



## REGENERATION AND ENVIRONMENT SCRUTINY COMMITTEE - 2ND JULY 2013

**SUBJECT: REVENUE BUDGET 2013/ 2014 ENVIRONMENT DIRECTORATE**

**REPORT BY: ACTING DEPUTY CHIEF EXECUTIVE**

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### **1. PURPOSE OF REPORT**

- 1.1 To provide information to Members on the revenue budget for 2013/2014 for Environment Directorate, including Regeneration, Planning & Economic Development Division, Engineering Division, Public Protection Division and Community & Leisure Services Division.

### **2. SUMMARY**

- 2.1 The report summarises the budget for the above services for the financial year 2013/2014.
- 2.2 It attaches, as appendices, the summary budget for the services outlined in paragraph 1.1 above.

### **3. LINKS TO STRATEGY**

- 3.1 The content of the report is in accordance with the budget strategy considered and approved by the Council at its meeting of 27<sup>th</sup> February 2013.
- 3.2 The budget figures outlined in this report assist in meeting the ambition of the Authority to build better communities by building better public services, building better lifestyles, building a vibrant economy and building Futures Changing Lives.
- 3.3 Budget management itself is in accordance with the corporate theme of Delivering the Strategies.

### **4. THE REPORT**

#### **4.1 INTRODUCTION**

- 4.1.1 At the meeting of the Council on the 27<sup>th</sup> February 2013, the budget for 2013/2014 was considered and approved. The report outlined the Welsh Government (WG) rate support grant (RSG) settlement, the general economic climate, Authority wide inflationary and general cost pressures, identified corporate growth and growth to individual service Directorates and also the required need to apply budget savings in 2013/2014 as part of the Medium Term Financial Plan (MTFP).
- 4.1.2 The budget strategy of the Environment Directorate includes a number of budgetary changes agreed by Council, which are summarised in the table below and incorporated budget pages

attached.

4.1.3 As outlined in table 1 below and in line with the MTFP, the Environment Directorate has achieved savings in advance of £827k primarily in relation to Engineering Maintenance Services (£235k), Home to School Transport (£200k), Leisure Services (£264k), Arts development (£7k) and general Directorate wide vacancy management savings (£121k). Budget efficiency savings implemented in previous financial years were also applied to Direct Labour and Direct Service Organisations (DLO/DSO's) as contract efficiency savings.

4.1.4 The table also outlines budget growth awarded to services, primarily in relation to the freezing of school meal prices (£80k) and the reintroduction of free bulk waste collections (£100k)

4.1.5 The table also summarises the general budget adjustments for inflation, budget adjustments for services transferred between Directorates, transferred funding from Welsh Government for new direct responsibilities relating to Catering (replacing grant funding) and other agreed budget transfers, primarily relating to the transfer of Home to School Transport budget to help fund other Authority initiatives including living wage and Aberbargoed Library.

	ENGINEERING	REGENERATION & PLANNING	COMMUNITY & LEISURE	PUBLIC PROTECTION	GENERAL
	£000	£000	£000	£000	£000
<b>Estimate 2012/2013</b>	<b>22,309</b>	<b>5,128</b>	<b>18,041</b>	<b>5,996</b>	<b>(190)</b>
Inflation	321	78	327	87	(2)
Living Wage	4	7	31	156	
Service Transfers:		492			
BMI & Arts			3,851		
Leisure			(395)		
Asset Management Maintenance			(45)	(25)	
Support Services Staff					
New Responsibilities WG:				152	
Catering Appetite for Life				916	
Catering Breakfast Clubs					
Budget Growth:				80	
School Meals Frozen Prices			100		
Free Bulky Waste Collections					
MTFP Budget Savings:					
Maintenance & Transport	(235)				
Home to School Transport	(200)				
Leisure Services			(264)		
Vacancy Management		(7)			(121)
Other Adjustments:					
Vacancy Management allocated	(47)	(10)	11	(51)	119
Other	12	12	12	12	
Outcome Agreement Transfer	(350)				
Home to School Transport	(120)				
Home to School Transport	(33)				
<b>Estimate 2013/2014</b>	<b>21,661</b>	<b>5,700</b>	<b>21,669</b>	<b>7,323</b>	<b>(194)</b>

## 4.2 **ENGINEERING SERVICES**

- 4.2.1 Engineering Service Division estimates for 2013/2014 do not include any budget growth. As noted in paragraph 4.1.3 above, the estimate does include a reduction for 2012/2013 MTFP budget savings found in advance of £235k in relation to highway & street lighting maintenance, subsidised bus services and also £200k in relation to Home to School Transport reallocated from Education. The estimate also includes a budget reduction of £47k for vacancy management savings.
- 4.2.2 Engineering Services also has a further budget reduction in relation to Home to School transport for budget transferred to support living wage implementation (£120k) and budget transferred to help fund Aberbargoed Library (£33k).
- 4.2.3 The Highway Infrastructure / Roads Maintenance budget for 2013/14 includes an allocation of £400k Deprivation Grant this is consolidated into the Divisions base budget. There is however a reduction of £350k in relation to Outcome Agreement due to revised allocations. A separate report on this agenda deals with the 2013/14 Highway Infrastructure revenue budget and the street lighting budget in more detail.
- 4.2.4 The Engineering Division estimates for 2013/2014 include ring fenced estimates in relation to home to school transport and social services transport. As noted in paragraphs 4.2.1 and 4.2.2, the Home to School Transport budget for 2013/2014 has been reduced compared to previous financial years. Any year end budget over or under spends in relation to these specific services will be identified separately and transferred back to Education & Leisure Directorate and Social Services Directorate.

## 4.3 **REGENERATION PLANNING AND ECONOMIC DEVELOPMENT**

- 4.3.1 The Division has not received any specific service budget growth in 2013/2014.
- 4.3.2 The estimate for 2013/2014 includes a budget reduction of £10k for vacancy management savings. The Divisional estimates have been increased by £492k to reflect the approved changes in senior management responsibilities and transfer of services in relation to Blackwood Miners Institute (BMI) and Arts development to the Regeneration & Planning Division of the Environment Directorate.
- 4.3.3 The planning application fee income budget for 2013/2014 remains at £525.5k and the building control fee income budgets have been reduced by £7k to £298k. It should be noted that the amount income generated from planning applications and building control fees is susceptible to changes in the general economic climate and the building industry in particular and actual income generated will be monitored closely against the budget targets set.
- 4.3.4 Rural Development Plan schemes will continue for the whole of the 2013/14 financial year, as extensions to European grant funding have been secured to December 2014, with funding in 2013/2014 budgeted at £333.8k.
- 4.3.5 Community First grant funding of £2.8million has been secured for 2013/2014.

## 4.4 **PUBLIC PROTECTION**

- 4.4.1 The Public Protection Division has received £80k of budget growth to support Catering Services to enable school meal prices to be frozen in 2013/2013 and Catering has also received £156k additional budget to help support living wage initiatives. The Catering budget has also been increased due to the transfer of funding from WG (Welsh Government) in relation to new responsibilities given to the Authority for Appetite for Life (£152k) and School Breakfast clubs (£916k).

- 4.4.2 The estimate for the Division includes vacancy management budget savings of £51k applied to Environmental Health (£40k) and Catering (£11k).
- 4.4.3 The Division estimates for 2013/2014 include budget for services transferred to Public Protection Environmental Health in relation to Healthy School projects, including healthy schools grant funding (£87.8k) and Healthy Early Years grant (£15k).
- 4.4.4 The Licensing fee income budget has been set at £329.3k and the Registration services fees & charges budget has been set at £187k, income generation in these services can be subject to variation and will be monitored closely.
- 4.4.5 Grant funding in 2013/2014 for Community Safety initiatives includes Community Safety Fund from the Home Office of £54k (£72k in 12/13) and Safer Communities Funding from WG of £280k (£260k in 12/13). Grant in relation to Substance Misuse Action Fund (SMAF) for 2013/2014 is being allocated directly to the Gwent Substance Misuse Area Planning Board, with Newport County Council acting as lead Authority.
- 4.4.6 Additional Outcome Agreement grant of £50k in relation to Community Safety is included in the estimates for 2013/2014.

#### **4.5 COMMUNITY & LEISURE SERVICES**

- 4.5.1 The Community & Leisure Division has received £100k budget growth to support the re-introduction of free bulky waste services. Budget growth in relation to ongoing increases in landfill tax (£200k) has not been allocated to the service division at present and is held corporately until a point in time when waste management services require the additional funding in respect of landfill tax.
- 4.5.2 The Community & Leisure Division (formally Public Services Division) includes additional budget of £3.851million transferred to the Environment Directorate to reflect approved changes in senior management responsibilities and transfer of services in relation to Leisure Centres, Outdoor Education and Sports Development to the Environment Directorate. The budget has been reduced by £395k in relation to premises related maintenance budgets transferred to Asset Management.
- 4.5.3 As noted in paragraph 4.1.3 above, the estimate does include a reduction for 2012/2013 MTFP budget savings found in advance of £264k in relation to Leisure Services including savings in staffing and new investment loan repayments.
- 4.5.4 Sustainable Waste management grant allocation from WG has been reduced by £102k to £3.553 million this grant has been reducing steadily over recent years, reducing by £228k since 2010/2011.
- 4.5.5 The Community & Leisure Division continues to review waste recycling strategies and initiatives including recycling collection and organic and residual waste treatment. Partnership projects in relation to Prosiect Gwyrdd (residual waste) and Heads of the Valleys Waste Project (organic waste) form a vital part of this strategy.
- 4.5.6 Service delivery and staffing structures in relation to Sports & Leisure Services are presently being reviewed in order to make the staff structure more fit for purpose and achieve financial savings to contribute the MTFP budget savings targets.

#### **4.6 ENVIRONMENT GENERAL**

- 4.6.1 As noted in paragraph 4.1.4 above, an element of Environment Directorate budget efficiency savings in relation to vacancy management is held centrally and is allocated to services when specific savings are identified. The value of unallocated savings at the start of 2013/2014 is £194k this is inclusive of further MTFP savings of £121k applied in 2013/2014 and reduced by

£119k of vacancy management savings applied to individual service areas.

#### **4.7 DIRECT LABOUR ORGANISATIONS**

4.7.1 As outlined in paragraph 4.1.3 above an element of the budget efficiency savings are applied to the DLO/DSO's in the form of contract efficiency savings. For 2013/2014, NCS (Network Contracting Services) has a contract efficiency budget saving target of £182k and Vehicle maintenance DSO a saving target of £38k.

4.7.2 The Building Cleaning DSO has been awarded additional funding of £275k to help fund living wage initiatives.

#### **5 EQUALITIES IMPLICATIONS**

5.1 There are no potential equalities implications of this report and its recommendations on groups or individuals who fall under the categories identified in Section 6 of the Council's Strategic Equality Plan. There is no requirement for an Equalities Impact Assessment Questionnaire to be completed for this report.

#### **6. FINANCIAL IMPLICATIONS**

6.1 This report deals with the financial issues.

#### **7. PERSONNEL IMPLICATIONS**

7.1 Service Divisions are expected to achieve vacancy management savings as outlined in the paragraphs above.

#### **8. CONSULTATIONS**

8.1 There are no consultation responses, which have not been included in this report.

#### **9. RECOMMENDATIONS**

9.1 Members are requested to note the contents of this report and the detailed budget pages that follow.

#### **10. REASONS FOR THE RECOMMENDATIONS**

10.1 To enable the achievement of the Service Divisions' objectives for 2013/2014.

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#### **Consultees**

Councillor D.T Davies Chair Regeneration & Environment Scrutiny Committee  
Councillor Mrs E.M Aldworth Vice Chair Regeneration & Environment Scrutiny Committee  
Councillor, K. James, Cabinet Member Regeneration, Planning & Sustainable Development  
Councillor, D. Poole Cabinet Member Community & Leisure Services  
Councillor T. Williams Cabinet Member Highways, Transportation & Engineering  
Sandra Aspinall, Acting Deputy Chief Executive

Nicole Scammell, Acting Director of Corporate Services  
Robert Hartshorn, Head of Public Protection  
Terry Shaw, Head of Engineering Services  
Mark S Williams, Head of Community & Leisure Services  
Pauline Elliott Head, of Regeneration & Planning  
Cheryl Jeremic, Senior Accountant  
Rose Shears, Finance Officer  
Jane Southcombe, Financial Services Manager  
Dave Roberts, Principal Group Accountant

Background Papers:

Divisional budget papers 2013/2014.

Links to other Documents:

Minutes      Council Meeting 27/2/2013: Budget Proposals 2013/14  
Agenda      Item No. 2(B)