



CABINET - 19TH FEBRUARY 2025

**SUBJECT: WHOLE-AUTHORITY REVENUE BUDGET MONITORING REPORT
(PERIOD 9)**

REPORT BY: HEAD OF FINANCIAL SERVICES AND SECTION 151 OFFICER

1. PURPOSE OF REPORT

1.1 To provide details of the projected whole-authority revenue budget expenditure for the 2024/25 financial year as at the 31st of December 2024.

2. SUMMARY

2.1 This report provides details of the 2024/25 projected revenue budget position based on information available as at the 31st of December 2024 (period 9 of the current financial year). Commentary is also provided throughout the report on the more significant variations against budget.

3. RECOMMENDATIONS

3.1 It is recommended that Cabinet notes the content of the report.

4. REASONS FOR THE RECOMMENDATIONS

4.1 To ensure that Cabinet is aware of the projected revenue budget outturn position for the 2024/25 financial year.

5. THE REPORT

5.1 Projected Revenue Budget Outturn for 2024/25 (Period 9)

5.1.1 Members will be aware that detailed budget monitoring reports are prepared for Scrutiny Committees throughout the financial year. In support of improving the Council's financial resilience, whole-authority reports will now be presented to Cabinet for periods 3, 5, 7, 9 and Outturn. This report is intended to provide a high-level summary position highlighting some of the key variations against budget.

5.1.2 The projected 2024/25 position is based on information known as at the 31st of December 2024, it combines actual income and expenditure for this period with forecast information to get a projection for the year. This is the last monitoring report

provided to Cabinet before Outturn.

- 5.1.3 Based on the information available as at the 31st of December 2024 the projected 2024/25 net year-end revenue budget position is an overspend of £0.757m, this is an improvement of £0.165m from the position reported in period 7. The most significant changes are in Adult Services which has improved by £0.886m largely due to new grant awards and increased income; and a forecast pressure in relation to costs from Storm Bert and Storm Darragh, full details are provided in the report. Pressures on Home to School Transport and Temporary Accommodation remain, with both areas forecasting increased overspends, with adverse movements of £0.274m and £0.114m respectively since period 7. A summary is provided by Directorate in the following table with further details provided in Appendix 1.

Table 1 – 2024/25 Projected Net Year-End Revenue Position by Directorate

| | 2024/25 Period 9 | | | 2024/25 Period 7 | |
|-------------------------------|----------------------|-------------------------|--|--|----------------------------|
| | Revised Budget £m | Projected Outturn £m | Projected (Overspend)/ Underspend £m | Projected (Overspend)/ Underspend £m | Movement to Period 9 £m |
| Education & Lifelong Learning | 179.419 | 180.854 | (1.435) | (1.045) | (0.389) |
| Social Services | 139.133 | 137.449 | 1.684 | 0.680 | 1.004 |
| Economy & Environment | 56.739 | 57.585 | (0.847) | (0.140) | (0.707) |
| Corporate Services | 34.478 | 35.040 | (0.562) | (0.720) | 0.158 |
| Miscellaneous Finance | 39.421 | 39.019 | 0.402 | 0.303 | 0.099 |
| Totals: - | 449.190 | 449.947 | (0.757) | (0.922) | 0.165 |

- 5.1.4 As approved by Council on the 27th of February 2024, the 2024/25 budget of £449.190m is supported by the one-off release of reserves of £10.624m and £11.449m of temporary savings. These temporary one-off measures totalling £22.073m will only support the budget for the 2024/25 financial year, effectively allowing a transitional budget to provide time to develop and deliver a range of prioritised projects under the Mobilising Team Caerphilly transformation programme.
- 5.1.5 The 2024/25 budget includes £19.552m of permanent savings, which includes a £5m Mobilising Team Caerphilly in-year target and a £2.673m non-pay inflation pressure to be absorbed by service areas. Monitoring savings delivery will therefore be critical and to assist with this savings will be regularly reviewed to provide the Leadership Team and Cabinet with an overview of the overall saving delivery position and risk.
- 5.1.6 The spend control and vacancy management measures put in place are having an impact with most service areas showing a positive movement, it is critical that this focus and commitment continues to ensure that a balanced outturn position can be achieved without the need for a further call on reserves.
- 5.1.7 The following paragraphs summarise some of the key issues in the period 9 budget monitoring reports.

5.2 Education & Lifelong Learning (Projected Overspend of £1.435m)

- 5.2.1 An overspend of £1.435m is currently forecast for Education & Lifelong Learning, which is an adverse movement of £0.389m from the position reported in period 7.

- 5.2.2 The most significant financial pressure for Education and Lifelong Learning continues to be the Home to School Transport service, where the overspend has increased by £0.274m from period 7 and is now projected to be £2.347m. As previously reported over the summer many of the taxi and mini-bus contracts were due for renewal and this has resulted in an increase in prices from contractors. In Education there is an increasing pressure with regards to pupils with additional learning needs (ALN) and this often impacts pressure on the transport budget. A contingency of £0.409m was established in the approved 2024/25 budget for transport contract price increases and is held under Miscellaneous Finance, this is being reported as an underspend to partially offset the overspend reported here.
- 5.2.3 This service has been prioritised under Mobilising Team Caerphilly, new applications from September 2024 have gone through a new process and matrix for determining the most appropriate model of transport. All existing users will have their provision reviewed in May 2025 for transport in September 2025.
- 5.2.4 An underspend of £0.061m is being forecast for in-year maternity absences in schools, these are always uncertain and variable. This budget funds the costs of the maternity absence for the school, allowing the school to engage staff to cover the staff absence.
- 5.2.5 The Early Years (Rising 3's) budget, supports Rising 3 places primarily in Caerphilly maintained schools but also in the non-maintained sector and is still projecting an underspend of £0.062 at period 9. This funding supports placements in the term before a child turns 4 years of age and starts in a school nursery setting. The request for places is demand led by families, the next application round will relate to January 2025, so demand remains uncertain to the end of the current financial year. The costs associated with the spring term have been estimated at £0.350m, this position will be reviewed and updated once the application and placement details are finalised.
- 5.2.6 There is currently a projected underspend of £0.187m for the Authority's on-going pension liability linked to pension / exit costs for school-based staff, this has increased by £0.085 from period 7. This budget is expected to be insufficient in the coming years, the consequence of a need to reduce posts in schools, linked to reducing pupil numbers and/or budget pressures.
- 5.2.7 The Management & Support Services and Advisory Teachers Teams are projecting a collective £0.190m underspend, this relates to a mix of salary related savings from managing vacancies and some additional income.
- 5.2.8 The Early Years Central Team budget is required to support the continuation of grant funding into the Authority of circa £10m in the current financial year. An underspend of £0.277m is still projected at period 9, from maximising grant and charging core funded central team staff to the grant where they are covering the work for vacant grant funded posts. This flexibility reduces when staff turnover is low and year on year as the grant funding is cash limited with no annual increase for the impact of pay awards.
- 5.2.9 The Library Service is currently under review as part of Mobilising Team Caerphilly and is projecting an underspend of £0.113m, this relates to a mix of in-year staff savings from managing vacancies of circa £0.055m, a savings on premises related spend on national non-domestic rates of circa £0.031m and additional rental income, for 2 of our key sites, of £0.043m.

- 5.2.10 Vulnerable Learners (Education Other Than at School, Additional Support & Out of County Places) is reporting a £0.210m overspend which is largely due to one-off costs linked to the transition to a new model for school-based support (September 2024). This provision was previously part of EOTAS. This is not anticipated to be an on-going pressure in financial year 2025/26.
- 5.2.11 As previously reported Welsh Government has confirmed 2024/25 funding for Teachers Pay of £1.082m and Teachers Pension of £3.617m, these amounts will now be passported onto schools and services to cover these pressures.
- 5.2.12 At the end of the 2023/24 financial year, the net collective balances position for our 85 schools was a surplus of £5.3m, with 21 schools reporting a deficit balance at outturn. It was reported to School Budget Forum (5th December 2024), that the anticipated schools' balances position at the end of the 2024/25 financial year is a collective deficit of £1.68m. This position is being kept under review through established processes that are in place to support schools at this increasingly challenging time for Local Government.
- 5.2.13 Within the directorate there are a few posts that are supported by the approved use of reserves and whilst there are no real concerns for the current financial year, the position will need to be reviewed for future years. This review will also be necessary in relation to grant funded posts.

5.3 Social Services (Projected underspend of £1.684m)

- 5.3.1 There is currently a projected underspend of £1.684m for Social Services (inclusive of transport costs), this is an improvement of £1.004m from period 7 which had forecast an underspend of £0.680m.
- 5.3.2 The potential underspend in respect of the Children's Services Division has increased by £0.076m to £0.326m since the period 7 position was reported to members. This movement can be attributed to additional funding awarded by both the Home Office and Welsh Government to support the increasing number of unaccompanied asylum-seeking children that are supported by the Children's Service Division. However, members are reminded that the Division is still anticipating an overspend of £1.325m in respect of residential placements, which is being offset in 2024/25 only, through temporary staffing vacancies and one-off funding streams.
- 5.3.3 In period 7 Adult Services reported an underspend of £0.188m, since then the Service has been awarded two new specific grants by Welsh Government. The first of these awards amounts to £0.537m of non-recurrent funding in respect of Welsh Government's "50 Day Integrated Care Winter Challenge". Around £0.231m of this funding will be used to increase the provision of equipment and adaptations to facilitate hospital discharge over the winter period, with the remaining £0.306m being used to fund existing overspends caused by increased demand for domiciliary care. The second award amounted to £0.140m and is intended to compensate for the impact of freezing the cap on non-residential care charges at £100 per week through 2024/25. In summary, the potential underspend across Adult Services has increased by £0.446m due to this additional grant funding.
- 5.3.4 Recent months have seen an increase in the levels of regular income collected from service users, resulting in an increase of £0.517m in the projected income for the year. It would also appear that previous forecasts of one-off receipts in respect of

debts accrued before service users' properties have been sold, have been overly cautious. Based on actual receipts between April and December 2024 we have revised our projections upward by around £0.494m. These two adjustments have increased the potential Adult Services underspend by around £1.011m since month 7.

- 5.3.5 However, over the same period, the Division has seen an increase in demand for independent sector care packages, which has reduced the potential underspend for Adult Services by around £0.396m. This includes £0.197m in respect of residential and nursing care packages and £0.185m in respect of supported living placements.
- 5.3.6 Furthermore, the Division has seen an increase in the projected cost of in-house service provision of £0.175m. This includes the impact of the 2024/25 pay award which for care staff amounted to more than the 4% provision included in the 2024/25 budget. It also reflects a number of posts that have been filled in our residential care homes over the last 2 months and the potential impact of winter sickness bugs on the cost of providing sickness absence cover.
- 5.3.7 Following the impact of the issues raised in paragraphs 5.3.3 to 5.3.6, an overall underspend of £1.074m is forecast for the Adult Services Division.
- 5.3.8 The level of debt that has been owed to the Division for more than 12 months has increased significantly during the current financial year. If this outstanding debt cannot be collected before the end of the financial year, then we could require an increase in our bad debt provision. Work is ongoing to reduce the level of older debts, and the position will be reviewed at year-end to determine whether an increase in bad debt provision is appropriate and if so, how it could be funded.
- 5.3.9 Business Support Services are expected to underspend their budget by £0.283m. This is largely due to staff savings through a combination of grant maximisation initiatives and vacancy management.
- 5.3.10 During 2024/25, £0.626m has been vired from the Social Services Transport budget to contribute to an in-year £5million savings target associated with the "Mobilising Team Caerphilly" programme.
- 5.3.11 In summary, the ongoing pressures of increasing demand for children's residential care placements and supported living for vulnerable adults have been offset in the current financial year by temporary in-year savings, resulting in a net projected underspend for Social Services of £1.684m. However, it is unlikely that the same level of in-year savings will be available in future years to offset the recurring demand pressures. Furthermore, a review of the aged debt could necessitate an increase in bad debt provision, which could impact upon the in-year projected underspend.

5.4 Economy & Environment (Projected Overspend of £0.847m)

- 5.4.1 The projected outturn position for the Economy and Environment Directorate is an overspend of £0.847m, this is an adverse movement of £0.707m from the position reported in period 7, however it should be noted that this is largely due to the forecast net pressures of storm Bert and storm Darragh being reported here as described in paragraph 5.4.16.
- 5.4.2 The Regeneration & Planning division is projecting a net overspend of £0.095m. The most significant variance is a net £0.304m overspend projected on the Council's

industrial properties as income budgets are forecast to be underachieved due to several vacant units within the portfolio. It is taking longer than expected to find suitable tenants and as a result the pressure on the budget has increased by a further £0.097m from period 7. This position is further compounded by the need for additional maintenance. The service is engaging with businesses to encourage rental agreements for vacant units, a rent review of the properties has also been undertaken. A potential risk has also been forecast on Ffos market of £0.040m, as the market could under achieve against income budgets, as it continues to establish and move towards a breakeven position, this is being closely monitored.

- 5.4.3 Tourism Venues have undergone a review under Mobilising Team Caerphilly. The decision was taken by Cabinet on the 25th of September 2024 to mothball Llancaiach Fawr at the end of December 2024 and explore options for the facility to be run in a different way in the future. This will not realise any savings in 2024/25 but will deliver £0.445m in 2025/26. Blackwood Miners Institute is still under review and continues to operate as normal, there has been an increase in admission charges income resulting in a forecast underspend of £0.057m. Cwmcarn Visitor Centre is forecasting a £0.038m overspend for period 9, this is from increased costs against staffing, security and vehicle hire and a forecast underachievement of income but is an improvement from period 7 as the centre strives to deliver within budget.
- 5.4.4 Planning Services is projecting an underspend of £0.122m, from one-off staff savings and are forecasting a small over achievement of income.
- 5.4.5 A net underspend of £0.199m is projected for the Infrastructure Division, with small movement from period 7 of £0.075m. The net underspend is across the Division and is largely from managing vacancies and maximising income. As part of the vacancy management review four posts have been identified for permanent removal and the saving has now been captured against the £5m MTC savings target.
- 5.4.6 On the 18th of September Cabinet approved the Waste Strategy, as part of these recommendations it was also approved that any in-year Waste Service revenue underspends would be ringfenced to smooth revenue operations variations as the strategy is implemented. Overall, at period 9 Waste is forecasting an underspend of £0.072m so this has been forecast to transfer to the Waste Strategy reserve. The service has implemented changes in 2024/25 to increase recycling at the kerbside and at household recycling centres and there have also been changes in relation to commercial waste, this has impacted on the tonnages collected and treatment which is shown in the budget variations. Residual Waste, Organic Recycling, Waste Transfer Station, and Commercial Waste are all forecasting overspends, mainly in relation to increased vehicle maintenance and hire costs for the ageing fleet and increased site running and maintenance costs. These overspends are being partially offset by a projected underspend on Dry Recycling and Civic Amenity from reduced contractor and vehicle costs and underspends on Tre-hir, HQ staffing and Street Cleansing.
- 5.4.7 The Public Protection and Community & Leisure Services division is projecting a net overspend of £0.171m, this is an improvement of £0.213m from period 7.
- 5.4.8 Cemeteries have reassessed their income target as the number of burials is significantly reducing, the service is realising the impact of opening Sirhowy Crematorium and are currently predicting to under achieve against income budget by £0.376m. To offset this, they have significantly reduced works on trees and shrubs maintenance, this is

not sustainable long term, the net overspend is forecast at £0.225m. This has increased from period 7 due to works recharged from Parks.

- 5.4.9 Parks Operations is currently under review as part of the Mobilising Team Caerphilly transformation programme. Staff savings from vacant posts are being offset by agency staff, there are several staff movements within the service area that has resulted in variances across the service. A review of staffing structures is being undertaken and will be in place for 2025/26. Parks and playing fields are projecting an overspend of £0.196m after agreed draw down of reserves, this has reduced from period 7 as recharges have been confirmed. The service is currently developing a recovery plan to reduce the overspend by the end of the financial year.
- 5.4.10 Another area in the Parks service which is under pressure is the arboriculture service. The tree management budget was fully spent by the 31st of October 2024 due to increased demand and prices. Further health & safety works of £0.072m have been identified which will result in an overspend, there is a risk this could increase further. Where applicable, the service area is drawing down from the ash die back reserve.
- 5.4.11 Outdoor facilities will be under pressure as in previous years and is forecasting an overspend of £0.030m on maintenance budgets, the service is unable to recover full costs based on the current set level of fees and charges.
- 5.4.12 Leisure Services is also under review as part of the Mobilising Team Caerphilly transformation programme. The Leisure Services overspend projection of £0.103m has not changed from period 7 and is largely due to staff overspends. The service has a vacancy management target for 2024/25, this is not being achieved as frontline vacancies and absences must be covered for the service to operate but the service is limiting the spend by covering absences with relief staff.
- 5.4.13 Vehicle Maintenance and Fleet Management is working through several service changes as part of the Mobilising Team Caerphilly programme. The service has made considerable changes to their service area in 2024/25 with a much-improved forecast outturn position compared to previous years. At period 9, the forecast is unchanged at £0.011m underspend, however the service has identified a risk with in year contract changes which could impact on the 2024/25 income targets, this is being worked through and will be closely monitored.
- 5.4.14 Trading Standards and Environment Health are forecasting a collective underspend of £0.270m which is largely due to staff savings from managing vacancies and overachieving income targets. These underspends are offsetting the pressures across the service. As part of the vacancy management review one post has been identified for permanent removal, this is now captured and reported as a permanent budget saving against the Mobilising Team Caerphilly £5m in-year saving target.
- 5.4.15 The Land & Property service is projecting an underspend of £0.062m. Staffing and payment to agencies is showing a net underspend of £0.264m from holding vacant posts while the service is restructured and £0.012m underspend on Administration. These underspends are being offset by increased costs on transport, supplies and services and consultants, in addition for period 9 there is now a forecast shortfall on income of £0.052m.
- 5.4.16 Significant costs have been incurred in response to storm Bert and storm Darragh. Funding support is available through the Welsh Government Emergency Financial

Assistance Scheme (EFAS). Estimated costs have been provided to Welsh Government and are subject to further review. The scheme will fund eligible costs in excess of £0.847m, therefore an overspend of £0.847m has been included in the period 9 forecast.

5.5 Corporate Services (Projected Overspend of £0.562m)

- 5.5.1 The Directorate of Corporate Services is currently projecting a net overspend of £0.562m, this is a positive movement of £0.158m from period 7.
- 5.5.2 General Fund Housing is forecasting an overspend of £1.528m for Temporary Accommodation, this has increased by a further £0.114m. This is a demand led service and is very difficult to predict. The Council has to fund on average 80% of temporary accommodation costs as it is not eligible for housing benefits. The past few years have seen increasing demand because of Covid-19 and the cost-of-living crisis which is requiring an increasing number of Bed and Breakfast placements. As at the end of December, there were 392 households placed in TA. The placement length for single people is increasing as stock becomes depleted and the development of new sites becomes stagnant or is delayed for several reasons, even then the proportion of single person stock on those new build sites is minimal in comparison to the numbers placed and waiting in TA. Welsh Government have confirmed further funding in 2024/25 of £0.662m via the No One Left Out Grant, however this is lower than the previous year.
- 5.5.3 The position is also compounded by the current Ukraine situation and the increased UK wide Asylum dispersal proposals by central government which could see an increase and further delays with placements.
- 5.5.4 Security provision is currently being reviewed with a view to reducing or withdrawing from some establishments. Processes are also being redrafted to expediate Housing Benefit claims, and the allocations policy is being reviewed. Cabinet agreed to adopt the Welsh Government Leasing Scheme Wales policy which will involve utilising private landlords and give more options to discharge statutory duties, 8 potential properties are in the system however, this is unlikely to alleviate any pressures this financial year as properties need to be inspected for being fit for purpose prior to being taken on. Officers are also awarding priority banding on the Common Housing Register for those cases that sit under prevention and where loss of home through possession is going to happen, to maximise allocation opportunities before TA is required.
- 5.5.5 Welsh Government has set out an ambitious Programme for Government with the aim of making our community a better place to live and work, which will be achieved in part, by reforming homelessness services to focus on prevention and rapid rehousing, which should in theory eradicate the need for B&B placements. However, this a long-term strategy likely to take five to ten years. Emergency Accommodation will still be required but on a smaller scale and officers are currently undertaking a review regarding what this provision will look like for CCBC in the longer term. In the meantime, the Council is maximising its Caerphilly Keys Private Rented Sector project so that the Housing Solutions Team can maximise move on within that sector. Funding from Welsh Government has also helped Caerphilly Homes buy back 42 predominantly ex-council homes. Officers are currently considering modular housing, and further consideration is being given to the Welsh Government White Paper

proposal to ending homelessness with interim accommodation where standards, space sharing, young people, and the use of hotels and B&Bs are concerned, but timescales or impact are not clear yet.

- 5.5.6 Private Sector Housing is projecting an underspend of £0.096m, this is in relation to agency fee income. The Private Sector Housing Renewal Policy was approved by Cabinet on 3rd April 2024, the service will continue to receive a reduced level of fee income following the approval of the new policy.
- 5.5.7 The above overspend in General Fund Housing is being partially offset by staff savings across all of Corporate Services from vacancies and by maximising the use of grants and earmarked reserves. As part of the vacancy management review two posts in People Services, one post in Customer & Digital Services, and one post in Financial Services have been identified for permanent removal, the saving has now been captured against the £5m MTC savings target.
- 5.5.8 Cost pressures in Digital Services are being experienced in relation to increases for IT contracts and from the additional requirement for Microsoft 365 licences as we improve the digital offering across the organisation. This is being monitored and is forecast to be offset in this financial year by one-off staff savings from holding vacant posts while the service is restructured but will need to be re-assessed for the 2025/26 budget.
- 5.5.9 As agreed by Cabinet as part of the 2023/24 Outturn report the procurement budget has been updated to show a further £0.300m income target for the forecast income as a result of the “Wales Wide” food procurement contract. The income is not guaranteed and depends on how much the framework is used. The figure has been based on the amount achieved in 2023/24 and will be closely monitored and reported on this year. If due to demand and membership it does not meet the target the budget will need to be adjusted through future budget setting rounds. This saving has now been captured and reported against the £5m MTC savings target.
- 5.5.10 Catering is currently being reviewed under MTC, the Hive staff canteen is operating a reduced service and will close by the end of the financial year. The service is forecasting a £0.164m underspend for period 9, this is an improved position and is due to a forecast increase in income, in relation to Welsh government funding for Universal Primary Free School Meals and school meal sales in Comprehensive schools. The service has flagged a risk regarding an increase in food prices as a result of adverse weather conditions and new Welsh Government Legislation being introduced for 2025/26 which will affect Secondary Schools, Primaries and Breakfast Clubs. This legislation is anticipated to result in increased prices due to the requirement to provide more locally sourced foods, and healthier eating options. Although legislation will not be introduced this financial year, Catering will need to run trials and test menus in readiness for next year’s potential rollout.

5.6 Miscellaneous Finance (Projected Underspend of £0.402m)

- 5.6.1 There is an overall projected underspend of £0.402m in Miscellaneous Finance.
- 5.6.2 On the 6th of December 2024, Welsh Government announced in-year additional grant funding to help support Councils to manage pressures, especially relating to pay, for Caerphilly this was £3.031m. Furthermore, an additional £0.614m income has been received in relation to backdated NNDR rebates for various Council properties.

- 5.6.3 Capital Financing is now reporting a £0.185m underspend, this is an improvement of £0.253m from period 7. The movement is due to revised forecasts for contributions towards the School and SEW PFI funding and Unitary charge.
- 5.6.4 Pension contributions to former authorities is forecast to overspend by £0.068m, this forecast is based on the actual payments to date, payments fluctuate as they are dependent on the individuals in the scheme and their circumstances.
- 5.6.5 There is a projected overspend of £0.070m on the Trade Union budget. We are currently still in discussions with Trade Union colleagues to review and update our facilities agreement to ensure that equitable support arrangements are in place.
- 5.6.6 There is a projected net overspend of £0.069m on Class 1A NI savings. This overspend is from a reduced take-up of the Tusker GASS car scheme. The take-up of this scheme has reduced over the years and if this continues it will continue to put pressure on the overall Miscellaneous Finance budget.
- 5.6.7 A £5m MTC in-year savings target was set as part of the 2024/25 budget. Savings have been approved for £1.476m to date with a further £0.178m identified and forecast as at the 31st of December 2024, so this is currently reporting a £3.346m overspend. The MTC programme is ongoing, and as further services are reviewed and projects developed, new efficiencies and savings will come forward however due to the timing of implementing these proposals are likely to fall into 2025/26.
- 5.6.8 As previously reported a contingency of £0.409m was established in the approved 2024/25 budget for transport contract price increases, and this is currently showing as an underspend to partially offset the overspend reported under Education & Lifelong Learning for Home to School Transport. As described above this service has been prioritised under Mobilising Team Caerphilly, officers are reviewing the service to ensure the most appropriate and most cost-effective provision is provided for pupils.
- 5.6.9 The Counsel Fees budget is projecting a £0.056m overspend which is an adverse movement from the period 7 position. The service has previously flagged a risk that this budget may overspend due to a few high value cases in the pipeline, and this will continue to be monitored closely during the financial year.
- 5.6.10 There is currently a projected overspend of £0.042m relating to the proposed PFI Voluntary Termination. The current overspend relates to external advisors' costs around the proposal to voluntarily terminate the CCBC School PFI Contract, this is forecast to deliver significant recurring savings.
- 5.6.11 The Corporate and Democratic Core Costs budget is forecasting an overspend of £0.044m, this is largely resulting from increased bank charges, this is due to a combination of higher charges and an increase in the number of telephone and online payments being processed.

5.7 Savings Delivery 2024/25

- 5.7.1 As approved by Council on the 27th of February 2024, the 2024/25 budget includes savings totalling £31.002m, of which £11.449m are temporary savings (one-off) and £19.552m are permanent savings (recurring). The permanent savings include the £5m Mobilising Team Caerphilly programme target that needs to be captured and detailed in-year as savings are identified, and a £2.673m non-pay inflation pressure that must

be absorbed by service areas. The savings are reflected in the budgets and monitoring positions detailed throughout this report. These savings need to be delivered in full or they will result in an overspend at year end. Robust monitoring of savings delivery is therefore critical to managing the risk, to report on what savings have been achieved and progress made throughout the year and to inform financial planning to ensure budgets remain deliverable.

5.7.2 The table below summarises the assessment of savings delivery for 2024/25 as at the 31st of December 2024, full details at saving level can be found in Appendix 4.

Savings have been assessed based on the following:

Blue – The element of saving fully achieved already at this point in the year.

Green – The element of saving that is forecast to be achieved by year end but has not been achieved yet.

Amber - The element of saving considered to have some deliverability risk but is still forecast to be achieved this financial year.

Red – The element of saving containing significant deliverability risk and therefore forecast to not be achieved this financial year and reported as an overspend.

Table 2 - Savings delivery BRAG assessment 2024/25 as at the 31st of December 2024

| Budget Setting 2024/25 Savings | Total £m | Blue £m | Green £m | Amber £m | Red £m |
|---|---------------|---------------|--------------|--------------|--------------|
| Corporate Services | 1.845 | 0.931 | 0.907 | 0.008 | 0.000 |
| Corporate Services Miscellaneous Finance | 10.805 | 6.289 | 3.998 | 0.518 | 0.000 |
| Economy & Environment | 3.289 | 0.710 | 2.307 | 0.186 | 0.086 |
| Social Services | 3.071 | 1.913 | 0.393 | 0.382 | 0.383 |
| Education & Lifelong Learning | 1.319 | 1.205 | 0.099 | 0.000 | 0.015 |
| Education & Lifelong Learning Schools | 3.000 | 0.000 | 0.000 | 1.320 | 1.680 |
| Mobilising Team Caerphilly | 5.000 | 1.476 | 0.000 | 0.178 | 3.346 |
| Non-Pay Inflation | 2.673 | 0.000 | 0.000 | 2.673 | 0.000 |
| Total | 31.002 | 12.523 | 7.703 | 5.265 | 5.511 |
| % of Total | | 40% | 25% | 17% | 18% |

5.7.3 £12.523m savings have been assessed as being fully achieved as at the 31st of December 2024. £7.703m savings are forecast to be achieved by the end of financial year. £5.265m savings are considered to have some deliverability risk but are still forecast to be achieved this financial year. £5.511m savings have been assessed as having significant deliverability risk and are therefore not forecast to be achieved this financial year. These savings have been reported as overspends within the above forecasts.

5.8 Conclusion

- 5.8.1 The 2024/25 projected overspend is £0.757m as at the 31st of December 2024, this shows a small improvement of £0.165m from the position reported in period 7. This position is net of a £10.624m contribution from General Fund reserves to support the 2024/25 budget.
- 5.8.2 Home to School Transport and Temporary Accommodation continue to come under pressure and have forecast increased overspends for period 9. As detailed in the report both areas are reviewing options to improve this position, with Home to School Transport prioritised under Mobilising Team Caerphilly and Temporary Accommodation reporting to Leadership, however it should be recognised there are no quick solutions to these issues, they are both demand led and the changes being developed and proposed will have long lead in times.
- 5.8.3 This is the revenue budget monitoring position based on information as at the 31st of December 2024. Spend control measures, including vacancy management remain in place and budgets and savings delivery will continue to be closely monitored until the end of the financial year to continue to work towards a balanced outturn position, without the need for a further call on reserves.

6. ASSUMPTIONS

- 6.1 A wide range of assumptions are made in the preparation of budget monitoring reports based on information available for the relevant reporting period.

7. SUMMARY OF INTEGRATED IMPACT ASSESSMENT

- 7.1 As this report is for information only an Integrated Impact Assessment is not required.

8. FINANCIAL IMPLICATIONS

- 8.1 As detailed throughout the report.

9. PERSONNEL IMPLICATIONS

- 9.1 There are no direct personnel implications arising from this report.

10. CONSULTATIONS

- 10.1 There are no consultation responses that have not been reflected in this report.

11. STATUTORY POWER

- 11.1 Local Government Act 1972.

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Appendices:

Appendix 1 – 2024/25 Whole-Authority Revenue Budget Monitoring Report (Period 9) -
Summary by Directorate/Service Division

Appendix 2 – 2024/25 Savings Delivery BRAG Assessment Period 9

Background Papers:

Council (27/02/24) – Budget report 2024/25 [Budget Proposals 2024/25](#)

[Appendix](#)

[Appendix 1](#)

[Appendix 2](#)

[Appendix 3](#)

[Appendix 4](#)

[Appendix 5](#)

[Appendix 6](#)

[Appendix 7](#)