

THE VALE OF GLAMORGAN COUNCIL

RESOURCES SCRUTINY COMMITTEE: 25<sup>TH</sup> MARCH, 2026

REFERENCE FROM CABINET: 26<sup>TH</sup> FEBRUARY, 2026

**“C212 QUARTER 3 REVENUE MONITORING 2025/26 (EL/PR) (SCRUTINY – RESOURCES SCRUTINY COMMITTEE) –**

The Leader presented the report to provide an update on Quarter 3 Monitoring for 2025/26.

Table 2 on Page 3 of the report showed there had been a net impact on schools of £8.8M in terms of reserves and therefore were not able to be used for other matters to cover those deficits. Reserves were however projected to reduce over the year and would be reprofiled due to capital expenditure slippage.

It was proposed that the report be referred to Resources Scrutiny Committee where the Leader looked forward to a more in-depth discussion.

This was a matter for Executive decision.

Cabinet, having considered the report and all the issues and implications contained therein

RESOLVED –

(1) T H A T the report and the financial measures taken and proposed be approved.

(2) T H A T the report be referred to Resources Scrutiny Committee for consideration and for any recommendations to be referred back to Cabinet for consideration.

Reasons for decisions

(1) To approve the report and the financial measures taken and proposed.

(2) To enable the Scrutiny Committee responsible for finance to review the year end position.”

Attached as Appendix – Report to Cabinet: 26<sup>th</sup> February, 2026

Meeting of:	<b>Cabinet</b>
Date of Meeting:	<b>Thursday, 26 February 2026</b>
Relevant Scrutiny Committee:	Resources Scrutiny Committee
Report Title:	Quarter 3 Revenue Monitoring 2025/26
Purpose of Report:	To provide an update on Quarter 3 Monitoring for 2025/26.
Report Owner:	Executive Leader and Cabinet Member Performance and Resources
Responsible Officer:	Head of Finance (Section 151 Officer)
Elected Member and Officer Consultation:	This report is to be referred to Resources Scrutiny Committee. This report does not require Ward Member consultation
Policy Framework:	This is a matter for Executive decision by Cabinet.
<p>Executive Summary:</p> <ul style="list-style-type: none"> <li>• The Council has continued to experience significant demand pressures for supporting Children’s Services, Adult Services due to the aging demographic and increasing complexity of need, Homelessness and pupils with Additional Learning Needs including School Transport. There are also pressures across front line Neighbourhood Services such as in respect of Road Maintenance, Waste, Grounds Maintenance and Street Cleansing.</li> <li>• The lag on delivery of savings is quite significant in 2025/26 and outstrips the provision in the budget risk reserve; this reflects the complexity of savings being introduced but further consideration of implementation timelines should be factored into budget setting for 2026/27 and the Medium Term Financial Plan which impacted outturns in year particularly in Neighbourhood and Social Services.</li> <li>• The Council has sought to maximise the resources in Schools but 2024/25 ended with a £4.2m net deficit and further deficits are forecast in 2025/26. There are acknowledged funding pressures for schools across Wales and this is the case for the Vale of Glamorgan too but there are a small number of schools with disproportionate levels of deficit. Greater action is being taken for 2025/26 to address the position including providing schools with strategies to present balanced recovery plans. Whilst mindful of the pressures schools experience in respect of pay, ALN and wellbeing needs and falling pupil numbers the Council must challenge schools where</li> </ul>	

appropriate on their approaches to providing a balanced budget. The Director of Learning and Skills has worked with schools and governing bodies to develop plans to address deficits and a number of schools with high irrecoverable deficits and has been meeting regularly with the Chief Executive, Director of Learning and Skills, Head of Finance and Leader since September to discuss measures to address these challenges with further steps taken on a case by case basis. Those seven schools of greatest concern came in to the Civic Offices in January in a series of meeting to discuss their financial positions. Further support will be provided to schools with smaller deficits to support the delivery of recovery plans as agreed with the Director of Learning and Skills.

- The Quarter 3 Revenue position projects unplanned use of reserves corporately of £3.121m, £2m of this sum will be met from the Budget Risk Reserve, and the balance is currently shown against the Council’s General Fund. There are a number of reshaping proposals that are being explored during 2025/26 to address the unplanned use of reserves, a moratorium on use of reserves has also been introduced by SLT including a review of all planned use of reserves. As noted above Schools a further drawdown of reserves, this amounts to £10.550m in year taking the cumulative net deficit for schools to £14.687m.
- Virements as set out below have been requested as part of this report and reflect the correction of allocation of cost pressures and savings as part of the 2025/26 budget setting process.

Table 1 - Outturn Summary

Directorate	Original Budget 2025/26	Virement	Revised Budget 2025/26	Projected Outturn	Variance (Overspend)
	£000's	£000's	£000's	£000's	£000's
Learning and Skills	142,112	0	142,112	152,734	(10,622)
Social Services	106,707	0	106,707	109,747	(3,040)
Environment and Housing	30,964	0	30,964	31,770	(807)
Corporate Resources	15,487	32	15,519	16,264	(745)
Place	3,021	0	3,021	3,021	0
Policy	33,283	(32)	33,252	31,710	1,543
Council Tax Surplus	0	0	0	0	0
Schools Adjust to Reserve for Deficit	0	0	0	(10,550)	10,550
Unplanned Use of Reserves	0	0	0	(3,121)	3,121
<b>Total</b>	<b>331,574</b>	<b>0</b>	<b>331,575</b>	<b>331,574</b>	<b>0</b>
Public Sector Housing (HRA)	(440)	0	(440)	(440)	0
Public Sector Housing (HRA) Use of Reserves	440	0	440	440	0
<b>Total</b>	<b>331,574</b>	<b>0</b>	<b>331,575</b>	<b>331,574</b>	<b>0</b>

<b>Movement in Reserves</b>	
Unplanned Use of Reserves	3,121
Use of Reserves Schools	10,550
Transfer into Reserves	(552)
Planned Use of Reserves (Budget)	636
Planned Use of Reserves (Projects)	3,358

HRA	(440)
Total	16,673
Capital Movement	5,723
General Fund Movement	0
Total	22,396

- As with previous reports Appendix 2 has been included for 2025/26 that sets out the budgeted Income and Expenditure for the Council; this will be further refined during the course of the financial year to reflect emerging grant funding streams etc.
- The progress against 2025/26 savings targets is reflected in the Appendix 9. Services have mitigated some savings not achieved in year with other temporary income or savings; the appendix also keeps savings not achieved in 2023/24 or 2024/25 under review.
- The level of Useable Reserves is projected to reduce significantly in year but it is likely to be reprofiled slightly due to Capital Expenditure slippage and emerging grant income. The Council will be undertaking a review of reserve commitments in year outlined above to mitigate some of the unplanned draw down that is currently set out in the projections.

Table 2 – Reserves

As at	Balance 31/03/25	Capital	Planned Budget Moveme nt 2025/26	Unplanned Budget Moveme nt 2025/26	HRA Reserves	Provision al Balance 31/03/26
	£'000	£'000	£'000	£'000	£'000	£'000
General Fund	13,000	0	0	(732)	0	12,268
Insurance	4,954	0	0	0	0	4,954
Service Reserves	10,579	(239)	(1,454)	0	0	8,886
Risk and Smoothing Reserves	20,224	(2,383)	(2,212)	(2,389)	0	13,240
Capital Reserves	9,281	(3,100)	(172)	0	0	6,009
Schools	1,289	0	400	(10,550)	0	(8,861)
Housing Revenue Account	3,885	0	0	0	440	4,325
Total	63,212	(5,723)	(3,438)	(13,671)	440	40,821

## **Recommendations**

1. That the report and the financial measures taken and proposed be approved.
2. That the report is referred to Resources Scrutiny Committee for consideration and for any recommendations to be referred back to Cabinet for consideration.

## **Reasons for Recommendations**

1. To approve the report and the financial measures taken and proposed.
2. To enable the Scrutiny Committee responsible for finance to review the year end position.

## **1. Background**

- 1.1 Council on 10th March 2025 approved the revenue budget for 2025/26 and earlier in the year on 13th January 2025 approved the Housing Revenue Account (HRA) budget for 2025/26. The approved drawdown from specific reserves was £267k for initiatives to support schools in setting balanced budgets including £53k for additional procurement support and £500k to support Homelessness pressures.
- 1.2 There continue to be demand pressures associated with Additional Learning Needs and Social Services both Adult and Children's Services. There is also some pressure in respect of finalising delivery of savings proposals outstanding across 2023/24 and 2024/25 and some projected delay on implementation of 2025/26 savings. Some provision for the delay on implementation of savings has been made through £2m Budget Risk Reserve which is currently projected to be used in full in 2025/26. The current projected unplanned use of reserves and use of the budget risk reserve are reflected in this monitoring report and will continue to be kept under review as the Council progresses through this financial year.
- 1.3 This report is to be referred to Resources Scrutiny Committee.

## **2. Key Issues for Consideration**

- 2.1 The original budget approved for 2025/26 represents budgeted net expenditure for the Authority of £331.574m. Total expenditure is to be financed by Revenue Support Grant (£176.793m), National Non-Domestic Rates contribution (£47.654m) and Council Taxpayers (£105.877m), further provision was also made for projected recovery of Council Tax arrears of £1.250m.
- 2.2 The directorate revenue budgets are requested to be amended for the virements set out in the table below. The requests reflect the correction of budgets largely for accounting adjustments. The requests are further detailed in the service specific appendices.

**Table 3 - Virements Requested**

	Amended Original Budget 2025/26	Virement Requested	Revised Budget 2025/26
	£000's	£000's	£000's
Learning & Skills	142,112	0	142,112
Social Services	106,707	0	106,707
Environment and Housing	30,964	0	30,964
Corporate Resources	15,487	32	15,519
Place	3,021	0	3,021
General Policy	33,284	(32)	33,251
<b>Total</b>	<b>331,574</b>	<b>0</b>	<b>331,574</b>

**2.3** The projections below include the changes requesting as part of the Housing Revenue Account Report also on this Cabinet agenda.

**2.4** The following table compares the budget and the projected outturn, including transfers to and from reserves. Also included is a summary of the movement in reserves projected for 2025/26.

**Table 4 – Summary Outturn**

Directorate	Original Budget 2025/26	Virement	Revised Budget 2025/26	Projected Outturn	Variance (Overspend)
	£000's	£000's	£000's	£000's	£000's
Learning and Skills	142,112	0	142,112	152,734	(10,622)
Social Services	106,707	0	106,707	109,747	(3,040)
Environment and Housing	30,964	0	30,964	31,770	(807)
Corporate Resources	15,487	32	15,519	16,264	(745)
Place	3,021	0	3,021	3,021	0
Policy	33,283	-32	33,252	31,710	1,543
Council Tax Surplus	0	0	0	0	0
Schools Adjust to Reserve for Deficit	0	0	0	(10,550)	10,550
Unplanned Use of Reserves	0	0	0	(3,121)	3,121
<b>Total</b>	<b>331,574</b>	<b>0</b>	<b>331,575</b>	<b>331,574</b>	<b>0</b>
Public Sector Housing (HRA)	(440)	0	(440)	(440)	0
Public Sector Housing (HRA) Use of Reserves	440	0	440	440	0
<b>Total</b>	<b>331,574</b>	<b>0</b>	<b>331,575</b>	<b>331,574</b>	<b>0</b>

Movement in Reserves	
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Unplanned Use of Reserves	3,121
Use of Reserves Schools	10,550
Transfer into Reserves	(552)
Planned Use of Reserves (Budget)	636
Planned Use of Reserves (Projects)	3,358
HRA	(440)
<b>Total</b>	<b>16,673</b>
Capital Movement	5,723
General Fund Movement	0
<b>Total</b>	<b>22,396</b>

- 2.5** A detailed analysis of the projected outturn at Quarter 3 and the associated variances is provided at Appendix 1.
- 2.6** A number of the Council’s budgets continue to be under considerable pressure, a summary of the key headline pressures in year is set out in the Directorate summary in paragraphs 2.10 to 2.33. The Quarter 3 revenue position projects unplanned use of reserves corporately of £3.121m; £2m of this sum will be met from the Budget Risk Reserve and the balance is currently shown against the Council’s General Fund.
- 2.7** There are a number of reshaping proposals that are being explored during 2025/26 to address the unplanned use of reserves and a moratorium on use of reserves has also been introduced by SLT including a review of all planned use of reserves. As noted above for Schools there is a further drawdown of £10.550m in year taking the cumulative net deficit for schools to £14.687m.
- 2.8** Appendix 2 to the report includes a breakdown of the budget by type of income and expenditure and reflects the gross expenditure of the Council as well as the scale of income from grants and fees and charges.

**Table 5 – Budget Analysis by Category**

Directorate/Service	Total Expenditure	Total Income	Net Budget
	£'000	£'000	£'000
Learning and Skills (incl. Schools)	179,626	(37,514)	142,112
Social Services	130,171	(23,464)	106,707
Environment and Housing	82,162	(51,198)	30,964
Corporate Resources	44,417	(28,898)	15,519
Place	8,907	(5,886)	3,021
Policy	34,367	(1,117)	33,252
<b>Grand Total</b>	<b>479,651</b>	<b>(148,077)</b>	<b>331,574</b>

- 2.9** In 2024/25 the Council Received £104m of revenue grants, the current budget reflects circa £84m of revenue grants in 2025/26 at Quarter 3 but this position will continue to be kept under review as we progress through the remainder of the financial year.

## Directorate Summaries

**2.10** The main reasons for the variances are set out in the supporting appendices to this report with the summary positions provided below.

### Learning and Skills

**2.11** Table 7 below provides detail of the projected outturn and variances for the Learning & Skills Directorate at Quarter 3. The outturn projected reflects an adverse variance of £72k; this relates to a school transport overspend of £401k with the underlying Central Learning and Skills being underspent and full achievement of savings proposals in year. It also reflects £10.550m additional net Schools deficit taking the overall position to £14.687m. A detailed analysis of the outturn for Learning and Skills can be found in Appendix 3.

**Table 7 – Learning & Skills Quarter 3**

Directorate/Service	Revised Budget	Virement Q3	Adjusted Revised Budget	Outturn	Variance	Use of Reserves
	£'000	£'000	£'000	£'000	£'000	£'000
Schools	128,568	-	128,568	139,118	(10,550)	
Unplanned use of school reserves	-		-	(10,550)	10,550	10,550
Subtotal Schools	128,568	-	128,568	128,568	-	10,550
Strategy, Culture, Community Learning & Resources	8,054	-	8,054	7,845	209	(202)
Directors Office	268		268	271	(3)	-
Additional Learning Needs & Wellbeing	5,392		5,392	5,404	(12)	-
Standards and Provision	2,651	-	2,651	2,516	135	-
School Transport	-	-	-	401	(401)	
National Insurance	(2,821)		(2,821)	(2,821)	-	-
Total Learning and Skills (incl. Schools)	142,112	-	142,112	142,184	(72)	10,348
Unplanned Use of Reserves	-	-	-	-	-	-

**2.12** In Central Learning and Skills, a key ongoing pressure is the School Transport budget. Local Education Authorities have a statutory duty to provide free school transport for pupils of statutory school age who reside beyond a certain distance to their nearest appropriate school, those who have an unavailable walking route to school and those who have Additional Learning Needs (ALN) who require access to specialist provision. The volume of pupils attending the Ysgol y Deri main site and satellite sites has increased again for the 2025/26 academic year. Having three different drop off and collection areas at the Penarth site means premiums are being paid to those vehicles who need to remain on site for extended periods of time. In addition, transport to out of county ALN provision has increased. The first month of the new academic year has seen an increase in requests for solo taxis due to potential behavioural issues. There has also been

an increase in the number of resource bases in the county which has led to an increase in transport requirement. The demand for mainstream transport continues to grow with the increase in demand for school places. Transport for pupils who are not able to secure a place in their catchment school as they are full continues to be a problem and has seen an increase in cost.

- 2.13** The Quarter 3 projected outturn indicates that 35 schools (66% of all schools) will be in a deficit position as at 31st March 2026, with total deficit balances amounting to £15.9 million. In contrast, 18 schools (34%) are expected to be in surplus position, with combined surplus balances totalling £1.2 million. The resulting net deficit of £14.7 million represents just under 8% of the schools' total budget share.
- 2.14** The Council understands that based on previous trajectories of school deficits between the summer term and 31st March that the projected deficits can reduce significantly in part as a result of emerging grant income. The Council also considers this position in the context of pressures on schools being very much emerging picture across Wales due to falling pupil numbers at primary level, rising Additional Learning Needs and wellbeing pressures and the high exposure to inflationary pay pressures. It also acknowledges that the Vale of Glamorgan Council is more exposed to these pressures than some other Welsh Councils due to its low funding profile. Nevertheless, further action is needed to develop achievable deficit recovery plans for some schools.
- 2.15** It is the responsibility of Governing Bodies to set a balanced budget for a school. If they are not able to do this or to set a budget plan that recovers any deficit within 3 to 5 years then it is the Statutory Responsibility of a Local Authority to step in. There are a number of steps that a Local Authority can take including Formal and Informal notices, appointing additional governors and providing additional support, placing a new Executive Board to support the school in achieving a balanced budget and where appropriate de-delegating the budget.
- 2.16** The Director of Learning and Skills has worked with schools and governing bodies to develop plans to address deficits but there remain a number of schools with high irrecoverable deficits. These Director of Learning and Skills has been meeting on a regular basis with the Chief Executive, Director of Learning and Skills, Head of Finance and Leader since September and October to discuss strategies to address these challenges, with further steps taken on a case by case basis and potentially to consider taking some of the statutory measures. The seven schools of greatest concern came to the Civic Offices in January to discuss their financial positions. There are a diverse range of issues but declining pupils numbers was a recurring theme in a number of instances giving a challenge in organising class sizes. Further support will be provided to schools with smaller deficits to support the delivery of recovery plans as agreed with the Director of Learning and Skills.
- 2.17** Some of the actions that have been taken to date are summarised below.
- Teaching and Learning Challenge appointment of external support.
  - Developed a new training package for Business Managers.

- Developed a new Business Manager Network.
- Initiated a procurement review with appointment of a procurement officer to enable cluster procurement some savings have been identified in respect of waste management contract with further opportunities being explored.
- Review of Financial Governance has been undertaken by Internal Audit.
- Benchmarking work regarding schools budgets with two other Welsh Local Authorities.
- Task and Finish work with Scrutiny Committee on ALN Resource Bases.
- Support for some schools with development of a childcare offer.
- Work with the Education Endowment fund to provides training to increase confidence of Mainstream teachers to respond to the challenges of pupils will ALN in the classroom.
- Identification of peer support for schools where appropriate.
- Initiation of Formula review exercise.
- Work with Head Teachers Steering Group and Budget Forum.

**2.18** The Overall Schools position is also further noted in Appendix 3 and summarised in the table below. The net deficit reserve position of £14.687m is offset by a specific reserve of £4.1m within the Council’s balances. The position in respect of schools deficits continues to develop and a verbal update will be porded alongside this report. This report outlines a number of steps that will be taken in respect of school pressures and addressing the overall deficit position.

**Table 8 Table summarising school balance projections for 31st March 2026.**

Sector	No. of schools in Surplus	Gross Surplus Value	No. of schools in Deficit	Gross Deficit value
		£000’s		£000’s
Primary	14 (32%)	668	30 (68%)	11,318
3-19 schools	1 (50%)	14	1 (50%)	861
Secondary	2 (33%)	382	4 (67%)	3,702
Special	1 (100%)	130	0 (0%)	0
<b>TOTAL</b>	<b>18 (34%)</b>	<b>1,194</b>	<b>35 (66%)</b>	<b>15,881</b>

## Social Services

**Table 9 – Social Services Quarter 3**

Directorate/Service	Revised Budget	Virement Q3	Adjusted Revised Budget	Outturn	Variance	Use of Reserves
	£'000	£'000	£'000	£'000	£'000	£'000
Children and Young People	24,685	-	24,685	26,785	(2,100)	160
Adult Services	73,056	-	73,056	73,427	(371)	-
Resource Management & Safeguarding	8,714	-	8,714	9,283	(569)	300
Youth Justice	703	-	703	703	-	
National Insurance	(451)	0	(451)	(451)	-	
Total Social Services	106,707	0	106,707	109,747	( 3,040)	460
Unplanned Use of Reserves	-	-	-	(1,950)	1,950	1,950

- 2.19** Table 9 above provides detail of the projected outturn for the Social Services Directorate. The outturn projected reflects an estimated adverse variance of £3.040m of which it is proposed that £1.090m will be offset by a projected underspend in the Policy budget and the balance of £1.950m will be met from an unplanned use of reserves of which £1.500m will be funded from the budget risk reserve. In addition, £300k funding for the Connecting Care Social Services ICT implementation is reflected against Resource Management and Safeguarding pending confirmation of grant funding for the scheme. The outturn is further detailed in Appendix 4.
- 2.20** Significant pressures have continued to develop in Social Services in 2025/26 and reflect the ageing demographic, an increasing complexity of need and an increase of Children and Young People Looked after with an increasing complexity of need. This position reflects pressures seen across local government nationally.
- 2.21** Children's Services has reported a significant adverse variance relating to increased external placement costs given the complexities of the care proceedings, care requirements of children and young people currently being supported and the high-cost placements some of these children require to meet their needs. Additional costs have also been encountered in respect of legal costs and increased staffing resources associated with the service. Again, this position reflects pressures seen across local government nationally.
- 2.22** Within Children's and Young People's Services there has been some increase in the need for Residential placements. There can also be observed an increase in the average cost of all placements since the start of the financial year. The service has maintained the number of Bespoke placements since April however the full year cost has increased when compared to the position at the start of the year.
- 2.23** An overspend was also reported in Adult Services in respect of Domiciliary Care and Residential and Nursing Home Payments of approximately £2m. This is offset in part by Staff vacancies in the service and additional income projections.
- 2.24** Resource Management and Safeguarding is projecting a £569k overspend, this is largely due to a £302k overspend on Residential Homes predominantly due to

staffing costs but also as a result of projected overspends on Deprivation of Liberty Safeguards and some projected overspend against advocacy costs.

## Environment and Housing

**Table 10– Environment and Housing Quarter 3**

Directorate/Service	Revised Budget	Virement Q3	Adjusted Revised Budget	Outturn	Variance	Use of Reserves
	£'000	£'000	£'000	£'000	£'000	£'000
Neighbourhood Services & Transport	25,909	0	25,909	26,387	(478)	
Building Services	686	0	686	626	60	
Building/Cleaning Services	1,081	0	1,081	1,081	0	-
Regulatory Services	1,711	0	1,711	1,711	-	-
Council Fund Housing	2,367	0	2,367	3,531	(1,164)	-
Planned Use of Reserves (Council Fund Housing)	(500)	0	(500)	(1,275)	775	1,275
Public Sector Housing (HRA)	(440)	0	(440)	(440)		
Use of Reserves HRA	440	0	440	440	-	(440)
National Insurance	(290)	0	(290)	(290)		
<b>Total Environment and Housing</b>	<b>30,964</b>	<b>0</b>	<b>30,964</b>	<b>31,771</b>	<b>(807)</b>	<b>835</b>
Unplanned Use of Reserves	0	0	0	(801)	801	801

**2.25** The Environment and Housing budget projected outturn at Quarter 3 is an adverse variance of £807k. Of this sum £389k will be met from a contribution from the Legal Reserve, £6k from the underspend reported against the policy budget and the balance will be met from the Budget Risk Reserve.

**2.26** In Environment and Housing, key pressures include some delay on the implementation of savings proposals which is in part due to some further review of the car parking proposals that was undertaken prior to implementation and some delay in savings associated with proposed asset transfer due to the complexity of working with external organisations and securing appropriate funding streams to rectify and condition considerations. There are also pressures in respect of £219k on additional pothole and patching works and £127k against street lighting.

**2.27** A detailed analysis of the outturn is attached at Appendix 5

## Corporate Resources

**Table 11 – Corporate Resources Quarter 3**

Directorate/Service	Revised Budget	Virement Q3	Adjusted Revised Budget	Outturn	Variance	Use of Reserves
	£'000	£'000	£'000	£'000	£'000	£'000
Resources	16,256	32	16,288	17,033	(745)	1,103
Housing Benefit	(431)		(431)	(431)	-	-
National Insurance	(338)		(338)	(338)	-	-
Total Corporate Resources	15,487	32	15,519	16,264	(745)	1,103
Unplanned Use of Reserves	-	-	-	(370)	370	370

**2.28** The Corporate Resources budget projected outturn is an adverse variance of £745k which predominantly relates to the delay on delivery of the Docks Office savings and the service will seek to mitigate this sum as it progresses through the year; £375k of this sum will be met by the Policy Underspend and the balance from the Budget Risk reserve and the Council's General Fund reserve. A detailed analysis of the outturn is attached at Appendix 6.

**Table 12 – Place Quarter 3**

Directorate/Service	Revised Budget	Virement Q3	Adjusted Revised Budget	Outturn	Variance	Use of Reserves
	£'000	£'000	£'000	£'000	£'000	£'000
Regeneration	1,622	0	1,622	1,622	0	664
Sustainable Development	1,530	0	1,530	1,530	0	344
Private Housing	0	0	0	0	0	0
National Insurance	(131)	0	(131)	(131)	0	0
Total Place	3,021	0	3,021	3,021	0	1,008

**2.29** The Place budget projected outturn at Quarter 3 reflects a breakeven position which reflects that whilst some savings have not been achieved in year they are mitigated by other savings or income within the budget.

**2.30** The position at quarter 1 is further detailed in Appendix 7.

## General Policy

**Table 13– General Policy Outturn**

Directorate/Service	Revised Budget	Virement Q3	Adjusted Revised Budget	Outturn	Variance	Use of Reserves
	£'000	£'000	£'000	£'000	£'000	£'000
Members and Democratic	1,730		1,730	1,730	-	
General Policy	407	0	407	407	-	(202)
Borrowing and Investments	8,122		8,122	6,579	1,543	
Levies and Precepts	8,761		8,761	8,761	-	
Insurance	1,928		1,928	1,928	-	
Council Tax Reduction Scheme	12,335		12,335	12,335	-	
<b>Total Policy</b>	<b>33,283</b>	<b>0</b>	<b>33,283</b>	<b>31,740</b>	<b>1,543</b>	<b>(202)</b>

- 2.31** The General Policy projected at Quarter 3 reflects an £800k surplus relating to charges for external borrowing and a £743k surplus on Investment Income. A detailed analysis of the outturn is attached at Appendix 8.
- 2.32** The capital charges budget is underspent as the Council is currently able to borrow internally due to the level of Council reserves saving the interest costs associated with external borrowing, however, going forward the ability to utilise internal borrowing will depend on the level of reserves and these are expected to reduce in the near future.
- 2.33** The Council has a £1.250m income budget for the collection of Council Tax arrears in 2025/26 and, by the end of Quarter 3, have achieved this in full. At the end of Quarter 3, £3m in payments towards Council Tax arrears have been received, with an overall reduction in the arrears level of £3.3m. The Council Tax team have made significant progress in collecting old year arrears over the past two years, alongside a prudent allowance for empty home premiums and continued housing development in the County. However, at the end of Quarter 3, in year collection was 85.4%, which is 0.6% down on the collection rate for the same period in 2024/25. A further review of the Council Tax position will be undertaken as part of the End of Year monitoring report.

### Housing Revenue Account

- 2.34** Council on 13th January 2025 agreed the Authority's 2025/26 Housing Revenue Account (HRA) budget.
- 2.35** The 2025/26 Housing Revenue Account (HRA) projections show the service will outturn on budget with a £440k surplus, which will transfer into the HRA working balance reserve. This is in line with the current Housing Business Plan 2025/26.

### Efficiency Targets

- 2.36** As part of the Final Revenue Budget Proposals for 2025/26, an efficiency target of £8.771m was set for the Council which includes £1.2m for schools; this is a very challenging savings target and builds on challenging savings targets set over the past two years.

**2.37** The current position in respect of the 2025/26 (83% is expected to be achieved by 31st March 2025) and past year savings 65% of the combined 2024/25 and 2023/24 outstanding savings) is detailed in Table 18 below.

**2.38** It should be noted that this analysis shows the schools savings target of £1.2m is achieved but in practice the increase in deficits for schools suggests that schools have not taken steps to achieve these savings. The allocation of the sum will not be linear and will reflect the allocation of the schools formula budget. This saving is flagged as red in the context of the high number of schools reporting deficits in 2025/26.

**Table 17 – Quarter 3 Position 2025/26 Savings**

Directorate	Amount Proposed	Amount Achieved in Year	Amount Mitigated Other	% Achieved/Mitigated	RAG
Learning and Skills	512	512	-	100%	Green
Social Services	3,624	2,217	337	70%	Red
Neighbourhood Services and General Fund Housing	2,322	944	970	82%	Red
Place	238	128	110	100%	Amber
Corporate Resources and Policy	875	630	195	94%	Amber
Delegated Schools	1,200	1,200	-	100%	Red
<b>Total 2025/26</b>	<b>8,771</b>	<b>5,631</b>	<b>1,612</b>	<b>83%</b>	-

**2.39** The Shortfall against the 2025/26 savings target is broadly in line with 2024/25. Although some outstanding savings also persist from 2024/25. This is perhaps not unexpected given this increasing complexity of savings implemented and consequently provision has been made against non delivery of savings in 2025/26 of £2m.

**2.40** Delivery of savings is monitored closely through SLT, Reshaping Board and the Social Services Programme Board and additional capacity to support the implementation of savings has been introduced through the Transformation Team. Further consideration of implementation timelines will be factored into budget setting for 2026/27 and the Medium Term Financial Plan.

**2.41** The shortfall against Neighbourhood Services requires work in respect of car parking provision and transfer of assets to continue in 2025/26 and will be supported through some additional resource for asset transfer.

**2.42** Whilst Social Services has not achieved the savings target in full during 2025/26 this is largely due to the need to handle any placement moves very carefully and the savings will be kept under review throughout the year.

**2.43** The shortfall in Place relates to issues around the implementation of the ANPR solution for Country parks which is as a result of additional time taken to ensure the most appropriate solution is invested in. However, this has been mitigated by other savings in year.

**2.44** The shortfall against Corporate Resources relates to the delay in the realisation of asset savings predominantly relating to the Docks Offices the service will work to prioritise the mitigation of this saving in year.

**2.45** The Position for 2023/24 and 2024/25 outstanding savings is also shown below.

**Table 18 – Quarter 3 Position 2023/24 and 2024/25 Savings**

Outstanding Prior Year Targets 2023/24 and 2024/25

Directorate	Amount Proposed	Amount Achieved Prior Year	Amount Achieved /Mitigated 2025/26	% Achieved	RAG
Learning and Skills	247	36	211	100%	Green
Social Services	700	300	250	79%	Amber
Neighbourhood Services and General Fund Housing	776	251	175	55%	Red
Place	20	0	20	100%	Amber
Corporate Resources and Policy	598	40	243	47%	Red
<b>Total Prior Year</b>	<b>2,341</b>	<b>627</b>	<b>899</b>	<b>65%</b>	

**2.46** Attached at Appendix 9 is a statement detailing all savings targets for 2025/26 and the current progress against them.

#### Reserves

**2.47** A reserve is an appropriation from a revenue account and does not constitute a cost of service until the expenditure is eventually incurred. A reserve does not cover a present obligation or liability and is a voluntary means of setting aside monies for future requirements either capital or revenue.

**2.48** Table 19 below sets out the use of reserves for a variety of purposes including planned usage to fund Capital Expenditure, planned revenue usage in accordance with the earmarked purpose of the reserve, unplanned usage to fund emerging overspends during 2025/26 and planned transfers to reserves to set aside fund for specific purposes. The use of reserves to support the Capital programme is reflected below but will be dependent on the delivery of schemes in 2025/26.

**2.49** Use of reserves includes an allocation of £3.121m to offset overspends corporately and £10.550m Use of Reserves reflecting an increased net deficit reserves for Schools.

**Table 19 – Reserves**

As at	Balance 31/03/25	Capital	Planned Budget Movement 2025/26	Unplanned Budget Movement 2025/26	HRA	Provisional Balance 31/03/26
	£'000	£'000	£'000	£'000	£'000	£'000
General Fund	13,000	-	-	(732)	-	12,268

As at	Balance 31/03/25	Capital	Planned Budget Movement 2025/26	Unplanned Budget Movement 2025/26	HRA	Provisional Balance 31/03/26
Insurance	4,954	-	-	-	-	4,954
Service Reserves						
Learning and Skills	1,909	-	64	-	-	1,973
Social Services	2,004	-	(300)	-	-	1,704
Neighbourhood Services	2,241	(7)	-	-	-	2,234
Corporate Resources	500	-	(68)	-	-	432
Place	2,425	(232)	(1,004)	-	-	1,189
Other Service Reserves	1,224	-	(33)	-	-	1,191
Other Corporate	526	-	(113)	-	-	413
Reshaping & Invest to Save Reserves						
Homelessness and Housing Reserve	4,107	-	(1,275)	-	-	2,832
Cost of Living	124	-	(30)	-	-	94
Pay Pressures	3,764	-	100	-	-	3,864
Legal	1,000	-	(189)	(389)	-	422
Project Zero	1,040	(628)	-	-	-	412
Reshaping Risk and Investment	2,297	(100)	(319)	-	-	1,878
Corporate Landlord	3,822	( 1,655)	-	-	-	2,167
Reshaping Assets	552	-	-	-	-	552
Digital Reshaping	1,268	-	(499)	-	-	769
Budget Risk	2,000	-	-	(2,000)	-	-
Capital Reserves						
Capital	7,233	(3,101)	(172)	-	-	3,961
Adaptations Reserve	14	-	-	-	-	14
Capital Regeneration and Levelling Up	2,034	-	-	-	-	2,034
Sub Total	58,038	( 5,723)	(3,838)	(3,121)	-	45,357
Ring Fenced Reserves						
Schools	(4,137)	-	-	(10,550)	-	(14,687)
Other Ringfenced Schools Reserves	1,326	-	400	-	-	1,726
School Deficit Reserve	4,100	-	-	-	-	4,100
Housing Revenue Account	3,885	-	-	-	440	4,325
Total Reserves	63,212	(5,723)	(3,438)	(13,671)	440	40,821

### **3. How do proposals evidence the Five Ways of Working and contribute to our Well-being Objectives?**

- 3.1** The Council's revenue budget and therefore its expenditure is incurred in order to achieve its corporate priorities as set out in the Corporate Plan 2020-2025 through the four well-being outcomes.

### **4. Climate Change and Nature Implications**

- 4.1** At 31st March 2026 the Council projects that it will have reserves specifically earmarked to support the Council's response to the Climate and Nature Emergency totalling £412k however this is fully allocated in 2026/27 budget.

### **5. Resources and Legal Considerations**

#### **Financial**

- 5.1** As detailed in the body of the report.

#### **Employment**

- 5.2** There are no employment implications contained in this report.

#### **Legal (Including Equalities)**

- 5.3** There are no legal implications

### **6. Background Papers**

None.

Appendix 1 Quarter 3 Revenue Monitoring Summary

Directorate/Service	Revised Budget	Virement Q3	Adjusted Revised Budget	Outturn (net of reserves)	Variance	Use of Reserves
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Learning and Skills</b>						
Schools	128,568	-	128,568	139,118	10,550	
Unplanned use of school reserves	-	-	-	10,550	10,550	10,550
<b>Subtotal Schools</b>	<b>128,568</b>	<b>-</b>	<b>128,568</b>	<b>128,568</b>	<b>-</b>	<b>10,550</b>
Strategy, Culture, Community Learning & Resources	8,054	-	8,054	7,845	209	202
Directors Office	268	-	268	271	3	-
Additional Learning Needs & Wellbeing	5,392	-	5,392	5,404	12	-
Standards and Provision	2,651	-	2,651	2,516	135	-
School Transport	-	-	-	401	401	-
National Insurance	- 2,821	-	- 2,821	- 2,821	-	-
<b>Total Learning and Skills (incl. Schools)</b>	<b>142,112</b>	<b>-</b>	<b>142,112</b>	<b>142,184</b>	<b>72</b>	<b>10,348</b>
Unplanned Use of Reserves	-	-	-	-	-	-
<b>Social Services</b>						
Children and Young People	24,685	-	24,685	26,785	2,100	160
Adult Services	73,056	-	73,056	73,427	371	-
Resource Management & Safeguarding	8,714	-	8,714	9,283	569	300
Youth Justice	703	-	703	703	-	-
National Insurance	- 451	-	- 451	- 451	-	-
<b>Total Social Services</b>	<b>106,707</b>	<b>-</b>	<b>106,707</b>	<b>109,747</b>	<b>3,040</b>	<b>460</b>
Unplanned Use of Reserves	-	-	-	1,950	1,950	1,950
<b>Environment and Housing</b>						
Neighbourhood Services & Transport	25,909	-	25,909	26,387	478	-
Building Services	686	-	686	626	60	-
Building/Cleaning Services	1,081	-	1,081	1,081	0	-
Regulatory Services	1,711	-	1,711	1,711	-	-
Council Fund Housing	2,367	-	2,367	3,531	1,164	-
Planned Use of Reserves (Council Fund Housing)	- 500	-	- 500	- 1,275	775	1,275
Public Sector Housing (HRA)	- 440	-	- 440	- 440	-	-
Use of Reserves HRA	440	-	440	440	-	440
National Insurance	- 290	-	- 290	- 290	-	-
<b>Total Environment and Housing</b>	<b>30,964</b>	<b>-</b>	<b>30,964</b>	<b>31,771</b>	<b>807</b>	<b>835</b>
Unplanned Use of Reserves	-	-	-	801	801	801
<b>Corporate Resources</b>						
Resources	16,256	32	16,288	17,033	745	1,103
Housing Benefit	- 431	-	- 431	- 431	-	-
National Insurance	- 338	-	- 338	- 338	-	-
<b>Total Corporate Resources</b>	<b>15,487</b>	<b>32</b>	<b>15,519</b>	<b>16,264</b>	<b>745</b>	<b>1,103</b>
Unplanned Use of Reserves	-	-	-	370	370	370
<b>Place</b>						
Regeneration	1,622	-	1,622	1,622	-	664
Sustainable Development	1,530	-	1,530	1,530	-	344
Private Housing	-	-	-	-	-	-
National Insurance	- 131	-	- 131	- 131	-	-
<b>Total Place</b>	<b>3,021</b>	<b>-</b>	<b>3,021</b>	<b>3,021</b>	<b>-</b>	<b>1,008</b>
<b>Policy</b>						
Members and Democratic	1,730	-	1,730	1,730	-	-
General Policy	407	32	375	375	-	202
Borrowing and Investments	8,122	-	8,122	6,580	1,543	-
Levies and Precepts	8,761	-	8,761	8,761	-	-
Insurance	1,928	-	1,928	1,928	-	-
Council Tax Reduction Scheme and Arrears	12,335	-	12,335	12,335	-	-
<b>Total Policy</b>	<b>33,283</b>	<b>32</b>	<b>33,251</b>	<b>31,709</b>	<b>1,543</b>	<b>202</b>
<b>Grand Total</b>	<b>331,574</b>	<b>-</b>	<b>331,574</b>	<b>331,574</b>	<b>0</b>	<b>16,673</b>

Funding			Movement in Reserves	
Revenue Support Grant	-	176,793	Unplanned Use of Reserves	3,121
NDR Contribution from Pool	-	47,654	Use of Reserves Schools	10,550
Council Tax Arrears	-	1,250	Transfer into Reserves	- 552
Council Tax	-	105,877	Planned Use of Reserves (Budget)	636
<b>Total Funding</b>	<b>-</b>	<b>331,574</b>	Planned Use of Reserves (Projects)	3,358
			HRA	- 440
			<b>Total</b>	<b>16,673</b>
			Capital Movement	5,723
			General Fund Movement	-
			<b>Total</b>	<b>22,396</b>

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Appendix 2 Quarter 3 Revenue Monitoring Summary

Directorate/Service	Budget								
	2025/26								
	Employees	Other Expenditure	Use of Reserves	Total Expenditure	Grant Income	Other Income	Total Income	Net Budget	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
<b>Learning and Skills</b>									
Schools	143,146	22,398	- 10,550	154,994	- 22,628	- 3,798	- 26,426	128,568	
Subtotal Schools	143,146	22,398	- 10,550	154,994	- 22,628	- 3,798	- 26,426	128,568	
Strategy, Culture, Community Learning & Resources	5,961	4,306	76	10,344	- 1,089	- 1,202	- 2,290	8,054	
Directors Office	268	-	-	268	-	-	-	268	
Additional Learning Needs & Wellbeing	4,406	4,267	-	8,673	- 2,411	- 870	- 3,281	5,392	
Standards and Provision	3,347	1,999	-	5,346	- 2,430	- 266	- 2,695	2,651	
National Insurance					- 2,821		- 2,821	2,821	
<b>Total Learning and Skills (incl. Schools)</b>	<b>157,129</b>	<b>34,937</b>	<b>- 12,439</b>	<b>179,626</b>	<b>- 31,378</b>	<b>- 6,136</b>	<b>- 37,514</b>	<b>142,112</b>	
<b>Social Services</b>									
Children and Young People	11,231	22,279	- 159	33,351	- 8,458	- 208	- 8,666	24,685	
Adult Services	13,748	71,019	9	84,777	- 4,681	- 7,041	- 11,722	73,055	
Resource Management & Safeguarding	9,508	1,463	-	10,971	- 463	- 1,794	- 2,257	8,714	
Youth Justice	998	74	-	1,072	- 368	-	- 368	704	
National Insurance					- 451		- 451	451	
<b>Total Social Services</b>	<b>35,486</b>	<b>94,835</b>	<b>- 150</b>	<b>130,171</b>	<b>- 14,422</b>	<b>- 9,043</b>	<b>- 23,464</b>	<b>106,707</b>	
<b>Environment and Housing</b>									
Neighbourhood Services & Transport	14,481	24,032	-	38,513	- 4,441	- 8,163	- 12,604	25,909	
Building Services	1,429	671	-	2,100	- 25	- 1,389	- 1,414	686	
Building/Cleaning Services	3,090	539	-	3,629	-	- 2,548	- 2,548	1,081	
Regulatory Services	21	2,030	-	2,052	-	- 341	- 341	1,711	
Council Fund Housing	1,250	7,609	- 517	8,342	- 6,040	- 435	- 6,475	1,867	
Public Sector Housing	2,992	24,656	41	27,689	- 205	- 27,484	- 27,689	-	
National Insurance					- 246		- 246	246	
<b>Total Environment and Housing</b>	<b>23,264</b>	<b>59,538</b>	<b>- 476</b>	<b>82,325</b>	<b>- 10,958</b>	<b>- 40,359</b>	<b>- 51,317</b>	<b>31,008</b>	
<b>Corporate Resources</b>									
Resources	17,029	5,621	- 820	21,829	- 1,082	- 4,459	- 5,541	16,288	
Housing Benefit	-	22,588	-	22,588	- 23,019	-	- 23,019	431	
National Insurance					- 338		- 338	338	
<b>Total Corporate Resources</b>	<b>17,029</b>	<b>28,209</b>	<b>- 820</b>	<b>44,417</b>	<b>- 24,439</b>	<b>- 4,459</b>	<b>- 28,898</b>	<b>15,519</b>	
<b>Place</b>	<b>5,247</b>	<b>1,325</b>	<b>- 32</b>	<b>6,540</b>	<b>- 310</b>	<b>- 3,078</b>	<b>- 3,388</b>	<b>3,152</b>	
Shared Prosperity Funding (revenue only)	1,059	1,308		2,367	- 2,367		- 2,367	-	
National Insurance					- 131		- 131	131	
<b>Total Place</b>	<b>6,306</b>	<b>2,633</b>	<b>- 32</b>	<b>8,907</b>	<b>- 2,808</b>	<b>- 3,078</b>	<b>- 5,886</b>	<b>3,021</b>	
<b>Policy</b>	<b>271</b>	<b>34,054</b>	<b>42</b>	<b>34,367</b>	<b>-</b>	<b>- 1,117</b>	<b>- 1,117</b>	<b>33,250</b>	
<b>Total Policy</b>	<b>271</b>	<b>34,054</b>	<b>42</b>	<b>34,367</b>	<b>-</b>	<b>- 1,117</b>	<b>- 1,117</b>	<b>33,250</b>	
<b>Grand Total</b>	<b>239,403</b>	<b>254,124</b>	<b>- 13,876</b>	<b>479,651</b>	<b>- 83,792</b>	<b>- 64,286</b>	<b>- 148,077</b>	<b>331,574</b>	

Funding	
Revenue Support Grant	- 176,793
NDR Contribution from Pool	- 47,654
Council Tax Arrears	- 1,250
Council Tax	- 105,877
<b>Total Funding</b>	<b>- 331,574</b>

<b>Appendix 3</b>	<b>Quarter Three Monitoring 2025/26</b>
<b>Directorate</b>	<b>Learning and Skills</b>

### Learning and Skills Summary

Directorate/Service	Revised Budget	Virement Q3	Adjusted Revised Budget	Outturn (net of reserve transfers)	Variance (net of reserve transfers)	Use of Reserves (transfers to /(from) reserves)
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Learning and Skills</b>						
Schools	128,568		128,568	139,118	(10,550)	
Unplanned use of school reserves	-		-	(10,550)	10,550	10,550
<b>Subtotal Schools</b>	<b>128,568</b>		<b>128,568</b>	<b>128,568</b>	<b>0</b>	<b>10,550</b>
Strategy, Culture, Community Learning & Resources	8,054		8,054	7,845	209	(202)
Directors Office	268		268	271	(3)	0
Additional Learning Needs & Wellbeing	5,392		5,392	5,404	(12)	-
Standards and Provision	2,651		2,651	2,516	135	-
School Transport Overspend	-		-	401	(401)	
National Insurance	(2,821)		(2,821)	(2,821)	0	
<b>Total Learning and Skills (incl. Schools)</b>	<b>142,112</b>		<b>142,112</b>	<b>142,184</b>	<b>(72)</b>	<b>10,348</b>

The Learning and Skills Directorate is forecasting an overspend of £72k, after absorbing the £401k overspend on education transport. Although the education transport budget sits within another directorate, any variance must be funded by Learning and Skills. Without this transport pressure, the Directorate would be reporting an overall favourable variance.

A range of transformational proposals are being developed for the area of education transport, and the overspend will be kept under review throughout the year.

Note – all variances identified in tables within this appendix are identified net of reserve transfers.

## Delegated Schools

	Revised Budget	Projected Outturn 2025/26	Variance	Use of Reserves (Transfers to/(from) Reserves)
	£000's	£000's	£000's	£000's
Schools	128,568	139,118	(10,550)	0
Use of Reserves (Schools)	0	(10,550)	10,550	(10,550)
<b>Total</b>	<b>128,568</b>	<b>128,568</b>	<b>0</b>	<b>(10,550)</b>

### Quarter 3 Monitoring Headlines for schools

Schools are expected to draw down £10.55 million from their reserves to balance their 2025/26 budgets. With an opening deficit of £4.13 million in school balances, it is anticipated that the overall balance carried forward into 2026/27 will be a deficit of £14.7 million.

The Quarter 3 projected outturn indicates that 35 schools (66% of all schools) will be in a deficit position as at 31st March 2026, with total deficit balances amounting to £15.9 million. In contrast, 18 schools (34%) are expected to be in surplus position, with combined surplus balances totalling £1.2 million. The resulting net deficit of £14.7 million represents just under 8% of the schools' total budget share.

The projected outturn for schools typically improves as the financial year progresses primarily due to additional unforeseen Welsh Government grant funding awarded to schools later in the year.

Any school that either ended the 2024/25 financial year in deficit, or is projected to be in deficit at 31st March 2026, has been required to prepare a medium-term recovery plan identifying how the deficit will be eradicated over 3-to-5-year period. Schools have submitted recovery plans and business cases for non-recoverable deficit budgets. To date, only two schools have presented a full budget recovery.

There has been an improvement in the overall projected net deficit, which has reduced from the £16.6M reported in Quarter 1. It is anticipated that this deficit balance will continue to reduce as schools refine recovery plans.

### Table summarising school balance projections for 31<sup>st</sup> March 2026.

Sector	No. of schools in Surplus	Gross Surplus Value	No. of schools in Deficit	Gross Deficit value
		£000's		£000's
Primary	14 (32%)	668	30 (68%)	11,318
3-19 schools	1 (50%)	14	1 (50%)	861
Secondary	2 (33%)	382	4 (67%)	3,702
Special	1 (100%)	130	0 (0%)	0
<b>TOTAL</b>	<b>18 (34%)</b>	<b>1,194</b>	<b>35 (66%)</b>	<b>15,881</b>

## Directors Office

	Revised Budget	Projected Outturn 2025/26	Variance	Use of Reserves (Transfer to/(from) Reserves)
	£000's	£000's	£000's	£000's
Directors Office	268	271	(3)	0
<b>Total Directors Office</b>	<b>268</b>	<b>271</b>	<b>(3)</b>	<b>0</b>

### **Quarter 3 Monitoring Headlines**

This service area is expected to have a small adverse variance at outturn due to unmet pay awards over the last two financial years.

## Strategy Community Learning and Resources

Outturn Summary	Revised Budget	Projected Outturn 2025/26	Variance	Use of Reserves (Transfer to/(from) reserves)
	£000's	£000's	£000's	£000's
Non-Delegated Schools Expenditure	3,375	3,214	161	(42)
Strategy and Resources	2,643	2,388	256	244
Culture and Community Learning	2,036	2,244	(208)	0
<b>Total Strategy Community Learning and Resources</b>	<b>8,054</b>	<b>7,845</b>	<b>209</b>	<b>202</b>

### **Quarter 3 Monitoring Headlines – Strategy, Community Learning and Resources**

The Strategy, Community Learning and Resources service is projected to outturn with a favourable variance of £209k. This position reflects £417k of underspends across Strategy, Resources, and non-delegated schools' budgets, which have offset a £208k overspend within Culture and Community Learning.

The main favourable variances under Strategy and Resources and Non-Delegated schools are listed below

- £131k Staffing - vacant posts and long-term absences
- £115k Software licences for schools - due to partial implementation of new systems
- £90k Flexible use of grant funding
- £64k Free school meal contract - due to a reduction in eligible pupils
- £16k Historic pension payments

The Culture and Community Learning Service overspend of £208k is attributable to the following areas

- £73k Adult Community Learning - due to unmet savings targets and reduced external funding
- £67k Arts Development Service – due to unmet savings targets introduced in April 2023
- £55k Penarth Pier Pavilion - due to costs in excess of projected income generated.

## Reserve Transfers

The Strategy, Community Learning and Resources Service is anticipating to transfer £202k into reserves, in respect of the following

- £320k budgeted transfer to the Schools' ICT end user device fund (Hwb).
- £100k transfer to the corporate retirement fund in respect of the annual underspend on the schools' Early Retirement and Voluntary Redundancy scheme (ERVR).
- £80k transfer into the schools' long term absence reserve in respect of the annual underspend on the school's long term sick and insurance schemes. This reserve is held to underwrite these staff absence insurance schemes.
- (£172)k transfer from the Schools Investment Strategy reserve in respect of the annual rent for two temporary buildings at Ysgol Y Deri.
- (£126)k transfer from the Education pressures reserve in respect of
  - Transformation assistance for deficit schools £40k
  - Schools Procurement Officer £36k
  - Support for primary schools causing concern £50k

## Additional Learning Needs (ALN) and Wellbeing

	Revised Budget 2025/26	Projected Outturn 2025/26	Variance	Use of Reserves/ (Transfer to/(from) Reserves)
	£000's	£000's	£000's	£000's
Complex Needs and Recoupment	2,577	2,503	74	0
Additional Learning Needs	2,448	2,543	(94)	0
Prevention and Partnership	366	358	8	0
<b>Total Additional Learning Needs</b>	<b>5,392</b>	<b>5,404</b>	<b>(12)</b>	<b>0</b>

## Quarter 3 Monitoring Headlines -ALN and Wellbeing

The ALN and Wellbeing budget is projecting an adverse variance of £12k, supported by £885k of additional grant funding. Although the grant has helped to mitigate significant service pressures, the Directorate's ongoing reliance on external grant funding to deliver core ALN services is not sustainable in the long term. However, the Welsh Government has not indicated any intention to withdraw the ALN Grant in the foreseeable future.

## Complex Needs

The Complex Needs budget is currently projecting an underspend of £74k. The main favourable variances are listed below

- £154k Recoupment income from other LAs with regards to Out of County pupils in Vale of Glamorgan resource bases and Ysgol Y Deri.
- £56k staffing variances due to flexible use of grant funding
- £50k Additional Needs Contingency fund for schools

These favourable variances are projected to offset the following adverse variances

- £80k adverse variance against the pupil placement budget, for placements in independent provision of Out of County with other LAs.
- £106k contribution to the joint Pooled LAC budget overspend, for which the budget is retained within social services.

### **Additional Learning Needs**

The overspend of £94k has been driven by additional support required in resource bases, and legal costs for tribunals.

### **Standards and Provision**

<b>Monitoring Summary</b>	<b>Revised Budget 2025/26</b>	<b>Projected Outturn 2025/26</b>	<b>Variance</b>	<b>Use of Reserves/ (Transfer to/(from) Reserves)</b>
	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
School Improvement	682	563	120	0
Inclusion and Youth Services	1,881	1,864	17	0
Learning Link's/Vulnerable groups	88	90	(2)	0
<b>Total Standards and Provision</b>	<b>2,651</b>	<b>2,517</b>	<b>135</b>	

### **Quarter 3 Monitoring Headlines -Standards and Provision**

The Standards and Provision service is projecting an underspend of £135k, primarily due to a lower-than-budgeted contribution to the Central South Consortium and the flexible use of grant income against core staffing salaries.

Within the Youth service, unmet savings targets of £126k have been mitigated through vacant posts and reallocating core staff to grant-funded roles. However, these mitigations are not sustainable and do not represent recurring savings.

## Learning and Skills Reserve Summary - Total Transfers to and (-From) Reserves

Reserve Name	2025/26 Reserve Movements	Transfer (to)/from reserves
	Brief Description of purpose of drawdown	£000's
<b>Use of Reserves</b>		
School Reserves	Draw down from reserves to balance 25/26 budgets (note will put school reserves into an overall deficit of £14.7M)	10,550
Education pressures Reserve	Transformational work for deficit schools, including a consultant Headteacher and services provided by the Educational Endowment Foundation	40
Education pressures Reserve	Procurement Officer	36
Schools hwb end user devices	Annual contribution to the Hwb end user devices reserve to eventually replace laptops in schools	(320)
Schools Investment Strategy Reserve	Annual rent of two temporary demountable buildings at Ysgol Y Deri	172
Education pressures Reserve	Use of 2024/25 grant funding to support schools causing concern	50
Schools Long Term Absence Reserve	Underspend on the 2025/26 insurance schemes for schools long term sickness and maternity	(80)
Corporate Retirement fund reserve	Underspend on the annual budget for the Schools' Early Retirement and Voluntary Redundancy (ERVR) scheme.	(100)
<b>Total Use of Reserves</b>		<b>10,348</b>

### Savings – Learning and Skills

Progress against 2025/26 savings are identified in the table below.

Savings for 2025/26 have been achieved; however, ongoing pressures remain around resource bases and sensory support, which although cut as a saving, are now being funded through the ALN grant.

2025/26 Savings	Risk	£000's Target	£000's Value Achieved/Projected
5% cut to Resource Base Budgets	Green	16	16
Vacant Post Review ALN (including £30k from prevention and partnership)	Green	196	196
Remove Y Deri respite catering budget, respite provision previously stopped	Green	12	12
Remove Early Years Provision Budget	Green	31	31
Review Sensory Team Level of Provision	Green	19	19
Remove Non-Maintained Nursery placements residual budget	Green	11	11
Old Hall - Cowbridge Premises targets for income generation savings target 2024/25	Green	40	40
Central South Consortium reduced contribution	Green	14	14
Reduction in Out of School Tuition service	Green	30	30

Alternative use of Local Authority Education Grant match funding budget	Green	183	183
<b>Total</b>		<b>512</b>	<b>512</b>

	%
Proportion of Savings Achieved and Mitigated	100%
Savings not achieved in year	0%

Although the Directorate has met savings targets for 2025/26, some savings introduced in previous years remain unidentified. These are detailed in the table below and are being offset by underspends generated in other areas of strategy and resources through flexible use of grant these have all been fully mitigated in year.

Previous year savings (unmet)	Risk	£000's target	£000's Value Achieved/ Projected and Mitigated
Review Arts provision (introduced April 2023)	Red	65	65
Move to Full Cost Recovery for ACL, and increase income for Cowbridge	Amber	142	142
Old Hall - 20% loss overall in Cowbridge consider alternative funding	Amber	40	40
<b>TOTAL Unmet savings from previous financial years</b>		<b>247</b>	<b>247</b>

Youth service savings implemented in 2024/25 and 2023/24 have been met by use of SPF grant income, however the SPF grant is due to come to an end, and the Youth service will need to identify these savings on an on-going basis.

### Learning and Skills Summary

The Directorate is projecting to outturn at an adverse variance of £72k due to the overspend on Education transport.

Although the budgets directly controlled by the Directorate are expected to outturn within target overall, the position is being supported with one-off savings and grant income to meet ongoing efficiency savings and to fund core ALN services. This approach is not sustainable in the long term.

<b>Appendix 4</b>	<b>Quarter Three Monitoring 2025/26</b>
<b>Directorate</b>	<b>Social Services</b>

### Social Services Summary

Directorate/Service	Revised Budget	Virement Q3	Adjusted Revised Budget	Outturn	Variance	Use of Reserves
	£'000	£'000	£'000	£'000	£'000	£'000
Children and Young People	24,685	-	24,685	26,785	(2,100)	160
Adult Services	73,056	-	73,056	73,427	(371)	-
Resource Management & Safeguarding	8,714	-	8,714	9,283	(569)	300
Youth Justice and Early Support Service	703	-	703	703	-	-
National Insurance	(451)	0	(451)	(451)	-	-
<b>Total Social Services</b>	<b>106,707</b>	<b>0</b>	<b>106,707</b>	<b>109,747</b>	<b>(3,040)</b>	<b>460</b>
Unplanned Use of Reserves	-	-	-	(1,950)	1,950	1,950
<b>Total</b>	<b>106,707</b>	<b>0</b>	<b>106,707</b>	<b>107,797</b>	<b>(1,090)</b>	<b>2,410</b>

### Children and Young People

Directorate/Service	Revised Budget	Virement Q3	Adjusted Revised Budget	Outturn	Variance	Use of Reserves
	£'000	£'000	£'000	£'000	£'000	£'000
Children and Young People	24,685	0	24,685	26,785	(2,100)	160
Youth Justice and Early Support Service	703	0	703	703	-	0
<b>Total</b>	<b>25,388</b>	<b>0</b>	<b>25,388</b>	<b>27,488</b>	<b>(2,100)</b>	<b>160</b>

### Quarter 3 Monitoring Headlines for Children and Young People

The projected outturn for the Children and Young People Services budget for 2025/26 is an adverse variance of £2.1m.

This is largely due to the External Placement budget currently forecasting a £1m overspend and a £700k overspend on Bespoke Accommodation Arrangements where children have required the development of bespoke arrangements to meet their needs. There are also overspend forecasts of £100k on the Emergency Duty Team budget, £80k on Direct Payments and £120k on Domiciliary Care packages for children with disabilities. The "When I am Ready" payments are also £150k overspent.

## **Adult Services**

<b>Directorate/Service</b>	<b>Revised Budget</b>	<b>Virement Q3</b>	<b>Adjusted Revised Budget</b>	<b>Outturn</b>	<b>Variance</b>	<b>Use of Reserves</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Adult Services	73,056	0	73,056	73,427	(371)	-
<b>Total</b>	<b>73,056</b>	<b>0</b>	<b>73,056</b>	<b>73,427</b>	<b>(371)</b>	<b>-</b>

### **Quarter 3 Monitoring Headlines**

The projected outturn for the Adult Services budget for 2025/26 is an adverse variance of £371k. The adverse variance is attributable to the following.

The Community Care budget is projected to be overspent by £2m. This includes all external residential care, home care, direct payments, respite and supported accommodation payments. This is offset during the year by deferred income receipts, as past costs are recouped from house sales. The deferred income projected outturn is currently £1m over target. The projected overspend in Community Care is further offset by team underspends, mostly relating to staffing and RIF grant funding receipts.

The Community Care Budget is the key pressure on the Adult Services budget in 2025/26. This is due to rising demand, particularly for older people, and increased costs coupled with a limited market for new complex case placements.

## **Resource Management and Safeguarding**

<b>Directorate/Service</b>	<b>Revised Budget</b>	<b>Virement Q3</b>	<b>Adjusted Revised Budget</b>	<b>Outturn</b>	<b>Variance</b>	<b>Use of Reserves</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Resource Management and Safeguarding	8,714	0	8,714	9,283	(569)	300
<b>Total</b>	<b>8,714</b>	<b>0</b>	<b>8,714</b>	<b>9,283</b>	<b>(569)</b>	<b>300</b>

### **Quarter 3 Monitoring Headlines – Resource Management and Safeguarding**

The Resource Management and Safeguarding service budget for 2025/26 is an adverse variance of £569k. The adverse variance is attributable to the following.

Residential Homes budget is expected to be overspent by £302k, with an estimation of £200k overspend against agency costs alone, the remainder of overspend is against permanent staff and premises costs. There is an overspend of £98k against the Safeguarding and Service Outcomes budget, primarily due to costs associated with Deprivation of Liberty Safeguards. The costs relate to medical fees and staffing costs.

Additionally, there is an overspend of £80k against Commissioning and Finance, largely driven by National Approach to Advocacy costs, with £33k of this relating to advocacy costs, which will be corrected in April through cost pressures/uplifts and transferred to CYP, remaining overspend relates to debt recovery.

Regarding the Connecting Care grant, we are awaiting confirmation of the amount to be received. At present, there is an assumed drawdown from reserves of £300k towards Connecting Care system implementation. However, this will be kept under review and adjusted based on the grant income.

#### Transfers to and From Reserves Social Services

Reserve Name	2025/26 Reserve Movements	
	Brief Description of purpose of drawdown	£000's
<b>Planned and Ringfenced Use of Reserves</b>		
Legal Reserve	Legal Costs Childrens Services	160
Social Services Reserve	Funding to support the Connecting Care Implementation	300
<b>Total Use of Reserves</b>		460
<b>Unplanned Use of Reserves</b>		
Budget Risk Reserve	Funding to support Budget Volatility and delay in delivery of transformation savings	1,500
General Fund	Residual unplanned use of reserves	450
<b>Total Use of Reserves</b>		2,410

#### Savings – Social Services

Progress against savings is identified in the table below.

2025/26 Savings	Risk	£000's Target	£000's Value Achieved/ Projected
Telecare Expansion & fee review	Green	20	20
Adult Transport Review	Green	15	15
Releasing time to care	Green	350	190
Complex Cases Review	Green	250	250
Agency Review	Green	10	1
Reablement "intake" model of care	Green	200	200
Property payments growth in income (Finance Ref Additional Deferred Income)	Green	500	300
Debt Recovery	Red	200	27
Direct Payment Processes	Green	50	7
Increase Income	Green	75	25
Vacant Post and Unutilised Budget Review	Green	81	81
Advocacy contract	Green	10	10
Non-residential max charge uplift	Green	83	83

<b>Residential Accommodation for children</b>	Red	790	580
<b>Unaccompanied Asylum Seeking Children Supported Accommodation</b>	Amber	75	75
<b>Pre Birth Pathway</b>	Amber	147	147
<b>Regional projects review</b>	Red	75	75
<b>Children's Transport Review</b>	Amber	65	65
<b>Eliminate Programme</b>	Amber	250	250
<b>Agency Review</b>	Red	136	0
<b>Staffing Review</b>	Green	48	48
<b>Independent Fostering Agency placements for children</b>	Red	90	0
<b>Maximise impact of Additional funding</b>	Amber	104	104
<b>Total</b>		3,624	2,554

Proportion of Savings Achieved and Mitigated	70%
Savings not achieved in year (to date)	30%

<b>Appendix 5</b>	<b>Quarter Three Monitoring 2025/26</b>
<b>Directorate</b>	<b>Neighbourhood Services and Housing</b>

### Neighbourhood Services and Housing Summary

	Revised Budget	Virement Q3	Adjusted Revised Budget	Outturn	Variance	Use of Reserves
	£'000	£'000	£'000	£'000	£'000	£'000
Neighbourhood Services & Transport	25,909	0	25,909	26,387	(478)	-
Building Services	686	0	686	626	60	-
Building/Cleaning Services	1,081	0	1,081	1,081	0	-
Regulatory Services	1,711	0	1,711	1,711	-	-
Council Fund Housing	2,367	0	2,367	3,531	(1,164)	-
Planned Use of Reserves (Council Fund Housing)	(500)	0	(500)	(1,275)	775	1,275
Public Sector Housing (HRA)	(440)	0	(440)	(440)	-	-
Use of Reserves HRA	440	0	440	440	-	(440)
National Insurance	(290)	0	(290)	(290)	-	-
<b>Total Neighbourhood Services and Housing</b>	<b>30,964</b>	<b>0</b>	<b>30,964</b>	<b>31,771</b>	<b>(807)</b>	<b>835</b>
Unplanned Use of Reserves	0	0		(801)	801	801
<b>Total Neighbourhood Services and Housing</b>	<b>30,964</b>	<b>0</b>	<b>30,964</b>	<b>30,970</b>	<b>(6)</b>	<b>1,636</b>

### Neighbourhood Services & Transport

Monitoring Summary	Revised Budget	Virement Q3	Adjusted Revised Budget	Outturn	Variance	Use of Reserves
	£'000	£'000	£'000	£'000	£'000	£'000
Support and Emergency Planning	(12)	345	333	539	(206)	0
Engineering, Structures and Highways Development	1,425	(190)	1,235	1,181	53	0
Car Parks	(1,108)	0	(1,108)	(699)	(409)	0
Waste, Parks and Highways Operational	17,184	(154)	17,030	16,694	335	0
Transportation and Enforcement	8,042	0	8,042	8,188	(147)	0

Leisure and Community Centres	378	0	378	484	(105)	0
Total Neighbourhood and Transport	25,909	0	25,909	26,387	(478)	0

### Quarter 3 Monitoring Headlines for Neighbourhood Services and Transport

Neighbourhood Services is reporting a £478k overspend at the end of quarter 3 this is predominantly made up of pressures in Operational Highways of approximately £219k against carriageway patching and £127k against street lighting energy costs and a pressure from the reduction in the expected level of income for car parking.

In addition, there is significant pressure in the service in relation to the lag on implementation of savings relating to car parks, parks and enforcement which totals approximately £433k across the service this has been offset in part by staff vacancies and additional income across the service. A number of pressures within Waste Management will be impacted by the roll out of transitional changes in respect of the receipt of the EPR grant as illustrated in the recent Cabinet report.

### Building Services

Monitoring Summary	Revised Budget	Virement Q3	Adjusted Revised Budget	Outturn	Variance	Use of Reserves
	£'000	£'000	£'000	£'000	£'000	£'000
Building Services	686	0	686	626	60	(60)
Total Building Services	686	0	686	626	60	(60)

### Quarter 3 Monitoring Headlines for Building Services

The building services budget is currently projecting a surplus of £60k which has been generated by vacant posts.

### Building Cleaning and Security

Monitoring Summary	Revised Budget	Virement Q3	Adjusted Revised Budget	Outturn	Variance	Use of Reserves
	£'000	£'000	£'000	£'000	£'000	£'000
Building Cleaning and Security	1,081	0	1,081	1,081	0	0
Total Building Cleaning and Security	1,081	0	1,081	1,081	0	0

### Quarter 3 Monitoring Headlines for Building Cleaning and Security

The building cleaning & security budget is currently projected to outturn on target.

## Regulatory

Monitoring Summary	Revised Budget	Virement Q3	Adjusted Revised Budget	Outturn	Variance	Use of Reserves
	£'000	£'000	£'000	£'000	£'000	£'000
Regulatory Services	1,711	0	1,711	1,711	0	0
Total Regulatory	1,711	0	1,711	1,711	0	0

### Quarter 3 Monitoring Headlines for Regulatory

The Regulatory budget, which funds the Vale's contribution to the Regulatory Shared Service, is currently projected to outturn on target.

## General Fund Housing

Monitoring Summary	Revised Budget	Virement Q3	Adjusted Revised Budget	Outturn	Variance	Use of Reserves
	£'000	£'000	£'000	£'000	£'000	£'000
General Fund Housing	2,367	0	2,367	3,531	(1,164)	-
General Fund Housing	2,367	0	2,367	3,531	(1,164)	-

### Quarter 3 Monitoring Headlines for General Fund Housing

The General Fund Housing budget is expected to outturn with a deficit of £1,164k due to additional costs associated with exiting the contract with the Holiday Inn Express. This will be funded from the Homelessness & Housing reserve.

## Housing Revenue Account (HRA)

2025/26 Original Budget	2025/26 Revised Budget		2025/26 Projected Outturn
£000	£000		£000
		<u>Expenditure</u>	
4,909	5,022	Supervision & Management – General	5,022
1,962	1,864	Supervision & Management – Special	1,864
5,920	6,570	Repairs & Maintenance	6,570
6,889	5,812	Capital Financing Costs	5,812
298	268	Rent, Rates, Taxes & Other Charges	268
691	309	Increase in Provision for Bad Debts	309
6,979	7,782	Capital Expenditure from Revenue Account (CERA)	7,782
<b>27,648</b>	<b>27,627</b>		<b>27,627</b>
		<u>Income</u>	
(26,158)	(26,593)	Dwelling Rents	(26,593)
(199)	(186)	Non Dwelling Rents	(186)
(215)	(199)	Interest	(199)
(817)	(810)	Charges For Services and Facilities	(810)

(95)	(74)	Contribution towards expenditure	(74)
(205)	(205)	Grant Income	(205)
(27,689)	(28,067)		(28,067)
(41)	(440)	(Surplus)/ deficit for the year	(440)

#### Projected Movement on Reserve

2025/26 Original Budget	2025/26 Revised Budget		2025/26 Projected Outturn
£000	£000		£000
(3,885)	(3,885)	Balance Brought Forward as at 1st April (Surplus)/Deficit	(3,885)
(3,926)	(4,325)	Balance Carried Forward as at 31st March (Surplus)/Deficit	(4,325)

### Quarter 3 Monitoring Headlines for Housing Revenue Account

The Housing Revenue Account is expected to outturn at budget £440k surplus, which will transfer into the HRA working balance reserve. This is in line with the current Housing Business Plan 2025-26.

### Transfers to and From Reserves Neighbourhood Services and Housing

Reserve Name	2025/26 Reserve Movements	
	Brief Description of purpose of drawdown	£000's
<b>Use of Reserves</b>		
Homelessness & Housing Reserve	To fund additional costs at the hotel for dilapidation costs and lost room rental income	1,275
Legal Reserve	To fund additional costs at the hotel for dilapidation costs and lost room rental income	389
Budget Risk Reserve	Lag on delivery of savings	412
Housing Revenue Account	Transfer to Reserves	-440
<b>Total Use of Reserves</b>		<b>1,636</b>

### Savings – Neighbourhood Services and Housing

Progress against savings is identified in the table below.

	Risk	£000's Target	£000's Value Achieved/ Mitigated
Restructure of Neighbourhood Services management	Green	100	100
Reduce litter bins by a further 25% (post 25% reduction) and reduce service standards for cleaning and public convenience provision across the Vale	Amber	200	200
Reduction of service standards across Resorts	Amber	50	50
Alternative delivery model for Parks and Open Spaces - A full service Transformation.	Amber	270	270

Resource reduction (Vehicles and Staffing)	Green	100	100
Review of service routes and resources	Amber	15	15
Permanent closure of car park Court Road Multistorey (residual budget)	Red	38	0
Fleet reduction and efficiency	Amber	50	50
Fees and Charges Increase to full cost recovery or 3%	Green	25	25
Income - Increase garden waste subscription charges for 2025/26	Green	20	20
Income - Increased market share Commercial Waste	Amber	50	50
Car Parking Income Coastal locations	Red	320	0
Income from capital projects	Amber	50	50
Annual income target	Amber	190	190
New camera car and increased enforcement opportunities	Amber	225	175
Waste Income	Green	400	400
Declare all Lifeguard buildings surplus for Community Asset Transfer consideration or closure	Amber	10	10
Introduce additional concessions across Neighbourhood Services assets	Green	25	25
Community Asset Transfer of assets (Vale wide)	Amber	25	25
GFH –Vacant post review	Green	103	103
GFH- Reduction in agency staffing	Green	6	6
GFH- Reduction in Management charges for leased accommodation	Green	50	50
		2,322	1,914

%

Proportion of Savings Achieved and Mitigated	82%
Savings not achieved in year	£408k/18%

<b>Appendix 6</b>	<b>Quarter Three Monitoring 2025/26</b>
<b>Directorate</b>	<b>Place</b>

### Place Summary

	Revised Budget	Virement Q3	Adjusted Revised Budget	Outturn	Variance	Use of Reserves
	£'000	£'000	£'000	£'000	£'000	£'000
Regeneration	1,622	0	1,622	1,622	-	664
Sustainable Development	1,530	0	1,530	1,530	-	344
National Insurance	(131)	0	(131)	(131)	-	-
<b>Total Place</b>	<b>3,021</b>	<b>0</b>	<b>3,021</b>	<b>3,021</b>	<b>-</b>	<b>1,008</b>
Unplanned Use of Reserves	0	0	0	0	0	0
<b>Total Place</b>	<b>3,021</b>	<b>0</b>	<b>3,021</b>	<b>3,021</b>	<b>0</b>	<b>1,008</b>

### Regeneration

	Revised Budget	Virement Q3	Adjusted Revised Budget	Projected Outturn 2025/26	Variance	Use of Reserves/ (Transfer to Reserves)
	£'000	£'000	£'000	£000's	£000's	£000's
Regeneration	1,622	0	1,622	1,622	0	664
<b>Total</b>	<b>1,622</b>	<b>0</b>	<b>1,622</b>	<b>1,622</b>	<b>0</b>	<b>664</b>

### **Quarter 3 Monitoring Headlines for Regeneration**

As Shared Prosperity Funding is extended into 2025/26 there is an opportunity to charge management and administration fees on the programme and will fund the additional staffing involved in the Programme, rather than need to draw upon reserve funding.

### Sustainable Development

	Revised Budget	Virement Q3	Adjusted Revised Budget	Projected Outturn 2025/26	Variance	Use of Reserves/ (Transfer to Reserves)
	£'000	£'000	£'000	£000's	£000's	£000's
Sustainable Development	1,530	0	1,530	1,530	0	344
<b>Total</b>	<b>1,530</b>	<b>0</b>	<b>1,530</b>	<b>1,530</b>	<b>0</b>	<b>344</b>

### **Quarter 3 Monitoring Headlines for Sustainable Development**

The Sustainable Development budget incorporates Planning and Countryside Services. Planning fee income remains behind target, partly due to a fall in larger or major applications, but it is hoped that this position can be mitigated to an extent by the national increase in planning fees, introduced by WG in December 2025. The Countryside budget is currently on target.

### Transfers to and From Reserves - Place

Reserve Name	2025/26 Reserve Movements	
	Brief Description of purpose of drawdown	£000's
<b>Planned and Ringfenced Use of Reserves</b>		
Porthkerry Car Parking	Purchase of new battery-operated machinery such as chainsaws, mowers, strimmer's, Hedge trimmers etc. This will replace dilapidated / old equipment and ensure we are meeting Project Zero objectives.	19
Cosmeston Car Parking	Various works including gabion defence, fencing and purchase of battery-operated machinery to replace dilapidated equipment at the park	34
Place reserve	Porthkerry Country Park security gates	9
Place reserve	Porthkerry Brilliant Basics Gateway to the Coast project	22
Place reserve	RCCO to Engine Room refurbishment capital project	141
Place reserve	Economy and Trade Events costs, eg.UK Reef/Tourism Trade/Chamber support, eg. Cowbridge	8
Place reserve	Planning fee income shortfall	201
Place reserve	Smart Towns cost (WG Town Centre initiative, 2 years in development)	20
Place reserve	PMU fees re airport feasibility project	40
Place reserve	Regeneration Graduate post funding (previously approved)	22
Place reserve	Food & Farming post costs (element not funded by SPF). Previously approved.	10
Place reserve	Remaining balance on Levelling Up Grant funding received. Funding professional fees in-year.	54
Place reserve	SPF plaques	12
Place reserve	Placemaking Plans committed spends	54
Place reserve	Placemaking matchfunding and revenue preparatory costs	50
Place reserve	A Plan for Neighbourhoods grant funding received pre-25/26	178
Place reserve	Local Development Plan 2025/26 spend	59
Place reserve	Potential running costs for 59-71 Holton Road (Wilko's)	75
<b>Total Use of Reserves</b>		<b>1,008</b>

### Savings – Place

Progress against savings is identified in the table below.

2025/26 Savings	Risk	£000's Target	£000's Value Achieved/ Projected
Regeneration - Vacant Post review	Green	63	63
Regeneration - Focus on income from business support	Green	15	15
Regeneration - Additional Income commercial lease income	Green	20	20
Sustainable Development - Planning Income target – WG fees increase	Amber	70	70
Sustainable Development - New Planning income opportunities- new products (eg. enhanced pre-application fees)	Green	20	20
Sustainable Development - Fee increases in both Planning and Building Control	Green	10	10
Sustainable Development - Country Park Leisure commercialisation	Green	40	40
<b>Total</b>		<b>238</b>	<b>238</b>

	%
Proportion of Savings Achieved and Mitigated	100%
Savings not achieved in year	0%

### Place Summary

The Place budget is expected at this stage to breakeven at year-end, though the planning fee position will continue to be monitored during the year.

<b>Appendix 7</b>	<b>Quarter Three Monitoring 2025/26</b>
<b>Directorate</b>	<b>Corporate Resources</b>

### Corporate Resources Summary

	<b>Revised Budget</b>	<b>Virement Q3</b>	<b>Adjusted Revised Budget</b>	<b>Outturn</b>	<b>Variance</b>	<b>Use of Reserves</b>
	£'000	£'000	£'000	£'000	£'000	£'000
Resources	16,256	32	16,288	17,033	(745)	1,103
Housing Benefit	(431)	-	(431)	(431)	-	-
<b>National Resources</b>	<b>(338)</b>	<b>-</b>	<b>(338)</b>	<b>(338)</b>	<b>-</b>	<b>-</b>
<b>Total Corporate Resources</b>	<b>15,487</b>	<b>32</b>	<b>15,519</b>	<b>16,264</b>	<b>(745)</b>	<b>1,103</b>
Unplanned Use of Reserves	-		-	(370)	370	370
<b>Total Corporate Resources</b>	<b>15,487</b>	<b>32</b>	<b>15,519</b>	<b>15,894</b>	<b>(375)</b>	<b>1,473</b>

### Resources

	<b>Revised Budget</b>	<b>Virement Q3</b>	<b>Adjusted Revised Budget</b>	<b>Outturn</b>	<b>Variance</b>	<b>Use of Reserves</b>
	£'000	£'000	£'000	£'000	£'000	£'000
Resources	16,256	32	16,288	17,033	(745)	1,103

### Quarter 3 Monitoring Headlines for Resources

The provisional outturn for the Corporate Resources budget at Quarter 3 2025/26 is an adverse variance of £745k.

- Unrealised savings assigned to Facilities in relation to the Docks Offices, projected overspends in utility costs across council offices, and repairs & maintenance costs have contributed to the outturn overspend position of £602k.
- Financial Services are projected to be overspent by £124k due to a combination of Agency & apprentice expenditure, and increased costs for Oracle Fusion system due to renewal of contract, and additional services required.
- Legal & Democratic Services outturn position is projected to be overspent by £308k. This is caused by historic income targets now lost, reliance on Consultancy and Agency staff, corporate overspend on postages, and an increased contribution required to the Joint Coroner Service.
- Human Resources is projected to outturn at a £92k overspend due to use of Agency staff within the Service, maternity costs with cover, unrealisable historic income targets, and the increasing cost of vaccines.

- The adverse variances of £1,126k above are offset by favourable variances in the Digital, Strategic Advisory, and Property Services of £211k, £127k, and £43k respectively.

### **Housing Benefit**

	Revised Budget	Virement Q3	Adjusted Revised Budget	Outturn	Variance	Use of Reserves
	£'000	£'000	£'000	£'000	£'000	£'000
Housing Benefit	(431)	0	(431)	(431)	0	0

### **Quarter 3 Monitoring Headlines**

The Housing Benefit budget is projected to outturn on target for 2025/26.

The budget reflects net income to the Council which relates to Housing Benefit Subsidy Grant and grant funding received from DWP in respect of administration of the service.

### **Key Pressures for 2025/26 in the Housing Benefit budget**

- Migration of benefit claims to Universal Credit that will impact on the subsidy the Council receives on its overpayments.
- The collection of overpaid Housing Benefit.
- Reduced administration subsidy.

### **Transfers to and From Reserves Corporate Resources**

Reserve Name	2025/26 Reserve Movements	
	Brief Description of purpose of drawdown	£000's
<b>Planned and Ringfenced Use of Reserves</b>		
Graduate Trainee Reserve	Trainee Accountant, 2 x Communication Interns, Strategy Intern	113
Corporate Resources Reserve	Temporary staff engagements (Communications and Strategy & Sustainability)	68
Legal Reserve	Trainee Lawyer	29
Electoral Registration Reserve	Re-grading of post, maternity cover, Modern Democracy poll station licence fee, iPad fees, and by-election costs	75
Reshaping Reserve	Temporary Engagements (BI Team)	114
Reshaping Reserve	Transformation Team	129
Reshaping Reserve	2 x Revenues Assistants	72
Reshaping Reserve	CIPFA Leadership Team event	4

Digital Reserve	Project Manager – Digital Service Delivery and Temporary Junior ICT Officer	92
Digital Reserve	AWS Cloud Migration	280
Digital Reserve	Call Centre Automation	75
Digital Reserve	Magic Notes implementation	15
Digital Reserve	ShareGate software	16
Digital Reserve	AR Module Implementation	21
<b>Planned Use of Reserves</b>		<b>1,103</b>
Budget Risk Reserve	Offset lag on delivery of savings	88
Council Fund	Offset unplanned overspend	282
<b>Use of Reserves</b>		<b>1,473</b>

### Savings – Corporate Resources

Progress against savings is identified in the table below.

2025/26 Savings	Risk	£000's Target	£000's Value Achieved/Projected
Digital – Digital Services Operating Model Review	Green	120	120
Comms & Equalities – Welsh Language Translation: Adopt Amazon Translation Services	Yellow	100	100
Property – Eich Lle: Dock Office	Red	50	0
All Directorate – Income: Income from traded DBS services, Service Level Agreements, Payroll SLAs, Fees & Charges, and Shared Cost AVCs	Green	80	80
Digital – C1V & ICT Budget Reduction: General reduction in non-pay C1V budgets and ICT budgets	Green	305	305
Legal and Democratic – Mayor's Office: Further review expenditure with a view to reduction	Green	5	5
All Directorate – Managed Headcount Reduction (currently x5 roles)	Yellow	205	205
Comms & Equalities – Communications Licences: Granicus Module	Red	10	10
<b>Total</b>		<b>875</b>	<b>825</b>

	%
Proportion of Savings Achieved and Mitigated	94%
Savings not achieved in year	6%

### Corporate Resources Summary

- The savings target in respect of evacuating the Docks Office was increased by a further £50k ahead of 25/26, to a total of £350k. Expecting to only achieve a £40k saving on cleaning & security as a result of centralising the budget.

- There is a projected overspend in gas and electricity costs across Office Accommodation currently projected to be £138k. There was a temporary cost pressure to relieve these costs in 24/25 but removed ahead of 25/26. A water leak was discovered at the Alps Offices at the beginning of the year and another in the autumn. These are now believed to be resolved but have increased the projected water costs at the site by £79k. A refund claim is in the process of being submitted, and progress will be monitored ahead of the year-end.
- The Facilities overspend could increase further with the nature of repairs & maintenance work – as cleaning and security budgets were centralised at actual rates it has left little budget for repair & maintenance works. The current expenditure as at Q3 is £44k, whereas the actual spend for 24/25 was £94k.
- Legal Services have had to employ Consultancy and Agency staff to cover vacancies, specifically in the Community Services team in the Principal Lawyer and Senior Lawyer posts. The total projected overspend for this locum cover is £121k.
- Legal and Democratic Services have historic income targets that are no longer realisable; including a projected £30k shortfall in Land Charge Search Fees, and a £61k agreement to provide Legal Services to Cardiff CC & Town Councils which is no longer in place.
- Corporate postages were centralised ahead of 24/25 and the budget allocated to Legal & Democratic Services. These costs are projected to be £101k overspent for 25/26 but has the potential to reduce with the on-going rollout of hybrid mail.
- The required contribution to the Joint Coroner Service had increased by 15.5% to £495k per annum ahead of 2025/26. The Coroner's budget is currently at £445k and with a small projected service overspend, there will be an overall shortfall of £49k.
- The System Implementation budget is projected to be overspent by £135k. This due to the increased costs of the new three-year Oracle Fusion contract beginning September 2025, and additional services costs incurred.
- The outturn position reflects the mitigation of a number of these items through underspends within the resources budget.

<b>Appendix 8</b>	<b>Quarter Three Monitoring 2025/26</b>
<b>Directorate</b>	<b>Policy</b>

## Policy Summary

	Revised Budget	Virement Q3	Adjusted Revised Budget	Outturn	Variance	Use of Reserves
	£'000	£'000	£'000	£'000	£'000	£'000
Members and Democratic	1,729	0	1,729	1,729		0
General Policy	407	(32)	375	375		(202)
Borrowing and Investments	8,122	0	8,122	6,580	1,543	0
Levies and Precepts	8,761	0	8,761	8,761		0
Insurance	1,928	0	1,928	1,928		0
Council Tax Reduction Scheme and Arrears	12,335	0	12,335	12,335		0
<b>Total Policy</b>	<b>33,282</b>	<b>(32)</b>	<b>33,251</b>	<b>31,709</b>	<b>1,543</b>	<b>(202)</b>

A virement is requested to transfer the budget for communications software licences to Corporate Resources. I

### Quarter 3 Monitoring Headlines for Policy

The General Policy projected at quarter 3 reflects a £1.543m surplus relating an £800k surplus relating to charges for external borrowing and a £743k surplus on Investment Income.

There is a small overspend projected against the Council Tax Reduction Scheme of circa £396k and it is currently assumed that this will be offset by the Council Tax Surplus in year although this will be reviewed further as part of the preparation for quarter 3 monitoring and budget setting

The capital charges budget is underspent as the Council is currently able to borrow internally due to the level of Council reserves saving the interest costs associated with external borrowing, however, going forward the ability to utilise internal borrowing will depend on the level of reserves and these are expected to reduce in the near future.

The Council has a £1.250m income budget for the collection of Council Tax arrears in 2025/26 and, by the end of Quarter 3, have achieved this in full. At the end of Quarter 3, £3m in payments towards Council Tax arrears have been received, with an overall reduction in the arrears level of £3.3m. The Council Tax team have made significant progress in collecting old year arrears over the past two years, alongside a prudent allowance for empty home premiums and continued housing development in the County. However, at the end of Quarter 3, in year collection was 85.4%, which is 0.6% down on the collection rate for the same period in 2024-25. A further review of the Council Tax position will be undertaken as part of the End of Year monitoring report.

### Transfers to and From Reserves Policy

Reserve Name	2025/26 Reserve Movements	
	Brief Description of purpose of drawdown	£000's
<b>Planned and Ringfenced Use of Reserves</b>		
Catering Equipment	Transfer to Reserve Leasing Income	(190)
Elections	Transfer to Reserve Provide for Local Elections	(42)
Cost of Living Reserve	Additional Provision for CAB as part of Cost of Living response	30
<b>Unplanned Use of Reserves-</b>		
None		
<b>Total Use of Reserves</b>		<b>(202)</b>

Service	Appendix 9i Description of Saving Proposal	Impact on Residents/ Service Users	FTE Impact 2025/26	Saving Category	2025/26 Proposed £000's	Amount Achieved/Project to be achieved in Year	Amount Mitigated Other	% Achieved/ Mitigated	RAG Rating	Impact on Residents Rating	Notes
<b>Learning and Skills</b>											
ALN and Wellbeing	5% cut to Resource Base Budgets	Y	Y	Tactical	16	16		100%	Green	Amber	Cut has been made for 2025/26 budgets need to keep under review
ALN and Wellbeing	Vacant Post Review ALN	Y	Y	Tactical	196	196		100%	Green	Amber	Posts were vacant and have not been filled
ALN and Wellbeing	Remove Y Deri respite catering budget , respite provision previously stopped	N	N	Tactical	12	12		100%	Green	Amber	Unutilised Budget
ALN and Wellbeing	Remove Early Years Provision Budget	Y	Y	Tactical	31	31		100%	Green	Amber	Budget deleted.
ALN and Wellbeing	Review Sensory Team Level of Provision	Y	Y	Tactical	19	19		100%	Green	Amber	Provision reduced but dependent on need coming through.
Strategy, Com. Learning and P	Remove Non-Maintained Nursery placements residual budget	N	N	Tactical	11	11		100%	Green	Amber	Year two of saving implemented in 2024/25
Standards and Provision	Central South Consortium reduced contribution	N	N	Tactical	14	14		100%	Green	Amber	Delivered
Standards and Provision	Reduction in Out of School Tuition service	Y	Y	Tactical	30	30		100%	Green	Amber	Delivered
Standards and Provision	Alternative use of Local Authority Education Grant matchfunding budget	N	N	Tactical	183	183		100%	Green	Amber	Delivered
<b>Total Learning and Skills</b>					<b>512</b>	<b>512</b>	<b>-</b>	<b>100%</b>			
<b>Social Services</b>											
Adults	Telecare Expansion & fee review	Y	N	TOM - Income	20	20		100%	Green	Green	Review completed for 25/26
Adults	Adult Transport Review	Y	N	Tactical	15	15		100%	Green	Green	Day service runs reduced. Policy Development completed needs roll out and implementation as people are assessed / reviewed. Proposal being developed to use RIF for a transport officer to extend this project and rationalise provision further
Adults	Releasing time to care	Y	N	Service Transform	350	190		54%	Green	Green	Year 2 of Saving it is projected that this saving will be achieved in full by year end.
Adults	Complex Cases Review	Y	N	Service Transform	250	250		100%	Green	Green	Reviews being completed and on target
Adults	Agency Review	N	N	Tactical	10	1		10%	Green	Green	Peripetetic social worker now in post
Adults	Reablement "intake" model of care	Y	N	Service Transform	200	200		100%	Green	Green	Pathways of care grant submission completed and inception meeting held. Award letter of £1.25M recieved 12/08/25
Adults	Property payments growth in income (Finance Ref Additional Deferred Income)	N	N	Tactical	500	300		60%	Amber	Amber	Requires monitoring throughout year and is dependent on properties being sold
Adults	Debt Recovery	N	N	Tactical	200	27		14%	Red	Amber	New system implementation has caused some delay in the identification of debt and recovery - improvements in this area will be seen in Q2.
Adults	Direct Payment Processes	N	N	Tactical	50	7		14%	Amber	Amber	Policy redrafted & reconciliation of accounts implemented. Annual Managed banking reviews now due
Adults	Increase Income	Y	N	Tactical	75	25		33%	Amber	Amber	Financial assessments underway & on target
Resource Management and Sa	Vacant Post and Unutilised Budget Review	N	Y	Tactical	81	81		100%	Green	Green	Post deleted
Adults	Advocacy contract	N	N	Tactical	10	10		100%	Green	Green	Achieved by retender
Adults	Non-residential max charge uplift	N	N	Tactical	83	83		100%	Green	Green	WG Grant
Children and Young People	Residential Accommodation for children	N	N	Service Transform	790	580		73%	Red	Red	Dependent on CLA population. Significant challenges in this area. This saving has been applied but Childrens placements budgets are £300k overspent.

Children and Young People	Unaccompanied Asylum Seeking Children Supported Accommodation	N	N	Service Transform	75	75		100%	Amber	Amber	Impacted by uncertainty re new arrivals and timing of accommodation developments may slip	75
Children and Young People	Pre Birth Pathway	N	N	Service Transform	147	74	74	100%	Amber	Amber	Development of new project	148
Children and Young People	Regional projects review	Y	N	Tactical	75		75	100%	Red	Red	Extraction from existing arrangements may be some delay on implementation in 2025/26 but currently projected to be mitigated within the service	75
Children and Young People	Children's Transport Review	N	N	Tactical	65	65		100%	Amber	Amber	Some transport arrangements won't be amendable given children's ages / needs currently projected to outturn on budget but will need to be kept under review	65
Children and Young People	Eliminate Programme	N	N	Tactical	250	63	188	100%	Amber	Amber	Indicative grant funding for 25% received	250
Children and Young People	Agency Review	N	N	Tactical	136			0%	Red	Amber	Dependent on achieving permanent appointments, including where possible converting agency post holders to permanent.	0
Children and Young People	Staffing Review	N	Y	Tactical	48	48		100%	Green	Green	Achieved by Youth Justice and Early Support Service	48
Children and Young People	Independent Fostering Agency placements for children	N	N	Service Transform	90			0%	Red	Red	Dependent on Children Looked After population. This saving has been applied but Childrens placements budgets are £300k overspent.	0
Children and Young People	Maximise impact of Additional funding	N	N	Tactical	104	104		100%	Amber	Amber	Will continue to be kept under review as we progress through the year.	104
<b>Total Social Services</b>					<b>3,624</b>	<b>2,217</b>	<b>337</b>	<b>70%</b>				
Neighbourhood Services	Restructure of Neighbourhood Services management	N	N	Service Transform	100		100	100%	Green	Amber	Not restructured yet but the savings are being met from vacant position and phased retirement in the service.	
Street Cleansing	Reduce litter bins by a further 25% (post 25% reduction) and reduce service standards for cleaning and public convenience provision across the Vale	Y	Y	Service Transform	200		200	100%	Amber	Amber	Currently working through a reshaping project that will deliver the savings. Consideration of a new approach utilising the additional waste grant funding to mitigate the impact of this change.	
Street Cleansing	Reduction of service standards across Resorts	Y	Y	Service Transform	50		50	100%	Amber	Amber	Subject to same reshaping programme as Street Cleansing. Reduced use of agency workers. Keeping as amber due to concerns about good weather and how this could impact resort staffing levels. This area will be subject to an Autumn Report.	
Parks	Alternative delivery model for Parks and Open Spaces - A full service Transformation.	Y	Y	Service Transform	270		270	100%	Amber	Amber	Currently going through a reshaping programme that will deliver the savings. A number of posts being held unfilled. Also currently spending circa £1m on contracted services (all depts). This work has now been brought back in-house.	
Waste Management	Resource reduction (Vehicles and Staffing)	Y	Y	Tactical	100	100		100%	Green	Amber	Completed.	
Winter Maintenance	Review of service routes and resources	Y	Y	Tactical	15	15		100%	Amber	Amber	Reduced gritting routes, delegation in place to cover up to 10% reduction or increase in treatment. Currently treat 43%, could reduce to 39% if needed.	
Car Parks	Permanent closure of car park Court Road Multistorey (residual budget)	Y	Y	Tactical	38		0	0%	Red	Amber	These costs are likely to continue for the remainder of this financial year, as the site will be subject to an options appraisal linked to Place plans for Barry.	

Transport	Fleet reduction and efficiency	N	Y	Service Transform	50		50	100%	Amber	Amber	Update to follow, will involve a full assessment of the utilisation of the Council's fleet to establish which vehicles are under utilised. These should then be disposed of or reutilised into a higher use area.
Neighbourhood Services	Fees and Charges Increase to full cost recovery or 3%	Y	Y	Tactical	25	25		100%	Green	Amber	Completed.
Waste Management	Income - Increase garden waste subscription charges for 2025/26	Y	Y	TOM - Income	20	20		100%	Green	Amber	Completed.
Waste Management	Income - Increased market share Commercial Waste	N	Y	TOM - Income	50	50		100%	Amber	Amber	On track to increase market share and currently discussing with Schools to take them back in house to increase income. Additionally marketing commercial services to retail businesses this summer.
Car Parks	Car Parking Income Coastal locations	Y	Y	TOM - Income	320	0		0%	Red	Red	Cabinet 3 July, limited objections to date. Total saving at risk.
Highway Construction	Income from capital projects	N	Y	Tactical	50	0	50	100%	Amber	Amber	Reasonable expectation of delivery, will need to identify specific projects.
Highway Development	Annual income target	N	Y	Tactical	190	0	190	100%	Amber	Amber	Reasonable expectation of delivery, will need to identify specific projects.
Enforcement	New camera car and increased enforcement opportunities	Y	Y	TOM - Income	225	175		78%	Amber	Amber	Cars being delivered May, phased staffing increases agreed. Although the full savings may not be fully met.
Waste Management	Waste Income	N	Y	Tactical	400	400		100%	Green	Amber	EPR Funding expected October 2025.
Lifeguard Buildings	Declare all Lifeguard buildings surplus for Community Asset Transfer consideration or closure	Y	Y	TOM - Assets	10		10	100%	Amber	Amber	Started discussions with some clubs and in the process of handing back Rhoose Lifeguard club and changing coastal watch centre lease to a full repair and maintenance agreement. Unlikely to be delivered until towards the end of 2025/26.
Concessions	Introduce additional concessions across Neighbourhood Services assets	N	N	TOM - Assets	25		25	100%	Green	Amber	An EP and a Cabinet Report was agreed to enable the advertisement of new concessions and some are now in place.
Other Assets	Community Asset Transfer of assets (Vale wide)	Y	N	TOM - Assets	25		25	100%	Amber	Amber	The assets identified for transfer are being managed through the reshaping assets board and will be progressed throughout 2025.
General Fund Housing	Vacant Post review	N	Y	Tactical	103	103		100%	Green	Amber	Budget adjusted
General Fund Housing	Reduction in agency staffing budget	N	Y	Tactical	6	6		100%	Green	Amber	Budget adjusted
General Fund Housing	Reduction in management charges for leased accommodation	Y	N	Tactical	50	50		100%	Green	Amber	Budget adjusted
<b>Total Environment and Housing</b>					<b>2,322</b>	<b>944</b>	<b>970</b>	<b>82%</b>			
<b>Corporate Resources</b>											
Digital	Digital Services Operating Model Review	N	Y	Service Transform	120	60	60	100%	Amber	Green	Amber: Delay to restructure however likely to be mitigated by other savings in year
Comms and Equalities	Welsh Language Translation: Adopt Amazon Translation Services.	N	N	Digital	100		100	100%	Amber	Amber	Proof of Concept due to go live April/May. Significant volume of translations are being processed using this service currently.
Property	Eich Lle: Docks Office	N	N	TOM - Assets	50			0%	Amber	Amber	Pending Dock Office decant - to be realised in due course. Place moving summer 2025, Social Services dependent upon future property negotiations. Further saving in NNDR will be possible later in the year.
All Directorate	Income: Income from traded DBS services, Service Level Agreements, Payroll SLAs, Fees and Charges and Shared Cost AVCs.	Y	N	TOM - Income	80	80		100%	Green	Amber	SLAs adjusted and notably, Payroll have secured additional clients from new secondary schools.

Digital	C1V and ICT Budget Reduction: General reduction in non-pay C1V budgets and ICT Budgets.	N	N	Tactical	305	305		100%	Green	Green	Savings are based on rebuild of IT budget - currently on target .
Legal and Democratic	Mayor's Office: Further review expenditure with a view to reduction.	N	N	Tactical	5	5		100%	Green	Amber	Budgets adjusted.
All Directorate	Managed Headcount Reduction (currently x5 roles)	Y	Y	Tactical	205	170	35	100%	Amber	Amber	Roles identified and work progressing to ensure these are realised, with any timing issues to be mitigated within the year from other underspends.
Comms and Equalities	Communications Licences: Granicus Module	N	N	Tactical	10	10		100%	Green	Amber	Contracts being negotiated to ensure this module is realised in terms of savings from overall Granicus products.
<b>Total Corporate Resources</b>					<b>875</b>	<b>630</b>	<b>195</b>	<b>94%</b>	-	-	-
<b>Place</b>											
Regeneration	Vacant Post review	N	N	Tactical	63	63		100%	Green	Amber	Post deleted
Regeneration	Focus on income from business support	N	N	Tactical	15	15		100%	Green	Amber	Fees from managing grant programmes and other schemes.
Regeneration	Additional Income commercial lease income	N	N	TOM - Other	20	20		100%	Green	Amber	BSC 2 due to open in June - massive interest in space already.
Sustainable Development	Planning Income target – WG fees increase	Y	N	TOM - Income	70		70	100%	Amber	Amber	Welsh Gov due to advise shortly. Will be happening but timing still uncertain, preferred option still in play.
Sustainable Development	New Planning income opportunities- new products	Y	N	TOM - Income	20	20		100%	Green	Amber	New products in place
Sustainable Development	Fee increases in both Planning and Building Control	Y	N	TOM - Income	10	10		100%	Green	Amber	Fees due to go up
Sustainable Development	Country park Leisure commercialisation	Y	N	TOM - Income	40		40	100%	Amber	Amber	Ongoing - working with operator to test feasibility. May need to identify alternative savings. Mitigated in year
<b>Total Place</b>					<b>238</b>	<b>128</b>	<b>110</b>	<b>100%</b>	-	-	-
<b>Total 2025/26</b>					<b>7,571</b>	<b>4,431</b>	<b>1,612</b>	<b>80%</b>			
<b>Schools</b>					<b>1,200</b>	<b>1,200</b>		<b>100%</b>			
<b>Total 2025/26 Incl Schools</b>					<b>8,771</b>	<b>5,631</b>	<b>1,612</b>	<b>83%</b>			

2025/26 Savings Targets

Directorate	Amount Proposed	Amount Achieved in Year	Amount Mitigated Other	% Achieved/Mitigated	RAG
Learning and Skills	512	512	-	100%	Green
Social Services	3,624	2,217	337	70%	Red
Neighbourhood Services and General Fund Housing Place	2,322	944	970	82%	Red
Corporate Resources and Policy	238	128	110	100%	Amber
Delegated Schools	875	630	195	94%	Amber
Delegated Schools	1,200	1,200		100%	Red
<b>Total 2025/26</b>	<b>8,771</b>	<b>5,631</b>	<b>1,612</b>	<b>83%</b>	<b>-</b>

1,529

Outstanding Prior Year Targets 2023/24 and 2024/25

Directorate	Amount Proposed	Amount Achieved Prior Year	Amount Achieved /Mitigated 2025/26	% Achieved	RAG
Learning and Skills	247	36	211	100%	Green
Social Services	700	300	250	79%	Amber
Neighbourhood Services and General Fund Housing Place	776	251	175	55%	Red
Corporate Resources and Policy	20	0	20	100%	Amber
Corporate Resources and Policy	598	40	243	47%	Red
<b>Total Prior Year</b>	<b>2,341</b>	<b>627</b>	<b>899</b>	<b>65%</b>	<b>-</b>

<b>11,112</b>	<b>6,258</b>	<b>2,511</b>	<b>79%</b>	
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Appendix 9ii	Outstanding Prior Year	Amount Proposed	Amount Achieved Prior Year	Amount Achieved/Mitigated 2025/26	% Achieved	RAG	Impact on Residents Rating	
<b>Learning and Skills</b>								
Strategy, Com. Learning and Resou	Review Arts Provision	65	0	65	100%	Red	Amber	Although this saving was mitigated in 2024/25 the saving remains unmet for the 2025/26 financial year and the service remains under review.
Strategy, Com. Learning and Resou	Move to full cost recovery position for ACL	142	22	120	100%	Amber	Amber	Although this saving was mitigated in 2024/25, the full budget saving has not yet been identified on an ongoing basis. £55k has been identified for 2025/26 to date via flexible use of grant and reduction of agency and premises costs. The service remains under review in order to achieve the remaining £75k of budget savings.
Strategy, Com. Learning and Resou	Old Hall - 20% loss overall in Cowbridge consider alternative funding	40	14	26	100%	Amber	Amber	This saving has been partially met through the reduction of premises costs (£20k). The Service remains under review to identify the remaining £20k shortfall.
<b>Total Learning and Skills Prior Year</b>		<b>247</b>	<b>36</b>	<b>211</b>	<b>100%</b>			
<b>Social Services</b>								
Children and Young People	Closer to Home Residential Care (C&YPs)	100		100	100%	Amber	Amber	This saving has been applied but Childrens placements budgets and is projected to be achieved at the end of quarter 1
Children and Young People	UASC Supported Accommodation	75		75	100%	Green	Amber	This is achieved in 2025/26
Children and Young People	Pop up Accommodation	75		75	100%	Amber	Amber	This saving has been applied but Childrens placements budgets and is projected to be achieved at the end of quarter 1
Adult Services	Reduced building rental	50	0		0%	Red	Amber	This has been moved to the Commissioning budget whilst alternative accommodation options are explored this saving will not be achieved and will need to be mitigated within the budget.
Adult Services	Closer to Home Supported Living (LD)	100			0%	Red	Amber	
Adult Services	Releasing time to care	300	300		100%	Green	Amber	Achieved on a part year basis in 2024/25 and through a variety of measures achieved for 2025/26.
<b>Total Social Services Prior Year</b>		<b>700</b>	<b>300</b>	<b>250</b>	<b>79%</b>			
<b>Neighbourhood Services and Housing</b>								
Car Parks	Parking Charging Review	100		100	100%	Amber	Amber	Part year contribution to 2025/26 savings above. Income from ANPR car parks will be higher in 2025 and this should cover this amount.
Other Assets	Jenner Park alternative model	65			0%	Red	Amber	Still discussing reshaping and asset transfer and will be added to the reshaping and asset board to take forward. As the asset transfer will take time, a report will be tabled to Cabinet for both Jenner Park and Llantwit Major AFC suggesting a 5 year lease for all buildings, with all utilities paid by the clubs. Also pitch fees at the highest point possible to seek a break-even position.
Garage	Garage Generation of additional income	10		10	100%	Green	Amber	Should have been delivered through MOT increases.
Leisure	Parkwood VAT relief	70			0%	Red	Amber	Discussion still ongoing, Parkwood seeking legal advice.
Concessions	Additional concessions	20	20	0	100%	Green	Amber	Not met last year and has been added to current year's programme.

Other Assets	New Model for Community Centres to include full maintain of buildings	20			0%	Amber	Amber	Some progress being made, won't deliver in full.
Waste Management	Waste Maintenance collections at Flats and Apartments	150	100	50	100%	Green	Amber	Flats and apartments did not change in 2024 but the service reduced a vehicle so achieved the savings in a different way.
Waste Management	Expansion of Commerical Recycling Collections	50	35	15	100%	Amber	Amber	Not met in 2024/25 but carried over into current year. New customers in 2025, including schools should realise this amount.
Street Cleansing	Review of Street Cleansing Service	191	96		50%	Red	Amber	Only half the savings met in 2024/25 and has been carried forward into the reshaping programme in current year.
Other Assets	Asset Transfers Single use Facilities	100			0%	Red	Amber	Not met in 2024/25 but carried over into current year. Will be addressed via the asset board.
<b>Total Neighbourhood Services and Housing Prior Year</b>		<b>776</b>	<b>251</b>	<b>175</b>	<b>55%</b>			
<b>Place</b>								
Sustainable Development	ANPR Income Country Parks	20		20	100%	Amber	Amber	Increased enforcement should bring in more income. ANPR on hold while assessment of installation in other areas. Will review at the end of the summer.
<b>Total Place Prior Year</b>		<b>20</b>	<b>-</b>	<b>20</b>	<b>100%</b>			
<b>Corporate Resources</b>		<b>Amount</b>	<b>Amount</b>	<b>Amount</b>	<b>%</b>	<b>RAG</b>	<b>Impact on Residents</b>	
Property	Review C1V Office Accommodation	50		50	100%	Green	Amber	Building vacated and handed to Legacy.
Property	Review Docks Office Site	300	40		13%	Amber	Amber	Pending Dock Office decant - to be realised in due course. Place moving summer 2025, Social Services dependent upon future property negotiations. Saving on cleaning & security costs as we did not transfer the element included in the £350k saving target to the trading account.
Comms and Equalities	Communications, Participation & Equalities Group. Media Monitoring . Saving has been deferred to 2025/26.	13		13	100%	Green	Amber	Green: Contract cancelled.
Property	Corporate Office Accommodation Facilities Management	95		90	95%	Red	Amber	Outstanding - to progress relating to courier provision and have made some FM changes within Dock Office. Saving removed as a result of the new trading account arrangements but problem will come back to Resources in the form of Corporate Landlord. At Q1 it is assumed that this is mitigated by underspends from within the service.
Property	Property Fees & Charges	50			0%	Red	Amber	Issue due to change in capital fee recovery model. Recalculating the hourly charge to reflect feasibility work agreed. However, this will not be sufficient to recover this additional income.
Digital	Managed Print Service	80		80	100%	Red	Green	Will not achieve - Savings in 2025/26 to be modelled. Will not be realised and needs to be added in as a cost pressure.
Finance	Open Banking & Payments	10	0	10	100%	Amber	Amber	Welsh translation issues being addressed. Merchant fees savings - will save the £10k on transaction fees if impl. by Dec/Jan 26.
<b>Total Corporate Resources Prior Year</b>		<b>598</b>	<b>40</b>	<b>243</b>	<b>47%</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Tota Prior Year</b>		<b>2,341</b>	<b>627</b>	<b>899</b>	<b>65%</b>	<b>-</b>	<b>-</b>	<b>-</b>