



HOUSING AND REGENERATION SCRUTINY COMMITTEE – INFORMATION ITEM

**SUBJECT: REVENUE BUDGET 2022/2023 - 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 2022/2023 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 2022/2023.
- 2.2 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 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 2022/2023 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 2022/2023 financial year is a net cash increase of £25.1 m (8.5%) after adjusting for changes in the Council Tax base.

- 5.1.2 Specific grants transferred into the Settlement for Caerphilly CBC were £297k, which related to Social Care Workforce & Sustainability Grant. These have been passported into the Social Services Budget.
- 5.1.3 Members will recall that due to the increase in the Financial Settlement and the approved uplift in Council Tax of 1.9%, there were no additional savings required for the 2022/2023 financial year to deliver a balanced budget.
- 5.1.4 The approved 2022/2023 budgets for the Economy and Environment Directorate include several 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 appendix 1a.
- 5.1.5 Additional budget of £1.710m has been allocated to the Directorate revenue budgets for inescapable cost pressures in relation to Superannuation (1%), National Insurance Increases (1.25%), non- pay inflation (4%), Fees and Charges (4%) and the Living Wage.
- 5.1.6 Budget growth of £1.649m has been provided to the Economy and Environment Directorate. The Regeneration & Planning Division has received £175k for additional staff. The Infrastructure Division has received £463k in respect of additional staffing requirements and a transfer into Home to School Transport Services of £93k. The Community & Leisure Services Division has received £253k in relation to the review of Fleet Services Section and an additional post in Leisure together with additional costs for weed spraying (Parks). Public Protection Division has received £607k for additional staff. The Director Section has received £58k for unbudgeted Audit and Bank Charges.
- 5.1.7 There were no savings applied to the budget to support the Council's financial position in 2022/2023.
- 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 2022/2023 has increased by £3.359 million compared to 2021/2022, increasing from £54,278million to £57,607million.

TABLE 1	INFRASTRUCTURE	REGENERATION & PLANNING	COMMUNITY & LEISURE	PUBLIC PROTECTION	DIRECTOR	Total
	£	£	£		£	£
Revised Budget 2020-21	20,821.00	2,940.00	22,644.00	7,693.00	180.00	54,278.00
						0.00
Superannuation Increase (1%)	58.00	35.00	168.00	77.00	1.00	339.00
National Insurance Increase (1.25%)	72.00	44.00	212.00	96.00	2.00	426.00
Living Wage	0.00	1.00	115.00	60.00	18.00	194.00
Non - Pay Inflation (4.0%)	628.00	127.00	380.00	120.00	0.00	1,255.00
Fees & Charges (4.0%)	(76.00)	(160.00)	(248.00)	(22.00)	0.00	(506.00)
Growth Service Pressures	463.00	175.00	253.00	607.00	58.00	1,556.00
Home to School Transport	93.00	0.00	0.00	0.00	0.00	93.00
Joint Use Recharge	0.00	0.00	(28.00)	0.00	0.00	(28.00)
						0.00
Budget 2021-22	22,059.00	3,162.00	23,496.00	8,631.00	259.00	57,607.00

5.2 REGENERATION and PLANNING

5.2.1 The Regeneration & Planning Service Division budget for 2022/2023 includes £222k for inescapable cost pressures and budget growth. The growth items relate to: -

- £47.5k for a new Project Officer to assist with the developments of the Community Renewal and Levelling Up funds.
- £85k for two new Town Centre Support Officers.
- £42.5k for a new Business Support Officers.

5.2.2 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 2022/2023 is £840k. In future years allocations of funding may well change. WG provided an additional amount of £501k to support people and communities. Additionally, there is an allocation via the European Social Fund for “Communities for Work” of £559k.

5.3 CONCLUSION

5.3.1 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.

5.3.2 For the 2022/2023 financial year, the Covid-19 pandemic will continue to have an impact on the financial position of many services in the Economy and Environment Directorate. The Welsh Government has stopped providing support via the Covid-19 Hardship Fund.

5.3.3 All growth items were agreed as part of the Council budget report of 24th February 2022.

6. ASSUMPTIONS

6.1 All assumptions linked to the Authority’s budget strategy for financial year 2022/2023 are detailed in the Report agreed by Council on 24th February 2022.

6.2 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.

Author: D. Roberts – Interim Finance Manager (Corporate & Communities).

roberda@caerphilly.gov.uk Tel: 01443 863342

Consultees

Cllr A. Whitcombe, Chair Housing & Regeneration Scrutiny Committee
Cllr P. Cook, Vice Chair Housing & Regeneration Scrutiny Committee
Christina Harrhy, Chief Executive
Mark S Williams, Corporate Director for Economy & Environment
Robert Hartshorn, Head of Public Protection, Community & Leisure Services
Rhian Kyte, Head of Regeneration and Planning
Marcus Lloyd, Head of Infrastructure
Steve Harris, Head of Financial Services & S151 Officer
Jane Southcombe, Education Financial Services Manager
Sue Richards, Head of Education Planning & Strategy
Paul Adams, Senior Assistant Accountant
Mike Jones, Financial Services Manager Social Services
Cllr J. Pritchard, Cabinet Member for Prosperity, Regeneration & Climate Change
Cllr P Leonard, Cabinet Member for Planning & Public Protection
Cllr C Andrews, Cabinet Member for Education & Communities

Background Papers:

Divisional budget papers 2022/2023.

Minutes Council Meeting 24/02/2022: Budget Proposals 2022/2023 and Medium- Term
Financial Outlook

Appendices:

Appendix 1A Summary Budget - Regeneration and Planning