

The background of the slide features a large, light blue watermark of the City of Vancouver's coat of arms. The crest is shield-shaped and divided into four quadrants. The top-left quadrant shows a sailing ship on wavy lines representing water. The top-right quadrant depicts a stag's head with large antlers. The bottom-left quadrant contains a beaver. The bottom-right quadrant shows a grizzly bear standing on its hind legs. Above the shield is a crown with four maple leaves. A banner at the bottom of the shield contains the motto "CITY OF VANCOUVER" in a stylized font.

Agenda Item 8

Projected Financial Position 2021/22

Falkirk Council

Title: Projected Financial Position 2021/22
Meeting: Executive
Date: 22 February 2022
Submitted By: Director of Corporate & Housing Services

1. Purpose of Report

- 1.1 This report presents an update on the financial position of the Council for 2021/22.

2. Recommendations

2.1 Executive is invited to:

- (1) note the Council's projected year-end financial position for 2021/22;
- (2) note the position with respect to Reserves;
- (3) note the progress on the achievement of approved savings;
- (4) instruct Service Directors to continue to take appropriate actions to maintain their costs within the approved budget

3. Background

- 3.1 Following the Council's approved 2021/22 General Fund Revenue Budget in March 2021, Housing Revenue Account in January 2021 and the update reports to the Executive in August and October, this report provides details of progress with meeting the budgeted financial targets.

4. Considerations

4.1 General Fund

- 4.1.1 Appendix 1 sets out both General Fund net expenditure by Service and how it is financed. Movements between budget and projected outturn are expressed in monetary and percentage terms.
- 4.1.2 Net expenditure at the 31 March 2022 is forecast to be £389m which is £4.7m (1.2%) below the resources available. Reduced costs within Place Services, a lower service payment to the Falkirk Community Trust and increased council tax are the main factors contributing to the improved position.

- 4.1.3 Members instructed Service Directors to take appropriate actions to maintain their costs within the approved budget and reduce expenditure within 2021/22. Work has been carried out by each Service to scrutinise budgets and submit robust projections. While the COVID pandemic continues to impact on income generation and ability to spend the current projection is £1.9m favourable from last report. Any favourable variance to budget will beneficially flow through to our reserves.
- 4.1.4 The SJC pay award has been agreed and implemented in the January payroll. This is included in the projections attached and has been covered from existing resources. An area of uncertainty is the teachers' pay award which is still to be determined.
- 4.1.5 The reasons for significant overall deviations from budget are described below for each Service. The projections have been based on discussions and information received from the Services.

Children's Services (under budget by £0.195m; 0.1%)

- 4.1.6 Overall Children's Services is under budget by £0.195m, with a favourable movement of £0.101m from the October projection. The majority of the movement is in Children & Families.

Education (on budget)

- 4.1.7 The Service is projected to incur £1.9m of additional costs relating to COVID-19. This includes additional teaching and support staff, increased operational costs such as school transport and cleaning and anticipated loss of income. The projection also reflects anticipated unachieved savings of £1.2m, mostly carried over from the previous year. This has been offset by additional COVID resources built into the budget of £1.9m and grant funding received from the Scottish Government.
- 4.1.8 The associated teaching and support costs to meet the pupil numbers and class requirements for the current school term have been updated and are reflected here. Total movement from October projection is £0.243m adverse for increased cleaning costs.

Children & Families (under budget £0.195m)

- 4.1.9 Despite ongoing COVID pressures, overall expenditure on childcare provision is projecting a budget saving. However, this remains an extremely volatile area with the need for placements to protect children unpredictable. Service delivery is also still impacted by COVID which has resulted in delayed placement movement for young people and limited ability to provide family support led to some children requiring to be looked after away from home. This projection is the current position following a number of budget realignments. As with other areas much of the underspend relates to staffing. The service monitor spend on a regular basis.
- 4.1.10 Shifting the balance of care remains fundamental to the aims of the Closer to Home Strategy. Reducing the numbers of children looked after away from home and increased access to internal foster care rather than residential care are critical factors.

Place Services (on budget)

- 4.1.11 The Service is projected to be on budget a marginal change from the previously reported position. However, while the spend on roads maintenance experiences increased material costs and higher than estimated spend on sub-contractors, service is also seeing the impact of a mild winter to date. Increased roads capital works have also increased income with a favourable movement of £0.659m. There are also improved projections in areas such as Transport (£0.193m) and Planning & Economic Development of £0.273m some of which is increased income. These positive variances of c£1.1m have enabled the additional RSG to be returned to the overall General Fund (see para. 4.1.23).
- 4.1.12 Waste collection and treatment has a projected overspend due to increased household waste tonnages, possibly as a result of increased working from home across the council area. Additional COVID resources has helped to reduce the impact of this budget pressure.
- 4.1.13 There is scope for this projection to shift significantly over the remaining months of the financial year. Adverse weather would see increased spend while any workforce capacity issues arising from COVID and recruitment could see projected spend slow down.
- 4.1.14 The Service continue to progress several measures to determine the extent that the projected roads expenditure can be aligned with budget, including reviewing all purchase orders for materials over £1,000, evaluating whether works can be undertaken in-house rather than sub-contracting and the balance of in-house and sub-contracted works and ensuring appropriate charging of revenue and capital costs. This has resulted in the improved projection for the year. Across the Service all staffing vacancies are being reviewed by the Senior Management Team.

Corporate & Housing Services (under budget by £0.234m; 0.7%)

- 4.1.15 Overall the Service is currently projecting below budget, a further improvement of c£0.090m from the October position. The reclassification of IT spend on licences from capital to revenue, noted in the last Executive report, has resulted in additional costs of over £1m, however this is being offset by property savings and operational savings arising from staffing vacancies as reported previously. The main movement is an improvement in income projections although still short of budget. Most of this relates to Governance (£0.422m) where income is unachievable due to COVID.
- 4.1.16 COVID pressures includes the cost of protective equipment for the three Council Services and reduced income as restrictions change throughout the year. This has been offset by the additional resources built in for COVID.

Integration Joint Board (On budget)

- 4.1.17 For 2021/22, a sum of £72.675m (£70.934m from the General Fund) was passed to the IJB. Total expenditure is still expected to remain within budget and a breakeven position is forecast for the year. However, this position masks significant financial and operational service pressures within Home Care due to increased demand and complexity together with ongoing short staffing issues. As a result, the number of people currently waiting for packages of care is unprecedented and several external Providers are operating under business continuity measures or are handing back packages of care (which in turn impacts on the internal service). These pressures are largely offset by underspends in other service areas including staff costs and reflecting lower residential care costs, vacancies within the assessment and care planning team and non-recurring savings within respite and day care services.

Falkirk Community Trust (Under budget by £1.322m, 9.6%)

- 4.1.18 The COVID-19 pandemic continues to impact the business of the Trust, including its income generating activities especially while restrictions have changed although the recent easing of restrictions is welcomed. The main cause of the underspend relates to staff expenditure which includes receipts from the government's furlough scheme partially offset against some additional severance costs.
- 4.1.19 Although customer income is projected to be lower than budget, particularly within Trading, there are promising signs of recovery as restrictions have eased. The latest report to the Trust Board noted a projected surplus of £1.3m, an improvement of c£0.3m from the October position.
- 4.1.20 Given the positive projected financial position in comparison to budget it is clear that a large proportion of the additional £3m Service Payment funding support given for COVID will not be required. The Service Payment will therefore be reviewed by the Council and discussed with the Trust in accordance with the Funding Agreement. This will take account of any additional cost pressures, including those arising from COVID-19 related restrictions, in the remaining months. This will enable the Trust to achieve a balanced budget position and return the current estimated surplus of £1.3m to the Council.

Capital Charges (Under budget by £9.100m 5.7%)

- 4.1.21 As reported in October, the loans fund repayment holiday has been applied in the current financial year. In addition to the repayment holiday, borrowing costs are lower due to the early repayment of debt, reduced costs flowing from slippage in the capital programme and lower interest charges.
- 4.1.22 The Council recently approved a change to the loan funds debt repayment policy. This policy change will apply in 2022/23 and does not impact on the 2021/22 projection.

General Revenue Grant (Under budget by £1.157m, 0.5%)

4.1.23 Since the budget was approved there has been additional funding of c£20.2m confirmed, which is an increase of c£9.6m from the position reported to the Executive in October. This funding is largely ringfenced and matched by expenditure, the exception is funding of £1.2m noted below. The funding received is summarised in Appendix 2 and includes c£5m for Adult Care Services (passed in full to the IJB), c£2.6m for Childrens Services and c£0.9m of COVID-19 funding.

4.1.24 Within the October Executive report, £1.2m was applied to cover emerging budget pressures within Place Services. Given the significant improvement in the Place Services projection, the funding has been returned to the overall general fund, resulting in a positive variance of £1.2m

Council Tax (Under budget by £0.200m, 0.3%)

4.1.25 Council Tax yield is £0.2m above budget due to a combination of new build properties being slightly higher than forecast but also recent targeted reviews of Council Tax Reduction awards. The income of a number of households has been reviewed and, where that income has increased since the last assessment, the amount of Council Tax Reduction awarded is reduced accordingly.

Fiscal Flexibilities (Over budget by £7m, 100%)

4.1.26 Fiscal flexibilities are a temporary but significant relaxation of conventional accounting and public finance rules to help alleviate the impact of COVID-19 on council's finances. The reduction in loan charges (see para. 4.1.21) as a result of applying the loans fund repayment holiday offsets this adverse variance.

4.1.27 Discussion on the fiscal flexibility in relation to the accounting treatment of PPP/NPDO deals is still ongoing between COSLA and the Scottish Government. The discussions are linked to a review of capital accounting arrangements, which is now more or less complete and will feed into the overall process. It will still be some time before the final position is clarified.

4.2 Trading Account

4.2.1 The BMD's work programme continues to be disrupted by the COVID crisis with operating restrictions limiting the work undertaken. Projections have increased by £1.5m to £2.0m, which will be absorbed within the Housing Revenue Account (see para. 4.6.1). However, with no surplus generated, this will result in a cost to the General Fund of c£0.5m.

4.3 2021/22 Approved Savings

- 4.3.1 Services are tasked with delivering £5.037m of savings in 2021/22. Although a couple of savings are flagged red (3.5%), based on information received from each Service, there is no change to the position that was previously reported. The status of savings is detailed at Appendix 3 and summarised in the table below.

Workstream	Red Savings £'000	Amber Savings £'000	Green Savings £'000	Total Savings £'000
Communities	-	420	1,458	1,878
Enterprise	-	-	372	372
Innovation	-	-	764	764
Business as Usual	175	30	1,818	2,023
Total	175	450	4,412	5,037

- 4.3.2 Contract savings (CHS4) will not be delivered due to increasing supply costs due to a combination of factors, primarily linked to COVID and Brexit. Increasing costs of raw materials and labour costs, are all impacting on tender prices, reducing the scope for savings. However, there is scope to offset service underspends against this. Flagged as red currently. The impact of COVID is also impacting on income (CS26) and the delivery of Additional Support for Learning saving (CS21) of £250k, creating increased demands on service provision.
- 4.3.3 Work is still ongoing to establish land ownership details to deliver additional income of £120k (DV60) from grounds maintenance operations, while income (DV61) from electric vehicle charges has been impacted by COVID with limited use and travel during lockdown. Negotiations are underway over changes to working patterns (DV66) which would achieve savings of £50k.
- 4.3.4 In the October report to the Executive it was noted that £1.1m of savings in 2020/21 have not been achieved. There is no significant change to the position previously reported. The current status of these savings is noted at Appendix 4.

4.4 General Fund Reserves

- 4.4.1 Appendix 1 shows a projected balance of £12.514m as at March 2022. This is an increase of c£1.9m from the October position and c£4.7m better than originally planned, with a reduced payment to the Falkirk Community Trust, lower capital charges and increased revenue support grant being the main factors behind the favourable variance.
- 4.4.2 Aside from the General Fund, there are several other reserves and earmarked funds. The balances carried forward are noted at Appendix 5 and information on some of the more significant balances is noted below.

4.4.3 Repairs and Renewals Fund

Strategic Property Review (£0.394m)

The Council is undertaking a comprehensive review of its property assets including its leased portfolio. This is anticipated to result in withdrawal from a number of existing properties with provision for investment in assets retained and dilapidations costs for buildings being vacated. There are anticipated costs of £0.335m, which will leave a balance of £0.394k. Draw-down has not been as fast as expected as the service is facing a challenging recruitment market whilst also waiting on the Director of Place and Head of Invest Falkirk posts to be in place. These posts provide medium and long-term direction for this project and now they are in post there will be momentum to the next stages of the SPR including developing feasibility and option appraisals. This funding is non-recurring and is essential to the successful delivery of the SPR.

Mobile & Flexible Working (£0.069m)

Funding was provided to help cover the additional revenue costs required to undertake the mobile and flexible working project. Spend is projected at £0.114m to cover modern apprentices and Digital Content and Development. This will ensure the Council's online offering to communities which must be increased to continue to offer working from home and flexibility, including those with visual impairments.

Payroll & BI (fully utilised)

A sum of £0.1m was earmarked to upgrade the payroll system to a hosted environment providing added security and greater functionality. Another £0.1m for the Business Intelligence (BI) project which has significant potential across all Council services. These balances are expected be fully utilised on both projects, dependant on supplier billing.

ICT Posts (£0.140m)

It is anticipated that £0.110m will be used in 2021/22. Recruitment is underway and posts should be recruited soon. These include a cybersecurity post which is essential, but the council doesn't currently have.

Building Maintenance (£0.156m)

A Repairs & Renewals reserve of £0.350m was created from the 2019/20 BMD trading surplus. Of this balance £0.164m was spent on the improvements to the Inchyra Road Depot, Grangemouth as part of the BMD redesign phase 2 Council of the Future project. It is anticipated that £0.030m will be utilised in 2021/22 with the remaining balance being carried forward to 2022/23

4.4.4 Earmarked Reserves

Insurance Fund (£4.694m)

The Fund is actuarially valued every three years and a draft report has recently been received. The 2021/22 budget included a contribution from the Insurance Fund of £0.9m. The projected fund balance has therefore reduced by this amount. The projected balance will be updated following the year end, reflecting the actual costs incurred during the year. This may result in a reduction or increase to the £0.9m. Whilst uncertainties, particularly

concerning the value and timing of any potential Abuse claims, remain, it is anticipated that the continuing level of Service contributions and Fund balance should be sufficient to meet any resultant costs over the next three years.

Devolved Schools Management (£0.088m)

The balance at the 31 March 2021 was £2.328m. c£2.1m was the year end carry forward balances held at individual schools for use by headteachers and has been credited back to the schools. A further £0.140m has been earmarked for access to school counsellors leaving a balance of £0.088m.

Economic Development Fund (£0.988m)

The fund has £0.662m for property maintenance and dilapidations works to the Council's industrial and commercial estate, £0.024m for business support/landscape Initiatives and a further £0.302m to provide for deferred rentals on commercial properties. This £0.302m was a one-off windfall in 2021/22 from interposing a lease on telecoms mast sites. Projections remain the same as previously reported.

Central Energy Efficiency Fund (£0.200m)

This is a cyclical fund that allows energy efficiency works to be completed. Under the terms of the funding, energy savings generated are required to pay-back into the fund in order to maintain an ongoing balance for delivery of future projects. The service has a programme of energy efficiency works of £0.537m and an estimated pay-back of £0.182m. This will leave a balance of £0.200m. The amount of money currently in the fund reflects that contributions and payback arrangements which have been brought back in following energy efficiency works predominately in schools. Place Services are planning to use the fund to deliver further energy projects in the NPDO schools. This work contributes to the Council's net zero targets. Removal of the Fund would undermine attempts to reach organisation targets on carbon, and limit progress on energy efficiency in our properties.

Change Fund (£0.570m)

Members agreed an increase to the original fund of £1m. However due to staffing underspends a projection of £0.963m is expected by March leaving a balance of £0.570m. This relates to a difficulty in recruiting posts which the Council is seeing across all areas.

Revenue Grants (£9.035m)

The Revenue Grants reserve consists of the carry forward of grant funding not yet utilised. The largest of these are within Children's Services for the Pupil Equity Fund, which is allocated directly to schools, and the early years expansion programme to increase the provision of nursery hours from 600 to 1,140. This funding will be credited back to Services to appropriately match expenditure and will not affect the Council's overall position in 2021/22.

COVID-19 Reserves - (£11.138m)

Members will recall that a significant amount of funding relating to COVID was received very late in the financial year, leaving little opportunity for it to be used in 2020/21. £1.5m of funding to provide support to families and £0.5m for business support has been applied in the current year. A sum of £8.7m will be carried forward to offset COVID budget pressures in future years.

A further £4m of the COVID funding is specifically for education recovery, against which Children's Services have so far identified £1.6m of additional COVID costs. The balance of £2.4m will be used to off-set the additional costs that are being incurred within schools in the current 2021-22 academic year (i.e. enhanced cleaning regimes, maternity cover and transport). The full assessment and adjustments for this will be made after Easter 2022. Any remaining balance will be assessed by the Service to see if a saving is achievable against projected costs for 2022-23.

Spend to Save (£1.141m)

This balance is earmarked to help cover the costs of voluntary severance reflected in the five year business plan. The actual cost to date of compensatory lump sums paid as a result of employees leaving through voluntary severance is c£0.494m. There is a further c£0.519m of applications pending within the system.

4.5 Workforce Changes

4.5.1 The Budget report presented in February noted the actions required to balance the budget would see reductions in the workforce but noted that the Council must continue to plan for savings required in future years. As a result, officers will continue to use the following options to achieve savings:-

- non-filling of vacancies where possible;
- a review of all temporary employees and agency workers, ending contracts where possible;
- any other options to achieve savings through voluntary means; and
- voluntary severance.

4.5.2 To date, progress with employees seeking redeployment and leaving through voluntary severance is as follows:-

	2017/18	2018/19	2019/20	2020/21	2021/22
Seeking Redeployment	9	13	21	12	19
Voluntary Severance	28	17	27	31	22

Overall, from Dec. 2017 to Dec. 2021, headcount and FTE have moved as follows:	December	December	December	December	December
	2017	2018	2019	2020	2021
Headcount	6,991	7,042	7,209	7,548	7,545
FTE	5,892	5,934	6,061	6,236	6,345

It is important to note that whilst the overall workforce numbers have increased, these include new posts created through ring-fenced additional funding to support the expansion of early years, and new posts paid for through the Pupil Equity Fund (PEF).

4.6 Housing Revenue Account (HRA)

- 4.6.1 Overall HRA spending is projected to be on budget and includes the absorption of the anticipated BMD deficit of £2m. This follows agreement between COSLA and Audit Scotland that even if works are not carried out, the relevant costs (primarily employee costs and overheads) can still be charged to the HRA. The figure for the HRA incorporates a payment of £1.414m to the IJB for in scope services e.g. garden aid and adaptation expenditure.
- 4.6.2 The overall projected position reflects savings in employee costs of £0.3m, an underspend in supplies & services of £0.4m and a reduction in the repair work undertaken £2.3m. This is offset by the £2m BMD deficit and additional capital charges to provide Capital Financed from Current Revenue (CFCR) to enhance the resources available to undertake housing investment.
- 4.6.3 The reserve balance brought forward at the 1 April 2021 was £7.825m. Applying the planned use of c£0.6m of reserves will result in a projected balance of £7.228m at the 31 March 2022.

5. Consultation

- 5.1 There is no requirement to carry out a consultation based on the report proposals.

6. Implications

Financial

- 6.1 The financial implications are detailed within the report. The General Fund expenditure is £4.699m (1.2%) below the resources available as a result of lower borrowing costs, improved income and reduced service expenditure. The Housing Revenue Account is on budget.

Resources

- 6.2 There are no resource implications arising from the report recommendations.

Legal

- 6.3 There are no legal implications arising from the report recommendations.

Risk

- 6.4 The report has flagged financial risks to the Council, principally from the ongoing uncertainty from COVID and also from the Teachers Pay Award which has still to be agreed.

Equalities

- 6.5 EPIAs, as appropriate, were carried out as part of the Budget process which led to these Budget figures.

Sustainability/Environmental Impact

- 6.6 A sustainability assessment was not required.

7. Conclusions

- 7.1 With the exception of issues arising from COVID-19, an unknown at this time is settlement of the Teachers pay award which could still put pressure on the Council's finances. The General Fund expenditure is £4.699m (1.2%) below the resources available. The projected General Fund balance for 2021/22 is £12.514m.
- 7.2 Spending within the Housing Revenue Account is on par with budget. Year-end reserves of £7.228m are projected which will be deployed in a planned manner over time.

Director of Corporate & Housing

Authors –

Bryan Smail, Chief Finance Officer - 01324 506300, bryan.smail@falkirk.gov.uk
Danny Cairney, Senior Corporate Finance Officer – 01324 506388, danny.cairney@falkirk.gov.uk
Alison Lindsay, Accountancy Services Manager, alison.lindsay@falkirk.gov.uk

Date: 11 February 2022

APPENDICES

Appendix 1 – General Fund Projected Outturn Statement 2021/22
Appendix 2 – Revenue Support Grant Additional Funding
Appendix 3 – Savings Monitoring Statement 2021/22
Appendix 4 – Prior Year Unachieved Savings
Appendix 5 – Repairs & Renewals Fund and Other Earmarked Reserves
Appendix 6 – Housing Revenue Account Projected Outturn Statement 2021/22

List of Background Papers:

The following papers were relied on in the preparation of this report in terms of the Local Government (Scotland) Act 1973:
Budget Working Papers

Appendix 1

FALKIRK COUNCIL

GENERAL FUND

PROJECTED REVENUE OUTTURN STATEMENT 2021/22

	Budget	Projected	(Fav)/ Adv		Previous
	£'000	Outturn	Variance		(Fav)/ Adv
		£'000	£'000	%	£'000
Childrens Services	225,868	225,673	(195)	(0.1)	(94)
Social Work - Adult Services	3,372	3,372	-	-	-
Place Services	29,823	29,823	-	-	(45)
Corporate & Housing Services	33,894	33,660	(234)	(0.7)	(144)
Trading Accounts	(524)	(13)	511	97.6	511
Sub - Total	292,434	292,516	82	0.0	228
Falkirk Community Trust	13,755	12,433	(1,322)	(9.6)	(984)
Valuation Board	1,424	1,424	-	-	-
Integration Joint Board	75,945	75,945	-	-	-
Capital Financing Costs	15,973	6,873	(9,100)	(57.0)	(9,049)
NET EXPENDITURE	399,531	389,191	(10,340)	(2.6)	(9,805)
Financed By :					
Revenue Support Grant	(255,606)	(256,763)	(1,157)	(0.5)	-
Non-Domestic Rates	(60,775)	(60,775)	-	-	-
Council Tax	(69,490)	(69,690)	(200)	(0.3)	-
Earmarked Funds	(4,655)	(4,655)	-	-	-
Fiscal Flexibilities	(6,998)	-	6,998	100.0	6,998
NET INCOME	(397,524)	(391,883)	5,641	1.4	6,998
(SURPLUS)/DEFICIT	2,007	(2,692)	(4,699)	(1.2)	(2,807)
General Fund Surplus as at 1 April 2021		(9,822)			
Transfers to/(from) Earmarked Funds		-			
General Fund Balance as at 31 March 2022*		(12,514)			

Reserves Strategy Policy - Range

7,500 - 11,000

* A further £0.5m is anticipated from the Trust reserves taking the total to c£13m

Funding Allocation	RSG £m	Use of Funds
Funding to Support Local Government		
Funding for Service Pressures	867	One-off funding paid to councils to assist with meeting service pressures. This will be applied to meet the costs of the approved pay award for SJC staff.
Covid 19 Funding		
Local Self Isolation Assistance Service	127	Funding for an outbound call service for people who are self-isolating. The service helps to direct individuals to access additional support and advice
CO2 Monitors	90	To ensure that all schools and day care settings have access to CO2 monitoring
Financial Insecurity Flexible Funding	672	Funding to enable councils to support wellbeing and respond to financial insecurity
Business Support Administration Grant	65	Funding to support the administration of Covid business grants
	954	
Childrens Services		
Unaccompanied Children Asylum Seeking Children Arriving in Scotland	22	The funding is intended to help councils accommodate and support vulnerable children arriving in Scotland
Educational Psychology Trainees	14	Funding provided to support the recruitment of educational psychology trainees
Teacher Induction Scheme	2,584	Funding to support the recruitment of probationer teachers
	2,620	
Health & Social Care		
Real Living Wage Funding	883	Funding for the implementation of the Real Living Wage in Adult Social Care 2021/22. This funding was passed in full to the IJB.
Mental Health Recovery	78	
Care at Home Winter Planning	1,758	To build capacity in care at home community based services, helping to deal with increase in demand, complexity of individual needs and help ease pressure on unpaid carers. This funding was passed in full to the IJB.
Interim Care Winter Planning	1,134	The funding has been provided to enable hospital patients to move into care homes and other community settings, on an interim basis, to ensure they can complete their recovery in an appropriate setting. This funding has been passed in full to the IJB.
Social Care Workforce Pay Increase	1,243	Funding for the pay uplift to £10.02 per hour for Adult Social Care staff delivering direct care in the third and independent sector. This has been passed in full to the IJB.
	5,096	
Other Funding		
National Trauma Training Protection	50	The funding is provided to enable councils to work with community planning partners to further progress trauma-informed services, systems and workforces
Scottish Disability Assistance	33	Funding to support the local governments role in supporting the national rollout of the child disability payment
Funding for Free Child Burials	9	Funding to meet the commitment to remove local authority fees for burials and cremation for children under 18 years old.
	92	
Overall Total	9,629	

Savings RAG Status (1 year)**Appendix 3****Falkirk Council****All Approved Savings options****2021/2022 - All Services - All Workstreams**

No	Ref	Workstream	Description	Savings £'000	FTE Vol.	Impact Comp.	Savings Status		
							Red Savings £'000	Amber Savings £'000	Green Savings £'000
1	CHS4		Procurement savings from supplier contracts	100	0.00	0.00	100		
2	CHS5		Increased income from contract rebates	76	0.00	0.00			76
3	CHS12		PT&T - staffing restructure	90	0.00	0.00			90
4	CHS27		Loan charges savings from ongoing treasury management and debt restructuring.	250	0.00	0.00			250
5	CHS41	Innovation	Absence Service Review	134	0.00	0.00			134
6	CHS42		Improved Financial Processes	100	0.00	1.50			100
7	CHS44		Finance - General efficiencies	50	0.00	0.00			50
8	CHS50		Review of Printworks	45	1.00	0.00			45
9	CHS57	Innovation	Records Management Review/Legal Case Management	23	1.00	0.00			23
10	CHS58	Innovation	Customer & Business Support (CBS) - Management Team structure redesign	450	13.00	0.00			450
11	CHS71		Review Organisational Development (OD) support and delivery model.	30	0.80	0.00			30
12	CHS73	Innovation	Council tax automation.	100	4.00	0.00			100
13	CHS91		Staff saving in Revenues and Benefits	54	1.00	0.00			54
14	CHS96		Staff Savings - Governance	18	0.00	0.50			18
15	CHS99	Communities	Property savings from the closure of the One Stop shops at Bo'ness and Camelon	145	0.00	0.00			145
16	CS12	Innovation	Re-provisioning of the School Estate - Mothballing. Full Year Effect of 2019/20 Budget decision.	9	0.00	0.00			9
17	CS13		Early Learning & Childcare - - Sectoral efficiencies realised through ELC expansion..	775	0.00	0.00			775
18	CS21	Communities	Support and Learning Review of Additional Support Needs Services.	250	0.00	2.00		250	
19	CS26		Fees & Charges	75	0.00	0.00	75		

Savings RAG Status (1 year)
All Approved Savings options
2021/2022 - All Services - All Workstreams

No	Ref	Workstream	Description	Savings £'000	FTE Vol.	Impact Comp.	Savings Status		
							Red Savings £'000	Amber Savings £'000	Green Savings £'000
20	CS28	Communities	Closer to Home - Social Work Children's Services. Shifting the balance of care & external provision to support children & families.	700	0.00	0.00			700
21	CS29	Communities	Secondary Devolved School Management & Digital Learning Review	400	0.00	0.00			400
22	CS30	Communities	Primary Devolved School Management and Learning Review	200	0.00	4.00			200
23	CS43		CL&D Service - Full Year Effect of Decision made in 21-22.	30	0.00	0.00			30
24	CS44		Schools' Devolved School Management Per Capita Allocation	100	0.00	0.00			100
25	DV26	Innovation	Commercial & Operational Property Savings	12	0.00	0.00			12
26	DV36	Enterprise	Smart working smart travel project	100	0.00	0.00			100
27	DV37	Enterprise	Savings from installing LED street lighting	240	0.00	0.00			240
28	DV43		Review of cemeteries and crematorium fees & income generation	40	0.00	0.00			40
29	DV46		Reform of the Planning and Building Standards services	60	0.00	1.00			60
30	DV58		Charge for replacement wheeled waste recycling bins or containers	100	0.00	0.00			100
31	DV60	Communities	Transformation of Roads, Grounds & Street Cleansing: Income generation from Grounds Maintenance Operations	120	3.50	0.00		120	
32	DV61		Electric Vehicle (EV) Chargepoint Income	30	0.00	0.00		30	
33	DV66	Communities	Transformation of Roads, Grounds & Street Cleansing: Changes to Working Patterns	50	1.00	0.00		50	
34	DV67	Communities	Reduction in overtime - grounds maintenance	13	0.25	0.00			13
35	DV77	Enterprise	Commercial property and asset management fee generation	7	0.00	0.00			7
36	DV78	Enterprise	Commercial property and asset management - repairs to commercial properties	20	0.00	0.00			20
37	DV79	Innovation	Commercial property & asset management team staff savings	36	1.00	0.00			36
38	DV81	Enterprise	Review of commercial property & asset management - Supplies & Services	5	0.00	0.00			5

Savings RAG Status (1 year)
All Approved Savings options
2021/2022 - All Services - All Workstreams



Falkirk Council

Summary by Service

	2021/22						
	Saving £'000	VOL FTE	COMP FTE	Red Savings £'000	Amber Savings £'000	Green Savings £'000	Total RAG Savings £'000
Children's Services	2,539	0.00	6.00	75	250	2,214	2,539
Corporate and Housing Services	1,665	20.80	2.00	100	0	1,565	1,665
Place Services	833	5.75	1.00	0	200	633	833
	<u>5,037</u>	<u>26.55</u>	<u>9.00</u>	<u>175</u>	<u>450</u>	<u>4,412</u>	<u>5,037</u>

Summary by Workstream

	2021/22						
	Saving £'000	VOL FTE	COMP FTE	Red Savings £'000	Amber Savings £'000	Green Savings £'000	Total RAG Savings £'000
Communities	1,878	4.75	6.00	0	420	1,458	1,878
Enterprise	372	0.00	0.00	0	0	372	372
Innovation	764	19.00	0.00	0	0	764	764
Business as Usual	2,023	2.80	3.00	175	30	1,818	2,023
	<u>5,037</u>	<u>26.55</u>	<u>9.00</u>	<u>175</u>	<u>450</u>	<u>4,412</u>	<u>5,037</u>

No	Year	Ref	CotF	Description	Deliverability			
					20/21	21/22	21/22	21/22
1	20/21	CS21	✓	Support and Learning Review of Additional Support Needs Services	250		250	
2	20/21	CS26	✓	Fees and Charges	75	47		28
3	19/20	CS28	✓	Closer to Home - Social Work Childrens Services. Shifting the balance of care and external provision	1,179			700
4	20/21			Demographics and Inflation rebasing**	1,962	346		
					3,466	393	250	728

*The savings for Closer to Home were realigned across the MTFP, with £700k expected to be delivered in 21/22

** Anticipated savings from pupil demographics were unachievable and added back into the base budget, leaving inflation savings of £346k to be achieved.

Place Services

5	20/21	DV45	✓	Savings through improved efficiency of service - Roads and Grounds Maintenance	155	155		
6	20/21	DV61	✓	Electric Vehicle (EV) chargepoint income	10	10		
7	20/21	DV63	✓	Cemeteries and Crematorium staff Savings	31	31		
8	20/21	DV66	✓	Reduction in Overtime Working - Roads Maintenance	100	100		
9	20/21	DV67	✓	Reduction in Overtime Working - Grounds Maintenance	25	25		
					321	321		

Corporate & Housing Services

10	20/21	CHS4	✓	Procurement savings from supplier contracts***	260	60		
11	20/21	CHS5	✓	Increased income from contract rebates and prompt payment of invoices	22			22
12	20/21	CHS47	✓	Increased fee income - licensing and registration	18			18
13	20/21	CHS48	✓	Increased legal fee income	12			12
14	20/21	CHS55	✓	Licensing digital channel shift	28			28
15	20/21	CHS69	✓	Reduction in customer and business support staffing levels	50			50
16	20/21	CHS86	✓	Telecoms - Review Provision of Telephony	53	53		
					443	113	0	130

***£200k of procurement savings were deemed to be unachievable and added back into the base budget

Overall Totals

4,230	827	250	858
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Appendix 5

ANALYSIS OF REPAIRS & RENEWALS FUND

Service		Balance 01/04/2021 £'000	Transfers In £'000	Spend £'000	Transfers Out £'000	Balance 31/03/2022 £'000
Development	Strategic Property Review	729	-	(335)	-	394
	Crematorium	49	-	-	-	49
	Birkhill Mine Demolition	37	-	-	-	37
	Pavilion Improvement	5	-	-	-	5
FCT	ICT	61	-	(27)	-	34
Corp & Housing	Printworks	39	-	(4)	-	35
	Mobile & Flexible Working	183	-	(114)	-	69
	Payroll	100	-	(100)	-	-
	Payroll - Business Intelligence Project	100	-	(100)	-	-
	ICT Posts	250	-	(110)	-	140
Building Maintenance		186	-	(30)	-	156
TOTAL		1,739	-	(820)	-	920

ANALYSIS OF INSURANCE FUND

Description	Balance 01/04/2021 £'000	Transfers In £'000	Spend £'000	Transfers Out £'000	Balance 31/03/2022 £'000
Insurance	5,594	-	(900)	-	4,694

ANALYSIS OF GENERAL FUND EARMARKED RESERVES

Description	Balance 01/04/2021 £'000	Transfers In £'000	Spend £'000	Transfers Out £'000	Balance 31/03/2022 £'000
Devolved Schools Management	2,328	-	(2,240)	-	88
Economic Development	988	-	-	-	988
Central Energy Efficiency	555	182	(537)	-	200
Change Fund	573	1,000	(1,003)	-	570
Revenue Grants	9,035	-	(9,035)	-	-
Covid Reserves	14,670	-	(3,532)	-	11,138
Spend to Save	1,141	-	-	-	1,141
TOTAL	29,290	1,182	(16,347)	-	14,125

OVERALL TOTAL	36,623	1,182	(18,067)	-	19,738
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OVERALL NET MOVEMENT

(16,885)

Appendix 6

FALKIRK COUNCIL					
HOUSING REVENUE ACCOUNT					
PROJECTED REVENUE OUTTURN STATEMENT 2021/22					

	<u>Budget</u> £'000	<u>Projected Outturn</u> £'000	<u>(Fav)/ Adv Variance</u> £'000	%	<u>Previous Variance</u> £'000
Employee Expenses	8,671	8,340	(331)	(3.8)	(557)
Property Expenses	26,973	24,585	(2,388)	(8.9)	(150)
Transport Expenses	31	27	(4)	(12.9)	-
Supplies and Services	4,356	3,973	(383)	(8.8)	-
Third Party Payments	706	2,792	2,086	295.5	509
Support Services	5,097	5,097	-	-	-
Capital Charges	21,720	22,691	971	4.5	-
Sub-Total	67,554	67,505	(49)	(0.1)	(198)
Integration Joint Board	1,414	1,414	-	-	-
Compensatory Lump Sums	-	-	-	-	-
Gross Expenditure	68,968	68,919	(49)	(0.1)	(198)
Income	(68,371)	(68,322)	49	0.1	198
(Surplus)/Deficit	597	597	-	-	-
Surplus brought forward at 1 April 2021		(7,825)			
Projected Surplus at 31 March 2022		(7,228)			