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The following reports are Information Items for the Housing and Regeneration Scrutiny Committee.

- 1 Revenue Grants 2021/2022.
- 2 Revenue Budget 2021/2022 - Economy and Environment Directorate.
- 3 Housing Revenue Account Budget Monitoring - Period 3.
- 4 Economy and Environment 2021/22 Budget Monitoring Report (Period 3).



HOUSING AND REGENERATION SCRUTINY COMMITTEE – FOR INFORMATION

SUBJECT: REVENUE GRANTS 2021/2022

REPORT BY: CORPORATE DIRECTOR FOR ECONOMY AND ENVIRONMENT

1. PURPOSE OF REPORT

- 1.1 To provide information to Members relating to revenue grants for 2021/2022 for Economy and Environment Directorate.

2. SUMMARY

- 2.1 The report provides details of the 2021/2022 revenue grant funding for Economy and Environment 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 Housing and Regeneration Scrutiny Committee Members are requested to note the contents of this report and the summary grant pages that follow in respect of Regeneration & Planning, which fall within the remit of this Scrutiny.

4. REASONS FOR RECOMMENDATIONS

- 4.1 To inform Members of the 2021/2022 revenue grant funding position for Economy and Environment Directorate.

5. THE REPORT

- 5.1 The attached appendix provides summary details of revenue grants currently available to the Directorate in 2021/2022. 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 some grants is subject to an external audit.
- 5.3 Where required, 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.

5.4 **CONCLUSION**

External grant funding is very important in helping the Authority deliver some key services and appendix 1 summarises the revenue grants for 2021/2022 and the service areas 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.

6. **ASSUMPTIONS**

- 6.1 There are no assumptions in this report.

7. **SUMMARY OF INTEGRATED IMPACT ASSESSMENT**

- 7.1 An IIA is not necessary for this Information Only Report.

8. **FINANCIAL IMPLICATIONS**

- 8.1 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, possible redundancy costs and alternative funding streams.
- 8.2 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.

9. PERSONNEL IMPLICATIONS

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

10. CONSULTATIONS

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

11. STATUTORY POWER

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

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Consultees:

Cllr J Ridgewell, Chair Housing and Regeneration Scrutiny Committee
Cllr M Adams, Vice Chair Housing and Regeneration Scrutiny Committee
Christina Harrhy, Chief Executive
Mark S Williams, Corporate Director for Economy and Environment
Robert Hartshorn, Head of Community and Leisure, Policy and Public Protection
Rhian Kyte, Head of Regeneration and Planning
Marcus Lloyd, Head of Infrastructure
Steve Harris, Head of Financial Services and S151 Officer
Jane Southcombe, Education Financial Services Manager
Sue Richards, Head of Education Planning and Strategy
Paul Adams, Senior Assistant Accountant
Mike Jones, Interim Financial Services Manager Social Services
Cllr E. Stenner, Cabinet Member for Performance, Economy and Enterprise
Cllr A. Whitcombe, Cabinet Member for Sustainability, Planning and Fleet

Background Papers:

Grant Allocation Reports 2021/2022

Appendices:

Appendix 1- Schedule of Economy and Environment Directorate Grants 2021/2022

Appendix 1 - Schedule of Economy & Environment Directorate Revenue Grant Funding for 2021-22

Grant	Funding Body	Grant Funding 2021/2022	Grant Funding 2020/2021	Matched Funding	Division	Lead Officer	Purpose of Grant	Subject to Audit
Rural Development Plan (RDP) 2014-2020	EU funding via Welsh Government (WG)	£354,000	£386,083	Yes	Planning - Countryside	RDP Delivery Manager	Regeneration Initiatives in rural areas through community engagement and development.	Yes
Aberbargoed Grasslands SSSI	National Resources Wales (NRW)	TBC awaiting details from Countryside Manager	£20,000	No	Planning - Countryside	Countryside Manager	To part fund the Aberbargoed Grasslands SSSI	No
Agriculture & Farming - Ynys Hywel Farm	Welsh Government (WG)	TBC awaiting details from Countryside Manager	£8,000	No	Planning - Countryside	Countryside Manager	To part fund / subsidise farming activities at Ynys Hywel Farm	No
Local Sport Plan	Sports Council for Wales (SCW)	£566,275	£566,275	No	Community & Leisure - Sports Development	Sports & Leisure Development Manager	Support the development of physical activities in CCBC	No
60Plus Activity	Sports Council for Wales (SCW)	£26,241	£0	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)	£20,698	£21,598	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)	£833,848	£888,479	No	Community & Leisure - Waste Management & Cleaning	Waste Strategy & Operations Manager	Waste Resource Management including resource efficiency through waste prevention, recycling and landfill diversion.	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	£105,000	No	Infrastructure	Senior Engineer Corporate Land Drainage	Flood alleviation initiatives	No
Road Safety Revenue Grant	Welsh Government (WG)	£77,800	£45,858	No	Infrastructure	Transport Engineering Manager	Provision of 4 Road Safety activities comprising of Kerb craft, National Standards Cycle Training, Pass Plus Cymru & Megadrive.	No
Bus Services Support Grant	Welsh Government (WG)	£427,454	£426,430	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	£3,386,000	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 administered, claimed & paid	Yes

Bus Service Operators Grant (Connect 2)	Welsh Government (WG)	£10,000	£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 21/22 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 21/22 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	£130,798	No	Regeneration & Planning	Destination & Events Manager	Development of arts provision in CCBC via the Blackwood Miners Institute (BMI)	Yes
Children & Communities Grant	Welsh Government (WG)	£819,003	£1,403,067	No	Regeneration & Planning - Community Regeneration	Community Regeneration Manager	Children & Communities Grant (CCG) which incorporates C4W+ together with 6 other grants into one funding allocation. Overall Allocation is £9,760,865	Yes
C4WPlus Additional Grant	Welsh Government (WG)	£412,399	£0	No	Regeneration & Planning - Community Regeneration	Community Regeneration Manager	Additional Grant from WG to support C4W+ .	Yes
C4W (Communities For Work)	EU funding via Welsh Government (WG)	£603,010	£597,465	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: -		£8,279,026	£8,500,553					



HOUSING AND REGENERATION SCRUTINY COMMITTEE – INFORMATION ITEM

**SUBJECT: REVENUE BUDGET 2021/2022 - ECONOMY AND ENVIRONMENT
DIRECTORATE**

REPORT BY: CORPORATE DIRECTOR FOR ECONOMY AND ENVIRONMENT

1. PURPOSE OF REPORT

- 1.1 To provide information to Members on the revenue budget for 2021/2022 for the Economy and Environment Directorate, including Regeneration & Planning Division, Infrastructure Division, Public Protection Division and Community & Leisure Services Division.

2. SUMMARY

- 2.1 The report summarises the revenue budget for the above services for the financial year 2021/2022.
- 2.2 It attaches, as appendices 1a to 1d, the summary budget for the services outlined in paragraph 1.1 above.
- 2.3 Budget monitoring reports will be prepared throughout the financial year to ensure that Members are updated on projected spend against budgets.

3. RECOMMENDATIONS

- 3.1 Housing and Regeneration Scrutiny Committee Members are requested to note the contents of this report and the budget summary pages that follow in respect of Regeneration & Planning which all fall within the remit of the Committee.

4. REASONS FOR THE RECOMMENDATIONS

- 4.1 To ensure that the Scrutiny Committee is provided with full details of the 2021/2022 revenue budgets for the Economy and Environment Directorate, including Regeneration & Planning Division, which falls within the remit of this Scrutiny.

5. THE REPORT

5.1 INTRODUCTION

- 5.1.1 The Welsh Government's Revenue Support Grant (RSG) for Caerphilly CBC for the 2021/2022 financial year is a net cash increase of £9 m (3.1%) after adjusting for changes in the Council Tax base.

- 5.1.2 Specific grants transferred into the Settlement for Caerphilly CBC were £247k, which related to the 2020-2021 teachers pay award.
- 5.1.3 Members will recall that due to the increase in the Financial Settlement and the approved uplift in Council Tax of 3.9%, there were no additional savings required for the 2021/2022 financial year to deliver a balanced budget. The centrally held savings in advance from 2020/21 have also now been utilised as part of the approved budget for 2021/22.
- 5.1.4 The approved 2021/2022 budgets for the Economy and Environment Directorate include a number of budgetary changes agreed by Council, which are summarised in the table in paragraph 5.1.8 below and incorporated into the budget pages attached as appendices 1a to 1d.
- 5.1.5 Additional budget of £163k has been allocated to the Directorate revenue budgets for inescapable cost pressures in relation to non- pay inflation (0.75%), Fees and Charges (0.75%) and the Living Wage.
- 5.1.6 Budget growth of £1.672m has been provided to the Economy and Environment Directorate. The Regeneration & Planning Division has received £628k for additional staff and income budget realignment. The Infrastructure Division has received £627k in respect of a review of parking charges and additional costs in Home to School Transport Services. The Community & Leisure Services Division has received £417k in relation to the review of parking charges and income budget realignments.
- 5.1.7 There were no savings applied to the budget to support the Council's financial position in 2021/2022.
- 5.1.8 Table 1 also summarises other general budget adjustments including transfers in relation to service realignment. Overall, the Economy and Environment Directorate net controllable budget for 2021/2022 has increased by £1.835 million compared to 2020/2021, increasing from £51.728million to £53.563million.

TABLE 1	INFRASTRUCTURE	REGENERATION & PLANNING	COMMUNITY & LEISURE	PUBLIC PROTECTION	DIRECTOR	Total
	£	£	£		£	£
Revised Budget 2020-21	19,969.00	2,246.00	21,823.00	7,513.00	177.00	51,728.00
						0.00
Living Wage	0.00	0.00	21.00	11.00	0.00	32.00
Non - Pay Inflation (0.75%)	112.00	24.00	73.00	23.00	1.00	233.00
Fees & Charges (0.75%)	(15.00)	(32.00)	(50.00)	(4.00)	0.00	(101.00)
Inescapable Service Pressures						
Planning Staffing/Income Budget Realignment	0.00	428.00	0.00	0.00	0.00	428.00
Income Budget Realignment - Llancaiach Fawr	0.00	83.00	0.00	0.00	0.00	83.00
Income Budget Realignment - Industrial Property	0.00	117.00	0.00	0.00	0.00	117.00
Parking Charge Review	40.00	0.00	50.00	0.00	0.00	90.00
Home To School Transport	587.00	0.00	0.00	0.00	0.00	587.00
Income Budget Realignment - Leisure Centres	0.00	0.00	273.00	0.00	0.00	273.00
Income Budget Realignment - Caerphilly Adventures	0.00	0.00	94.00	0.00	0.00	94.00
						0.00
Budget 2021-22	20,693.00	2,866.00	22,284.00	7,543.00	178.00	53,564.00

5.2 INFRASTRUCTURE SERVICES

- 5.2.1 The Infrastructure Service Division received additional 2021/22 budget of £97k for inescapable cost pressures along with budget growth for Home to School Transport (£587k) and £40k arising from a review of car parking charges.
- 5.2.2 The Infrastructure Division budget for 2021/2022 includes ring-fenced budgets in relation to Home to School transport (£7.923million) and Social Services transport (£1.564million), which

represent circa 46% 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 the Education Directorate and Social Services Directorate respectively.

5.3 REGENERATION AND PLANNING

5.3.1 The Regeneration & Planning Service Division budget for 2021/2022 includes £620k for inescapable cost pressures and budget growth. The growth items relate to: -

- £428k in Planning for additional staff and the realignment of fee income targets.
- Income budget realignment of £117k for Industrial Property rentals.
- Income budget realignment of £83k for Llancaiach Fawr.

5.3.2 The Welsh Government “Children & Communities Grant” is partially run by Regeneration officers, with the funding supporting vulnerable people and communities. The level of funding allocated to Regeneration for 2021/2022 is £819k. In future years allocations of funding may well change. WG provided an additional amount of £412k to support people and communities. Additionally, there is an allocation via the European Social Fund for “Communities for Work” of £603k.

5.4 COMMUNITY AND LEISURE SERVICES

5.4.1 The Division has received additional budget to fund inescapable cost pressures of £44k and budget growth of £417k to support budget realignments as shown below: -

- Countryside has been allocated £50k income budget realignment as part of the car parking charge review agreed by cabinet on 13th January 2021, which included the removal of parking charges in Country Parks.
- Leisure Services has been allocated £367k to support income budget realignment. This relates to £273k for Leisure Centres and £94k for Caerphilly Adventures.

5.5 PUBLIC PROTECTION

5.5.1 The Division has received additional budget of £29k for inescapable cost pressures including an additional £11k towards Living Wage increases in Catering.

5.6 CONCLUSION

5.6.1 The Economy and Environment Directorate provides a diverse range of services as outlined in the report and appendices. The report notes that the services face significant ongoing financial pressures and budgetary growth has been allocated in a number of areas.

5.6.2 For the 2021/2022 financial year, the Covid-19 crisis will continue to have a significant impact on the financial position of many services in the Economy and Environment Directorate. The Welsh Government will continue to provide financial support to Local Authorities during the 2021/22 financial year through the Covid-19 Hardship Fund but the position in the medium to longer term is likely to be challenging.

6. ASSUMPTIONS

6.1 All assumptions linked to the Authority’s budget strategy for financial year 2021/22 are detailed in the Report agreed by Council on 24th February 2021.

6.2 The 2021/22 Budget does not include additional costs or income losses associated with Covid-19, this is on the assumption that these costs will continue to be funded through the Welsh Government Covid-19 Hardship Fund.

6.3 A range of other assumptions have been made in setting the Authority's budget, this is in respect of pay and non-pay inflationary increases and inescapable service pressures.

7. SUMMARY OF INTEGRATED IMPACT ASSESSMENT

7.1 An IIA is not necessary for this Information Only Report.

8. FINANCIAL IMPLICATIONS

8.1 As identified throughout the report.

9. PERSONNEL IMPLICATIONS

9.1 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.

10. CONSULTATIONS

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

11. STATUTORY POWER

11.1 Local Government Acts 1972 and 2003 and the Council's Financial Regulations.

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Consultees:

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Steve Harris, Head of Financial Services and S151 Officer
Jane Southcombe, Education Financial Services Manager
Sue Richards, Head of Education Planning and Strategy
Paul Adams, Senior Assistant Accountant
Mike Jones, Interim Financial Services Manager Social Services
Cllr E. Stenner, Cabinet Member for Performance, Economy and Enterprise
Cllr A. Whitcombe, Cabinet Member for Sustainability, Planning and Fleet

Background Papers:

Divisional budget papers 2021/2022.

Minutes Council Meeting 24/02/2021: Budget Proposals 2021/2022 and Medium-Term Financial Outlook

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

<i>Economy and Environment Directorate</i>	Page No	Estimate 2020/2021	Revised Estimate 2020/2021	Budget 2021/2022
<i>INFRASTRUCTURE SERVICES DIVISION</i>				
<i>HIGHWAY SERVICES</i>		9,157,623	9,166,412	9,225,831
ENGINEERING PROJECTS GROUP		(92,163)	(83,224)	(93,085)
<i>TRANSPORTATION ENGINEERING</i>		473,521	483,081	516,492
PASSENGER TRANSPORT		1,648,785	1,650,960	1,665,286
HOME TO SCHOOL TRANSPORT		7,281,504	7,282,962	7,923,081
<i>SOCIAL SERVICES TRANSPORT</i>		1,552,829	1,557,420	1,564,373
NETWORK CONTRACTING SERVICES		(124,899)	(107,948)	(127,514)
<i>INFRASTRUCTURE - GENERAL</i>		19,336	19,336	19,482
TOTAL NET EXPENDITURE		19,916,536	19,968,999	20,693,946

<i>Economy and Environment Directorate</i>	Page No	Estimate 2020/2021	Revised Estimate 2020/2021	Estimate 2021/2022
<u>REGENERATION & PLANNING</u>				
Regeneration & Planning Senior Management Support		211,926	213,483	149,217
Regeneration & Planning Administrative Support		533,470	537,133	548,803
Support Services				
Business Support & Urban Renewal		577,380	580,247	563,905
Events		78,253	78,540	79,001
Property Operations		(1,325,762)	(1,325,762)	(1,218,726)
Town Centre Management		199,209	200,061	197,933
Tourism Venues				
Tourism Venues Management Support		61,529	61,978	75,117
Llanciachfawr		380,853	384,887	466,596
Winding House & Museum		157,930	158,688	159,305
Caerphilly Visitor Centre		62,073	63,153	62,944
Cwmcarn Visitor Centre		243,165	246,018	245,061
Blackwood Miners Institute		302,847	305,485	305,955
Arts Development		157,175	158,134	158,322
Community Regeneration		139,591	140,371	140,614
Children & Communities Grant				
Expenditure		1,403,068	1,497,754	819,003
Grant Funding		(1,403,068)	(1,497,754)	(819,003)
C4W Grant				
Expenditure		597,465	597,465	603,010
Grant Funding		(597,465)	(597,465)	(603,010)
Communities for Work Plus Additional Funding				
Expenditure		0	191,961	412,399
Grant Funding		0	(191,961)	(412,399)
Planning Services				
Planning Services Management		78,027	78,605	144,154
Strategic Planning		328,030	330,205	334,958
Development Control		(77,450)	(74,448)	199,691
Building Control		(48,994)	(47,619)	76,191
Land Charges		(5,749)	(5,316)	14,171
GIS & Land Gazetteer		160,694	161,867	163,198
TOTAL NET BUDGET		2,214,197	2,245,710	2,866,410

<i>Economy and Environment Directorate</i>	Page No	Estimate 2020/21	Revised Estimate 2020/21	Estimate 2021/2022
<u>COMMUNITY & LEISURE SERVICES</u>				
WASTE MANAGEMENT				
<i>Residual Waste</i>		2,282,953	2,286,943	2,676,976
<i>Organics recycling</i>		1,350,335	1,356,607	1,232,664
<i>Civic Amenity Sites</i>		3,082,763	3,086,961	3,015,585
<i>Waste Transfer Station</i>		107,968	108,232	119,329
<i>Dry Recycling</i>		2,714,455	2,721,197	2,539,307
<i>RCCO</i>		391,000	391,000	77,933
<i>Bulky Waste</i>		128,220	128,583	133,874
<i>Commercial Waste</i>		(508,650)	(507,555)	(351,696)
<i>Other Waste</i>		23,148	23,148	23,322
<i>Treher</i>		131,451	131,451	132,437
<i>Sustainable Waste Management Grant</i>		(849,804)	(849,804)	(849,804)
<i>HQ Staff</i>		1,232,590	1,239,736	1,248,937
CLEANSING				
<i>Street Cleansing</i>		4,079,727	4,100,682	4,284,763
GROUND MAINTENANCE AND PARKS				
<i>Cemeteries</i>		(201,269)	(198,904)	(202,692)
<i>Allotments</i>		37,804	37,804	38,088
<i>Parks and Playing Fields</i>		1,763,051	1,776,584	1,778,529
<i>Playgrounds</i>		276,548	277,171	278,610
<i>Outdoor facilities</i>		237,104	238,049	238,864
<i>Community Assets Funding</i>		0	0	0
<i>Countryside</i>		893,301	902,218	951,755
<i>HQ Staffing</i>		998,661	1,004,010	1,002,709
LEISURE SERVICES				
<i>Leisure Centres</i>		2,672,870	2,702,129	2,966,166
<i>Sports & Health Development</i>		21,480	21,782	21,875
<i>Outdoor Education</i>		153,993	157,752	249,038
<i>Community Centres</i>		359,171	361,349	361,758
		21,378,870	21,497,125	21,968,327
<i>Building Cleaning</i>		570,558	598,354	594,603
<i>Vehicle Maintenance & Fleet Management</i>		(276,299)	(272,270)	(278,651)
Total net expenditure Community & Leisure Services		21,673,129	21,823,209	22,284,279

<i>Economy and Environment Directorate</i>	Page No	Estimate 2020/210	Revised Estimate 2020/21	Estimate 2021/2022
<u>PUBLIC PROTECTION DIVISION</u>				
TRADING STANDARDS		772,055	777,353	773,421
LICENSING		91,989	94,838	98,218
REGISTRARS		53,417	55,629	54,532
CCTV		417,023	420,081	423,218
COMMUNITY WARDENS		239,720	240,083	232,077
CORPORATE AND DEMOCRATIC COSTS (CDC)		57,631	58,052	57,633
HEALTH DIVISIONAL BUDGET		293,052	294,906	295,082
COMMUNITY SAFETY PARTNERSHIP		46,963	47,624	47,865
ENFORCEMENT		642,501	646,647	663,822
POLLUTION		398,936	401,196	402,007
FOOD TEAM		591,349	595,703	639,679
<i>Earmarked Reserve For EHO</i>				(50,946)
EMERGENCY PLANNING		105,923	106,634	106,705
CATERING		3,739,710	3,773,573	3,799,763
TOTAL NET EXPENDITURE		7,450,269	7,512,319	7,543,076



HOUSING AND REGENERATION SCRUTINY COMMITTEE – INFORMATION ITEM

SUBJECT: HOUSING REVENUE ACCOUNT BUDGET MONITORING – PERIOD 3

REPORT BY: CORPORATE DIRECTOR FOR SOCIAL SERVICES AND HOUSING

1. PURPOSE OF REPORT

- 1.1 To inform Members of the projected position for the Housing Revenue Account (HRA) for the 2021/22 financial year, based on the income and expenditure movements of the first 3 months of the year. The HRA capital programme which is predominantly funded by the HRA is also included within this report.

2. SUMMARY

- 2.1 Members will be aware of the distinction between the HRA, which is funded by rental income received from council tenants, and General Fund Housing activities, which fall under the General Fund and are funded via the Council taxpayer. Although there is a clear separation of these funds, the majority of council tenants rent is funded from housing benefits which are derived from the taxpayers' purse and therefore value for money must always be sought.
- 2.2 The HRA budget for 2021/22 is £51.7m with its main components consisting of £17m of salaries, £8m of capital financing charges, £4.6m of building maintenance & response repairs (net of salaries), £2.7m of internal service recharges, and £15.6m of revenue contributions to fund the WHQS programme. There is also a budget of £11.5m for the PAMS (Post Asset Management Strategy) which is recharged fully to the Capital Programme and predominantly covers the maintenance of the WHQS programme, voids and remodelling works. The spend on the HRA is self-financed mainly by the rental income we collect from our Council Tenants, of which about 72% is funded by Housing Benefits. The main projected variances on the HRA are explained below.

3. RECOMMENDATIONS

- 3.1 Members are requested to note the contents of the report.

4. REASONS FOR THE RECOMMENDATIONS

- 4.1 To ensure that Members are informed of the financial position of the Housing Revenue Account.

5. THE REPORT

5.1 Introduction

- 5.1.1 The HRA has a projected under spend of £1.5m for the end of 2021/22 financial year, which represents about 3% of the total HRA budget. This is based on the income and expenditure patterns for the first 3 months of the year together with knowledge of the service from the respective managers. The main variances are summarised below, and full financial details are provided in Appendix 1.

5.2 Salaries & Mileage (£463k under spend)

- 5.2.1 Salaries and associated costs within the HRA are currently expected to underspend by some £463k which represents about 4% of the salary budget. There are some offsetting over and under spends in this area given the volume of staff which includes sickness cover, request for reduced hours and timing for filling vacant posts

5.3 Non-Pay Related (£132k under spend)

- 5.3.1 Part of this underspend (£36k) is associated with office related costs such as stationery, photocopying and postage, mainly as a result of offices not being occupied because of lockdown. These savings are likely to increase throughout the year until a decision is made on returning to the office in the future.
- 5.3.2 A further £96k underspend is attributable to budgets that are service specific such as, shop management, allocation recharges, tenant participation and utility charges within our sheltered schemes. Some costs however have increased due to Covid-19 restrictions such as security of void properties, and Council Tax charges on void properties.

5.4 Building Maintenance & Response Repairs (£912k under spend)

- 5.4.1 This area is currently projecting an underspend of some £912k. This is predominantly made up of £237k projected under spend in cyclical and revenue projects which includes damp proofing, non – DLO works, sheltered & infrastructure projects. Expenditure on the Housing Response Operations (HRO) budget is anticipating a £675k underspend which is mainly as a result of reduced spend on sub-contractors, materials and tipping charges. Reduced expenditure is a result of Covid recovery and is projected based on the spend to date. However, spend is likely to increase to account for the backlog of repairs that the team were unable to complete during the pandemic. Furthermore, indications are being reported of an increase in material prices nationally which could affect contractors' ability to procure supplies efficiently. Officers are reviewing the current schedule of rates to ascertain if is suitable going forward.
- 5.4.2 A budget of £11.5m has been allocated for the In-House team who support the capital programme. The work involved includes the final delivery of the WHQS Programme, maintenance of the WHQS programme through the PAMS programme, sheltered remodelling and some void works. There is a nil cost to the HRA because the cost is fully recharged to the capital programme. However, there is a predicted underspend of £741k due to reduced expenditure on sub-contractors, materials and salary savings which means

this will be passed onto the capital programme in year. Covid-19 had a detrimental effect on the commencement of the PAMS programme which has been reprofiled to fit in with the revised completion of WHQS. Members will be aware that Welsh Government have confirmed that the extended deadline for authorities to achieve WHQS is now December 2021. Members are informed, however, that Caerphilly Homes was on target to meet our June 2020 deadline had the pandemic not occurred and are confident of completion prior to the revised deadline.

5.5 Capital Financing Requirement (CFR) (£13k under spend)

- 5.5.1 Current forecasts on the HRA debt charges are slightly lower than budgeted, due to a higher level of capital receipts in the previous year, which has resulted in a lower Minimal Revenue Provision (MRP) charge and interest charge.
- 5.5.2 Further borrowing to complete the WHQS programme this year is not anticipated. This is due to the £10m underspend the previous year which has been carried over to fund the remainder of the WHQS work.
- 5.5.3 The 2021/22 Housing Business Plan shows borrowing from 2022/23 and 2023/24 of £17.7m to fund the commitments built into the plan for increasing housing supply.

5.6 Income (£30k under recovered)

- 5.6.1 Variations represent less than 0.5% of the total income budget and includes a 7.5% reduction on the service charges to tenants due to restricted use of communal areas during Covid.

5.7 Rent Arrears and Tenancy Support

- 5.7.1 The arrears position at the end of financial year 2020/21 for our current tenants represented 4.2% of the total debit raised (including rent, service charges, water, fuel and garages). Officers have been liaising with Welsh Government and the other stock retaining authorities on a regular basis since the pandemic to compare performance and share best practise. The average arrears level across all stock retaining authorities was 3.5% and data received on the Housing Associations show an average arrears level of 3.6%.
- 5.7.2 It is difficult to compare in year arrears levels across the sector until we reach an end of year figure, as not all providers charge the same way throughout the year (i.e. some are over 48 weeks or 52 weeks etc) and the Department of Works & Pension pays housing benefits in arrears. Direct Debits are also received differently. However, we are working closely with the rent arrears group mentioned above and should have some in year comparators by the time of the next budget monitoring report in October.
- 5.7.3 Members will be aware from previous reports of the volatility of the rent arrears during 2020/21 and the eviction embargo imposed by the Government (ended June 2021) which meant we could not pursue those tenants who were already in the system prior to lockdown for breach of tenancy. A change in the way housing benefit payments were made by the Department of Work & Pensions and the redirection of payment facilities for our tenants were also factors which helped the arrears position stabilise by the end of the year together with the intense level of support offered to our tenants throughout the pandemic, which has transformed the way we work with tenants by embracing new ways of working. This has assisted in developing a post covid recovery plan.

5.7.4 The post Covid recovery plan is based upon 4 key principles:-

1. **Creating the right culture** – Our principle objective is the management and sustainment of tenancies. Eviction is a last resort and we will consider all avenues to sustain the tenancy and have fully embraced the Welsh Government aim of no evictions into homelessness.
2. **Prevention and early Intervention** – The tenancy support and welfare benefits teams are involved as soon as a tenancy starts. Welfare benefit checks are completed and financial health checks are undertaken to ensure benefits are maximised. Any barriers to the sustainment of the tenancy are identified and addressed immediately, e.g. high debt levels. We work with other departments with the Authority to offer a wide range of services e.g. employment support. Investing in prevention will reduce the incidence of crisis situations and likelihood of homelessness. The introduction of pre tenancy support is an important next step.
3. **Person centres not process driven** – Staff have the discretion and flexibility to deal with differing individual circumstances when tenancies are in difficulty. All recovery processes have been refreshed ensuring this transformation approach is embedded
4. **Persevere and continue trying to help** – Engagement is a key barrier and the service uses different communication channels tailored to tenants needs. We endeavour to work with everyone and staff are empowered to deliver innovative solutions.

5.7.5 Our void position increased during 2020/21 showing 2.8% as a percentage of stock. In the previous year this was 1.8%. However, as part of our sheltered remodelling programme it is necessary to decant tenants to other suitable accommodation whilst work is being carried out at the schemes, and this has impacted on the void position. If we take out the decant schemes our void position is 1.8%. We have yet been unable to compare with the remaining stock retaining authorities but are currently trying to gather data. Welsh Government have confirmed that the 2019/20 and 2020/21 data statistics which were not collected due to the pandemic, will be called on, but it is not mandatory, neither will they be published, so it may be difficult to obtain this information for comparison. We have managed to source some information on Housing Associations which showed them improving from 2.3% in July 2020 to 1.5% by March 2021 on average.

5.8 Revenue Contributions to Capital Outlay (RCCO)

- 5.8.1 The HRA allows for some £15.6m of revenue contributions towards finalising and maintaining the WHQS programme.
- 5.8.2 The HRA RCCO allocation will fund the capital spend this year in addition to the £7.3m Major Repairs Allowance (MRA) from Welsh Government. The MRA allowance will need to be utilised first as this funding does not carry over into financial years.
- 5.8.3 Although there is some predicted underspend on the In-house workforce delivery team, it is assumed that the RCCO will be fully utilised at this stage, but any variations will be reported in further budget monitoring reports throughout the year. indications are that internal and external works on the WHQS programme will be completed by August 2021, with one contract likely to extend further due to recently going into administration.
- 5.8.4 Total capital spend to Quarter 1 is some £891k which is predominantly WHQS work. Spend is lower this quarter compared to previous years quarters for a number of reasons. This year we are focussing on finalising the last tranche of properties to meet WHQS which although smaller in volume to previous years, is taking longer to complete due to Covid restrictions.

- 5.8.5 WHQS Internal works at the end of Q1 is 99.36% compliant.
- 5.8.6 WHQS External works at the end of Q1 is 99.70% compliant.
- 5.8.7 Full WHQS compliance (where properties have achieved both internal and external compliance on a contract basis) is 99.20%.
- 5.8.8 A Post Asset Management Strategy (PAMS) working group has been set up to ensure that the WHQS standard is continuously maintained once full compliance is achieved. A 5-year external programme is currently being worked on, and will commence once the WHQS programme is completed. However early indications are that there could be a delay in progressing whilst we await suitable recruitment.

5.9 HRA Working Balances

- 5.9.1 Working balances at the start of 2021/22 financial year were £14.1m. The majority of which was derived from underspends in 2020/21 as reported in previous reports and is expected to be utilised this year against the remainder of the WHQS Programme.

5.10 COVID-19

- 5.10.1 Members will recall the significant financial impact Covid-19 had on the HRA last financial year, with no support from Welsh Government. Whilst some costs have reduced (e.g. buddy schemes) we have tried to absorb some of the costs going forward, although there are still some areas that are experiencing higher cost levels than normal (e.g. additional vehicles for social distancing), and of course we still require a suitable level of PPE equipment. However, as mentioned earlier in the report, there are some offsetting savings such as office related costs and mileage due to the majority of staff working from home.

6. ASSUMPTIONS

- 6.1 The projected outturn position is based on actual income and expenditure details for the first three months in the 2021/22 financial year. However, spend and income activity has been unprecedented during this time which makes it difficult to compare results to preceding years or indeed forecast for future years.

7. SUMMARY OF INTEGRATED IMPACT ASSESSMENT

- 7.1 An IIA has not been completed to accompany this report as it is for information.

8. FINANCIAL IMPLICATIONS

- 8.1 As detailed throughout the report.

9. PERSONNEL IMPLICATIONS

- 9.1 There are no direct personnel implications arising from this report.

10. CONSULTATIONS

10.1 There are no consultation responses that have not been reflected in this report.

11. STATUTORY POWER

11.1 Local Government Acts 1972 and 2003 and the Council's Financial Regulations

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Cllr Mike Adams, Vice Chair Housing and Regeneration Scrutiny Committee
Cllr L Phipps, Cabinet Member for Housing & Property
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Jason Fellows, Housing Repair Operations Manager
Jane Roberts-Waite, Strategic Co-ordination Manager
Sandra Isaacs, Rents Manager
Kerry Denman, Housing Solutions Manager

Appendices:

Appendix 1 HRA Financial Plan 2021/22 Period 3

Appendix 1

Housing	Estimate	Projected	Variance
	2020/21	2020/21	2020/21
<u>HOUSING REVENUE ACCOUNT</u>	£	£	£
<u>SUMMARY</u>			
GENERAL MANAGEMENT	1,759,257	1,830,687	(71,430)
CAPITAL FINANCING	8,348,031	7,771,807	576,224
CENTRAL RECHARGES	2,793,870	2,573,614	220,256
STRATEGY AND PERFORMANCE	1,053,637	555,376	498,261
PUBLIC SECTOR HOUSING	5,750,762	5,115,769	634,993
BUILDING MAINTENANCE SERVICES	31,978,154	23,641,983	8,336,171
GROSS EXPENDITURE	51,683,711	41,489,236	10,194,475
INCOME	(51,683,711)	(51,507,062)	(176,649)
(SURPLUS)/DEFICIT CONTRIBUTION (TO)/FROM WORKING BALANCES	-	(10,017,825)	10,017,825
<u>HOUSING REVENUE ACCOUNT</u>	£	£	£
<u>GENERAL MANAGEMENT</u>	1,759,257	1,830,687	(71,430)
<u>CAPITAL FINANCING COSTS</u>			
Interest Charge	5,556,468	5,307,249	249,219
Principal	2,740,513	2,438,729	301,784
Debt Management	51,050	25,829	25,221
Rescheduling Discount	-	-	-
EXPENDITURE TO HRA SUMMARY	8,348,031	7,771,807	576,224
<u>CENTRAL RECHARGES</u>			
Central Recharges	2,301,671	2,086,467	215,204
Grounds Maintenance recharge to HRA	492,199	487,147	5,052
EXPENDITURE TO HRA SUMMARY	2,793,870	2,573,614	220,256

<u>HOUSING REVENUE ACCOUNT</u>	£	£	£
<u>STRATEGY AND PERFORMANCE</u>			
Housing Strategy and Development	537,382	189,315	348,067
Transforming Lives and Communities	516,255	366,061	150,194
EXPENDITURE TO HRA SUMMARY	1,053,637	555,376	498,261
<u>HOUSING REVENUE ACCOUNT</u>	£	£	£
<u>PUBLIC SECTOR HOUSING</u>			
Landlord General	308,641	165,488	143,153
Sheltered Accommodation	1,432,175	1,292,801	139,374
Holly Road Community Support	4,129	4,687	(558)
Eastern Valley Area Housing Office	669,116	714,465	(45,349)
Upper Rhymney Area Housing Office	844,428	745,289	99,139
Lower Rhymney Valley Area Housing Office	37,450	38,260	(810)
Lansbury Park Neighbourhood Housing Office	322,430	323,640	(1,210)
Graig Y Rhacca Neighbourhood Housing Office	291,857	263,571	28,286
Housing Allocations Contribution	128,857	85,077	43,780
Tenants & Communities Involvement	473,558	250,910	222,648
Leaseholders Management	73,333	77,266	(3,933)
Tenancy Enforcement	295,830	277,416	18,414
Rents	912,690	919,423	(6,733)
Community Wardens	(43,732)	(42,526)	(1,206)
EXPENDITURE TO HRA SUMMARY	5,750,762	5,115,769	634,993

<u>HOUSING REVENUE ACCOUNT</u>	£	£	£
<u>RESPONSE REPAIRS AND MAINTENANCE</u>			
Employee Expenses net of recharges	1,260,628	898,372	362,256
Repairs & Maintenance on Housing Stock			
Responsive Repairs	9,438,067	9,948,617	(510,550)
Revenue Contribution to Capital – WHQS Programme	17,809,772	11,175,296	6,634,476
Group/Planned Repairs (priorities 5 & 8)	-	-	-
Void Repairs (priority 6)	-	-	-
Depot Recharges	100,000	5,274	94,726
Revenue Projects	1,444,000	143,382	1,300,618
Planned Cyclical	1,747,336	1,295,746	451,590
Planned Programme	-	-	-
	30,539,175	22,568,315	7,970,860
Transport Related	52,500	49,129	3,371
Supplies and Services	125,851	126,167	(316)
EXPENDITURE TO HRA SUMMARY	31,978,154	23,641,983	8,336,171

<u>HOUSING REVENUE ACCOUNT</u>	£	£	£
<u>INCOME</u>			
<u>Rents – Dwelling</u>			
Gross Rent – Dwellings	(45,953,276)	(46,025,336)	72,060
Gross Rent – Sheltered	(4,158,368)	(3,965,328)	(193,040)
Gross Rent – Hostel	-	-	-
Voids – General Needs Dwelling/Sheltered	800,000	820,363	(20,363)
Additional Income O/Side Rent Debit (WHQS)	-	351	(351)
Voids – Hostel	-	-	-
Net Rent	(49,311,644)	(49,169,950)	(141,694)
<u>Rents – Other</u>			
Garages	(346,497)	(346,070)	(427)
Garage Voids	121,215	118,998	2,217
Shop Rental	(59,872)	(57,489)	(2,383)
	(285,154)	(284,561)	(593)
<u>Service Charges</u>			
Sheltered – Service Charges	(1,394,522)	(1,226,476)	(168,046)
Sheltered – Heating & Lighting	(113,786)	(101,873)	(11,913)
Sheltered & Dispersed – Alarms	-	-	-
Catering Recharge – Sheltered Accommodation	-	-	-
Voids Schedule Water	64,372	108,726	(44,354)
Non Scheduled Water Rates	(38,448)	(30,122)	(8,326)
Welsh Water Commission	(579,379)	(628,975)	49,596
Leaseholder – Service Charges	(10,000)	(29,931)	19,931
	(2,071,763)	(1,908,651)	(163,112)
<u>Government Subsidies</u>			
Housing Subsidy	-	-	-
	-	-	-
<u>Interest Receivable</u>			
Mortgage Interest	(150)	-	(150)
Investment Income	(10,000)	(143,305)	133,305
	(10,150)	(143,305)	133,155
<u>Miscellaneous</u>			
Miscellaneous	-	-	-
Private Alarms	-	-	-
Ground Rent	(5,000)	(595)	(4,405)
	(5,000)	(5,000)	(4,405)
INCOME TO HRA SUMMARY	(51,683,711)	(51,507,062)	(176,649)



HOUSING AND REGENERATION SCRUTINY COMMITTEE – INFORMATION ITEM

**SUBJECT: ECONOMY AND ENVIRONMENT 2021/22 BUDGET MONITORING
REPORT (PERIOD 3)**

REPORT BY: CORPORATE DIRECTOR FOR ECONOMY AND ENVIRONMENT

1. PURPOSE OF REPORT

- 1.1 To inform members of projected revenue expenditure for the Economy & Environment Directorate for the 2021/22 financial year. Service Divisions include 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 2021/2022 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 Housing and Regeneration Scrutiny Committee Members are requested to note the contents of this report and the detailed budget monitoring pages that follow in respect of the Regeneration & Planning 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 Economy & Environment 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 The table 1 below summarises the present budget monitoring position, with an overall Directorate underspend of £377k, but exclusive of ring-fenced budgets is projecting an overspend of £8k. Appendices 1a to 1d provide more detail on the budget variation projections for each Service Division.

TABLE 1	Estimate 2021/2022	Revised Estimate 2021/2022	Outturn 2021/2022	Variance 2021/2022
Regeneration & Planning Division	2,866	2,866	2,821	45
Infrastructure Division	20,694	20,694	20,286	408
Public Protection Division	7,543	7,543	7,449	95
Community & Leisure Services Division	22,284	22,284	22,456	(172)
Directorate General	178	178	177	1
NET DIRECTORATE	53,565	53,565	53,189	377
Home to School Transport - ring fenced under spend				113
Social Services Transport – ring fenced under spend				187
Cemeteries Task & Finish – ring fenced under spend				85
NET DIRECTORATE over spend (excluding ring fenced budgets)				(8)

5.2 REGENERATION & PLANNING DIVISION

- 5.2.1 Overall, the service division presently has a projected underspend of £45k for the 2021-22 financial year, full details are provided in Appendix 1
- 5.2.2 Development Control is reporting overspend of £35k primarily due to a projected shortfall in planning application fees of £112k, pre-application advice fee income is also projected at £19k below budget. Underachievement in income is partly offset by salary savings of £95k due to delays in filling vacant posts.
- 5.2.3 Building Control is reporting underspend of £34k due in the main to delays in filling vacant posts.
- 5.2.4 Strategic Planning is presently projected to be £17k underspent due in the main to a delayed filling of a vacant post and staff on reduced working hours.
- 5.2.5 Regeneration & Planning Administrative Support are projecting a £30k underspend this is due in the main to salary savings due to delays in filling vacant posts.
- 5.2.6 GIS/Land Gazetteer support services is projecting an underspent of £11k due to delays in filling of vacant posts.
- 5.2.7 Land charge services are projecting a £19k overspend due to a shortfall in search fee income. This income will be monitored during the year.
- 5.2.8 Business Support and Urban Renewal are projecting a £10k overspend, primarily due to income levels not being achieved in Bargoed Unit shops along with additional NNDR for an acquired property in Caerphilly pending demolition off set by salary savings due to delays in filling vacant posts.

- 5.2.9 Town Centre Management is projecting an underspend of £14k, due in the main to a delay in filling a vacant post along with reduced postage costs and other small savings offset by reduced income.
- 5.2.10 There is a projected £80k overspend in relation to industrial properties primarily due to shortfall in property rents of £120k linked to units being unoccupied including Cherry Trees offset in the main to reductions in maintenance and utility costs The industrial and office property portfolio should generate income of £2.16million to the Council. The service is proactively seeking to ensure vacant units are let as quickly as possible by identifying businesses interested in taking up a rental.
- 5.2.11 Overall Tourism Venues are reporting combined overspend of £47k. Covid 19 has had a significant impact on the tourism venues due to restricted service provision. Where possible Loss of income claims will be submitted and estimates are included. The Main beneficiaries of these at this stage are Llancaich Fawr and Cwmcarn. Further details are below: -
- Llancaich Fawr is projecting a small overspend of £4k at present although lifting of further restrictions from WG could aid this position.
 - Cwmcarn VC is projecting a £61k overspend due to reduced income levels for the camp site which is due to targets not being met. Additional income is being received now the scenic drive is open.
 - Winding House is predicting an underspend of £21k due in the main to delays in filling a vacant post and potential one off savings on NNDR from a revaluation.
 - Caerphilly visitor Centre is predicting a £36k overspend due in the main to unachievable income targets due to the current restrictions although the manager has advised that his current income is increasing and the centre is not allowed any loss of income claims from WG.
 - Blackwood Miners Institute is projecting a small underspend of £18k due in the main to reduced utility costs and artistes' fees offset by reductions in income for the shows.
 - Arts Development is projecting a small underspend of £14k due to reduced artistes' fees and associated costs.
- 5.2.12 Tourism Events are projecting a net underspend of £11k. There have been no events taking place this year, but plans are in place subject to agreement for revised "Christmas Market events" to take place along with a virtual snoopy trail.
- 5.2.13 Community Regeneration is projecting a £117k underspend due to staff vacancies and associated costs after the transfer of staff to Caerphilly Cares.
- 5.2.14 There is a very small underspend in senior management support of £2k due to staff not being paid at the top of the incremental scale.
- 5.2.15 Children and Communities Grant (CCG), C4W and C4WPlus Additional Funding initiatives are all fully funded from grant, currently all three are projecting underspends which total £359k. This has no effect on the outturns as the grant only funds the actual spend on the projects.

5.3 Conclusion

- 5.3.1 Members are advised that Regeneration & Planning only forms part of the Economy & Environment Directorate which provides a very diverse range of front-line services to residents and businesses. The overall Directorate has a budget totalling £53.565m. with a projected net overspend of £8k in a very turbulent year where service provision and ability to achieve income has been significantly disrupted. 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. The operational managers will endeavour to ensure however that service net expenditure does not exceed the budget

available and where applicable income loss claims will be submitted to WG.

6. ASSUMPTIONS

- 6.1 Assumptions linked to this report were detailed in the budget report to Council on 24th February 2021.
- 6.2 The projected outturn position is based on actual income and expenditure details to the end of June 2021.
- 6.3 Forecasts have been made following discussions with Managers based on current information available.
- 6.4 All assumptions are linked to Covid 19 and the possible lifting of any restrictions that take place.
- 6.5 An exercise took place to advise WG of net external income losses for April to June 2021, in the context that these will be funded by WG. Further claims are expected and projections are included where applicable in this report.

7. SUMMARY OF INTEGRATED IMPACT ASSESSMENT

- 7.1 An IIA is not necessary for this Information Only Report.

8. FINANCIAL IMPLICATIONS

- 8.1 As detailed throughout the report.

9. PERSONNEL IMPLICATIONS

- 9.1 There are no direct personnel implications arising from this report.

10. CONSULTATIONS

- 10.1 There are no consultation responses that have not been reflected in this report.

11. STATUTORY POWER.

- 11.1 Local Government Acts 1972 and 2003 and the Council's Financial Regulations.

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Consultees

Councillor J Ridgewell, Chair Housing and Regeneration Scrutiny Committee
Councillor M Adams, Vice Chair Housing and Regeneration Scrutiny Committee
Christina Harrhy, Chief Executive
Mark S Williams, Corporate Director for Economy & Environment
Rhian Kyte, Head of Regeneration and Planning
Steve Harris, Head of Financial Services & S151 Officer
Cllr E. Stenner, Cabinet Member for Performance, Economy & Enterprise

Cllr A. Whitcombe, Cabinet Member for Sustainability, Planning & Fleet

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

Background Papers:

Council (24/02/21) – Budget Proposals for 2021/22 and Medium-Term Financial Outlook

Economy and Environment Directorate	Estimate 2021/2022	Revised Estimate 2021/2022	Outturn 2021/2022	Variance 2021/2022
<u>REGENERATION & PLANNING</u>				
Regeneration & Planning Senior Management Support	149,217	149,217	144,775	4,442
Regeneration & Planning Administrative Support	548,803	548,803	519,252	29,551
Support Services				
Business Support & Urban Renewal	563,905	563,905	574,185	(10,280)
Events	79,001	79,001	67,419	11,582
Property Operations	(1,218,726)	(1,218,726)	(1,138,227)	(80,499)
Town Centre Management	197,933	197,933	183,580	14,353
Tourism Venues				
Tourism Venues Management Support	75,117	75,117	74,900	217
Llanciach Fawr	466,596	466,596	470,675	(4,079)
Winding House & Museum	159,305	159,305	138,082	21,223
Caerphilly Visitor Centre	62,944	62,944	99,356	(36,412)
Cwmcarn Visitor Centre	245,061	245,061	305,778	(60,717)
Blackwood Miners Institute	305,955	305,955	287,766	18,189
Arts Development	158,322	158,322	143,959	14,363
Community Regeneration	140,614	140,614	56,780	83,834
Use of Reserves for Apprentice Gateway Scheme	0	0	(33,804)	33,804
Children & Communities Grant				
Expenditure	819,003	819,003	738,302	80,701
Grant Funding	(819,003)	(819,003)	(738,302)	(80,701)
C4W Grant				
Expenditure	603,010	603,010	515,298	87,712
Grant Funding	(603,010)	(603,010)	(515,298)	(87,712)
Communities for Work Plus Additional Funding				
Expenditure	412,399	412,399	221,883	190,516
Grant Funding	(412,399)	(412,399)	(221,883)	(190,516)
Planning Services				
Planning Services Management	144,154	144,154	146,221	(2,067)
Strategic Planning	334,958	334,958	415,253	(80,295)
Transfer to Community Infrastructure Levy Ringfenced Reserve			(97,640)	97,640
Development Control	199,691	199,691	234,873	(35,182)
Building Control	76,191	76,191	42,278	33,913
Land Charges	14,171	14,171	33,607	(19,436)
GIS & Land Gazetteer	163,198	163,198	151,918	11,280
TOTAL NET BUDGET	2,866,410	2,866,410	2,820,984	45,426

Economy and Environment Directorate	Page No	Estimate 2021/2022	Revised Estimate 2021/2022	Outturn 2021/2022	Variance 2021/2022
<i>INFRASTRUCTURE DIVISION</i>					
<i>HIGHWAY SERVICES</i>		9,225,831	9,225,831	9,141,111	84,720
ENGINEERING PROJECTS GROUP		(93,085)	(93,085)	(103,332)	10,247
<i>TRANSPORTATION ENGINEERING</i>		516,492	516,492	868,689	(352,197)
Agreed Use of Covid 19 Reserve to fund Car Park income		0	0	(324,000)	324,000
PASSENGER TRANSPORT		1,665,286	1,665,286	1,624,310	40,976
HOME TO SCHOOL TRANSPORT		7,923,081	7,923,081	7,809,790	113,291
<i>SOCIAL SERVICES TRANSPORT</i>		1,564,373	1,564,373	1,377,820	186,553
NETWORK CONTRACTING SERVICES		(127,514)	(127,514)	(127,514)	0
<i>ENGINEERING - GENERAL</i>		19,482	19,482	19,252	230
TOTAL NET EXPENDITURE		20,693,946	20,693,946	20,286,126.00	407,820

Economy and Environment Directorate

	Page No	Estimate 2021/2022	Revised Estimate 2021/2022	Outturn 2021/2022	Variance 2021/2022
<u>PUBLIC PROTECTION DIVISION</u>					
TRADING STANDARDS		773,421	773,421	756,894	16,527
LICENSING		98,218	98,218	80,749	17,469
REGISTRARS		54,532	54,532	40,142	14,390
CCTV		423,218	423,218	421,748	1,470
COMMUNITY WARDENS		232,077	232,077	220,567	11,510
CORPORATE AND DEMOCRATIC COSTS (CDC)		57,633	57,633	55,475	2,158
HEALTH DIVISIONAL BUDGET		295,082	295,082	286,496	8,586
COMMUNITY SAFETY PARTNERSHIP		47,865	47,865	67,888	(20,023)
ENFORCEMENT		663,822	663,822	657,204	6,618
POLLUTION		402,007	402,007	290,934	111,073
FOOD TEAM		639,679	639,679	600,267	39,412
		(50,946)	(50,946)	(50,946)	0
EMERGENCY PLANNING		106,705	106,705	105,383	1,322
CATERING		3,799,763	3,799,763	3,915,752	(115,989)
TOTAL NET EXPENDITURE		7,543,076	7,543,076	7,448,553	94,523

Economy and Environment Directorate	Page No	Estimate 2021/2022	Revised Estimate 2021/2022	Outturn 2021/2022	Variance 2021/2022
<u>COMMUNITY & LEISURE SERVICES</u>					
WASTE MANAGEMENT					
<i>Residual Waste</i>		2,676,976	2,676,976	3,077,664	(400,688)
<i>Organics recycling</i>		1,232,664	1,232,664	1,206,442	26,222
<i>Civic Amenity Sites</i>		3,015,585	3,015,585	2,686,928	328,657
<i>Waste Transfer Station</i>		119,329	119,329	125,358	(6,029)
<i>Dry Recycling</i>		2,539,307	2,539,307	3,255,456	(716,149)
<i>RCCO</i>		77,933	77,933	0	77,933
<i>Bulky Waste</i>		133,874	133,874	144,738	(10,864)
<i>Commercial Waste</i>		(351,696)	(351,696)	(265,723)	(85,973)
<i>Other Waste</i>		23,322	23,322	7,500	15,822
<i>Treher</i>		132,437	132,437	127,008	5,429
<i>Sustainable Waste Management Grant</i>		(849,804)	(849,804)	(833,848)	(15,956)
<i>HQ Staff</i>		1,248,937	1,248,937	1,172,295	76,642
CLEANSING					
<i>Street Cleansing</i>		4,284,763	4,284,763	3,803,364	481,399
GROUND MAINTENANCE AND PARKS					
<i>Cemeteries</i>		(202,692)	(202,692)	(287,463)	84,771
<i>Allotments</i>		38,088	38,088	32,929	5,159
<i>Parks and Playing Fields</i>		1,778,529	1,778,529	1,674,282	104,247
<i>Playgrounds</i>		278,610	278,610	277,688	922
<i>Outdoor facilities</i>		238,864	238,864	218,823	20,041
<i>Countryside</i>		951,755	951,755	901,532	50,223
<i>HQ Staffing</i>		1,002,709	1,002,709	988,221	14,488
LEISURE SERVICES					
<i>Leisure Centres</i>		2,966,166	2,966,166	3,110,973	(144,807)
<i>Sports & Health Development</i>		21,875	21,875	35,934	(14,059)
<i>Outdoor Education</i>		249,038	249,038	226,354	22,684
<i>Community Centres</i>		361,758	361,758	361,758	0
		21,968,327	21,968,327	22,048,213	(79,886)
<i>Building Cleaning</i>		594,603	594,603	546,100	48,503
<i>Vehicle Maintenance & Fleet Management</i>		(278,651)	(278,651)	(138,417)	(140,234)
Total net expenditure Community & Leisure Services		22,284,279	22,284,279	22,455,896	(171,617)

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