



REGENERATION AND ENVIRONMENT SCRUTINY COMMITTEE – 30TH JUNE 2015

SUBJECT: REVENUE BUDGET 2015/ 2016 ENVIRONMENT DIRECTORATE

**REPORT BY: ACTING DIRECTOR OF CORPORATE SERVICES AND SECTION 151
OFFICER**

1. PURPOSE OF REPORT

- 1.1 To provide information to Members on the revenue budget for 2015/2016 for Environment Directorate, including Regeneration, Planning & Economic Development Division, Engineering Division, Public Protection Division and Community & Leisure Services Division.

2. SUMMARY

- 2.1 The report summarises the budget for the above services for the financial year 2015/2016.
- 2.2 It attaches, as appendices 1a to 1d, the summary budget for the services outlined in paragraph 1.1 above.

3. LINKS TO STRATEGY

- 3.1 The content of the report is in accordance with the budget strategy considered and approved by the Council at its meeting of 25th February 2015.
- 3.2 The budget figures outlined in this report assist in meeting the ambition of the Authority to build better communities by building better public services, building better lifestyles, building a vibrant economy and building Futures Changing Lives.
- 3.3 Budget management itself is in accordance with the corporate theme of Delivering the Strategies.

4. THE REPORT

4.1 INTRODUCTION

- 4.1.1 At the meeting of the Council on the 25th February 2015, the budget for 2015/2016 was considered and approved. The report outlined the Welsh Government (WG) rate support grant (RSG) settlement, the general economic climate, Authority wide inflationary and general cost pressures, identified corporate growth and growth to individual service Directorates and also the required need to apply budget savings in 2015/2016 as part of the 2015/2018 Medium Term Financial Plan (MTFP).

- 4.1.2 The budget strategy of the Environment Directorate includes a number of budgetary changes agreed by Council, which are summarised in the table below and incorporated in the budget pages attached in appendix 1a to 1d.
- 4.1.3 As outlined in table 1 below and in line with the MTFP, the Environment Directorate identified MTFP savings of £3,861k allocated across the four Service Divisions including £1,169k savings identified in relation to the early implementation of Prosiect Gwyrdd. These savings represent 7.2% of the net controllable revenue budgets of Environment Services. The detailed list of savings are shown in appendix 2 attached. In addition Corporate MTFP savings in relation to casual mileage of £18.6k have been applied to Service Divisions.
- 4.1.4 The Directorate did not receive any direct budget growth for 2015/2016, although £240k growth has been held corporately as a waste management contingency to be released in year if required. Additional budget of £93k has been allocated to the Directorate revenue budgets in relation to increases in the living wage, primarily in relation to Catering services and Building Cleaning services.

The table also summarises the general budget adjustments for inflation, centralised budgets and transferred funding to Welsh Government.

Overall, the Environment Directorate net controllable budget for 2015/2016 has reduced by £2.742million compared to 2014/2015.

	ENGINEERING	REGENERATION & PLANNING	COMMUNITY & LEISURE	PUBLIC PROTECTION	GENERAL
	£000	£000	£000	£000	£000
Estimate 2014/2015	21,140	4,932	20,383	7,269	(197)
Inflation	310	64	326	126	(3)
Living Wage	0	1	61	31	0
RSG Transfers : Feed Safety Controls				(30)	
Budget Growth	0	0	0	0	0
MTFP Budget Savings					
Service Savings	(985)	(622)	(2,137)	(117)	0
Casual mileage	(3)	(6)	(4)	(6)	0
Other Adjustments:					
Base budget transfer landfill tax	4	0	240	4	0
Other Corporate budget transfers	(31)	(31)	(94)	(44)	200
Re-allocated vacancy management savings					
Budget Reduction	(705)	(594)	(1,604)	(36)	197
Estimate 2015/2016	20,435	4,338	18,779	7,233	0

4.2 **ENGINEERING SERVICES**

- 4.2.1 Engineering Service Division estimates for 2015/2016 do not include any budget growth. As noted in table 1 paragraph 4.1.3 above, the estimate does include budget reductions for service related MTFP savings of £985k and corporate savings in relation to mileage of £3k. The service related MTFP savings are detailed in appendix 2.
- 4.2.2 The Highway Infrastructure / Roads Maintenance budget for 2015/16 includes an allocation of £400k Deprivation Grant this is consolidated into the Divisions base budget. A separate report on this agenda deals with the 2015/16 Highway Infrastructure revenue budget and the street lighting budget in more detail.
- 4.2.3 The Engineering Division estimates for 2015/2016 includes ring fenced budgets in relation to home to school transport (£6.592million) and social services transport (£1.396million) which represent 37% of the overall Engineering budget. Any year end budget over or under spends in relation to these specific services will be identified separately and transferred back to Education & Leisure Directorate and Social Services Directorate.

4.3 **REGENERATION PLANNING & ECONOMIC DEVELOPMENT**

- 4.3.1 The Division has not received any specific service budget growth in 2015/2016.
- 4.3.2 The estimate for 2015/2016 includes budget reductions for service related MTFP savings of £622k and corporate savings in relation to mileage of £6k. The service related MTFP savings are detailed in appendix 2.
- 4.3.3 The planning application fee income budget for 2015/2016 is £561k and the building control fee income budget is £307k. It should be noted that the amount income generated from planning applications and building control fees is susceptible to changes in the general economic climate and the building industry in particular and actual income generated will be monitored closely against the budget targets set.
- 4.3.4 Rural Development Plan schemes will continue during 2015/16 financial year, as new European grant funding has been secured with funding in 2015/2016 budgeted at £262k.
- 4.3.5 Community First grant funding of £3.36million has been secured for 2015/2016.

4.4 **PUBLIC PROTECTION**

- 4.4.1 The Division has not received any specific service budget growth in 2015/2016. Catering services has however received additional £31k budget to fund increases in the living wage.
- 4.4.2 The estimate for 2015/2016 includes budget reductions for service related MTFP savings of £117k and corporate savings in relation to mileage of £6k. The service related MTFP savings are detailed in appendix 2.
- 4.4.3 The Licensing fee income budget has been set at £337.3k and the Registration services fees & charges budget has been set at £197k, income generation in these services can be subject to variation and will be monitored closely.
- 4.4.4 Grant funding in 2015/2016 for Community Safety initiatives includes funding from the Office of the Police & Crime Commissioner's (OPCC) of £62k and Youth Crime Prevention Funding of £280k. Grant in relation to Substance Misuse Action Fund (SMAF) is now allocated directly to the Gwent Substance Misuse Area Planning Board, with Newport County Council acting as lead Authority.
- 4.4.5 Trading Standards has a budget reduction of £30,000 in relation to animal feed safety controls as the funding has been transferred back to WG and also animal health grant of £6,000 will cease in December 2015.

4.4.6 Additional Outcome Agreement grant of £50k in relation to Community Safety is included in the estimates for 2015/2016.

4.5 COMMUNITY & LEISURE SERVICES

4.5.1 The 2015/2016 budget includes £240k originally allocated in 2014/2015 for landfill tax increases, which was held corporately but has now been transferred to waste management services. Additional budget growth of £240k has also been provided in 2015/2016 as a waste management contingency for service related budget pressures in relation to waste management particularly recycling treatment, but this budget is held corporately and will be allocated to the Division during the year if required.

4.5.2 The estimate for 2015/2016 includes budget reductions for service related MTFP savings of £2,137k including £1,169k in relation to the early implementation of Prosiect Gwyrdd and corporate savings in relation to mileage of £4k. The service related MTFP savings are detailed in appendix 2.

4.5.3 Sustainable Waste management grant allocation from WG has been reduced by £110k to £3,340 million this grant has been reducing steadily over recent years, reducing by £440k since 2010/2011.

4.5.4 The Community & Leisure Division continues to review waste management & recycling strategies including residual waste and recycling collection regimes, residual waste disposal & treatment and recycling and organic treatment. The partnership project in relation to Prosiect Gwyrdd (residual waste) forms a vital part of this strategy.

4.5.5 Building Cleaning services has received additional funding of £60k for increases in the living wage.

5 EQUALITIES IMPLICATIONS

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

6. FINANCIAL IMPLICATIONS

6.1 This report deals with the financial issues.

7. PERSONNEL IMPLICATIONS

7.1 Included in the Service Division budget savings summarised in the report and detailed in appendix 2 are savings in relation to staff restructures and vacancy management.

8. CONSULTATIONS

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

9. RECOMMENDATIONS

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

10. REASONS FOR THE RECOMMENDATIONS

10.1 To enable the achievement of the Service Divisions' objectives for 2015/2016.

11. STATUTORY POWER

11.1 Local Government Acts 1998 and 2003.

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Councillor Mrs E.M Aldworth Vice Chair Regeneration & Environment Scrutiny Committee
Councillor, K. James, Cabinet Member Regeneration, Planning & Sustainable Development
Councillor, D. Poole Cabinet Member Community & Leisure Services
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Chris Burns, Interim Chief Executive
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Cheryl Jeremic, Acting Group Accountant
Rose Shears, Finance Officer
Jane Southcombe, Financial Services Manager
Dave Roberts, Group Accountant
Paul Adams, Senior Assistant Accountant

Background Papers:

Divisional budget papers 2015/2016.

Appendices:

Appendix 1A Revenue Budget – Engineering Services
Appendix 1B Revenue Budget – Regeneration, Planning and Economic Development
Appendix 1C Revenue Budget – Public Protection
Appendix 1D Revenue Budget – Community and Leisure Services
Appendix 2 Environment Directorate – MTFP Savings 2015/16

Links to other Documents:

Minutes Council Meeting 25/2/2015: Budget Proposals 2015/16
Agenda Item No. 4