000's)	Actual Slippage At Outturn
Asset Investment fund		18,142	18,142	18,118	18,067
Tranche 'B' King Henry Future Schools			12,484	13,421	14,092
Crick Road Care Home	5,978	5,978	5,978	5,978	5,964
RE-FIT Programme					2,031
Flood Recovery Grant					1,337
City Deal					830
Highways Maintenance					812
Schools Maintenance					749
County Hall 'J' block		544	544	544	774
Section 106 schemes		131	78	148	692
Disabled Facilities Grants					613
21 st Century Schools Team				525	572
School Refurbishment				300	415
Car Park Improvements					328
'IT' Schemes					296
WG 'Resilient Roads'					292
Bridges & Retaining Walls					278
Recycling Vehicles and Boxes					261
'Green Infrastructure'					247
Abergavenny Borough Theatre Works				236	239
Access for All				390	238
County Farms					215
Council Chamber refurbishment & IT upgrade		200	200	200	200
Sewage Treatment Works				200	199
Abergavenny Community Hub development				47	73
Property schemes		229	74	138	0
Other schemes				203	106
Total	5,978	25,224	37,500	40,448	49,920

3.5 Useable Capital Receipts Available

3.6 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. There is also a comparison to the balances forecast within the 2020/24 MTFP capital budget proposals.

	2020/21	2021/22	2022/23	2023/24	2024/25
	£000	£000	£000	£000	£000
Balance as at 1st April	3,040	9,210	14,136	12,544	11,452
Capital receipts used for financing	(31)	(3,341)	(684)	(684)	(684)
Capital receipts used to support capitalisation direction	(1,011)	(2,208)	(2,208)	(508)	(508)
Capital receipts Received or Forecast	7,212	10,475	1,300	100	100
Forecast Balance as at 31st March	9,210	14,136	12,544	11,452	10,360
Forecast Balance 2020/24 MTFP	9,904	10,245	10,791	10,136	10,136
Variance compared to 2020/24 MTFP	(694)	3,891	1,753	1,316	224

3.7 Capital receipts used to support the capitalisation direction were £1.08m less than budgeted for 2020/21, however this was offset by an overall delay in generating some receipts into 2021/22 and beyond and therefore results in a slightly reduced balance of receipts compared to the original budget.

3.8 Forecast receipts to be generated in future years have increased since the 2020/21 budget was set and this is demonstrated in the expected overall increase in receipt balances after affording additional capitalisation direction approved as part of 2021/22 budget setting.