



ENVIRONMENT AND SUSTAINABILITY SCRUTINY COMMITTEE – FOR INFORMATION

**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 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 the Infrastructure Services Division, Public Protection Division, and the Community & Leisure Services Division, 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 2022/2023 revenue budgets for the Economy and Environment Directorate, including Regeneration & Planning Division, which falls outside 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 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 1c.
- 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 INFRASTRUCTURE SERVICES

- 5.2.1 The Infrastructure Service Division received additional 2022/2023 budget of £682k for inescapable cost pressures along with budget growth for Home to School Transport (£93k), transferred from Education along with £463k budget growth. The budget growth items relate to: -
- £228k additional staffing capacity in the SuDs Approving body (SAB)/Drainage Team
 - £90k additional staffing Traffic Management

- £65k additional cost to maintain 3 full-time gully machines.
- £45K increase in energy costs for Street-lighting.
- £35k to support Remembrance Day events.

5.2.2 The Infrastructure Division budget for 2022/2023 includes ring-fenced budgets in relation to Home to School transport (£8,332million) and Social Services transport (£1.626million), which represent circa 45% 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 COMMUNITY & LEISURE SERVICES

5.3.1 The Division has received additional budget to fund inescapable cost pressures of £628k and budget growth of £253k. The budget growth items relate to: -

- £60k to cover the contractual price increases of Project Gwyrd.
- £110k additional staffing capacity to meet demands within Fleet management.
- £40k to cover an additional weed spray per year.
- £42k for a Play Sufficiency Officer.

5.4 PUBLIC PROTECTION

5.4.1 The Division has received additional budget of £332k for inescapable cost pressures along with £607k budget growth. The budget growth items relate to: -

- £33k for an additional Licencing Officer
- £85k for 2 additional Fair-Trading Officers
- £105k for 2 additional Environmental Health Officers
- £38k for a Secretary post.
- £113k for 3 additional officer posts within Enforcement.
- £133k for 4 additional Community Safety Wardens.
- £47k for a additional Community Safety Officer.
- £53k for a Senior Emergency Planning Officer.

5.5 CONCLUSION

5.5.1 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.

5.5.2 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.

5.5.3 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.

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Consultees

Councillor D.T Davies Chair Environment & Sustainability Scrutiny Committee
 Councillor A Hussey Vice Chair Environment & Sustainability Scrutiny Committee
 Christina Harry, 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 N. George, Cabinet Member for Corporate Services & Property
 Cllr J. Simmonds, Cabinet Member for Highways & Transportation
 Cllr C. Morgan, Cabinet Member for Waste, Leisure & Green Spaces
 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 Budget Monitoring Report - Infrastructure Services Division
 Appendix 1B Budget Monitoring Report - Public Protection Division
 Appendix 1C Budget Monitoring Report - Community and Leisure Services