

CYNGOR SIR POWYS COUNTY COUNCIL.

CABINET EXECUTIVE

30 July 2024

REPORT AUTHOR: County Councillor David Thomas
Cabinet Member for Finance and Corporate
Transformation

REPORT TITLE: Financial Outturn for the year ended 31st March 2024

REPORT FOR: Information and Decision

1. Purpose

- 1.1. To provide Cabinet with the revenue budget outturn for the 2023/24 financial year. This includes information on the additional funding streams received, delivery of approved cost reductions during the year and an explanation of the variances against the budget.

2. Background

- 2.1. The Council has completed its outturn processes to finalise the accounts for the 2023/24 financial year. This report sets out the position for each service with detailed narrative provided by each head of service in Appendix A. Statutory financial statements were drawn together in time for the sign-off date for the draft statements of the end of June 2024 and presented to audit after that date.
- 2.2. This year again saw the council managing its budget in an extremely challenging economic environment. High inflation and pay awards have continued to impact costs across all services, although on the whole this has been managed well through mitigating action and the utilisation of the risk budget. The financial position of the Council has been monitored closely throughout the year with quarterly reports presented to Cabinet.
- 2.3. Final outturn reports a net underspend, after contributions to specific reserves, of £1.8 million against the £242.1 million budget, a 0.7% variance (excluding Schools and the Housing Revenue Account). In reaching this position, savings of £15.4 million have been delivered during the year as planned.
- 2.4. Additional income, effective use of external grant funding and a continued focus on reducing our spend has created opportunities to release one-off funding to support the increasing pressure already facing the 2024/25 revenue budget and future years. We have been able to set aside funds to support our forward capital programme, investing in schools, social services and climate change activities, as well as supporting projects that will transform the way we work, preparing the Council for the financial challenges ahead. These opportunities go some way to de-risk the council's financial position in the short term but do not reduce the ongoing base budget pressure that continues to create a significant gap in our budget plans for next year and over the medium term, as shown in our medium-term financial plan.

2.5. The Council's Annual Self-Assessment Report is being considered alongside this report and provides a detailed assessment of the Council's performance against its objectives and action plans during 2023-24. Some key areas of activity have been included in Appendix B of this report, this shows what the council's expenditure has delivered in 2023-24. This includes:

- providing **education** to 15,523 statutory school age learners through 72 primary schools, 8 secondary schools, 3 all-age schools and 3 special schools;
- providing **social care** for 1,750 people (older adults and those with mental health issues, physical and learning disabilities within long term care facilities while also providing community based care for 2,771 people to enable them to live well at home for longer and providing early help and prevention to a further 2,570 people to delay their need for more intense support;
- **Children's services** have 876 children's cases open with a further 401 open to early help. 670 children have a care support plan and the Council is responsible for 247 Children Looked After;
- **Highways maintenance** of over 5,800 kilometres of roads (surfaced and unsurfaced) and 14,500 street lighting columns along with 9,250 kilometres of **public rights of way**;
- 1.1 million residual **waste collections** and 3.5 million **recycling collections** of over 55,000 tonnes in total across all collection streams, and a provisional recycling rate for Powys of 68.5% for 2023-24;

3. Revenue Outturn

- 3.1. Table 1 below summarises the outturn position across Council services, a £1.8 million underspend (excluding HRA and delegated schools) after agreed specific and ring-fenced reserve movements have been completed.
- 3.2. Adults Social Care received additional income at the year-end that was not anticipated. £430,000 related to credit notes for non-delivery of provision in "Supported Living" during the Covid lockdowns, £235,000 was due to additional direct payment audits undertaken in advance of a change of provider and £120,000 related to receiving more deferred charges than had been included within the budget. This meant that the service no longer required the planned use of £0.7 million of the risk budget, which explains in part the underspend on the corporate risk budget.
- 3.3. School budget plans submitted by governing bodies in May 2023 showed a planned call on reserves of £6.0 million. The final outturn position required a transfer from school reserves of £5.8 million, leaving a closing balance on overall school reserves of £0.9 million.
- 3.4. Again this year, services managed their in-year expenditure by reducing costs and maximising the use of grant and other funding sources which led to the improvement in the outturn position.

- 3.5. Heads of Service have provided a more detailed explanation of the changes between the forecast position in February and the outturn position as at the end of March in Appendix A.

Table1: Revenue Outturn 2023/24

Service Area	Total Working Budget	Actual Spend	Variance Under / (Over) Spend	Variance Under / (Over) Spend
	£000s	£000s	£000s	%
Adult Services	82,501	82,456	46	0.1
Children's Services	30,775	30,916	(141)	(0.5)
Commissioning	2,187	1,999	189	8.6
Education	18,965	18,662	303	1.6
Highways Transport & Recycling	35,167	35,163	4	0.0
Property, Planning & Public Protection	7,284	7,448	(164)	(2.3)
Housing & Community Development	7,913	7,676	237	3.0
Economy and Digital Services	7,623	7,129	494	6.5
Transformation & Democratic Services	3,997	3,990	6	0.2
Workforce & OD	2,666	2,466	200	7.5
Legal	1,533	1,395	138	9.0
Finance & Insurance	7,078	6,591	487	6.9
Corporate Activities	34,438	33,905	532	1.5
Sub-Total	242,127	239,796	2,331	1.0
Annual transfers to ring-fenced reserves:				
Insurance reserve		(326)		
Early Years settings / Breakfast Clubs / After School Clubs		(168)		
Licensing		(2)		
Section 33 agreements		(42)		
			(538)	
Total Underspend			1,793	0.7
Use of Underspend:				
- Capital reserve to support borrowing			(750)	
- Invest to Save reserve			(750)	
- General Reserve			(293)	
Total			(1,793)	
Housing Revenue Account	0	433	(433)	
Schools Delegated	84,493	84,206	287	0.3
Total	84,493	84,638	(146)	(0.2)

3.6. The in-year council tax collection rate for the year was 96.75%, below the target in-year collection rate of 98.1% and a reduction on the in-year collection rate achieved in 2022-23. Despite this, the overall in-year net council tax receipts for 2023-24 totalled £109.7 million, an increase of £7.3 million over that received for 2022-23. In contrast, the in-year business rates collection rate increased from 97.99% in 2022-23 to 98.11% in 2023-24.

4. Cost Reductions

4.1. Cost reductions of £16.5 million were approved as part of the Council's budget for 2023-24. In addition, undelivered savings from 2022-23 have been rolled forward totalling £0.9 million, bringing the overall total to be delivered in 2023-24 to £17.4 million.

4.2. The summary shown in Table 2 below shows that £15.4 million, or 88%, of the total cost reductions have been delivered in 2023-24, with £2.0 million (12%) undelivered.

4.3. £352,780 of undelivered Highways, Transport and Recycling cost reductions were written out of the budget as part of the Finance Resource Model (FRM) for 2024/25 as it was agreed that these were no longer deliverable. The remaining £1.7 million of undelivered savings have been rolled forward for delivery to 2024/25, further detail is set out in Appendix C.

Table 2: Savings Delivery

£'000	To Be Achieved	Actually Achieved	Un-achieved	% Achieved
Adult Services	4,648	4,648	-	100%
Childrens Services	3,013	1,931	1,082	64%
Commissioning - Adults & Children	97	97	-	100%
Economy and Digital Services	24	24	-	100%
Education	830	825	5	99%
Schools Delegated	864	864	-	100%
Finance	73	73	-	100%
Central Activities	3,003	3,003	-	100%
Highways Transport & Recycling	3,594	2,884	710	80%
Housing & Community Development	379	379	-	100%
Legal Services	8	8	-	100%
Transformation and Communications	8	8	-	100%
Property, Planning & Public Protection	848	618	230	73%
Workforce & OD	20	11	8	57%
Total	17,409	15,373	2,036	88%
		88%	12%	

5. Reserves

5.1. The reserves position shown in Table 3 sets out the reserve movements and balances at year end, with the general fund reserve increasing to £10.0 million, equating to 4.1% of the total net revenue budget for 2024/25 (excluding schools delegated budgets and the HRA).

5.2. Specific reserve movements resulted in an increase to specific reserves of £4.5 million compared to a forecast net draw on specific reserves of £6.8 million set out in the February forecast report, an overall shift of £11.3 million on specific reserves. However, £9.8 million of this is in relation to the revenue grants unapplied reserve, where grants that were received in 2022/23 or previous years relating to expenditure in 2023/24 or future years are kept. Throughout the year, the forecast outturn reports have included the expected draw on this reserve for those grants added to the reserve in previous years, to cover the expected expenditure against the various grants. At the 2023/24 year end those grants received in 2023/24 for expenditure in future years were also transferred into this reserve.

Table 3: Summary Reserves Table

Summary	Opening Surplus / (Deficit) Balance £000s	Actual Transfer to / (Use of) Reserves £000s	Closing Surplus / (Deficit) Balance £000s
General Fund Reserve	9,333	704	10,037
Budget Management Reserve	3,584	0	3,584
Specific Reserves ¹	35,324	8,694	44,018
Transport & Equipment Funding Reserve	9,460	1,758	11,218
Useable Reserves	57,701	11,156	68,857
Schools Delegated Reserves	6,666	(5,775)	891
School Loans & Closed School Reserve	(371)	(29)	(400)
Housing Revenue Account ²	3,958	(146)	3,812
Total Schools / HRA	10,253	(5,950)	4,303
Total Reserves	67,954	5,206	73,160

5.3. The pay reserve remains at £4.6 million and continues to provide some mitigation towards the element of risk around pay awards being higher than included within the budget. During 2023/24, there was also a drive to minimise in-year borrowing whilst borrowing rates remain high. This along with some capital schemes being reprofiled into future years resulted in an underspend on borrowing costs which was transferred to the capital financing reserve to support future capital expenditure. Overall, the capital financing reserve grew by £1.1 million, after the funding of capital expenditure in 2023/24 is taken into account.

5.4. Appendix D lists the service requests to set aside unspent funds as specific reserves to support budget demands in 2024/25, totalling £3.5 million. It is also proposed that the underspend of £326,000 against the insurance budget is transferred to the specific insurance reserve as has occurred in previous years allowing us to hold funds for future insurance liabilities.

5.5. We will review all specific reserves in the new financial year to ensure that they remain relevant and required for use in the near future, with any that are not, being transferred to the general fund reserve.

¹ Post-outturn amendment to Revenue Grants Unapplied opening balance of £9,000

² Post-outturn amendment to Housing Revenue Account opening balance of £4,000

- 5.6. The Housing Revenue Account business plan did not plan to utilise HRA reserves. The outturn draw on HRA reserves was £0.43 million. The service now also hold a specific HRA Vehicle Replacement reserve and £0.29 million was paid into this reserve in 2023-24.
- 5.7. The breakdown of the schools' balances and transfers to reserves is set out at Table 4 below. Schools drew £5.8 million from their ring-fenced reserves in 2023/24 to help fund the additional costs arising from the high levels of inflation, this was £0.2 million lower than originally budgeted.

Table 4: School Reserve Movements

School Sector	Opening Balance 31-Mar-23 £'000	Actual Transfer to / (from) 2023-24 £'000	Closed School Write Offs 31-Mar-24 £'000	Closing Balance 31-Mar-24 £'000	Original budgeted cont. to / (from) reserves @ 01-May-23 £'000	Forecast cont. to / (from) reserves @ Feb-24 £'000
Primary	6,654	(2,391)	77	4,340	(3,479)	(3,426)
Secondary	(1,908)	(2,590)		(4,498)	(1,291)	(1,676)
All Through	830	(158)		672	(424)	(427)
Special	1,047	(670)		377	(817)	(456)
Sub-total Schools open 01-Apr-23	6,623	(5,809)	77	891	(6,011)	(5,985)
Closed school adjustment prior years	43		(43)	0	-	-
Sub-total	6,666	(5,809)	34	891	(6,011)	(5,985)
Loans	(7)	7		0	0	0
Closed Schools	(321)	(2)	(77)	(400)	0	0
Closed school adjustment prior years	(43)		43	0	-	-
Sub-total	(371)	5	(34)	(400)	0	0
Total	6,295	(5,804)	0	491	(6,011)	(5,985)

6. Transformation

- 6.1. Transformation of the Council's services continues to change the way we deliver services to our residents which supports the Council's financial plans by reducing the costs of delivery in order to help the Council to become more financially sustainable for the future.
- 6.2. Table 5 below summarises the transformation costs against the budget plan. Reducing costs has led to the release of staff from the organisation and redundancy costs were higher than budgeted for this year. The savings delivered from the release of staff must outweigh the severance costs incurred.

Table 5: Transformation Outturn

Transformation	Budget £000s	Actual Spend £000s	Variance Under / (Over) Spend £000s
Transformation projects	1,960	1,825	134
Transformational redundancy	500	728	(228)
	2,460	2,553	(94)

- 6.3. Transforming our services will continue as part of Sustainable Powys and remains a high priority for the Council. The benefits delivered by these projects and resource updates are monitored through the Transformation Board.

7. Virements and Grants

- 7.1. As shown in Table 1 above, a number of transfers to ring-fenced reserves were accounted for at year-end. In each case, these specific ring-fenced reserves transfers must take place each year to comply with specific requirements. As these are regular reserve movements, approval is sought for any future under/overspends on the four budget areas set out below in paragraphs 7.2 to 7.5 to be transferred at each year end to the appropriate ring-fenced reserve or drawn upon until further notice.
- 7.2. The first of these is the underspend against the insurance budget (£326,000 in 2023/24), which is transferred to the specific insurance reserve as has occurred in previous years, allowing us to hold funds to meet future insurance liabilities.
- 7.3. The second category relates to “non-delegated functions” that are managed by or at Powys schools where the staff are employed by the local authority (£168,000 in 2023/24). This includes early years settings, breakfast clubs and after school clubs, where each setting or club rolls forward its surplus or deficit at each financial year end.
- 7.4. The third category of ring-fenced reserve is related to the Licensing Act 2003 which stipulates that any surplus income received under this Act (for administering licences for alcohol, regulated entertainment and late night refreshment) (£2,000 in 2023/24) should only be used for Licensing Act related activities.
- 7.5. The final category of ring-fenced reserve relates to the Section 33 agreement between Powys County Council (PCC) and the Powys Teaching Health Board (PTHB) in relation to ICT. This relates to joint work with the PTHB which is supported by a pooled budget. Any surplus on this pooled budget (£42,000 in 2023/24) must be transferred to a ring-fenced reserve in order to keep a separate account of it.
- 7.6. As set out in Appendix D, a number of requests have been considered to set up specific reserves to support identified service pressures in 2024/25 which are included for approval. The pressures that have been identified are not funded within the budget approved for 2024/25 and supporting these will ease the additional pressure being faced at individual service level, limiting some of the risk in the budget next year.
- 7.7. The Section 151 Officer will approve the release of these reserves as appropriate spend is evidenced. Appendix D sets out these requests totalling £3.5 million. All these reserves will be reviewed on an annual basis and if not required will be transferred back to the general fund reserve.
- 7.8. Virement requests for Cabinet approval
- 7.8.1. In March 2024, Fleet Management Services generated a further £27,740 (net of auction fees) of income from the sale of vehicles/equipment and it is requested that this be transferred to the vehicle replacement reserve to be used to fund the

purchase of future vehicles and/or equipment, where possible this funding will be used to purchase “green” vehicles. In February the service submitted a virement to transfer £187,410 of income from the sale of vehicles/equipment plus this request results in a total transfer to reserves of £215,150 for 2023/24. This transfer has been considered in the 2023/24 outturn position.

7.8.2. Transport fund - The Fleet Management Services has reported an underspend against depreciation charges of £355,990 (due to delayed replacement of vehicles). The service has asked to utilise this underspend with an additional contribution to the vehicle replacement reserve to support the purchase of vehicles through 2024-25.

7.8.3. The Street Lighting Department is proposing to make some changes to its establishment in order to reduce its reliance on contractors and to improve resilience and succession planning within the team. The changes will also reduce the level of overtime currently undertaken and allow the department to meet more key objectives. The proposals will increase their establishment costs by £259,000 per annum in 2024/25 (£216,000 increase in staffing costs, £23,000 increase in vehicle hire costs and £20,000 increase in staff overheads, plus an amendment to the existing allocation of management and non-productive recharges of £60,000). The increase in staffing and vehicle costs is proposed to be funded by a reduction in the budget for the use of subcontractors, a reduction in staff overtime costs and an increase in income generation from external clients and charges to the capital programme.

7.9. Additional Grants received

7.9.1. Schools Delegated – Revenue Maintenance grant £399,600. The purpose of this funding is to support school revenue maintenance costs incurred in 2023/24.

8. Impact of Capital

8.1. Capital investment and the financing of capital activities have a significant impact on the authority’s revenue position. In 2023/24, £63.7 million was spent (including HRA) on capital investments representing 79.4% of the revised budget.

8.2. The majority of the underspend can be attributed to delays in the delivery of the capital programme. The budgets associated with these projects will, where necessary, be rolled forward into 2024/25.

8.3. The revenue budget supports the cost of borrowing for capital purposes and recognises the future need to borrow through the minimum revenue provision budget. The revenue budgets were approved to support the original capital programme of £93.3 million. The actual capital spend was 68% less than this. Grants were maximised to reduce the call on borrowing, with a number received from Welsh Government in the last three months of the year.

8.4. The actual net cost of borrowing was £16.97million of which £12.06 million was chargeable to the general fund. This resulted in a £1.66 million underspend on the borrowing budget, and this has been transferred to the Capital Financing Reserve to replace future years’ borrowing and reduce the impact on the revenue account.

9. Key Financial Risks

- 9.1. The greatest financial risk remains in our ability to deliver a balanced budget over the medium and longer term. The budget approved for 2024/25 recognised the ongoing impact of the current economic situation and the impact on public finances in the next few years. The MTFS published alongside the budget in February shows a funding gap of £18.3 million in 2025/26. If not addressed, the cumulative funding gap by 2028-29 of £46.0 million as a best-case scenario, although based on anticipated reductions in aggregate external finance, this gap could be £64.6 million. The Medium-Term Financial Strategy and the assumptions on which the Financial Resource Model is based continue to be reviewed. The Financial Planning paper is being considered alongside this Outturn report today.
- 9.2. The strategy of holding some potential cost pressures “at risk” and setting a revenue risk budget stood the Council in good stead in 2023/24 and has been continued into 2024/25. Despite improvements in the level of inflation, we continue to plan in a challenging and uncertain time so the Council must continue to take every opportunity to reduce costs as we work towards a financially sustainable Council.
- 9.3. The pay award for 2024/25 has not yet been finalised, but the latest (full and final) offer from the National Employers is for an additional £1,290 on each spinal column point. This means that the percentage pay award will vary according to each grade. For those at the lowest grade, this will provide for a 5.77% increase. For those on pay points above the pay spine, an offer of 2.5% has been made. For Powys County Council, it is estimated that the cost to the Council’s budget may be in excess of the assumptions built into 2024-25 budgets, this would need to be funded from the pay reserve and funded recurrently through the FRM.
- 9.4. The Council remains under-borrowed as we continue to utilise our cash reserves to underpin our cashflow. We can borrow both in the short to medium or longer term, but the cost of borrowing has risen due to the changes in bank rate. Our approach is regularly updated and explained as part of the Treasury Management update to Governance and Audit Committee.

10. Resource Implications

The Director of Corporate Services (Section 151 Officer) has provided the following comment:

- 10.1. The revenue outturn reported provides some opportunity to further mitigate the ongoing budget pressures through the next financial year. However, the Council faces significant challenge as we develop our plans for future years. Our Medium Term Financial Strategy continues to be extremely challenging with a significant budget gap of at least £50 million over the next 4 years as the financial pressure we continue to face is likely to outweigh the funding available. The financial plans will be subject to ongoing review, funding assumptions will be revisited as more information becomes available, revised budget gaps calculated and clear plans of how we can bridge the gaps will be developed. The Sustainable Powys programme is fundamental to this, as we re-shape council services. We must continue to take every opportunity to reduce costs and ensure the financial sustainability of the Council.

10.2. We must progress at pace to develop our plans to achieve a Sustainable Powys for the future. This is critical to ensure that the Council can remain financially stable and provide sustainable services for the residents of Powys in the long-term.

11. Legal implications

11.1. The Monitoring Officer has no specific concerns with this report.

12. Climate Change & Nature Implications

12.1. Not applicable.

13. Data Protection

13.1. There are no data protection issues within this report.

14. Comment from local member(s)

14.1. This report relates to all service areas across the whole County.

15. Impact Assessment

15.1. No impact assessment required.

16. Recommendation

16.1. That Cabinet note the full year outturn position for the year ended 31 March 2024 and the variances reported against the approved budget.

16.2. The virements proposed as set out in section 7 are approved.

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Head of Service:	Anne Phillips, Interim Head of Finance
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Corporate Director:	Jane Thomas, Director of Corporate Services
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Appendix A: Service narrative to explain the change from February forecast to March outturn

February Variance £000s	Service Area	Base Budget £000s	Outturn £000s	March Variance £000s
48	Adult Services	82,501	82,456	46

Cost Underspend

Underspend was as predicted bar £2k the small underspend is in the main due to staff slippage as a result of recruitment turnover and a reclaim in relation to 2022/23 for non-service delivery on a contract.

Unpredicted additional income received at the end of the year meant the service no longer needed to use £0.7 million of the risk budget.

£120,000 from additional deferred charges received.

£430,000 from credit notes received for non-delivery of services during Covid

£235,000 from Direct payment audits conducted to facilitate the move to new service provider

Cost Reductions

Savings targets were delivered in full.

FRM for 2025/26 – 2029/30

- As in previous years the service will continue to take every opportunity to maximise/utilise grants available.
- Future demographic demand remains a significant concern and risk, the service is prioritising the development of preventative and early intervention models of support to enable citizens to support themselves, remain independent longer reducing admissions into residential care and hospital.
- Service redesign to deliver better outcomes and efficiencies will focus on local area coordination, reablement, mental wellbeing, technology enabled care and digital solutions.

February Variance £000s	Service Area	Base Budget £000s	Outturn £000s	March Variance £000s
(594)	Children's Services	30,775	30,916	(141)

The 2023/24 Children's Services outturn position as of 31st March 2024 exceeds the original baseline budget set by £951,000 which equates to 3.17% expenditure over budget. When the agreed transfer was drawn down from the risk/management reserve, it relates to pressures in regard to our unaccompanied asylum seeking children £310,000 and due to Children's Services continuing to face unavoidable pressures in relation to an increased demand for placements for children with complex needs amid a national shortage of placements of £500,000 the outturn is £141,000, 0.5%.

This is an improvement of £453,000 from the period 11 forecast due

- An underspend on the complaints budget of £30,000
- £202,000 previously funded baseline expenditure charged to grants where within the terms and conditions
- £217,000 reduction in contract commitments

Cost pressures £2.342 million. The unfunded pressures within the service are due to

- £2.591 million Children Looked After (CLA) placements - new, step up in provision and increasing costs in relation to meeting the complexity of the need of the current cohort. This is in the context of a national shortage of placements for looked after children across the UK. This was mitigated by the one-off transfer from 'risk reserve' of £310,000 in regard to pressures for unaccompanied asylum-seeking children and £345,070 from the Social Care Workforce Grant, which in the main is the decrease in expenditure of £394,000 from period 11.
- £191,000 additional overspend to placement pressures for CLA support, a decrease of £87,000 from period 11.
- £52,000 total pressure for the four 'In House' Residential homes, a decrease of £96,000 from period 11, service decision to transfer employees to meet need in homes not their base and reduce dependency on agency. The overall cost has been mitigated by the Welsh Government seed funding, Regional Accommodation for Children with Complex Needs grant of £641,000. Generally, the overspend is due to relief staff over and above base budget to cover rotas and the use of agency staff due to recruitment and escalating needs of the children, over and above that included in the original business cases. The homes are being used for solo placements of children with complex needs rather than the two bed units set up for mainstream residential.
- £105,000 budget pressure in regard to Section 21, for families in need of care and support, in the main due to post lockdown and trying to keep children with their families wherever it is safe and in their best interests to do so. This is a decrease of £27,000 from period 11.
- £57,000 due to increased demand for short breaks due to the pressures on families as an indirect result of the pandemic, a decrease of £36,000 from period 11 due to addressing procurement over commitments and ledger miscoding's.

All budget underspends £2.473 million baseline budgets are currently being utilised to mitigate the overall budget forecast overspend. The majority of this is around posts and associated costs.

- £140,000 due to underutilisation of the Market supplement. Currently not all qualifying posts are occupied or been occupied for the relevant time frame.
- £1.597 million Staffing underspend based on current vacancies qualified and non-qualified positions.
- £103,000 due to a delay to the Special Guardianship project.
- £127,000 Welsh Government grants mitigating baseline funded costs, in line with grant terms and conditions.
- £389,000 various small underspends across all service subjective headings.
- £117,000 Legal underspend, although this is difficult to predict as Legal services do not use commitment accounting.

Savings were identified of £2.796 million in the 2023/24 budget setting process and £217,000 was rolled forward from 2022/23. £1.931 million of the savings have been achieved during 2023/24 (64%). The savings that have not been achieved are largely due to placements and not being able to step children down from residential care to foster care and from foster care to home. There have not been enough foster families available on a national basis to meet the demand and complexity of needs required. We also had an increase in responsibility for the number of our unaccompanied children where there were insufficient placements available in Powys and Wales.

£500,000 agreed unachieved savings have been funded as a one off from the Risk Reserve in 2023/24 but will be carried forward to 2024/25 to be realised. The outstanding £582,000 was not delivered by the end of the 2023/24 financial year and will be rolled forward to be delivered in 2024/25.

February Variance £000s	Service Area	Base Budget £000s	Outturn £000s	March Variance £000s
177	Commissioning	2,187	1,999	189

The underspend position in Commissioning is a result of a combination of factors, namely vacancies in the service and utilisation of grant consistent with grant conditions.

In addition, there was a significant review of the Contracting and Brokerage elements of the service and two key posts (grade 12 Brokerage and Contracting Manager) were purposefully not recruited to whilst the review was being undertaken, the result of which concluded with a management of change and restructure to the service.

February Variance £000s	Service Area	Base Budget £000s	Outturn £000s	March Variance £000s
0	Education	18,965	18,662	303

Underspend: Of the £303k underspend at year end, £168k was in relation to specific reserves that are in place for non-delegated functions such as Early Years Settings and Afterschool clubs where the underspend was higher than originally anticipated. The remaining net £135k underspend was achieved mainly through the re-allocation of grants.

Cost Reductions: £5k not achieved due to capacity of service staff to undertake lead Estyn inspection roles.

FRM for 2025/26 – 2029/30:

As in previous years the service will continue to take every opportunity to maximise/utilise grants available.

- Some of the underspends in the 23/24 financial year have already been put forward as part of the 24/25 budget round. The service will further review the outturn to identify future efficiencies for the 25/26 FRM.
- Increased demand for places within the Local Authority Special Schools.
- The Service will review its structure and strategies to look at efficiencies

February Variance £000s	Service Area	Base Budget £000s	Outturn £000s	March Variance £000s
49	Highways Transport & Recycling + Director	35,167	35,163	4

Highways, Transport and Recycling have reported an underspend of £554k at the end of March (£49k forecast underspend in February). The improvement of £505k since reporting in February principally arises from an improvement of £182k in winter maintenance costs, £143k improvement on waste and recycling bin/box expenditure, £37k improvement on Countryside grant funding.

The service have requested the creation of a specific reserve totalling £550k, to permit the use of funds in 2024/25, consisting of £500k to support the council's match funding commitment towards the Levelling Up fund (LUF) round 3 schemes, and £50k to support additional engineering and design ecology capacity for planning services and Health and Safety capacity for schools. Following the contribution to specific reserves, Highways Transport and Recycling will report an underspend of £4k against budget for 2023/24

February Variance £000s	Service Area	Base Budget £000s	Outturn £000s	March Variance £000s
(47)	Property, Planning & Public Protection	7,284	7,448	(164)

Property, Planning & Public Protection report an overspend of £164K. This outturn result has been caused by several reasons, including:

- Savings proposals being achieved for part year rather than for the whole year, such as renting out the Park Office, reduced cleaning frequency and increased fees.
- Increased maintenance costs resulting from the regrading of the maintenance team and additional pressures caused by corporate landlord.
- Statutory compliance costs being higher than predicted as vacant positions had to be temporarily addressed using contractors while recruitment took place.
- Planning application fee income being lower than predicted.
- Increased ecology costs for the Planning Service resulting from the need to secure cover for an unplanned absence.

Except for the planning fee income, which are outside the gift of the service area, the reasons specified above have been generally addressed. Planning fee income trends are to be monitored closely. Welsh Government consultation on increasing fees expected imminently.

February Variance £000s	Service Area	Base Budget £000s	Outturn £000s	March Variance £000s
756	Housing & Community Development	7,913	7,676	237

Housing & Community Development is reporting a forecast outturn underspend of £237k. This is after a transfer to specific reserves of £525k. Before the transfer to specific reserves the underspend would have been £762k comparable to the £756k reported, at the end of February. An overspend in General Fund Housing of £846k is offset by an underspend in Leisure of £1,504k and Catering and Cleaning of £104k. The underspends have been utilised to set up specific reserves, one of £450k to fund some of the known pressures on the Homelessness budget and a £75k reserve for catering to enable digitisation of services.

Housing General Fund – Year-end Outturn for 2023-2024: -£846,255

The primary cause of the overspend in the Housing General Fund is the continued high demand for homelessness services, arising from the increased obligations placed by the Welsh Government on housing authorities. The lack of affordable housing suitable and sustainable for homeless households, with particular regard to the size of properties, has exacerbated the need to make use of private sector temporary accommodation (TA), including bed-and-breakfast (B&B) until appropriate permanent housing can be found.

The number of households in privately provided temporary accommodation during the year has been reduced by the use of social housing, owned by both the Council and housing associations. Between October 2023 and March 2024, Housing Services...

- Reduced the number of households in B&B by over 60%.
- Reduced the average B&B stay by over 45 days.
- Reduced the estimated weekly net spend on both B&B and privately provided TA by over £20,000.
- Reduced the estimated annual net spend on both B&B and privately provided TA by over £1 million.

However, this approach reduces the availability of move-on accommodation, can lead to imbalanced communities and creates a risk that homelessness is perceived as the quickest route to a social home.

The Council is already working to develop its own directly provided temporary accommodation – the Enhanced Homeless Service project - which will reduce costs and allow for more intensive one-on-one work with clients to reduce the risk of future homelessness and better support people to find their own accommodation. However, this will mean building or acquiring and repurposing existing properties. Two sites are now under active consideration for two of the four schemes included in the county wide project. Progress will depend upon the technical and financial viability of the identified sites and securing all appropriate regulatory and planning consents. This means that the go-live for the first elements of the Enhanced Homeless Service project is unlikely to be before late 2025-2026 at the earliest.

It has not yet been possible to find suitable sites for Interim Modular Accommodation, which while subject to the same planning and regulatory consents as permanent development, would have a quicker on-site timeline.

Housing Revenue Account – Year-end Outturn for 2023-2024: -£432,530.

The causes of the overspend in the Housing Revenue Account are:

- ↳ Unforeseen additional use of private contractors due to void teams being deployed to complete Red Dragon (two teams, for five months).
- ↳ Continued investment to reduce the long backlog of voids (down from 240 at this time last year to 172 now and continuing to fall).
- ↳ Increasing costs of works to void properties, with particular regard to health and safety related external works (for example retaining walls) arising from the aging stock profile.
- ↳ Void rent loss exacerbated by long term voids, including properties in Ystradgynlais intended for demolition but unable to progress due to lack of contractors in initial tender exercise and now the need to undertake intrusive site surveys and completion of long-term major works voids in Gwaelod-y-bryn, Llanidloes (now complete and let).

Actions are already in hand to bring expenditure in line with a ring-fenced, fixed income, which has been shared with the Tenant Scrutiny Panel (which is made up tenants and Members). The changes outlined below will need to be communicated and shared with our tenants and communities...

- ↳ Action: Expenditure on day-to-day repairs in 2024-2025 scaled back to essential or urgent works only i.e. necessary for the health and safety of the tenants and their neighbours, maintain the structural integrity of the property, prevent claims that a property is Unfit for Human Habitation (as defined by the Renting Homes – Wales Act) or to prevent imminent increased expenditure on major works.
- ↳ Action: Greater use of in-house teams for void works, at an average saving over external contractors of £7,500 per property on a major void. Although this may lead to a small increase in void times, the net effect for 2025-2025 is estimated to be a net efficiency gain of circa £250,000 on major voids alone
- ↳ Action: Consider relative value for money of using agency plumbers and electricians as this may be less costly than outsourcing all such works to contractors (Housing Services has been unable to recruit our own tradespeople due to salary competition from the private sector).
- ↳ Action: The delivery of the Quality of Accommodation Standard (QoAS), used for void properties, will refocus on the requirements set out by the standard, which is designed to concentrate works on what is most visible and of immediate importance to the new tenant being able to move into a clean, tidy, habitable home. For example, internal decorating will, where possible without leaving properties in a poor condition, paint individual walls rather than entire rooms being repainted and kitchens will be repaired or refurbished, where practicable, rather than fully replaced. For 2024-2025 however, the QoAS will now include provision of floor coverings throughout all voids, meaning that tenants will no longer need to cover the cost of carpeting and flooring for their new home.
- ↳ Action: External works to gardens to be health and safety related only and repair rather than replace where practicable fencing.
- ↳ Action: A joint Housing Services/HTR Action Plan to improve the quality of estate management is now in operation to maximise the impact of this work on the way communities feel. However, new projects such as communal gardens will as part of the project development include securing external funding.
- ↳ The approach to recharging tenants for damage caused to properties is being reviewed and a revised policy will be presented for consideration by Members this summer.

Housing Services has maintained its high performance in collecting income due to the Council for landlord services – 98.55% of rent due in 2023-2024 was collected.

Community Development Services

Leisure Services are reporting an outturn under spend of £1,054k against a budget of £4,311k. This is after the transfer of £450k to a specific reserve for Homelessness, and compares to an underspend of £1,585k at the end of February. There has been a reduction in underspend from the February forecast of £531k. £450k of this relates to the transfer to specific reserves and an increased contribution made to Maesydderwen High School for the utility costs as part of the 'leisure contract licence arrangement' at the school. Also, less of an underspend in Arts than forecast.

The main reason for the underspend is the £1,100k set aside for utility support in Freedom Leisure not currently forecast to be required. Alongside this there are savings on staffing and utilities costs and some increased income, offset by the transfer to the specific reserve. The savings in utility costs have been put forward as savings in 2024-25.

Libraries are reporting an outturn under spend of £165k against an annual working budget of £1,256k which is a similar position to the £177k underspend reported at the end of February. The under spend reported is mainly because of vacancies/slippage in staffing costs and increased grant income that is funding base budget funded staffing costs. There are also underspends on utility costs, where costs have not increased to the levels estimated in the budget particularly on gas.

Archives are reporting an outturn underspend of £11k against a working budget of £137k, compared to an underspend of £18k at the end of February. This is due to slippage in staffing costs and increased income for storage of records and records management.

The Policy Unit covers the central team and is reporting an outturn underspend of £62k against a working budget of £478k, compared to a £64k underspend reported in February. The main reasons for the underspend are an underspend against staffing resulting from vacant posts and an underspend of £22k on other services.

Leisure and Sports Centres are reporting an outturn underspend of £612k against a working budget of £1,606k after a transfer to a specific reserve of £450k. This compares to a forecast underspend of £1,100k at the end of February an improvement of £38k. The main reason for the underspend is the £1,100k set aside to support increased utility costs in Freedom not forecast to be required in this financial year. £450k of this has been transferred to a specific reserve to support the additional costs of Homelessness next financial year.

SPF grant was secured to fund the cost of condition surveys being undertaken as part of the Leisure review.

Sports Development is reporting an underspend of £17k against a working budget of £80k. The position is similar to that reported in February an underspend of £20k. The underspend is due to receiving grant income in arrears, increased income and a small underspend on other services.

Arts and Cultural Services are reporting an underspend of £27k against a budget of £106k, compared to £43k at the end of February. This is mainly due to an underspend on other services of £32k. There was a saving put forward relating to a reduction in staffing and this has been

achieved. The reason for the reduction in the forecast from the February position was a newly appointed member of staff from March, greater costs than forecast on computer hardware costs and £5k of reduced income from that forecast in February.

Museums are reporting a forecast outturn underspend of £32k compared to a working budget of £13k, the same position as reported at the end of February. The underspend is mainly a result of underspends against utility costs, general office expenses and the other services budgets.

Y Gaer is reporting an outturn underspend of £127k compared to a working budget of £636k, a similar position to that reported at the end of February an underspend of £131k. The underspend is due to underspends against utility costs and there is also increased income resulting from service charges levied as part of the lease for NPTC and increased income has been generated from grants and contributions.

Catering is reporting an outturn underspend of £2k against a budget of £2,892k this is after a transfer to a specific reserve of £75k. The reserve was set up enable digitisation of some of the processes within catering. This compares to a forecast underspend of £149k at the end of February, a reduction in the forecast underspend of £72k.

The roll out of the universal provision of free school meals continues, the uptake of meals has increased as a direct result of this initiative and therefore income is increased. Welsh Government have now increased the grant funding per meal for the delivery of UPFSM from £2.90 to £3.20. BAC's and vouchers to FSM children during holidays have been provided up until the summer holidays, this was funded by WG up until the end of the financial year and by the council for the summer holidays. WG also provided an admin grant to facilitate the vouchers scheme which has supported other costs within the catering service.

The reason for the difference in the outturn position to that forecast in February is staffing costs were £43k higher than expected offset by reduced costs in catering provisions of £55k, income was also less than forecast by £72k. It has been extremely difficult to forecast catering this financial year due to the continual roll out of universal provision of free schools' meals and the continual change in the costs and income. The roll out will be completed in April so hopefully by the end of the first quarter there should be some more stability to the trends in costs and income.

Cleaning have reported an underspend against budget of £27k at the end of March 2024 against a budget of £594k. The underspend principally arises from a £13k underspend against the cleaning equipment purchase budget.

In February the service reported a forecast overspend of £64k. The improvement of £91k since reporting in February arises from an improvement of £43k in income generated from the mobile services support team, and an improvement of SLA income of £37k following the confirmation of chargeable hours to the school service. When reporting in February there was concern over the level of income recoverable for the Mobile Service Support team and the forecast was adjusted to reflect concern over the level of work awarded to the team. In 2023/24 mobile support services generated income of £296k, £125k of this income was recovered in the final month (42% of the annual income). To improve the accuracy of forecasting the team must ensure they bill timelier during the year.

February Variance £000s	Service Area	Base Budget £000s	Outturn £000s	March Variance £000s
730	Economy and Digital Services	7,623	7,129	494

Economy & Digital Overview

The outturn underspend prior to transfer to specific reserves was £895k, compared to the working budget of £6,523k (13%). The final outturn of £6,072 includes a total revenue transfer to specific reserves of £443k resulting in a final outturn position underspend of £494k compared to the working budget.

The underspend of £494k after transfer to specific reserves compares to the forecast underspend of £730k previously reported in February 2024; a reduced underspend of £236k. The transfer to the specific reserve of £400k was not forecast at the end of February, this alongside an increased underspend on ICT Infrastructure of £165k because of an increase in the underspend on contracts are the main reasons for the change in the position from that forecast in February.

Digital and Customer Services

The Digital and Customer Services forecast outturn underspend is £730k compared to the working budget of £6,357k.

The forecast underspend of £730k compares to the forecast underspend of £579k previously reported in December 2023; an increased underspend of £151k. There was an increased underspend in Digital Operations of £41k, increased underspend of £27k in Digital Services, and increased underspend in Customer Services & Information Compliance of £107k. This underspend mainly is a result of staff costing, including the need to retain vacancies within the service to effectively manage the separation on the Joint ICT Section 33 agreement, slippages, and staff funded by transformation and Shared prosperity grant funding. There is also a specific reserve of £25k set aside for the increased capacity of hearing loops in the chamber. Other reasons for staff underspends include short-term funding meaning that it is hard to attract people to our positions, leaving them vacant for periods of time. Also, the recruitment of staff has become increasing difficult with many job adverts having no applicants and needing to go out multiple times.

- The level of underspend seen in staffing costs during 23-24 is going to be significantly reduced in 24-25 as the service is more settled due to the completion of structure changes, separation from the Joint ICT section 33 agreement with Powys Teaching Health Board and the recruitment of posts aligned to the Digital Transformation funding.
- The level of underspend seen in ICT Contract costs is going to be significantly reduced in 24-25 due to the increase in cost arising from the change from the E3 to E5 version of the Microsoft Licence for the organisation.

Economy and Regeneration

The outturn underspend prior to transfer to specific reserves was £377k, compared to the working budget of £1,100k. The final outturn includes a total revenue transfer to specific reserves of £377k. Resulting in a final position after transfer to reserves which is in line with the working budget at £1,100k.

The final outturn for the 2023-24 Financial year is breakeven compared to the working budget, which is in line with the outturn forecast in February. The revenue transfer to specific reserves of £377k compares to a £240k forecast transfer to reserves in the February forecast outturn. The increased transfer to specific reserves is mostly due to the Community Enablement Support Fund

budget of £106k which was forecast to be fully spent in 2023-24. The unspent funds have been set aside in a specific reserve to support the proposed project at the Arches.

- This level of underspend is not expected in 24/25 as the £100k Community Enablement fund will be re-instated. Additionally, there was a further saving offered in respect of a reduction in the Economy events function and budget of £79k as this was offered as a saving in 2024/25.

Saving target

There was a saving target of £24k relating to increased income from the provision of the Careline Service, which has been realised.

February Variance £000s	Service Area	Base Budget £000s	Outturn £000s	March Variance £000s
76	Transformation & Democratic Services	3,997	3,990	6

In February, the service reported a £76k underspend due to an underspend on salaries (due to some vacancies). The reason the forecast position has worsened since period 11 is that the reserve funding for the Sustainable Powys team was removed, and costs have been funded from this underspend. This results in the Sustainable Powys reserve balance being available to be spent for a further year.

The outturn position for future years will not be such a large underspend as team vacancies are now filled.

Savings to be found within the service amounted to £8k, all savings have been achieved

February Variance £000s	Service Area	Base Budget £000s	Outturn £000s	March Variance £000s
165	Workforce & OD	2,666	2,466	200

At the end of month 11 our variance stood at £140k and we were forecasting an underspend of £165k at the year end.

In the final period this position changed as we over-achieved on the expected income for the training and development courses we delivered by c £35k. We also overachieved the income we generated from delivering DBS services to hundreds of organisations across the UK by £9k. Given the scale of the turnover involved and the call upon our services being demand driven we recognise that its complex to forecast precise figures.

Looking to future years we are addressing this as it relates to training and development income, and do not expect the variance to reoccur. Given however that our DBS income is demand driven and arises from a turnover of c £1.3m, the surplus income we generate beyond our costs will continue to be difficult to forecast, albeit it will not be a significant figure / variance.

Looking at the £200k variance as a whole, this arose mainly due to slippage in recruiting to a number of new posts and challenges in recruiting to other vacancies in the service.

Turning to next year and beyond, we are now fully staffed and do not have any newly established posts to recruit to. In addition, and as stated above, as we are also taking steps to address the other factor that affects our variance (i.e. the overachievement of income), arising from which we do not expect this to affect the reliability of our forecasting in future years.

Given all of the above we are reassured that we will not see a significant variance against our budget in the current and future years.

In terms of the underachievement of DBS income of £8k for DBS fees from schools, as this is also demand driven, it will continue to be difficult to forecast this from year to year and period to period. Having said this as the income figure involved is reasonably di minimis, we are confident that we can contain this within the service budget.

February Variance £000s	Service Area	Base Budget £000s	Outturn £000s	March Variance £000s
83	Legal	1,533	1,395	138

The main variances against budget include a £26k underspend on staffing in elections, £67k underspend on Registrars due to income recovery being above that expected and £219k underspend on Solicitor Legal services mostly due to slippage against the staffing/agency budget, offset by an overspend of £135k on Coroner's costs, £20k under-recovery of land charges income, and £19k overspend on Elections postage costs, ICT software and general office expenses.

February Variance £000s	Service Area	Base Budget £000s	Outturn £000s	March Variance £000s
302	Finance & Insurance	7,078	6,591	487

£326k relates to the insurance cost centre and has been transferred to the insurance specific reserve to provide funds for potential future liabilities.

The remainder of the underspend relates mainly to reduced staffing costs within both Accountancy and Commercial Services.

The SWAP internal audit fee was £20k lower than included in the budget. This will form part of the cost reductions required from Financial Services in 2024-25.

February Variance £000s	Service Area	Base Budget £000s	Outturn £000s	March Variance £000s
246	Corporate Activities	34,438	33,905	532

Improved position as a result of:

- a lower than forecast overspend on housing benefit (£145k);
- the HRA contribution for debt management was £42k higher than previously forecast;
- the use of the corporate budget for pay award was £53k less than forecast; and
- the risk budget underspent by £42k, when previously forecast to breakeven. The risk budget was previously forecast to be utilised by services, but this was not required for a variety of reasons. This has been mitigated by making transfers to specific reserves.

Appendix B – Key areas of activity delivered (to be finalised by 10th July)

Service		Activity	
Education	Statutory school age learner numbers: 15,523	72 Primary 3 Special 8 Secondary 3 All through	72 Early Years Settings providing funded education sessions (28 school run; 44 external)
Adult Services and Commissioning	1,750 people (older, mental health, physical and learning disability) supported in Long Term Care	2,771 people in receipt of community based care to enable us to 'support people living well at home for longer'	2,570 people in receipt of early help and prevention
Children's Services	Number of Children cases open - 876 Additionally, 401 open to Early Help	Number of Children with a Care Support Plan - 670	Number of Children who are currently Looked after children - 247
Highways & Transport	Approx 5,079km of surfaced highways and 736km of unsurfaced roads maintained	27 Contracted Bus Routes	9,250km of public rights of way, 14,500 street lighting columns and 2,500 signs maintained
Waste and Recycling Services	Total domestic collections: 1.1 million residual and 3.5 million recycling collections	Council Recycling Rate 2023-24 68.5% (provisional)	Total Tonnage collected across all Streams - 55,227 Tonnes in 2023-24
Leisure and Recreation	18 libraries (177,000 books borrowed, 78,000 audio-visual & electronic downloads, Customer Service Hubs & extensive digital access opportunities provided), 2 Museums & Y Gaer, Brecon - combined Arts, Library & Museum	14 Leisure & Sport Centres (Freedom Leisure contract) 1.3 million visits per year	Sport & Active Communities Development Team supported 30 clubs and organisations - successful funding awarded £174,303 #BeActiveWales

<p>Regulatory Services (includes Public Protection, Licensing, Planning and Trading Standards)</p>	<p>Received over 1,400 planning applications</p>	<p>2,935 inspections of businesses across Powys for food safety (1,183), licensing, animal health (794), trading standards (439) and health and safety.</p> <p>417 trading standards complaints dealt with.</p> <p>268 infectious disease notifications investigated.</p>	<p>Managing 19 cemeteries, 165 burials and 85 cremations administered in Council owned cemeteries</p>
<p>Strategic Property</p>	<p>Management of large carbon reduction project across the Powys supporting community centre at circa £1.7m</p>	<p>Building management of all Council buildings including: 86 schools 134 Farm Holding and associated lettings 17 Commercial workshop sites with over 100 specialist business units 11 Museums/libraries</p>	
<p>Economy and Digital Services</p>	<p>Facilitated several procurements and system replacements resulting in savings identified and/or service improvements; Mobile Phones contract renewal identified saving of approx. £120,000, Housing system replacement – contract cost reduction over 5 years £767,368 and Property, Planning and Public Protection system replacement – contract cost reduction of £16,204</p>	<p>Developed several processes and systems including Supply Chain Sustainability Portal, School but timetables/Alerts, Members Correspondence App, Corporate Forward Plan App, Council Tax/Business Rates e-billing sign up reminders, Garden Waste season rollout, Money Advice/Macmillan Support requests, Applications for volunteers to maintain public rights of way, Declarations of Interest form.</p>	<p>The creation of the Management of Electronic Information Officer post, to assist the Council in managing and protecting its electronic information as appropriate</p>

	Supported 221 residents who have complex needs with intensive one to one mentoring, building confidence and developing skills.	Supported 115 residents with complex needs into meaningful employment	The UKSPF team has administered and committed across the four UKSPF priority areas £20,088,945.
	Digital review, Cultural Tourism Study and Events review have all been commissioned this year to look at our approach to Tourism and the impact this has on our visitors.	Business developments-Number of enquiries dealt with for business grants up until 31st March 2024 – <ul style="list-style-type: none"> • Enquiries dealt with for start-up grant – 289 • Enquiries dealt with for growth grant – 5,558 	The service has delivered successful support, advice and guidance. 13,117 emails had been sent to businesses to support with - <ul style="list-style-type: none"> • General business support advice • Business growth grant advice • Business start-up grant advice • External partner support/funding available • Property advice.
	Supporting the development and delivery of 13 Placemaking Plans.	SPF funding has supported the installation of Town Centre WiFi to 9 towns within Powys. This will provide a network which can be utilised for Lorowan, Internet of things (IOT), as well as offering free WiFi to visitors.	We have signed the new Armed Forces Covenant Pledge, which will strengthen the ambition of the work for Veterans across Powys.
Housing (Housing General fund)	5,507 housing units	3 gypsy sites	404 Live homeless cases
Births, Deaths & Marriages - registration services	<ul style="list-style-type: none"> ▪ 172 birth registrations ▪ 966 death registrations ▪ 565 birth declarations 	<ul style="list-style-type: none"> ▪ 491 appointments for notices of marriage / notices of civil partnership (single + double) 	<ul style="list-style-type: none"> ▪ 748 civil ceremonies (marriage and civil partnerships)

	<ul style="list-style-type: none">▪ 74 death declarations▪ 9 re-registration declarations▪ 2 stillbirth declarations	<ul style="list-style-type: none">▪ 7 certificates of no impediment (for overseas ceremonies)▪ 28 general appointments (e.g. proof of life, corrections, amendments, etc.)	<ul style="list-style-type: none">▪ 2 non-statutory ceremonies (e.g. renewal of vows, baby naming, etc.)▪ 30 citizenship ceremonies
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Appendix C – Cost Reductions rolled forward to be delivered in 2024-25

Service	Requirement	Amount £	Explanation as to why undelivered and rolled forward
Children's Services	Placements - Closer to Home (step down in provision)/Reduction in Children Looked After. Linked to increase in Foster carers investment above.	721,960	Continued UK challenge around suitable and sustainable placements to meet the needs of children both locally and within Wales. High-cost residential placements have increased in number and cost. A new fostering framework is to be agreed as a way forward.
Children's Services	Placements - Leaving Care/Post 18 - Closer to Home (step down in provision)/ 16+ Commissioned.	133,890	A lack of suitable 16+ accommodation across Powys on offer from Housing sources.
Children's Services	Special Guardianship Order (SGO) Project - Conversion of Independent Fostering Agency (IFA) placement to SGO placement	87,340	The improved offer to SGO carers needs to be strengthened.
Children's Services	Cost Saving from using permanent Social Workers once qualified instead of Agency (based on "grow your own" project - Masters Students and 50% Open University Students) plus Market Supplement. 3 Agency Workers 6 Months	139,000	Social Workers cannot be recruited and retained on a like for like basis in parallel with agency costs. There are vacancies within the service.
Highways Transport & Recycling	Inflation awarded for pay and non-pay - element of this will be able to be recovered through trunk and capital schemes charges	12,260	Income generated in 2023-24 did not fully cover the additional costs resulting from inflation during the year. This will be reviewed during 2024-25 to ensure that the service is operating on a full cost recovery basis or whether we need to consider alternative options for delivering equivalent cost reductions.
Highways Transport & Recycling	Inflation on materials and contractors used by Highways & Property Consultancy services expected to be funded by an increase in trunk and capital income	24,370	Income generated in 2023-24 did not fully cover the additional costs resulting from inflation during the year. This will be reviewed during 2024-25 to ensure that the service is operating on a full cost recovery basis or whether we need to consider alternative options for delivering equivalent cost reductions.
Highways Transport & Recycling	Mitigation to Newtown De-trunked streetlights - conversion of lights to LED to reduce energy costs.	23,100	Although changes have been made, in the main they have been cost avoidance activity, and in 2024-25 we will identify if there are savings that can be delivered, or if we need to consider alternative options

Highways Transport & Recycling	Street Lighting - Part Night / Part Night Dimming	25,520	The works were not undertaken until late in the year due to 20mph implementation, meaning we did not achieve the full year effect expected, so only partial achievement
Highways Transport & Recycling	Route optimisation of Waste and Recycling Collections	52,500	This has unfortunately taken longer than first programmed. This is due to complexities around data, however is due to be implemented later this year.
Highways Transport & Recycling	Increased income as set out in the Fee Register	50,000	The ability to deliver this is more likely in 2024-25
Highways Transport & Recycling	Use of North Powys Bulking Facility to transfer collected recyclable material (subject to granting of Environmental Permit)	57,920	Is making its way through the planning process.
Highways Transport & Recycling	The Winter Service primary routes have not been reviewed for over 15 years, and many criteria for identifying routes have changed (schools, surgeries, housing, and bus routes) which will probably require changes to the winter hierarchy. The hierarchy needs a fundamental review in light of the current financial austerity. It is considered that the existing treatment network has certain anomalies and there is potential (subject to Council agreement) to reducing the primary treated network by approx. 10% to 15%. For context, the current length of primaries is circa 1000km; therefore a 10% reduction would mean approximately 100/150km would no longer be gritted as part of the primary network.	130,000	Unfortunately, this has taken longer than anticipated. This is due to limited resources. It will also remain unachieved this year due to the election delaying consultation with members that will now occur in September.
Workforce & OD	DBS fees to schools	8,210	This underachievement arises as the income we realise for DBS charges to schools is demand driven. Given this, it continues to be difficult to forecast our expected income from year to year and period to period and some years we could overachieve, and others underachieve. Having said this, as the income requirement involved is reasonably di minimis, we are confident that we will either achieve this, better it, or will otherwise be able to contain this within the overall service budget.
Property, Planning & Public Protection	Energy efficiency measures - Offices	26,000	Energy efficiency measures have been implemented in corporate offices. Energy use savings expected to be realised in full during the 2024/25 financial year.

Property, Planning & Public Protection	Staffing reduction - Strategic Property (1 FTE, Grade 12 & 2.4 FTE, Grade 5)	42,330	Staffing reductions were secured but for part year. Strategic Property are undertaking management of change process to finalise structure that operates within budget envelope.
Property, Planning & Public Protection	Reduce maintenance budget - Offices	23,235	Essential maintenance costs combined with pressures from corporate landlord have resulted in savings not being secured in 2023/24. Service area is aware of the need to operate within budget envelope in 2024/25.
Property, Planning & Public Protection	Reduce maintenance budget - Depots	28,000	Essential maintenance costs have resulted in savings not being secured. Service area is aware of the need to operate within budget envelope in 2024/25.
Property, Planning & Public Protection	Income from undertaking fire marshal and fire extinguisher training	5,000	Requirement to undertake fire risk assessments (FRAs) resulted in no income being received. Other income streams, such as undertaking FRAs, are to be used to secure income target moving forward.
Property, Planning & Public Protection	Rent Park Office, Newtown	47,925	Powys Teaching health Board (PTHB) have had to undertake work to The Park Office to make it fit for purpose. No rental income has been secured while these works take place to reflect the investment in the building by PTHB.
Property, Planning & Public Protection	Reduce building cleaning budget	22,380	Savings were secured part way through the financial year. Full savings to be secured in the 2024/25 financial year.
Property, Planning & Public Protection	Staffing reduction - Building Control	2,535	2024/25 saw reduced demand for Building Control services and therefore reduced income. Trends are being monitored and potential actions to address income shortfalls considered.
Property, Planning & Public Protection	Income secured from 10% increase in income lines selected by Finance (£123,560) minus lines that are outside PCC control	32,865	Some of the fee increased were implemented part way through the financial year. Full income target to hopefully be realised in the 2024/25 financial year. The potential for reduced demand for services due to fee increases is being monitored.
Total		1,696,340	

Appendix D – Service Underspend Reserve Requests

Service	Amount £	What the funding is needed for next year (only essential bids will be considered)	How it will help next years budget forecasts
Adult Social Care	£100,000	Transformation bid in respect of the 'Locality/Place Based Planning' project was agreed with a shortfall in funding of £100k, this will now compliment the bid and enable programme to proceed in full with capacity created in key support areas.	Enable the transformation programme to proceed and deliver associated efficiencies.
Contracts & Commissioning	£65,000	Transformation bid in respect of the 'Powys Leased Care Homes' project was agreed with a shortfall in funding of £65k, this will now compliment the bid and enable programme to proceed in full with additional capacity created in key support areas.	Enable the transformation programme to proceed and deliver associated efficiencies.
Contracts & Commissioning	£300,000	The current Social Care Management system WCCIS will be unsupported, in line with the business case, as was not included in the FRM and no confirmation from Welsh Government re funding as part of 'All' Wales or for Powys to develop in house, this will be utilised and a virement of one off income funding from Adult Social Care to purchase the new Care Management system.	Would be a budget pressure/funding requirement, unless WG funding made available
Contracts & Commissioning	£75,000	Follow up from 2020/21, to undertake a 'Fair cost of care' with the Powys Residential & Nursing Care Homes to inform the 'Powys' rate per week for a placement	Would be an additional resource requirement given the fragility of the care home market currently.
Digital	£400,000	Due to the inflationary increases in the price of laptops, the reserve set aside for the replacement of Laptops is short of funding to cover the replacement of laptops are per the replacement programme, the projected shortfall to the end of 2027-28 is £400k	This will enable the ICT refresh programme across all services to continue.
Economy & Digital	£70,700	An Additional amount to the £425k already in the reserve - Roll forward of economy reserves to underpin 3 year funding model and to smooth out grant funding gaps for a permanent team as per structure business case approved in 2022 - based on funding grant funded staff for 12 months	This funding will have most impact on the budget for 2023-26 for a three year funded staffing structure
Economy & Digital	£106,120	The Arches at the former Ynysgedwen Iron Works in Ystradgynlais, Powys, Wales are a captivating remnant of the town's industrial past situated on a grassed site bounded by Glan-Rhyd Road and Pont Aur, just north of Ystradgynlais Hospital. The request is for the underspend in the Community Enablement Support Fund (C.E.S.F) funding budget to enable a full structural survey of the Arches to be undertaken and the works in the immediate vicinity to be carried out. Officers would support the local Members to work with the community to agree a vision for the surrounding space that is stronger, fairer, greener and sustainable for the future. This could include a community garden, nature area incorporating the boggy land at	There is no budget set aside in 2024/25 for these activities. £30k has been committed due to essential Survey works

		the far end of the site, extending the walking garden of the adjoining Ystradgynlais Hospital, plus information and signage to promote the historical importance of the site and encourage tourism which could be linked in with the new GCRE site proposal.	
Economy & Digital	£200,000	Contribution to complement the 2024-25 Transformation bid for Climate change activities.	There is a requirement for funding of £200k to complement the Climate and Nature Transformation bid from the service budget during 2024-25
Schools Delegated	£500,000	To roll forward the £500k one off funding allocated in the budget approval for 2023-24 for school energy efficiency measures. The work is ongoing and will be completed by end of July 2024. Funding required in 2024-25 to cover the invoices of the completed work.	Will cover the cost of the agreed works
Education	£ 87,700	With the changing financial landscape and the additional support some schools may need, dependant on their Estyn Category, the pressure on the current schools causing concern reserve is a risk. It would benefit the service to increase the buffer in the short-term to provide the required support.	Reduce the risk of the need to call on any central reserves
HCD - Catering	£75,000	The service area needs to invest in ICT to improve efficiency, communication, and to ensure compliance with statutory training requirements. Currently the department is fully paper based and relies on the in internal Powys van service via a wallet system which only operates Tuesday, Wednesday, and Thursday every week during school term times across the 91-school site in Powys. 1.To allow the staff to complete Mandatory training and additional identified training needs relevant to their job positions. 2. Communication so weekly or monthly via teams meetings with the head cooks to disseminate information e.g. menu changes, special diet updates, stock sheets and log books. 3. Health & safety reporting immediately, accidents and incidents or safeguarding. 4. Report faults to equipment to include equipment serial numbers via photographs and structure repairs. 5. Access to Intranet for all catering staff and PCC corporate communications e.g. Chief Executives blog. 6. For Area Catering Managers to contact cooks immediately to amend food deliveries shortages and staffing issues. 7. Sickness reporting and time sheets submission. 8. HCCP system digital recording	No funding currently allocated, so any work would result in an overspend

Highways, Transport & Recycling	£50,000	the request is to carry forward £50,000 of HTR underspend to secure additional engineering & Design ecology capacity for the Planning Service and additional Health and Safety capacity for schools (covering issues ranging from path/road safety etc to WRA handover). .	Fund additional resource requirement
Highways, Transport & Recycling	£500,000	<p>The total match funding for LUF round 3, totals £1,467m of which the service are able to use £300k of previously spent capital projects in 22/23, £205k contribution from Neath Port Talbot and it is proposed that the service use £962k of capital funds from our 24/25 and 25/26 capital allocation. To meet the £962k match funding we can confirm that there is £413k of Rights of Way Capital that can be used as match funding, and the remaining £549k will have to be matched by diverting capital out of the existing £6m highways capital allocation (split between 24/25 and 25/26) and this will be subject to a business case submission.</p> <p>In diverting £549k of highways capital funding to match fund the LUF schemes, this will reduce the funds available to deliver other highways capital schemes. The financial outturn for HTR is £505k better than the forecast position reported in February, it is therefore proposed that £500k is paid into a reserve to assist the match funding of LUF, and helping to restore the original highways capital allocation back to it's original allocation for spend on other highways capital schemes.</p>	Restore the original highways capital allocation to allow the service to deliver other capital projects.
Highways, Transport & Recycling	£150,000	All waste facilities are required to have in place a Fire Prevention and Management Plan (FPMP) as part of their NRW permit. Facilities under the old style permits were not required to have these plans and NRW have been taking a risk based approach when requesting that facilities provide an FPMP. This is because of the significant cost to meet the new requirements. Due to a necessary variation to the Rhayader permit, NRW have now requested that an FPMP is put in place. We are currently working with WRAP (partnering with Welsh Government) to prepare the FPMP with no revenue cost to Powys CC. The long term solution is a complete redevelopment of the site or preferably a move to an alternative location. There will, however, be a requirement for capital funding to meet interim requirements at the current site whilst this takes place. It is anticipated that this will be in the region of £200k. This expenditure is absolutely essential to be able to continue to bulk kerbside collected material in mid Powys in the short term.	No funding currently allocated, so any work would result in an overspend, or reallocation of existing capital funding.
Housing	£450,000	Mitigate the likely overspend on homelessness next year and could be used to support initial revenue costs on the new accommodation projects	Can then be drawn against to reduce the overspend and improve next years forecast

PPPP	£400,000	Fire Doors Briefing Paper 24.4.24	Requested £300k as a virement from risk in Feb report, now confirmed £700k is required. Limited works would take place backed on £300k and further works would result in an overspend
	£ 3,529,520		
	£ 3,029,520	(excluding Schools delegated roll forward for energy support)	