



FULL COUNCIL REPORT

Date Written	25 th January 2018 *
Report Author	Steve Jones
Service Area	Finance
Exempt/Non Exempt	Non Exempt
Committee Date	7 th February 2018

To: Mayor, Ladies and Gentlemen

Revised Medium Term Financial Plan 2018/19 to 2021/22 – Update February 2018

1.0 SUMMARY OF THE REPORT

- 1.1 Revisions to the Medium Term Financial Plan 2018/19 to 2021/22 were approved at Council of 13th December 2017 and indicated a revised projected budget deficit of £1.910 million for 2018/19 and a projected cumulative budget deficit of £12.790 million for the period 2018/19 to 2020/21.
- 1.2 Further proposed revisions to the Medium Term Financial Plan 2018/19 to 2021/22 in respect of service budget reductions and schools savings were also noted at Council of 13th December 2017, reducing the projected budget deficit (if approved) for 2018/19 to £509,000 and for the period 2018/19 to 2020/21 to a cumulative £11.126 million.
- 1.3 The Final Welsh Local Government Settlement was announced on 20th December 2017 and resulted in a funding reduction of 0.36% for Merthyr Tydfil for the 2018/19 financial year.
- 1.4 Further considerations in respect of the impact of the final settlement, service budget reduction amendments, additional budget demands and additional corporate budget reductions result in a revised budget deficit of £395,000 for 2018/19 and a cumulative £11.546 million for the period 2018/19 to 2020/21.
- 1.5 The revised budget projections assume a Council Tax increase of 2.9% for the period of the Medium Term Financial Plan, as approved for 2017/18.

2.0 RECOMMENDATIONS that

- 2.1 The implications of the Final Local Government Settlement for 2018/19 outlined in Section 5 and Appendices 1 to 3 be noted and accepted.
- 2.2 The Service Budget Reductions (Already Approved) outlined in Section 6 and Appendix 4 be noted.
- 2.3 The Cabinet recommended Service Budget Reductions (Not Requiring Business Cases) outlined in Section 6 and Appendix 5 be approved.
- 2.4 The Cabinet recommended Additional Budget Demands outlined in Section 7 be approved.
- 2.5 The Cabinet recommended Additional Corporate Budget Reductions outlined in Section 8 be approved.

3.0 INTRODUCTION AND BACKGROUND

- 3.1 A Medium Term Financial Plan (MTFP) is a rolling programme, continually evolving as further information and changing circumstances become known.
- 3.2 Revisions to the Medium Term Financial Plan (MTFP) approved by Council on 22nd March 2017 were approved by Council on 13th December 2017 as outlined in Table 1. These revisions resulted in a reduction in the projected budget deficit for 2018/19 from £6.012 million to £1.910 million.

Table 1 – Revised Projected Budget Deficits 2018/19 to 2020/21

Description	2018/19 £'000	2019/20 £'000	2020/21 £'000
Budget Deficit – Council 22nd March 2017	6,012	12,466	16,358
Implications of Provisional Settlement	-3,444	-5,408	-6,626
Corporate Additional Demands	2,304	2,552	2,468
Corporate Budget Reductions	-2,362	-1,939	-1,810
Budget Reserve Re-profile	-600	200	400
Indicative Additional Demands	0	1,000	2,000
Revised Budget Deficit	1,910	8,871	12,790

- 3.3 In addition in arriving at a further revised budget deficit for 2018/19 of £509,000 as indicated in Table 2, Council of 13th December 2017 approved the budget reduction requirement for schools of £471,000 whilst noting the total service budget reductions proposed by Corporate Management Team of £930,000.

Table 2 – Further Revised Projected Budget Deficits

Description	2018/19 £'000	2019/20 £'000	2020/21 £'000
Revised Budget Deficit – Table 1	1,910	8,871	12,790
Service Budget Reduction Proposals	-930	-1,162	-1,193
Proposed Schools' Savings	-471	-471	-471
Revised Budget Deficit	509	7,238	11,126

4.0 REVISED MEDIUM TERM FINANCIAL PLAN

4.1 The following identified changes are considered within this report in responding to additional information received following the publication of the Cabinet and Council reports of 13th December 2017:

- Implications of Final Settlement
- Service Budget Reduction Amendments
- Additional Budget Demands
- Additional Corporate Budget Reductions

All proposals have been considered by Cabinet at the meetings of 24th January 2018 and 7th February 2018 with the majority of the proposals also considered at the Joint Scrutiny / Audit Committee of 17th January 2018.

4.2 The financial impact of the above changes to the budget deficits reported to Council on 13th December 2017 is outlined in Table 3. The projected financial position for 2021/22 is currently being determined in establishing the MTFP for the 4 year period 2018/19 to 2021/22 and will be reported to the Cabinet of 21st February 2018.

Table 3 – Projected Budget Deficits 2018/19 to 2021/22

Description	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000
Budget Deficit – Council 13th December 2017	509	7,238	11,126	
Implications of Final Settlement	-505	-945	-1,370	Work in progress
Service Budget Reduction Amendments	129	146	157	
Additional Budget Demands	601	861	1,210	
Additional Corporate Budget Reductions	-339	-68	423	
Revised Budget Deficit	395	7,232	11,546	

- 4.3 It is evident from Table 3 that the further revised budget deficit is £395,000 for 2018/19 and a projected cumulative £11.546 million for the 3 year period 2018/19 to 2020/21.
- 4.4 Sections 5 to 8 consider in further detail the additional revisions to the MTFP 2018/19 to 2021/22.

5.0 IMPLICATIONS OF FINAL SETTLEMENT

- 5.1 The Welsh Government's Final Local Government Settlement for 2018/19, announced on 20th December 2017, resulted in a funding reduction of 0.36% for Merthyr Tydfil compared to the provisional revenue settlement funding reduction of 1%. Additional monies of £28.3 million included in the All Wales Final Settlement for 2018/19 result from the following initiatives:
- £20 million from the Welsh Government's Final Budget allocations.
 - £7 million to support the increase to the capital limit in charging for residential care to £40,000.
 - £1.3 million for targeted discretionary rate relief to support local businesses.
- 5.2 The summary Final Revenue Settlement for 2018/19 is included as Appendix 1 and is re-produced from the documentation received from the Welsh Government. In addition Appendix 2 highlights the changes between the provisional revenue settlement received on 10th October 2017 and the final revenue settlement received on 20th December 2017.
- 5.3 In the announcement of the Provisional Revenue Settlement for 2018/19 the Welsh Government also provided an indicative all Wales average settlement of a funding reduction of 1.5% for 2019/20. Following the Final Settlement and the Cabinet Secretary for Local Government and Public Services' confirmation of a further additional £20 million for Local Government in 2019/20, the indicative settlement for 2019/20 is revised from a reduction of 1.5% to a reduction of 1%.
- 5.4 The MTFP impact from the final settlement is outlined in Appendix 3 and summarised in Table 4 and demonstrates increased spending power of £505,000 for 2018/19.

Table 4 – Implications of Final Local Government Settlement

Description	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000
Increase in Government Funding	-622	-1,061	-1,485	-1,893
Increase in Council Tax Base	-43	-44	-45	-46
Further New Responsibility	134	134	134	134
New Expectation	26	26	26	26
Net Increased Spending Power	-505	-945	-1,370	-1,779

- 5.5 The 'Further New Responsibility' of £134,000 included in Table 4 is Merthyr Tydfil's proportion of the £7 million additional monies included in the All Wales Final Settlement to support the increase to the capital limit in charging for residential care to £40,000.
- 5.6 The 'New Expectation' of £26,000 included in Table 4 is Merthyr Tydfil's proportion of the £1.3 million additional monies included in the All Wales Final Settlement to assist Local Authorities "to use their discretionary powers to provide targeted relief to support local businesses which would benefit most from additional assistance".
- 5.7 As indicated in Appendix 3 calculations of total monies available for the period of the MTFP are currently based on a council tax increase of 2.9% per annum (as approved for 2017/18).

6.0 SERVICE BUDGET REDUCTION AMENDMENTS

- 6.1 As indicated in Table 2 Corporate Management Team identified service budget reduction proposals of £930,000 for 2018/19. All proposals were risk assessed by Chief Officers and Service Managers as achievable and deliverable with no adverse impact on the Council's Wellbeing objectives. The proposals are summarised in Table 5.

Table 5 – Service Budget Reduction Proposals

Description	2018/19 £'000	2019/20 £'000	2020/21 £'000
Proposals Already Approved	-384	-542	-542
Proposals Not Requiring Business Cases	-373	-380	-386
Proposals Requiring Business Cases	-173	-240	-265
Total Service Reduction Proposals	-930	-1,162	-1,193

- 6.2 All proposals were considered at the Joint Scrutiny / Audit Committee of 17th January 2018 followed by Cabinet of 24th January 2018 with the following resolutions resulting from the Cabinet meeting:

6.2.1 Proposals Already Approved

- Proposals totalling £384,000 for 2018/19 were noted as already approved (Appendix 4).

6.2.2 Proposals Not Requiring Business Cases

- Proposals totalling £324,000 for 2018/19 were supported by Cabinet and recommended to Council for approval (Appendix 5).
- Proposals totalling £49,000 for 2018/19 were not supported by Cabinet (Appendix 6).

6.2.3 Proposals Requiring Business Cases

(considered separately within the exempt report “Revised Medium Term Financial Plan 2018/19 to 2021/22 – Service Budget Reduction Business Cases”).

- Proposals totalling £77,000 for 2018/19 were supported by Cabinet and recommended to Council for approval.
- Proposals totalling £44,000 for 2018/19 were not supported by Cabinet.
- A proposal totalling £16,000 for 2018/19 was noted as currently undergoing public consultation.

In addition in compiling the business cases it was noted that a number of amendments were required to the previously stated projected savings resulting in a further reduction in anticipated budget savings of £36,000.

- 6.3 The total reduction to the originally identified £930,000 budget savings for 2018/19 is £129,000 as indicated in Table 6.

Table 6 – Service Budget Reduction Amendments

Description	2018/19 £'000	2019/20 £'000	2020/21 £'000
Proposals Not Requiring Business Cases	49	50	51
Proposals Requiring Business Cases	44	67	76
Business Case Revisions	36	29	30
Total Service Reduction Proposals	129	146	157

7.0 ADDITIONAL BUDGET DEMANDS

- 7.1 Further budget demands for 2018/19 of £601,000 have arisen following the MTFP update to Council on 13th December 2017 as outlined in Table 7.

Table 7 – Additional Budget Demands

Description	2018/19 £'000	2019/20 £'000	2020/21 £'000
Pay Award	363	686	1,035
Residential Placements	175	175	175
Schools Savings *	63	0	0
Total Additional Demands	601	861	1,210

* subject to schools savings proposals approved by Cabinet and Council.

- 7.2 Pay Award – the National Employers for Local Government Services notified Local Authorities on 5th December 2017 of its final pay offer to the Trade Unions for the period 1st April 2018 to 31st March 2020. In essence the pay offer equates to an increase of 2% per annum that is an additional 1% per annum to that previously estimated within the MTFP. For Merthyr Tydfil this results in an additional demand of £363,000 for 2018/19. In supporting prudent financial management it is projected that the 2% increase is maintained over the 4 year period of the MTFP.
- 7.3 Residential Placements – the Children Looked After system experienced unexpected additional demands early December 2017 resulting in increased pressures on existing budgets. This additional financial liability is currently projected at £175,000 for 2018/19, and is arrived at following a rigorous challenge of each case by Social Care and Finance officers.
- 7.4 Schools Savings – the “*Individual Schools Budget (ISB) Funding Efficiencies 2018/19*” report to Cabinet of 7th February 2018 outlined the Schools Forum proposals for addressing the £471,000 savings requirement approved by Council of 13th December 2017. It is recognised that not all the proposed savings will be effective from 1st April 2018 resulting in savings slippage of £63,000 for 2018/19.

8.0 ADDITIONAL CORPORATE BUDGET REDUCTIONS

- 8.1 Further corporate budget reductions for 2018/19 of £339,000 have arisen following the MTFP update to Council on 13th December 2017 as outlined in Table 8.

Table 8 – Additional Corporate Budget Reductions

Description	2018/19 £'000	2019/20 £'000	2020/21 £'000
Capitalisation of Severance Costs	-100	0	0
Capital Financing Costs	-239	-68	423
Total Additional Reductions	-339	-68	423

8.2 Capitalisation of Severance Costs

8.2.1 Under sections 16(2) (b) and 20 of the Local Government Act 2003, Local Authorities in Wales may treat as capital expenditure and finance through 100% of capital receipts from the sale of fixed assets for the same accounting period, in line with the following criteria:

- Expenditure incurred on the revenue costs of projects designed to reduce future revenue costs and/or transform service delivery.
- Expenditure properly incurred during the financial years ending on 31st March 2017, 31st March 2018 and 31st March 2019.

The specific example of qualifying expenditure appropriate to Merthyr Tydfil is:

“Funding the cost of service reconfiguration, restructuring or rationalisation (staff or non-staff), where this leads to ongoing efficiency savings or service transformation”.

8.2.2 Currently budgeted within the Council’s MTFP is the utilisation of £500,000 new capital receipts projected to be received in 2018/19 to assist with financing the costs associated with employee severance resulting from service restructuring and reform. Based on actual outturn for 2016/17 (£622,000), projected outturn for 2017/18 (£750,000) and anticipated asset sales for 2018/19, it is considered prudent to increase the capitalisation budget by £100,000 to £600,000 for 2018/19.

8.3 Capital Financing Costs

8.3.1 The provisional Capital Programme for 2018/19 to 2021/22 was considered at the Budget Board of 22nd January 2018 and is to be formally considered at Cabinet of 21st February 2018.

8.3.2 In supporting the Council’s capital investment ambitions and its borrowing commitments the Capital Programme demonstrates a reduction in budgeted capital financing cost requirements for 2018/19 and 2019/20, as outlined in Table 9, subject to the early redemption of long-term Lender Option Borrower Option (LOBO) loans of £12 million.

Table 9 – Revised Capital Financing Costs

Description	2018/19 £'000	2019/20 £'000	2020/21 £'000
Loan Commitments	6,937	6,641	6,377
New Borrowing	334	893	1,560
Estimated LOBO Repayment	-300	-290	-280
LOBO Contingency	50	50	50
Capital Financing Costs	7,021	7,294	7,707
Currently Budgeted	7,260	7,362	7,284
Projected Surplus/Deficit	-239	-68	423

8.3.3 It is evident from Table 9 that a projected reduction in capital financing costs of £239,000 is realised for 2018/19 subject to the LOBO repayment, projected interest rate assumptions and projected capital expenditure profiles.

9.0 FINANCIAL IMPLICATIONS

9.1 The revised MTFP for 2018/19 to 2021/22 currently projects a budget deficit of £395,000 for 2018/19 and a cumulative £11.546 million for the period 2018/19 to

2020/21, subject to the approval of all Cabinet recommended proposals in respect of service budget reductions and schools' savings.

10.0 EQUALITY IMPACT ASSESSMENT

10.1 An Equality Impact Assessment (EqIA) form has been prepared for the purpose of this report. It has been found that a full assessment is not required at this time. The form can be accessed on the Council's website/intranet via the 'Equality Impact Assessment' link.

GARETH CHAPMAN
CHIEF EXECUTIVE

COUNCILLOR ANDREW BARRY
CABINET MEMBER FOR GOVERNANCE
AND CORPORATE SERVICES

BACKGROUND PAPERS		
Title of Document(s)	Document(s) Date	Document Location
Medium Term Financial Plan 2017/18 to 2020/21	Council 22 nd March 2017	Council agenda and minutes / Finance Department
Provisional Local Government Settlement 2018/19	Announced 10 th October 2017	Finance Department
Revised Medium Term Financial Plan 2018/19 to 2021/22 – Update December 2017	Cabinet and Council 13 th December 2017	Cabinet and Council agenda and minutes / Finance Department
National Employers for Local Government Services Pay Offer	Announced 5 th December 2017	Finance Department
Final Local Government Settlement 2018/19	Announced 20 th December 2017	Finance Department
Revised Medium Term Financial Plan 2018/19 to 2021/22 – Update	Joint Scrutiny / Audit Committee 17 th January 2018	Agenda and minutes / Finance Department
Revised Medium Term Financial Plan 2018/19 to 2021/22 – Update January 2018	Cabinet 24 th January 2018	Cabinet agenda and minutes / Finance Department
Revised Medium Term Financial Plan 2018/19 to 2021/22 – Update	Cabinet 7 th February 2018	Cabinet agenda and minutes / Finance Department

February 2018		
Medium Term Financial Plan / Budget Working Papers	March 2017 to February 2018	Finance Department
Does the report contain any issue that may impact the Council's Constitution?		No

Consultation has been undertaken with the Corporate Management Team in respect of each proposal(s) and recommendation(s) set out in this report.

Welsh Local Government Revenue Settlement 2018-2019

Final

Table 1a: Change in Aggregate External Finance (AEF) plus top-up funding, adjusted for transfers, by Unitary Authority

£'000s

Unitary Authority	2017-18 final Aggregate External Finance* plus top-up funding	2018-19 final Aggregate External Finance plus top-up funding	Percentage difference	Rank
Isle of Anglesey	95,191	95,812	0.7%	2
Gwynedd	174,093	175,127	0.6%	4
Conwy	154,386	153,615	-0.5%	20
Denbighshire	143,395	143,119	-0.2%	15
Flintshire	189,565	189,156	-0.2%	16
Wrexham	174,009	174,636	0.4%	8
Powys	174,706	174,026	-0.4%	19
Ceredigion	100,819	101,251	0.4%	6
Pembrokeshire	161,314	161,774	0.3%	9
Carmarthenshire	258,819	259,440	0.2%	11
Swansea	317,122	319,087	0.6%	3
Neath Port Talbot	211,838	212,341	0.2%	12
Bridgend	191,467	191,582	0.1%	13
The Vale of Glamorgan	152,114	152,480	0.2%	10
Rhondda Cynon Taf	362,319	364,176	0.5%	5
Merthyr Tydfil	90,635	90,305	-0.4%	17
Caerphilly	268,248	267,240	-0.4%	18
Blaenau Gwent	110,905	110,351	-0.5%	20
Torfaen	131,652	131,543	-0.1%	14
Monmouthshire	93,737	93,268	-0.5%	20
Newport	211,954	212,790	0.4%	7
Cardiff	437,048	440,947	0.9%	1
Total unitary authorities	4,205,337	4,214,067	0.2%	

Revised Medium Term Financial Plan 2018/19 to 2021/22
Changes between Provisional and Final Settlement 2018/19

Description	Provisional Settlement	Final Settlement
Total funding Increase/Decrease for all Welsh Local Authorities	-0.5% (-£19 million)	+0.2% (+£9 million)
Total funding for all Welsh Local Authorities	£4.186 billion	£4.214 billion
Funding reduction for Merthyr Tydfil from adjusted base	-1% (-£906,000)	-0.36% (-£330,000)
Total funding for Merthyr Tydfil	£89.683 million	£90.305 million
Funding "Floor" Applied	-1%	-0.5%
Local Authorities supported by "floor mechanism"	Merthyr Tydfil Conwy Powys Caerphilly Blaenau Gwent Monmouthshire	Conwy Blaenau Gwent Monmouthshire
Merthyr Tydfil's settlement ranking	17 th with five others (supported by floor)	17 th
Merthyr Tydfil's settlement ranking on per capita basis	3 rd	3 rd
Council Tax Base for tax-setting purposes	18,069.24	18,098.08

Revised Medium Term Financial Plan 2018/19 to 2021/22
Impact of Final Local Government Revenue Settlement

Description	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000
<u>Aggregate External Finance (Note 1)</u>				
Provisional Settlement (Note 2)	89,683	87,889	86,131	84,409
Final Settlement (Note 3)	90,305	88,950	87,616	86,302
Decrease in Aggregate External Finance	-622	-1,061	-1,485	-1,893
<u>Council Tax Base</u>				
Provisional Council Tax levy (Note 4)	26,787	27,564	28,363	29,186
Final Council Tax levy (Note 5)	26,830	27,608	28,408	29,232
Increase in Council Tax levy (Note 6)	-43	-44	-45	-46
<u>Further New Responsibilities (Note 7)</u>	134	134	134	134
<u>New Expectation (Note 8)</u>	26	26	26	26
Net Impact of Final Revenue Settlement	-505	-945	-1,370	-1,779

Notes

1. The Aggregate External Finance (AEF) consists of the total of Revenue Support Grant and Redistributed Non Domestic Rates
2. Based on Provisional Welsh Government AEF of -1% for 2018/19 and estimated Council AEF of -2% for 2019/20 to 2021/22
3. Based on Final Welsh Government AEF of -0.36% for 2018/19 and estimated Council AEF of -1.5% for 2019/20 to 2021/22
4. Based on Provisional Council Tax Base of 18,069.24 (96% collection rate) – 2017/18 base approved by Council 30th November 2016
5. Based on Final Council Tax Base of 18,098.08 (96% collection rate) – 2018/19 base approved by Council 13th December 2017
6. Based on an indicative Council Tax Increase of 2.9% per annum (as approved for 2017/18)
7. Reflects further new responsibility in respect of the increase to the capital limit for charging for residential care to £40,000
8. Reflects new expectation in respect of discretionary rate relief for small businesses

Revised Medium Term Financial Plan 2018/19 to 2021/22
Service Budget Reductions – Already Approved

Description	2018/19 £'000	2019/20 £'000	2020/21 £'000
<p>Neighbourhood Services Relates to the in-house management of the Council's Household Waste Recycling Centres approved at Council of 27th September 2017</p>	-108	-216	-216
<p>Neighbourhood Services Relates to Depot rationalisation linked to Cabinet report 8th March 2017</p>	0	-50	-50
<p>Neighbourhood Services Relates to security savings resulting from the installation of security fences at the Council's two household waste recycling sites. The cost of installation of £249,000 is included within the Capital Programme for 2017/18 approved by Council on 2nd March 2017 as revised by Cabinet on 22nd November 2017 to reflect actual tender price.</p>	-132	-135	-139
<p>Neighbourhood Services Relates to a Voluntary Early Retirement within office cleaning approved through delegated authority on 30th November 2017 by the Leader, Chief Executive, Head of Human Resources and Chief Finance Officer.</p>	-6	-6	-6
<p>Community Regeneration Relates to an increase in Fees and Charges within the Registrars Service linked to Cabinet report of 13th December 2017</p>	-2	-2	-2
<p>Finance Deletion of Procurement post following Voluntary Early Retirement of post holder in 2017/18. Approved through delegated authority on 16th February 2017 by the former Leader, Chief Executive, Head of Human Resources and Chief Finance Officer.</p>	-28	-28	-28

Revised Medium Term Financial Plan 2018/19 to 2021/22
Service Budget Reductions – Already Approved

Description	2018/19 £'000	2019/20 £'000	2020/21 £'000
Business Change, Performance, Scrutiny Relates to savings following service restructure as approved by Council on 22 nd November 2017	-108	-105	-101
Total	-384	-542	-542

Revised Medium Term Financial Plan 2018/19 to 2021/22
Service Budget Reductions – Not Requiring Business Cases
Approved by Cabinet 24th January 2018

Description	2018/19 £'000	2019/20 £'000	2020/21 £'000
Learning Proposed 2% reduction in the Council's contribution to the Central South Consortium from £254,827 to £249,730 together with over estimation of £8,000 within the Medium Term Financial Plan	-13	-18	-24
Social Services Further review of Medium Term Financial Plan has identified additional savings across the Social Services Directorate by realigning budgets to actual need	-164	-164	-164
Neighbourhood Services Relates to the reduction in advertising and promotion within Waste Management from a budget of £21,000 to £16,000	-5	-5	-5
Community Regeneration Relates to a voluntary reduction in employable hours within Trading Standards resulting in no adverse impact on service delivery	-10	-10	-10
Community Regeneration Relates to a voluntary reduction in employable hours within Transport resulting in no adverse impact on service delivery	-18	-18	-18
Corporate Communications Savings in mayoral costs of reduction in the mayoral fuel budget of £3,000 and Mayor's No. 2 Account of £2,000 plus deletion of Mayor's Regalia Account of £700 and Mayor's Souvenir Account of £1,000	-7	-7	-7
Corporate Utilisation of Corporate Investment Fund to finance the costs of continuing with a hard copy CONTACT magazine. The Fund balance at 31 st March 2018 is anticipated to be in excess of £600,000.	-15	-15	-15

Revised Medium Term Financial Plan 2018/19 to 2021/22
Service Budget Reductions – Not Requiring Business Cases
Approved by Cabinet 24th January 2018

Description	2018/19 £'000	2019/20 £'000	2020/21 £'000
<p>Community Regeneration Relates to the deletion of a vacant External Funding Officer post which has been vacant since 18th June 2017. The main purpose of the post is to provide a range of funding advice and support within the Regeneration Service, across wider Council Services and to external Voluntary Sector organisations. The focus of the role has concentrated on European finance, representing the Authority on all regional Welsh European Funding Office structure. With the wind-down of the European Funding Programmes in advance of Brexit, a large element of the role is no longer necessary. Due to high level of funding expertise within the Regeneration team, and uncertainty about future Welsh Government funding priorities, this function will be absorbed as appropriate.</p>	-35	-36	-36
<p>Finance Projected increase in purchase card income from £15,000 to £22,000 per annum. Expenditure incurred through purchase card payment is projected to be circa £2.2 million for 2018/19 with a rebate of 1%.</p>	-7	-7	-7
<p>Finance Relates to the appointment to a vacant post within the Accountancy Department at the bottom of the salary grade together with a voluntary reduction in employable hours. There is no adverse impact on service delivery.</p>	-5	-4	-3

Revised Medium Term Financial Plan 2018/19 to 2021/22
Service Budget Reductions – Not Requiring Business Cases
Approved by Cabinet 24th January 2018

Description	2018/19 £'000	2019/20 £'000	2020/21 £'000
Legal Relates to the deletion of a vacant Assistant Solicitor post within the Legal Department following service restructure. This follows the appointment of the Solicitor formerly responsible for contracts and employment law to the post of Head of Human Resources whilst still providing legal advice on employment issues. This arrangement is considered manageable by the Head of Legal Services.	-27	-28	-28
Legal Relates to the voluntary reduction of employable hours within the Legal Department resulting in no adverse impact on service delivery	-10	-10	-10
ICT Relates to procurement saving in respect of the contract for Network Penetration Testing	-8	-8	-8
Total	-324	-330	-335

Revised Medium Term Financial Plan 2018/19 to 2021/22
Service Budget Reductions – Not Requiring Business Cases
Rejected by Cabinet 24th January 2018

Description	2018/19 £'000	2019/20 £'000	2020/21 £'000
<p>Neighbourhood Services Relates to a 10% reduction in the structures budget of £105,000 included within the Medium Term Financial Plan. The structures budget is used for the principal inspections and maintenance of the Council's structural assets such as highway bridges, retaining walls, culverts, subways and reservoirs.</p>	-11	-11	-11
<p>Community Regeneration Relates to a deletion of a vacant Business Support Officer post within Economic Development which has been vacant since £31st October 2017. The main purpose of the post is to provide a range of business support functions to the private business sector. Historically, this has focused around Welsh Government and European funded grant support. However, the Welsh Government has moved away from grant support over the last 2 years in favour of repayable support. As yet, the next round of repayable support has not been approved by Welsh Government. The remaining functions of the post will be transferred to the Orbit Business Centre in its current form.</p>	-38	-39	-40
Total	-49	-50	-51