

Pecyn Dogfennau Cyhoeddus



Mae'r adroddiadau canlynol yn Eitemau Gwybodaeth ar gyfer y Pwyllgor Craffu yr Amgylchedd a Chynaliadwyedd.

- 1. Adroddiad Monitro'r Gyllideb 2020/2021.**
- 2. Refeniw Cyllid 2020/2021 ar gyfer y Cyfarwyddiaeth Cymunedau.**
- 3. Refeniw Grantiau 2020/2021.**



ENVIRONMENT AND SUSTAINABILITY SCRUTINY COMMITTEE – FOR INFORMATION

SUBJECT: BUDGET MONITORING REPORT 2020/2021

REPORT BY: INTERIM CORPORATE DIRECTOR COMMUNITIES

1. PURPOSE OF REPORT

- 1.1 To inform Members of the most recent budget monitoring position for 2020/2021 for Communities Directorate Service Divisions, including Regeneration & Planning Division, Infrastructure Services Division, Public Protection Division and Community & Leisure Services Division.

2. SUMMARY

- 2.1 The report summarises the most recent budget monitoring projections for 2020/2021 based on the latest available financial information.
- 2.2 The attached appendices outline more detailed budget monitoring figures for each of the Council Fund Services outlined in paragraph 1.1 above.

3. RECOMMENDATIONS

- 3.1 Environment and Sustainability Scrutiny Committee Members are requested to note the contents of this report and the detailed budget monitoring pages that follow in respect of Infrastructure Services Division, Public Protection Division and Community & Leisure Services Division, which all fall within the remit of this Scrutiny.

4. REASONS FOR THE RECOMMENDATIONS

- 4.1 The Council Budget is based on the achievement of both expenditure and income targets. In order to ensure that these are met and the Council's financial integrity is maintained Directors are required to review income and expenditure trends.

5. THE REPORT

5.1 INTRODUCTION

- 5.1.1 The report outlines the revenue budget position for each of the service Divisions that form part of the Communities Directorate based on the most current financial information available. Projected outturn figures for the financial year are compared with the budget to show the anticipated under/overspends. More detailed budget monitoring figures are shown in the appendices' 1a to 1d.
- 5.1.2 It should be noted that the budget report to Council on 20th February 2020 detailed the need

to apply further budget efficiency savings in 2020/2021 to meet medium term financial plan (MTFP) targets and achieve budget strategy aims. Communities Directorate services were targeted to achieve new budget efficiency savings of £465k. The savings required and applied to service budgets were significantly lower than the £2.1million of savings originally considered, due to the more favourable financial settlement eventually received from Welsh Government.

- 5.1.3 It should be noted that the financial position and latest budget monitoring position for each service is being significantly influenced by operational issues linked to the Covid 19 crisis. A number of assumptions have been applied in the financial projections relating to ongoing disruptions to service provision, especially where services have been significantly curtailed and income has not been generated, such as leisure centres, tourism venues, schools catering, registrars fees and car parks, but some operational costs such as staff salaries and fixed overheads are still being incurred.
- 5.1.4 Some additional operational costs directly linked to Covid 19 are subject to claims to WG and it is anticipated that these will be funded by WG and therefore not impact on the service revenue positions. The amount of additional funding is however likely to be limited and only additional costs for the April to June period are to date subject to claim. Claims are also being submitted to WG for lost income where services have temporarily ceased or have been significantly curtailed. Funding for the April to June period is assumed to be received in the monitoring figures, which assists in reducing the projected overspends in services where income has been lost.
- 5.1.5 The table 1 below summarises the present budget monitoring position, with a large overall Directorate over spend of £3,808k, but exclusive of ring fenced budgets this over spend is increased to £4,273k Appendices 1a to 1d provide more detail on the budget variation projections for each Service Division.

TABLE 1	ORIGINAL ESTIMATE 2020/2021	REVISED ESTIMATE 2020/2021	ANTICIPATED OUTTURN 2020/2021	ANTICIPATED VARIANCE 2020/2021 Under (Over)
	£000	£000	£000	£000
Regeneration & Planning Division	2,214	2,214	2,776	(562)
Infrastructure Division	19,917	19,917	20,181	(264)
Public Protection Division	7,450	7,450	8,060	(610)
Community & Leisure Services Division	21,673	21,673	24,045	(2,372)
Directorate General	176	176	176	0
NET DIRECTORATE	51,430	51,430	55,238	(3,808)
Home to School Transport - ring fenced under spend				376
Social Services Transport - ring fenced under spend				64
Cemeteries Task & Finish - ring fenced under spend				25
NET DIRECTORATE over spend (excluding ring fenced budgets)				(4,273)

5.2 REGENERATION & PLANNING DIVISION

- 5.2.1 Overall, the service division presently has a projected overspend of £562k, primarily linked to tourism venues lost income due to Covid 19 and shortfalls in income in relation to industrial properties, planning and building control fees and search fees, all of which have in recent years underachieved income targets, but this may be presently further accentuated by the impact of Covid 19. This is partly offset by underspends in other services, such as tourism events as the events have been cancelled and the budget is not anticipated to be spent.
- 5.2.2 Development Control is reporting overspend of £117k primarily due to a projected shortfall in planning application fees of £108k compared to the budget of £538k. At present it is difficult to assess the impact Covid 19 is having on the number of planning application fees and it could be that planning applications are simply delayed until later in the year, but this will be closely monitored. Pre-application advice fee income is also projected at £8k below budget. The underachievement in income is partly offset by delayed filling of a vacant post. Building Control is reporting overspend of £72k due to a shortfall in income against the £273k budget, again, the impact of Covid 19 is difficult to assess particularly whether there will be an aggregate reduction in fees this year or whether there is simply a delay in fees until later in the financial year. Building Control fees have also been well below the budget targets for a number of years.
- 5.2.3 Strategic Planning is presently projected to be £17k underspent due to delayed filling of a vacant post and staff on reduced working hours. Planning administrative, technical and GIS/Land Gazeteer support services is underspent by £3k due to delayed filling of a vacant post and staff not top of the incremental scales. Land charge services are £31k overspent due to a £32k shortfall in search fee income compared to the budget of £113k. Again the impact of Covid 19 is difficult to assess and search fee income was £26k short of the budget last year.
- 5.2.4 Business Support has overspend of £30k which is mainly due additional cost of NNDR on vacant properties under sections management and Bargoed Unit Shops of £10k, partly offset by savings in salaries due to newly appointed staff.
- 5.2.5 Town Centre Management is projecting a breakeven position.
- 5.2.6 There is a projected £114k over spend in relation to industrial properties primarily due to shortfall in property rents resulting from a number of units being unoccupied, albeit rental income is projected to be £2.3million. The service is proactively seeking to ensure vacant units are let as quickly as possible by identifying businesses interested in taking up a rental.
- 5.2.7 Overall Tourism Venues are reporting a large combined overspend of £296k. All the venues have been closed due to the Covid 19 crisis and this has had a significant impact on the financial position, with an estimated £230k income lost in the first 3 months of this year, albeit with some offsetting reductions in non- staff operating costs associated with café's, shops, artists fees and building maintenance. However some of the venues are beginning to open or anticipating reopening, albeit with significant restrictions on services being available. It is difficult at this stage to anticipate what levels of income might be generated as venues reopen albeit an assessment has been made, so the position will be monitored closely. Claims have been submitted to WG by the Council in relation to lost net income for the April to June position and this monitoring assumes funding of £133k across the Tourism Venues.
- 5.2.8 Offsetting to a certain extent the overspend on tourism venues, tourism events report underspend of £62k, no events have taking place this year or planned for the remainder of the year, so there is no event income being generated, this is offset by a reduction in operating expenditure, albeit some staffing costs are being incurred as stewards are being paid an average salary.
- 5.2.9 Community Regeneration is reporting a £7k underspend.

5.2.10 There is underspend in senior management and administrative support of £7.1k due to staff not paid at the top of the incremental scale.

5.2.11 Children and Communities and C4W initiatives are both fully funded from grant.

5.3 INFRASTRUCTURE DIVISION

5.3.1 Infrastructure is overall reporting over spend of £264k on a £19.917million budget, but after excluding budget variations in relation to Home to School Transport (£376k underspend) and Social Services Transport (£64k under spend) which will be ring fenced and appropriated back to the Service Directorates, the over spend increases to £704k.

5.3.2 Highway Operations is actually reporting underspend of £97k. Highway maintenance is underspending by £225k mainly due to delays in projects and schemes due to Covid, albeit this is offset by overspend in relation to NCS (see paragraph 5.3.6 below) as the in- house contractor has suffered from reduced workload. The under spend in highway maintenance is partly offset by £73k overspend in street lighting where price increases have more than offset reductions in energy consumption albeit the ongoing investment in LED street lights has helped to reduce energy consumption and costs. There is also overspend in relation to SAB £58k (sustainable drainage) due to reduced work and income. At present winter maintenance costs are difficult to predict but it is assumed the full budget of £1.1million) will be spent.

5.3.3 EPG (Engineering Projects Group) is reporting overspend of £40k due to reduced fee income linked to delays in projects due to Covid.

5.3.4 Transportation Engineering overall is projecting a large overspend of £484k. This is mainly due to reduced income linked to Covid 19 in a number of service areas including car parking £480k (albeit WG grant funding of £133k is assumed for the April to June period), Civil Parking Enforcement £78k and road safety and transport grants £76k These overspends are part offset by underspend on school crossing patrols of £74k due to vacant posts linked to sites not meeting ROSPA criteria. The Council has made the decision not to charge for car parks for the financial year due to the impact of Covid 19 on employment, town centre trade and the general economy, this could will result in further loss of income generation and overspend.

5.3.5 Public Transport is reporting an under spend of £62k, with underspend in relation to bus subsidies of £54k linked to the 75% retainer initiative during the Covid 19 crisis, albeit with some risk of operator failure leading to increased cost in future. Also, underspend in Passenger Transport Fee Income £25k due to extra management income for Bus Contactless payment scheme and some underspend in staffing. These underspends are partly offset by anticipated lost income in relation to bus departure charges £81k (but with £18k assumed funding from WG for April to June).

5.3.6 At this stage Network Contracting Services (NCS) is anticipating a deficit of £344k with an underachievement in the income targets primarily linked to a significantly reduced workload due to Covid 19 along with the need to adhere to social distancing and TU agreement that only limited staff were able to work in the early stages of the pandemic. NCS is heavily dependent on the volume and value of work secured during the year and this is monitored closely along with productivity levels within the workforce. However as noted in paragraph 5.3.2 above there is underspend in the main highway maintenance budgets due delays in schemes that NCS would normally be undertaking.

5.3.7 Home to School Transport is presently projecting underspend of £376k on a £7.2million budget, with underspend of £17.9k in salaries and £359k linked to Covid due to the 75% retainer scheme, but again with some risk of operator failure leading to increased cost in future.

5.3.8 Social Services Transport is projecting under spend of £64k including £15k on salaries, £20k vehicles and £29k for service operators. Again there is risk of operator failure leading to increased cost in future although this is partly an in-house operator function rather than private contractor.

5.4 PUBLIC PROTECTION

5.4.1 Public Protection is presently projecting a large overspend of £610k on an overall revenue budget of £7.450million, albeit this is primarily due to Catering and the impact of Covid 19 on income generation and free school meal provision.

5.4.2 Environmental Health is currently projecting a net underspend of £216k. This is partly due to a underspend in salaries from a combination of staff on reduced hours and delayed filling of vacant posts in relation to Community Safety Wardens and Enforcement. Underspend in Pollution services is primarily due to £130k grant received from WG to fund staffing costs linked to Hafodyrynys. At this stage it is not known whether this will be required to fund any shortfall in the purchase/compensation Capital grant received from WG to fund the acquisition and payment of compensation for the houses at Hafodyrynys. There is a ring fenced reserve of £268k for this purpose, but until the final properties are all purchased and associated costs paid the final costs and funding requirement cannot be established. There are also a number of other ongoing issues in respect of air quality, pollution and contaminated land and these are being closely monitored as any increases in this area would impact on the overall financial position.

5.4.3 Trading Standards, Licensing, Registrars and CCTV services are projecting net overspend of £43k. This is primarily in relation to a significant reduction in wedding and civil ceremonies income within the Registrars service linked to Covid 19, where income could be £100k below the budget, although it is difficult to assess at this stage whether ceremonies and ceremony income will be lost due to cancellations or simply delayed until ceremonies are rescheduled. Also an anticipated reduction in licensing income of £34k linked to taxis, temporary events notices and trading licences. Claims are being submitted to Welsh Government in relation to lost income, albeit these have not been included in this monitoring as it is unclear at present whether income in relation to registrars and licensing will be accepted, as the income may be considered as delayed rather than lost. These income shortfalls are to a great extent offset by some staffing vacant posts and staff working part time within trading standards.

5.4.4 Catering Services are projecting a large overspend of £782k on a £3.7million budget. Covid 19 is having a significant impact on the catering service, with no cash income being generated from school pupils as all schools restaurants are closed. It is assumed that some school catering services will be available from November time, although it is difficult to predict what level of income generation can be anticipated. The staff restaurant is also closed and is likely to be for this financial year, this will result in income shortfall of £180k from meal sales partly offset by reduced food costs. WG funding to reflect the net lost income from schools catering for the April to June (£362k) is anticipated and this is included in the projection. A large proportion of the operating costs linked to free school meals to pupils' homes and meal provision at the school hubs is being included in the Council's Covid 19 cost claims to WG. However, there is still a significant cost to the Council over and above the costs being claimed and the budget provision available for normal standard free school meals in the school restaurants, this is due to a large extent to an increase in free school meal take up since the Covid 19 pandemic and meals being delivered to pupils homes.

5.5 COMMUNITY & LEISURE SERVICES

- 5.5.1 The Community & Leisure Division is presently projecting overall a large net overspend of £2,372k on a budget of £21.673 million. By far, the largest elements of the overspend relate to the closure of leisure centres and a significant loss of income linked to Covid 19 and also outdoor sports facilities for the same reason. As noted earlier claims are being submitted to the Welsh Government in relation to lost income and if funding is received this level of overspend will be reduced.
- 5.5.2 Waste Management & Cleansing Services is presently reporting underspend of £59k on a budget of £14.166 million. There is anticipated overspend in waste collection costs for the various waste streams (£446k), due to a combination of additional agency and staff cover linked to sickness absence and Covid related shielding and isolation, also additional vehicle hire albeit this is offset by a reduction in anticipated expenditure on vehicle acquisitions and therefore the RCCO (revenue contribution to capital outlay) is anticipated to be underspent by £151k, but this is being kept under review as circumstances change. Waste treatment costs are however showing underspend of £333k primarily related to the CA sites (£466k) due to a combination of proof of residency policies which will continue to result in a reduction in out of County waste and the CA sites being closed during April and May. The reduced treatment costs at CA sites are partly offset by overspend in relation to treatment costs for the other waste streams as households redirected some of their waste into household bins while the CA sites were closed. Waste treatment costs will be monitored closely as they can vary due to changes in tonnage of waste and variations in contract prices and the ongoing impact of Covid 19. There is overspend in relation to commercial waste of £169k due to a shortfall in income, partly the result of reduced commercial collections due to Covid 19. Sustainable Waste Management Grant (SWMG) from WG is £38k greater than budgeted as a result of revisions to WG allocations. There is also projected underspend in street cleaning of £92k due to a combination of staff vacant posts and staff redirected to help cover waste collection rounds. HQ staffing also shows underspend of £22k.
- 5.5.3 An underspend of £73k is projected for Parks & Countryside, Outdoor Facilities and Cemeteries. Cemeteries is reporting a £25k under spend due reductions in cemetery maintenance requirements. Any underspend in relation to cemeteries is ring fenced for future investment in cemetery infrastructure. Parks & Countryside combined is reporting underspend of £116k due to staff vacant posts, reduced agency requirement and reduced material spend linked to delays in grass cutting and sports pitch maintenance during the Covid 19 crisis. Parks HQ has underspend of £29k due to vacant post. Outdoor facilities is however reporting overspend of £96k. An element of this lost income will be subject to a claim to WG but only for the period of time when WG stipulated that outdoor sports should not take place.
- 5.5.4 Leisure Centres are reporting a large overspend of £1,934k, as the leisure centres are closed due to the Covid 19 crisis and circa £220k income is being lost each month, this is accentuated by the fact that staffing costs are still being incurred and a large element of other operating expenditure is fixed cost in nature and cannot easily be reduced while the centres are closed. However a Covid lost income claim to WG for the April to June period of £549k is included in this monitoring which reduces the level of overspend. In addition, the latest position is that Leisure Centres will reopen on a phased basis starting from September, at which point some income generation is anticipated. However, it is very difficult to predict given that the phased approach will include the unlocking of more activity and increasing user numbers across the course of a number of weeks or as Government / industry guidelines allows, also, customer attitudes to returning to activity will be a big factor. For now it is assumed that customer activity and income generation maybe 22% of normal activity. Further monitoring later in the year will assist in trying to more accurately quantify the level of income generation. There is also underspend in Leisure HQ of £58k primarily due to two vacant posts, which has been used to offset some of the leisure Centre overspends.
- 5.5.5 Community Centres are at present projecting underspend of £22k on a £359k budget due to reductions in operating costs. Caerphilly Adventures is reporting overspend of £364k again,

this service is suffering badly from reduced income generation as no courses are being run during the Covid 19 crisis. The lost income April to June is part of the claim to WG and funding is assumed in this projection. Sports Development has a projected overspend of £150k due in the main to average salary costs being paid and no income being received for courses and admissions.

- 5.5.6 Vehicle Maintenance & Fleet Management is currently projecting overspend of £98k. The outturn position will be dependent on the value of work through the workshop over the next few months and the ability to finance fixed overheads.
- 5.5.7 Building Cleaning is at present reporting underspend of £18k. Building Cleaning work has been significantly affected by the Covid 19 crisis, with no cleaning being undertaken at some Council buildings such as schools, leisure centres, tourism venues and libraries. However building cleaning have needed to provide enhanced cleaning to school hubs and some corporate offices. The decision was also made for all Council internal charges to be levied, so Building Cleaning services are still generating the income needed to cover staffing costs.

5.6 MEDIUM TERM FINANCIAL PLANS (MTFP) SAVINGS 2020/2021

- 5.6.1 The 2020/21 revenue budget for Communities Directorate included targeted MTFP savings of £465k. As noted in paragraph 5.1.3 above the savings required and applied to service budgets were significantly lower than the £2.1million of savings originally considered, due to the more favourable financial settlement eventually received from Welsh Government. The savings applied are summarised in table 2 below. The projected overspends and under spends discussed in the above paragraphs take account of these savings targets.

TABLE 2

Service Division	Approved Savings 2020/2021 £000
Regeneration & Planning Division	211
Infrastructure Services Division	0
Public Protection Division	71
Community & Leisure Services Division	183
TOTAL	465

- 5.6.2 A number of the MTFP savings applied in 2020/2021 have not been achieved as yet, most due to the significant disruption caused by the Covid 19 crisis and an inability to action many of the initiatives. This would include:
 - Regeneration, Tourism Venues and events additional income across a number of venues of £32k.
 - Catering services additional income from comprehensive schools (£12k) and also the restaurant facilities at Ty Penallta (£10k).
 - Community & Leisure, Parks operations, deletion of an administrative post £25k and closure of Penallta depot £24k.
- 5.6.3 Most of the unachieved MTFP savings are associated with additional income generation, which as detailed in the body of this report has been significantly reduced across many services due to the Covid 19 crisis. Income generation would under normal circumstances normally have a greater risk of non-achievement, due to the volatility in customer demand for services and factors outside the control of the service that can impact on usage and income

levels, but the Covid 19 crisis has accentuated these problems significantly.

5.7 CONCLUSION

The Communities Directorate provides a diverse range of services, as outlined in the report and appendices and the report notes that the services face significant ongoing financial pressures due to the requirement to achieve budget savings in support of the Councils medium term financial plan. Financial pressures this year, have been further significantly increased by the impact the Covid 19 crisis has had on service provision, with a number of services not being provided or being significantly curtailed and some services experiencing significant reductions in income generation, particularly relating to leisure centres, tourism venues, schools catering, registrars and car parks. The operational managers will endeavour to ensure however that service net expenditure does not exceed the budget available.

Some additional financial support from WG linked to costs directly associated with Covid 19 and also reductions in income generation due to services being significantly curtailed have assisted in reducing the overall impact on service revenue accounts. To date however it is assumed in this monitoring as detailed in the paragraphs above, that additional funding for lost income is only available for the April to June period.

6. ASSUMPTIONS

- 6.1 Expenditure and income projection assumptions are included in this report many based on likely future scenario's linked to Covid 19, in particular the length of time that some services may not be provided or continue to be significantly curtailed. The financial position of each service may well vary significantly later in the year if the position regarding Covid 19 changes.
- 6.2 The financial monitoring assumes that all staff of the Authority will continue to be paid their full salary, irrespective of the position regarding the ability of the service to provide services to the general public, this includes staff on casual and relief contracts who continue to receive an average pay.
- 6.3 Finally the financial projections assume that WG funding will be received for the April to June 2020 period to support services who have incurred additional costs associated with Covid 19 and/or have significantly reduced income generation due to the impact Covid 19. WG funding after June 2020 cannot at this stage be assumed however.

7. LINKS TO RELEVANT COUNCIL POLICIES

- 7.1 The content of the report is in accordance with the budget strategy considered and approved by Council at its meeting of 20th February 2020.
- 7.2 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.
- 7.3 Budget management itself is in accordance with the corporate theme of Delivering the Strategies.
- 7.4 Effective financial planning and financial control contribute to the following Well-being Goals within the Well-being of Future Generations (Wales) Act 2015:-
 - A prosperous Wales
 - A resilient Wales
 - A healthier Wales

- A more equal Wales
- A Wales of cohesive communities
- A Wales of vibrant culture and thriving Welsh Language
- A globally responsible Wales

8. WELL-BEING OF FUTURE GENERATIONS

- 8.1 Effective financial management is a key element in ensuring that the Well-being Goals within the Well-Being of Future Generations (Wales) Act 2015 are met.

9. EQUALITIES IMPLICATIONS

- 9.1 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.

10. FINANCIAL IMPLICATIONS

- 10.1 As noted in the table in paragraph 4.1.3 above some service under/over spends will be appropriated to ring fenced reserves including Social Services Transport (£64k underspend), Home to Schools Transport (£376k underspend) and Cemeteries (£25k underspend). In line with the Council's reserves protocol, general revenue underspends not subject to specific ring fencing are appropriated to Directorate strategic reserves and Council working balances on a 50/50 basis, however any Directorate over spends will be appropriated to Service Directorate reserves in full and will require funding from previous years reserve balances where they exist or future years revenue budgets.
- 10.2 Based on current projections, combined general revenue overspend for the Directorate of £4,273k in relation to Regeneration & Planning, Infrastructure, Community & Leisure services and Public Protection would be appropriated to Communities Strategic reserve (this excludes ring fenced under/overspends noted in paragraph 10.1). A significant element of this overspend is linked to financial issues associated with the Covid 19 pandemic as outlined in the paragraphs above.
- 10.3 As noted in the report the overall outturn position of each Service Division will be affected by Covid 19 and on the impact this has on ongoing service provision and also on decisions made by Welsh Government in terms of additional financial support provided in recognition of additional costs being incurred and/or reduced income generation to the Council.

11. PERSONNEL IMPLICATIONS

- 11.1 Members will be aware that when setting the budget, MTFP savings were identified for the Communities Directorate in relation to vacancy management savings, these are reflected in the financial figures reported.

12. CONSULTATIONS

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

13. STATUTORY POWER

13.1 Local Government Act 1972 and 2000.

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Consultees: Councillor D.T Davies Chair Environment & Sustainability Scrutiny Committee
Councillor A Hussey Vice Chair Environment & Sustainability Scrutiny Committee
Mark S Williams Interim Corporate Director of Communities
Robert Hartshorn, Head of Community & Leisure and Public Protection
Rhian Kyte, Head of Regeneration and Planning
Marcus Lloyd, Head of Infrastructure
Steve Harris, Interim Head of Business Improvement Services & Section 151 Officer
Jane Southcombe, Education Financial Services Manager
Dave Roberts, Principal Group Accountant
Paul Adams, Senior Assistant Accountant
Mike Jones, Interim Financial Services Manager Social Services

Background Papers:

Divisional budget monitoring working papers 2020/21

Appendices:

Appendix 1A Budget Monitoring Report - Regeneration and Planning
Appendix 1B Budget Monitoring Report - Infrastructure Services Division
Appendix 1C Budget Monitoring Report - Public Protection Division
Appendix 1D Budget Monitoring Report - Community and Leisure Services

Links to other Documents:

Minutes Council Meeting 20/2/2020: Budget Proposals 2020/21 and Medium- Term Financial Plan Outlook
Agenda Item No. 8

<https://democracy.caerphilly.gov.uk/ieListDocuments.aspx?CId=127&MId=11923&LLL=0>

DIRECTORATE OF COMMUNITIES	Estimate 2020/21	Revised Estimate 2020/21	Projected Outturn 2020/2021	Variance 2020/21
REGENERATION & PLANNING				
Regeneration & Planning Senior Management Support	211,926	211,926	203,269	8,657
Regeneration & Planning Administrative Support	533,470	533,470	535,013	(1,543)
Support Services				
Business Support & Urban Renewal	577,380	577,380	607,214	(29,834)
Events	78,253	78,253	16,474	61,779
Property Operations	(1,325,762)	(1,325,762)	(1,211,251)	(114,511)
Town Centre Management	199,209	199,209	198,984	225
Marketing & promotion	0	0		0
Tourism Venues				
Tourism Venues Management Support	61,529	61,529	62,502	(973)
Llanciach Fawr	380,853	380,853	462,802	(81,949)
Winding House & Museum	157,930	157,930	141,938	15,992
Caerphilly Visitor Centre	62,073	62,073	84,747	(22,674)
Cwmcarn Visitor Centre	243,165	243,165	522,325	(279,160)
Blackwood Miners Institute	302,847	302,847	293,256	9,591
Arts Development	157,175	157,175	94,403	62,772
Community Regeneration				
	139,591	139,591	132,560	7,031
Children & Communities Grant				
Expenditure	1,403,068	1,403,068	1,403,068	0
Grant Funding	(1,403,068)	(1,403,068)	(1,403,068)	0
C4W Grant				
Expenditure	597,465	597,465	597,465	0
Grant Funding	(597,465)	(597,465)	(597,465)	0
Planning Services				
Planning Services Management	78,027	78,027	76,800	1,227
Strategic Planning	328,030	328,030	310,883	17,147
Development Control	(77,450)	(77,450)	39,816	(117,266)
Building Control	(48,994)	(48,994)	22,887	(71,881)
Land Charges	(5,749)	(5,749)	25,645	(31,394)
GIS & Land Gazetteer	160,694	160,694	156,288	4,406
TOTAL NET BUDGET	2,214,197	2,214,197	2,776,556	(562,359)

<i>ENVIRONMENT DIRECTORATE</i>	Page No	Estimate 2020/21	Revised Estimate 2020/21	Projected Outturn 2020/2021	Variance 2020/2021
<i>INFRASTRUCTURE DIVISION</i>					
<i>HIGHWAY OPERATIONS</i>		9,157,623	9,157,623	9,060,150	97,473
<i>ENGINEERING PROJECTS GROUP</i>		(92,163)	(92,163)	(52,163)	(40,000)
<i>TRANSPORTATION ENGINEERING</i>		473,521	473,521	957,386	(483,865)
<i>PASSENGER TRANSPORT</i>		1,648,785	1,648,785	1,586,512	62,273
<i>HOME TO SCHOOL TRANSPORT</i>		7,281,504	7,281,504	6,904,999	376,505
<i>SOCIAL SERVICES TRANSPORT</i>		1,552,829	1,552,829	1,489,045	63,784
<i>NETWORK CONTRACTING SERVICES</i>		(124,899)	(124,899)	218,845	(343,744)
<i>ENGINEERING - GENERAL</i>		19,336	19,336	16,326	3,010
<i>TOTAL NET EXPENDITURE</i>		19,916,536	19,916,536	20,181,100	(264,564)

<i>DIRECTORATE OF THE ENVIRONMENT</i>	Page No	Estimate 2020/2021	Revised Estimate 2020/2021	Projected Outturn 2020/2021	Variance 2020/2021`
<u>PUBLIC PROTECTION DIVISION</u>					
<i>TRADING STANDARDS</i>		772,055	772,055	714,347	57,708
<i>LICENSING</i>		91,989	91,989	116,251	(24,262)
<i>REGISTRARS</i>		53,417	53,417	150,527	(97,110)
<i>CCTV</i>		417,023	417,023	401,404	15,619
<i>COMMUNITY WARDENS</i>		239,720	239,720	195,198	44,522
<i>CORPORATE AND DEMOCRATIC COSTS (CDC)</i>		57,631	57,631	52,479	5,152
<i>HEALTH DIVISIONAL BUDGET</i>		293,052	293,052	305,489	(12,437)
<i>COMMUNITY SAFETY PARTNERSHIP</i>		46,963	46,963	67,921	(20,958)
<i>ENFORCEMENT</i>		642,501	642,501	582,332	60,169
<i>POLLUTION</i>		398,936	398,936	268,866	130,070
<i>FOOD TEAM</i>		591,349	591,349	581,672	9,677
<i>EMERGENCY PLANNING</i>		105,923	105,923	101,509	4,414
<i>CATERING</i>		3,739,710	3,739,710	4,521,992	(782,282)
<i>TOTAL NET EXPENDITURE</i>		7,450,269	7,450,269	8,059,987	(609,718)

<i>DIRECTORATE OF THE ENVIRONMENT</i>	Page No	Estimate 2020/2021	Revised Estimate 2020/2021	Projected Outturn 2020/2021	Variance 2020/2021
<u>COMMUNITY & LEISURE SERVICES</u>					
WASTE MANAGEMENT					
<i>Residual Waste</i>		2,282,953	2,282,953	2,768,632	(485,679)
<i>Organics recycling</i>		1,350,335	1,350,335	1,252,021	98,314
<i>Civic Amenity Sites</i>		3,082,763	3,082,763	2,568,227	514,536
<i>Waste Transfer Station</i>		107,968	107,968	112,365	(4,397)
<i>Dry Recycling</i>		2,714,455	2,714,455	2,897,870	(183,415)
<i>RCCO</i>		391,000	391,000	240,000	151,000
<i>Bulky Waste</i>		128,220	128,220	184,329	(56,109)
<i>Commercial Waste</i>		(508,650)	(508,650)	(338,813)	(169,837)
<i>Other Waste</i>		23,148	23,148	21,295	1,853
<i>Trehir</i>		131,451	131,451	91,020	40,431
<i>Sustainable Waste Management Grant</i>		(849,804)	(849,804)	(888,479)	38,675
<i>HQ Staff</i>		1,232,590	1,232,590	1,210,406	22,184
CLEANSING					
<i>Public Conveniences</i>		0	0	0	0
<i>Street Cleansing</i>		4,079,727	4,079,727	3,987,767	91,960
GROUND MAINTENANCE AND PARKS					
<i>Cemeteries</i>		(201,269)	(201,269)	(226,403)	25,134
<i>Allotments</i>		37,804	37,804	26,405	11,399
<i>Parks and Playing Fields</i>		1,763,051	1,763,051	1,641,878	121,173
<i>Playgrounds</i>		276,548	276,548	276,242	306
<i>Outdoor facilities</i>		237,104	237,104	333,451	(96,347)
<i>Community Assets Funding</i>		0	0	0	0
<i>Countryside</i>		893,301	893,301	910,433	(17,132)
<i>HQ Staffing</i>		998,661	998,661	969,758	28,903
LEISURE SERVICES					
<i>Leisure Centres</i>		2,672,870	2,672,870	4,606,740	(1,933,870)
<i>Sports & Health Development</i>		21,480	21,480	171,337	(149,857)
<i>Outdoor Education</i>		153,993	153,993	518,158	(364,165)
<i>Community Centres</i>		359,171	359,171	336,657	22,514
		21,378,870	21,378,870	23,671,296	(2,292,426)
<i>Building Cleaning</i>		570,558	570,558	552,034	18,524
<i>Vehicle Maintenance & Fleet Management</i>		(276,299)	(276,299)	(178,256)	(98,043)
Total net expenditure Community & Leisure Services		21,673,129	21,673,129	24,045,074	(2,371,945)



ENVIRONMENT AND SUSTAINABILITY SCRUTINY COMMITTEE – FOR INFORMATION

SUBJECT: REVENUE BUDGET 2020/ 2021 COMMUNITIES DIRECTORATE

REPORT BY: CORPORATE DIRECTOR - COMMUNITIES

1. PURPOSE OF REPORT

- 1.1 To provide information to Members on the revenue budget for 2020/2021 for the Communities Directorate, including Regeneration & Planning Division, Infrastructure 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 2020/2021.
- 2.2 It attaches, as appendices 1a to 1d, the summary budget for the services outlined in paragraph 1.1 above.

3. RECOMMENDATIONS

- 3.1 Environment and Sustainability Scrutiny Committee Members are requested to note the contents of this report and the budget summary pages that follow in respect of Infrastructure Services Division, Public Protection Division and Community & Leisure Services Division, which all fall within the remit of this Scrutiny.

4. REASONS FOR THE RECOMMENDATIONS

- 4.1 To enable the achievement of the Service Divisions' objectives for 2020/2021.

5. THE REPORT

5.1 INTRODUCTION

- 5.1.1 At the meeting of the Council on the 20th February 2020, the budget for 2020/2021 was considered and approved. The report outlined the Welsh Government (WG) revenue 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 2020/2021 as part of the Medium Term Financial Plan (MTFP).

- 5.1.2 The budget strategy of the Communities Directorate includes a number of budgetary changes agreed by Council, which are summarised in the table below and incorporated in the budget pages attached in appendix 1a to 1d.

As outlined in table 1 below, the Communities Directorate has MTFP savings of £465k allocated across the four Service Divisions. These savings represent 0.95% of the 2019/2020 net controllable revenue budgets of the services. The savings required and applied to service budgets were significantly lower than the £2.1million of savings originally considered, due to the more favourable financial settlement eventually received from Welsh Government, which lead to a further review of the savings, taking into account feedback from the consultation process. A number of the original savings proposals have been withdrawn and a number have been deferred and will be subject to Service Reviews under the Council's Transformation Programme, details of these savings were reported in the budget report to Council on 20th February 2020 appendix 2.

- 5.1.3 Additional budget of £1.103million has been allocated to the Directorate revenue budgets for inescapable cost pressures in relation to pay inflation (2%), non- pay inflation (1.7%), and living wage.
- 5.1.4 Budget growth of £93k has been provided to Community & Leisure Waste Management services to offset a reduction in SWMG (Sustainable Waste Management Grant) received from WG. Budget growth has also been awarded to Infrastructure Home to School Transport Services of £44k in relation to Trinity Fields school due to increase in student numbers and need. Social Services transport budget has also been increased by £71k to support ongoing vehicle investments.
- 5.1.5 Temporary budget savings applied to the 2019/2020 budget to support the Council's financial position were also reinstated in 2020/2021.
- 5.1.6 Table 1 also summarises other general budget adjustments including transfers in relation to service realignment,

Overall, the Communities Directorate net controllable budget for 2020/2021 has increased by £2.881million compared to 2019/2020 increasing from £48.549million to £51.430million.

Table 1	INFRASTRUCTURE	REGENERATION & PLANNING	COMMUNITY & LEISURE	PUBLIC PROTECTION	DIRECTOR
	£000	£000	£000	£000	£000
Estimate 2019/2020	17,937	2,246	20,953	7,240	173
Pay & Non Pay Inflation	332	68	438	220	3
Living Wage	0	1	26	15	0
Budget Growth					
Trinity Fields Transport	44				
Social Services Transport	71				
Sustainable Waste			93		
Reinstatement of temporary MTFP savings in 19/20	1,533	110	346		
MTFP Budget Savings 20/21	0	(211)	(183)	(71)	
Other Budget Transfers: Approved budget transfers				46	
Budget Increase (Reduction)	1,980	(32)	720	210	3
Estimate 2020/2021	19,917	2,214	21,673	7,450	176

5.2 INFRASTRUCTURE SERVICES

- 5.2.1 Infrastructure Service Division estimates for 2020/2021 include additional budget of £332k for inescapable cost pressures and budget growth for Home to School Transport (£44k) in relation to Trinity Fields school and also Social Care transport (£71k) towards vehicle acquisitions, this element of funding was initially received during 2019/2020 and added to the 2020/21 budgets as permanent funding.
- 5.2.2 The Infrastructure estimate does not include any applied MTFP savings for 2020/2021. As noted in paragraph 5.1.2 above, the original MTFP savings considered were subsequently reviewed and revised by Council and in the case of Infrastructure no MTFP savings were applied in 2020/2021, with a range of savings linked to highway maintenance, traffic management and school crossing patrols being withdrawn. However one saving initiative in relation to the subsidised bus route between Blackwood and Ystrad Mynach was deferred and will be subject to future service review under the Council's Transformation Programme. Also a range of temporary MTFP savings applied in 2019/2020 (£1,533k) were reinstated into the 2020/2021 budget again linked to highway, canal maintenance and winter maintenance.
- 5.2.3 The Infrastructure budget includes £7.2million to fund highway network maintenance including roads & footways surface dressing and patching, gully cleaning, land drainage, street lighting

and winter maintenance. This budget is under constant financial pressure due to the demands put on the highway network which will continue during 2020/2021. The decision of Council not to apply any MTFP savings in 2020/2021 to the service area along with the return of £1.533m temporary MTFP's applied in 19/20 should help reduce this cost pressure.

- 5.2.4 Civil parking enforcement is now the responsibility of the Council's Infrastructure Division and a £384k enforcement operating cost budget is included in the estimates including employment of parking enforcement officers. These operating costs will however be funded from anticipated income from fixed penalty notices.
- 5.2.5 Car parking income budget of £733k is also included in the estimates. This includes £702.8k in relation to the Council's pay & display car parks and £30.2k for residential on street parking permits. The level of pay & display income generated can be susceptible to change, so this will be monitored closely against the budget targets set.
- 5.2.6 Public Transport includes WG grant funding for subsidised rural bus services £426.4k and concessionary fares £3.386million.
- 5.2.7 The Infrastructure Division estimates for 2020/2021 also include budgets in relation to home to school transport (£7.281million) and social services transport (£1.553million) which represent 44% of the overall Infrastructure budget. Any year end budget over or under spends in relation to these specific services will be identified separately and transferred back to Education Directorate and Social Services Directorate.

5.3 **REGENERATION and PLANNING**

- 5.3.1 The Division has received additional budget of £69k for inescapable cost pressures.
- 5.3.2 The estimate for 2020/2021 includes budget reductions for service related MTFP savings of £211k as noted in table 1 above and these savings represent 9.4% of the 2019/2020 revenue base budget. The savings are primarily linked to operational costs and income generation in the tourism venues, budget realignment in business support and urban renewal and a reduction in Community Regeneration projects. Temporary budget reductions in 2019/2020 of £110k were reinstated in relation to the Community Regeneration fund, Business grants and Community Regeneration projects, albeit the saving of £35k in relation to Community regeneration projects was subsequently included in the 2020/2021 savings.
- 5.3.3 The planning application fee income budget for 2020/2021 is £574k and the building control fee income budget is £273k, 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.
- 5.3.4 The service division also has a large income budget for Industrial and Commercial property rentals of £2.3million which can also be susceptible to variation due to general economic conditions and the level of occupancy of the units rented by the Council.
- 5.3.5 Tourism Venues have been subject to a range of MTFP savings (£100k) in 202/2021 and are presently subject to review as part of the Councils Transformation programme. Combined income budgets of the 5 venues is £1.6million but income generation is susceptible to variation due to range of factors linked to customer demand, weather and market competition, so will be monitored closely.
- 5.3.6 Welsh Government grant funded initiatives "Children & Communities Grant" is partially run by Regeneration officers, the project is to help support vulnerable people and communities. The level of funding allocated to Regeneration for 2020/21 is £1,403k. In future years allocations of

funding may well change. Additionally there is an allocation via the European Social Fund for “Communities for Work” of £597k.

5.4 COMMUNITY & LEISURE SERVICES

- 5.4.1 The Division has received additional budget to fund inescapable cost pressures of £464k and also budget growth of £93k to help support waste management recycling initiatives linked to a reduction in the amount of SWMG received from WG.
- 5.4.2 The estimate for 2020/2021 includes budget reductions for service related MTFP savings of £183k as noted in table 1 above, which represents 0.9% of the 2019/2020 revenue budget. Temporary budget reductions in 2019/2020 of £346k have been reinstated including £300k waste management RCCO budget (revenue contribution to capital outlay) used to fund the acquisition of replacement vehicles.
- 5.4.3 A number of originally considered MTFP savings were subsequently deferred in the Council meeting of 20th February and will be subject to Service Reviews under the Council’s Transformation Programme, these include Trehir CA site, cleaning services staff resources, bulky waste collection charges and Community centre caretaker staffing levels.
- 5.4.4 Waste management services have revenue budget of £9.7million to support residual and recycling collection and treatment services and to help develop service initiatives to ensure increased recycling targets are achieved. Also, Welsh Government funding of £850k for SWMG (Sustainable Waste Management Grant) is included in the estimates. The Street Cleansing budget is £4.079million.
- 5.4.5 Parks, Cemeteries and Countryside have combined budgets of £4million with £115k of MTFP savings applied in 2020/2021 linked to operational costs and depot rationalisation,
- 5.4.6 Leisure services have budget of £3.2million including £2.672million direct funding and management and administrative support to leisure centres. The Councils Sport and Active Recreation Strategy 2019-2029 has established a future purpose and direction for the provision for sport and active recreation and a number of initiatives will be implemented and others considered to fulfil this strategy and in doing so also generate future financial savings.

5.5 PUBLIC PROTECTION

- 5.5.1 The Division has received additional budget of £235k for inescapable cost including an additional £15k towards living wage increases in Catering
- 5.5.2 The estimate for 2020/2021 includes budget reductions for service related MTFP savings of £71k as detailed in table 1 above, which represents 1.0% of the 2019/2020 revenue budget, these savings primarily relate to CCTV energy cost, some operational costs and catering school and staff restaurant income. There is also a transfer of £46k into Environmental Health from Corporate Services in relation to environmental health grant funding initiatives linked to positive engagements, domestic abuse, community safety partnerships, safer communities and anti- social behaviour.
- 5.5.3 A number of originally considered MTFP savings were subsequently deferred in the Council meeting of 20th February and will be subject to Service Reviews under the Council’s Transformation Programme, these include the structure of Community Safety Wardens and Environmental Health enforcement teams and review of pest control charges.

- 5.5.4 The Licensing fee income budget remains at £320k in 2020/2021 and this will be monitored closely as levels of licensing income is influenced by the general economic climate and the number of businesses trading. The Registration services fees & charges budget has been increased by £5k to £250k as part of the MTFP savings approved for the service area.
- 5.5.5 Public Protection Division delivers a large proportion of statutory services linked to licensing, trading standards, environmental health, food safety and pollution and service expenditure can sometimes be influenced by one off significant issues in relation to pollution, air quality, food contamination and trading standards problems in the wider community which can put significant pressure on financial resources available.
- 5.5.6 Catering services has net budget of £3.7million including school income budgets of £3.5million. Income generation in schools can be subject to variation depending on a range of factors such as school closures for adverse weather and other incidences and trends in school meal take up, so these will be monitored closely during the year.

5.6 CONCLUSION

The Communities Directorate provides a diverse range of services as outlined in the report and appendices and the report notes that the services face significant ongoing financial pressures due to the requirement to achieve budget savings in support of the Councils medium term financial plan.

For the 2020/2021 financial year, the Covid 19 crisis will have an additional significant impact on the financial position of many services in the Communities Directorate and in depth monitoring will be needed to try and ascertain the full impact on Council financial resources and in order to secure additional financial support from Welsh Government.

6. ASSUMPTIONS

- 6.1 Assumptions linked to this report were detailed in the budget report to Council on 20th February 2020.

7. LINKS TO RELEVANT COUNCIL POLICIES

- 7.1 The content of the report is in accordance with the budget strategy considered and approved by Council at its meeting of 20th February 2020.
- 7.2 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.
- 7.3 Budget management itself is in accordance with the corporate theme of Delivering the Strategies.
- 7.4 Effective financial planning and financial control contribute to the following Well-being Goals within the Well-being of Future Generations (Wales) Act 2015:-
- A prosperous Wales
 - A resilient Wales
 - A healthier Wales
 - A more equal Wales
 - A Wales of cohesive communities
 - A Wales of vibrant culture and thriving Welsh Language

- A globally responsible Wales

8. WELL-BEING OF FUTURE GENERATIONS

- 8.1 Effective financial management is a key element in ensuring that the Well-being Goals within the Well-Being and Future Generations (Wales) Act 2015 are met.

9. EQUALITIES IMPLICATIONS

- 9.1 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.

10. FINANCIAL IMPLICATIONS

- 10.1 This report deals with the financial issues.

11. PERSONNEL IMPLICATIONS

- 11.1 Included in the Service Division budget savings summarised in the report are savings in relation to staff restructures and vacancy management, these will be managed in accordance with HR policies.

12. CONSULTATIONS

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

13. STATUTORY POWER

- 13.1 Local Government Acts 1998 and 2003

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Consultees: Councillor D.T Davies Chair Environment & Sustainability Scrutiny Committee
Mark S Williams Interim Corporate Director of Communities
Robert Hartshorn, Head of Community & Leisure, Policy and Public Protection
Rhian Kyte, Head of Regeneration and Planning
Marcus Lloyd, Head of Infrastructure
Steve Harris, Interim Head of Business Improvement Services & Section 151 Officer
Jane Southcombe, Education Financial Services Manager
Dave Roberts, Principal Group Accountant
Paul Adams, Senior Assistant Accountant
Mike Jones, Interim Financial Services Manager Social Services

Background Papers:

Divisional budget papers 2020/2021.

Appendices:

Appendix 1A Summary Budget - Infrastructure Services Division

Appendix 1B Summary Budget - Regeneration and Planning

Appendix 1C Summary Budget - Community and Leisure Services

Appendix 1D Summary Budget - Public Protection Division

Links to other Documents:

Minutes Council Meeting 20/02/2020: Budget Proposals 2020/21 and Medium- Term Financial Outlook

Agenda Item No. 8

<https://democracy.caerphilly.gov.uk/ieListDocuments.aspx?CId=127&MId=11923&LLL=0>

<i>COMMUNITIES DIRECTORATE</i>	Page No	Estimate 2019/20	Revised Estimate 2019/20	Budget 2020/21
<i>INFRASTRUCTURE SERVICES DIVISION</i>				
<i>HIGHWAY OPERATIONS</i>		7,496,995	7,496,995	9,157,623
<i>ENGINEERING PROJECTS GROUP</i>		(94,021)	(94,021)	(92,163)
<i>TRANSPORTATION ENGINEERING</i>		455,685	455,685	473,521
<i>PASSENGER TRANSPORT</i>		1,617,349	1,617,349	1,648,785
<i>HOME TO SCHOOL TRANSPORT</i>		7,115,947	7,115,947	7,281,504
<i>SOCIAL SERVICES TRANSPORT</i>		1,455,068	1,525,068	1,552,829
<i>NETWORK CONTRACTING SERVICES</i>		(128,565)	(128,565)	(124,899)
<i>INFRASTRUCTURE - GENERAL</i>		18,700	18,700	19,336
<i>TOTAL NET EXPENDITURE</i>		17,937,158	18,007,158	19,916,536

COMMUNITIES DIRECTORATE	Page No	Estimate 2019/2020	Revised Estimate 2019/2020	Estimate 2020/2021
<u>REGENERATION & PLANNING</u>				
Regeneration & Planning Senior Management Support		208,655	208,655	211,926
Regeneration & Planning Administrative Support		513,247	513,247	533,470
Support Services				
Business Support & Urban Renewal		425,839	425,839	577,380
Events		88,630	100,630	78,253
Property Operations		(1,271,593)	(1,271,593)	(1,325,762)
Town Centre Management		105,241	105,241	199,209
Marketing & promotion		183,523	183,523	0
Tourism Venues				
Tourism Venues Management Support		60,324	60,324	61,529
Llanciachfawr		377,905	377,905	380,853
Winding House & Museum		208,114	208,114	157,930
Caerphilly Visitor Centre		65,539	65,539	62,073
Cwmcaru Visitor Centre		247,164	247,164	243,165
Blackwood Miners Institute		327,815	327,815	302,847
Arts Development		152,792	152,792	157,175
Community Regeneration		136,969	136,969	139,591
Children & Communities Grant				
Expenditure		1,403,068	1,403,068	1,403,068
Grant Funding		(1,403,068)	(1,403,068)	(1,403,068)
C4W Grant				
Expenditure		601,975	601,975	597,465
Grant Funding		(601,975)	(601,975)	(597,465)
Planning Services				
Planning Services Management		76,647	76,647	78,027
Strategic Planning		333,058	333,058	328,030
Development Control		(87,723)	(87,723)	(77,450)
Building Control		(56,204)	(56,204)	(48,994)
Land Charges		(7,114)	(7,114)	(5,749)
GIS & Land Gazetteer		157,546	157,546	160,694
TOTAL NET BUDGET		2,246,374	2,258,374	2,214,197

<i>DIRECTORATE OF COMMUNITIES</i>	Page No	Estimate 2019/2020	Revised Estimate 2018/2019	Estimate 2020/2021
<u>COMMUNITY & LEISURE SERVICES</u>				
WASTE MANAGEMENT				
<i>Residual Waste</i>		2,308,527	2,308,527	2,282,953
<i>Organics recycling</i>		1,416,330	1,416,330	1,350,335
<i>Civic Amenity Sites</i>		3,056,924	3,056,924	3,082,763
<i>Waste Transfer Station</i>		111,580	111,580	107,968
<i>Dry Recycling</i>		2,534,207	2,534,207	2,714,455
<i>RCCO</i>		91,000	91,000	391,000
<i>Bulky Waste</i>		127,833	127,833	128,220
<i>Commercial Waste</i>		(532,533)	(532,533)	(508,650)
<i>Other Waste</i>		22,761	22,761	23,148
<i>Treher</i>		129,253	129,253	131,451
<i>Sustainable Waste Management Grant</i>		(942,804)	(942,804)	(849,804)
<i>HQ Staff</i>		1,204,318	1,204,318	1,232,590
CLEANSING				
<i>Street Cleansing</i>		3,980,053	3,980,053	4,079,727
GROUND MAINTENANCE AND PARKS				
<i>Cemeteries</i>		(193,454)	(193,454)	(201,269)
<i>Allotments</i>		37,172	37,172	37,804
<i>Parks and Playing Fields</i>		1,693,830	1,693,830	1,763,051
<i>Playgrounds</i>		281,512	281,512	276,548
<i>Outdoor facilities</i>		242,600	242,600	237,104
<i>Community Assets Funding</i>		0	0	0
<i>Countryside</i>		915,267	915,267	893,301
<i>HQ Staffing</i>		1,011,762	1,011,762	998,661
LEISURE SERVICES				
<i>Leisure Centres</i>		2,614,006	2,614,006	2,672,870
<i>Sports & Health Development</i>		21,262	21,262	21,480
<i>Outdoor Education</i>		149,939	149,939	153,993
<i>Community Centres</i>		364,722	364,722	359,171
		20,646,067	20,646,067	21,378,870
<i>Building Cleaning</i>		579,609	579,609	570,558
<i>Vehicle Maintenance & Fleet Management</i>		(272,828)	(272,828)	(276,299)
Total net expenditure Community & Leisure Services		20,952,848	20,952,848	21,673,129

<i>DIRECTORATE OF COMMUNITIES</i>	Page No	Estimate 2019/2020	Revised Estimate 2019/2020	Estimate 2020/2021
<u>PUBLIC PROTECTION DIVISION</u>				
<i>TRADING STANDARDS</i>		757,674	757,674	772,055
<i>LICENSING</i>		90,579	90,579	91,989
<i>REGISTRARS</i>		66,697	66,697	53,417
<i>CCTV</i>		429,739	429,739	417,023
<i>COMMUNITY WARDENS</i>		235,127	235,127	239,720
<i>CORPORATE AND DEMOCRATIC COSTS (CDC)</i>		56,633	56,633	57,631
<i>HEALTH DIVISIONAL BUDGET</i>		287,422	287,422	293,052
<i>COMMUNITY SAFETY PARTNERSHIP</i>		0	45,653	46,963
<i>ENFORCEMENT</i>		628,848	628,848	642,501
<i>POLLUTION</i>		391,524	391,524	398,936
<i>FOOD TEAM</i>		579,750	579,750	591,349
<i>EMERGENCY PLANNING</i>		103,510	103,510	105,923
<i>CATERING</i>		3,612,851	3,612,851	3,739,710
<i>TOTAL NET EXPENDITURE</i>		7,240,354	7,286,007	7,450,269



ENVIRONMENT AND SUSTAINABILITY SCRUTINY COMMITTEE – FOR INFORMATION

SUBJECT: REVENUE GRANTS 2020/2021

REPORT BY: INTERIM CORPORATE DIRECTOR - COMMUNITIES

1. PURPOSE OF REPORT

- 1.1 To provide information to Members relating to revenue grants for 2020/21 for Communities Directorate service areas.

2. SUMMARY

- 2.1 The report provides details of the 2020/21 revenue grant funding for Communities Directorate. The report excludes grant funded schemes where CCBC merely act as banker for Partnership schemes. During the financial year further grants are often made available subject to new funding being identified and successful outcomes to bids.
- 2.2 The report is provided to ensure that Members are aware of grants and their intended purpose. Further details of individual grants can be made available to Members if requested.

3. RECOMMENDATIONS

- 3.1 Environment and Sustainability Scrutiny Committee Members are requested to note the contents of this report and the summary grant pages that follow in respect of Infrastructure Services Division, Public Protection Division and Community & Leisure Services Division, which all fall within the remit of this Scrutiny.

4. REASONS FOR RECOMMENDATIONS

- 4.1 To inform Members of the 2020/2021 revenue grant funding position for Communities Directorate services.

5. THE REPORT

- 5.1 The attached Appendix provides summary details of revenue grants currently available to the Directorate in 2020-21. It includes a list of the grants, the grant funding bodies, the value of the grant, a brief description of the purpose of the funding, together with details of the responsible officer. As highlighted in the appendix, there is a diverse range of grants available to the Authority.
- 5.2 Grants will have an agreed set of terms and conditions, covering the type of initiatives and expenditure that will be funded, the methods for submitting grant claims and documentary evidence required in support of the claims. The grant funding body will request information to satisfy itself that the grant monies have been spent in accordance with its terms and conditions. Expenditure in respect of grants is usually subject to an external audit.

5.3 External audit would assess expenditure against the terms and conditions of the grant and this assessment would normally comprise a random sample of spend, followed by an in-depth scrutiny of the sampled items. This could involve ensuring proper procurement processes have been adhered to, and/or assets purchased have been located, along with the confirmation that spend complies with the conditions of the grant. The External Auditors produce a report annually summarising any issues that have come to light during their audit of the Authority's grants.

6. CONCLUSION

6.1 External grant funding is very important in helping the Authority deliver some key services and appendix 1 summarises the revenue grants for 2020/2021 and the service area's they support. It is important that services receiving grant adhere to any specific terms and conditions linked to the grant and ensure financial processes and procedures are in place in relation to expenditure incurred and grant claims produced.

7. ASSUMPTIONS

7.1 Details of grant funding included in this report is based on formal notifications of specific grant awards for 2020/2021 or based on the latest estimate of grant likely to be received.

8. LINKS TO RELEVANT COUNCIL POLICIES

8.1 The Council has a number of corporate strategies and this report deals with the use of resources in the achievement of those strategies.

8.2 Effective financial planning and financial control contribute to the following Well-being Goals within the Well-being of Future Generations (Wales) Act 2015:-

- A prosperous Wales
- A resilient Wales
- A healthier Wales
- A more equal Wales
- A Wales of cohesive communities
- A Wales of vibrant culture and thriving Welsh Language
- A globally responsible Wales

9. WELL-BEING OF FUTURE GENERATIONS

9.1 Effective financial management including the effective utilisation of external grant funding is a key element in ensuring that the Well-being Goals within the Well-Being and Future Generations (Wales) Act 2015 are met.

10. EQUALITIES IMPLICATIONS

10.1 There are no equalities issues.

11. FINANCIAL IMPLICATIONS

11.1 Grant funding for service initiatives and schemes can change from year to year and uncertainty of funding or reductions in funding needs to be considered and managed,

including implications for future service provision, employment implications, redundancy costs and alternative funding streams.

- 11.2 Expenditure must comply with the grant terms and conditions, and/or bids. Failure to comply may result in a qualification of the grant by the External Auditors, which could result in the clawback of the grant funding.

12. PERSONNEL IMPLICATIONS

- 12.1 Grant funded services provide employment opportunities within the Authority and loss of or reduced grant provision can sometimes impact on employment and possible redundancy.

13. CONSULTATIONS

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

14. STATUTORY POWER

- 14.1 Local Government Act 1972 and 2003 and the Council's Financial Regulations.

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Consultees: Councillor D.T Davies Chair Environment & Sustainability Scrutiny Committee
Mark S Williams Interim Corporate Director of Communities
Robert Hartshorn, Head of Community & Leisure, Policy and Public Protection
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Marcus Lloyd, Head of Infrastructure
Steve Harris, Interim Head of Business Improvement Services & Section 151 Officer
Jane Southcombe, Education Financial Services Manager
Dave Roberts, Group Accountant
Paul Adams, Senior Assistant Accountant
Mike Jones, Interim Financial Services Manager Social Services

Background Papers:
Grant Allocation Reports 2020/21

Appendices:
Appendix 1- Schedule of Communities Directorate Grants 2020-21

Appendix 1 - Schedule of Communities Directorate Revenue Grant Funding for 2020-21

Grant	Funding Body	Grant Funding 2020/2021	Grant Funding 2019/2020	Matched Funding	Division	Lead Officer	Purpose of Grant	Subject to Audit
Rural Development Plan (RDP) 2014-2020	EU funding via Welsh Government (WG)	£386,083	£379,045	Yes	Planning - Countryside	RDP Delivery Manager	Regeneration Initiatives in rural areas through community engagement and development.	Yes
Aberbargoed Grasslands SSSI	National Resources Wales (NRW)	£20,000	£20,000	No	Planning - Countryside	Countryside Manager	To part fund the Aberbargoed Grasslands SSSI	No
Agriculture & Farming - Ynys Hywel Farm	Welsh Government (WG)	£8,000	£8,000	No	Planning - Countryside	Countryside Manager	To part fund / subsidise farming activities at Ynys Hywel Farm	No
Environment and Sustainable Development (ESD)	Welsh Government (WG)	£0	£85,471	No	Planning - Countryside	Countryside Manager	This grant is no longer available, environmental and sustainability initiatives funding by other means	N/A
Local Sport Plan	Sports Council for Wales (SCW)	£566,275	£672,925	No	Community & Leisure - Sports Development	Sports & Leisure Development Manager	Support the development of physical activities in CCBC	No
National Exercise Referral Scheme	Public Health Wales	£138,600	£138,600	No	Community & Leisure - Sports Development	Sports & Leisure Development Manager	Provide exercise schemes to support over 16's at risk of chronic disease	No
Disability Sports grant	Federation of Disability Sports Wales (FDSW)	£21,598	£21,708	No	Community & Leisure - Sports Development	Sports & Leisure Development Manager	Provision of sport activities for people with disabilities	No
Sustainable Waste Management Grant	Welsh Government (WG)	£888,479	£942,804	No	Community & Leisure - Waste Management & Cleaning	Waste Strategy & Operations Manager	Waste Resource Management including resource efficiency through waste prevention, recycling and landfill diversion.	Yes
Environment and Sustainable Development (ESD)	Welsh Government (WG)	£0	£30,347	No	Community & Leisure - Waste Management & Cleaning	Special Projects Officer	No grant in 2020/2021 but replaced by Caru Cymru Keep Wales Tidy funding.	Yes
Caru Cymru Partnership	Welsh Government (WG)	£30,000	£30,000	No	Community & Leisure - Waste Management & Cleaning	Special Projects Officer	Caring for the Environment and Keeps Wales Tidy initiatives. Funding via Caru Cymru	Yes
Flood & Coastal Erosion Risk Management Grant	Welsh Government (WG)	£105,000	£70,000	No	Infrastructure	Senior Engineer Corporate Land Drainage	Flood alleviation initiatives	No
Road Safety Revenue Grant	Welsh Government (WG)	£45,858	£88,500	No	Infrastructure	Transport Engineering Manager	Provision of 4 Road Safety activities comprising of Kerb craft, National Standards Cycle Training, Pass Plus Cymru & Megadrive. Funding reduced by 50% for 20/21	No
Bus Services Support Grant	Welsh Government (WG)	£426,430	£423,376	No	Infrastructure	Principal Passenger Transport Officer	To support Local and Rural Bus Services with a minimum requirement for Community Transport. This is a WG funded grant but is claimed via Monmouthshire CC who are the lead Authority.	Yes

Concessionary Fares Grant	Welsh Government (WG)	£3,386,000	£3,311,500	No	Infrastructure	Principal Passenger Transport Officer	To pay towards the Concessionary Fares Scheme operated by WG via each Local Authority and its Bus Service Contracts. Figure is indicative only and paid on actual basis plus administration less £934,000 CCBC contribution. Also this mechanism may be changing in the future on how grant is	Yes
Bus Service Operators Grant (Connect 2)	Welsh Government (WG)	£9,000	£9,000	No	Infrastructure	Principal Passenger Transport Officer	To pay towards Bus Service Operators Costs and based on kilometre's travelled. This is a WG funded grant but is claimed via Monmouthshire CC the lead Authority. Figure is indicative only and are normally paid on actual mileage travelled but 20/21 is based on 19/20 figures due to Covid-19	No
Bus Service Operators Grant (Social Services Transport)	Welsh Government (WG)	£45,000	£45,000	No	Infrastructure	Principal Passenger Transport Officer	To pay towards Bus Service Operators Costs and based on kilometre's travelled. This is a WG funded grant but is claimed via Monmouthshire CC the lead Authority. Figure is indicative only and are normally paid on actual mileage travelled but 20/21 is based on 19/20 figures due to Covid-19	No
Arts Council for Wales (ACW) Revenue Grant	Arts Council for Wales (ACW)	£130,798	£129,375	No	Regeneration & Planning	Destination & Events Manager	Development of arts provision in CCBC via the Blackwood Miners Institute (BMI)	Yes
SE Wales Arts & Education Regional Network	Arts Council for Wales (ACW)	£0	£150,000	No	Regeneration & Planning	Destination & Events Manager	Grant ceased in 2020/2021 (Bankers for grant to be spent over whole region, employer of 2 PT staff to deliver)	N/A
Children & Communities Grant	Welsh Government (WG)	£1,403,067	£1,403,068	No	Regeneration & Planning - Community Regeneration	Community Regeneration Manager	New grant from WG which incorporates Legacy and C4W+ together with 5 other grants into one funding allocation.	Yes
C4W (Communities For Work)	EU funding via Welsh Government (WG)	£597,465	£601,975	No	Regeneration & Planning - Community Regeneration	Community Regeneration Manager	As compensation for services in relation to the C4W programme in each Cluster	Yes
SCHOOL MILK	EU funding & Welsh Government (WG) & Health	£292,900	£292,900	NO	Public Protection	Catering Manager	Grant value approximate as based on milk uptake, also varies according to exchange rate	No
Total: -		£8,500,553	£8,853,594					