

**STROUD DISTRICT COUNCIL**  
**ENVIRONMENT COMMITTEE**

**AGENDA  
ITEM NO**

**12 SEPTEMBER 2019**

**5**

<b>Report Title</b>	<b>BUDGET MONITORING REPORT 2019/20 Q1</b>
<b>Purpose of Report</b>	To present the 2019/20 forecast outturn position against the revenue budgets and Capital programme that the committee is responsible for in order to give an expectation of possible variances against budget and items to be considered as part of the budget setting process.
<b>Decision(s)</b>	<b>The Committee RESOLVES to note the outturn forecast for the General Fund Revenue budget and the Capital programme for this Committee.</b>
<b>Consultation and Feedback</b>	Budget holders have been consulted about the budget issues in their service areas. The feedback has been incorporated in the report to explain differences between budgets and actual income and expenditure.
<b>Financial Implications and Risk Assessment</b>	<p>This report sets out the outturn forecast on the committee's revenue and capital budgets.</p> <p>There are a number of variations reported on the revenue budget, with a net overspend of £72k projected.</p> <p>The report also sets out the Capital outturn position, with changes proposed to the profiling of the capital scheme across 2019/20 and 2020/21.</p> <p>Lucy Clothier, Interim Accountancy Manager Tel: 01453 754343 Email: <a href="mailto:lucy.clothier@stroud.gov.uk">lucy.clothier@stroud.gov.uk</a></p>
<b>Legal Implications</b>	<p>There are no legal implications arising from this report</p> <p>Patrick Arran, Interim Head of Legal Services Tel: 01453 754369 Email: <a href="mailto:patrick.arran@stroud.gov.uk">patrick.arran@stroud.gov.uk</a></p>
<b>Report Author</b>	Adele Rudkin, Accountant Tel: 01453 754109 Email: <a href="mailto:adele.rudkin@stroud.gov.uk">adele.rudkin@stroud.gov.uk</a>
<b>Options</b>	None
<b>Performance Management Follow Up</b>	Budgets will continue to be monitored on a regular basis by budget holders supported by Finance. Further finance reports will update the committee in December 2019.

**Background**

1. This report provides the first monitoring position statement for the financial year 2019/20. The purpose of this report is to notify members of any known significant variations to budgets for the current financial year, highlight any key issues, and to inform members of any action to be taken if required.

2. Due to the volume of information contained in the report, it would be helpful where members have questions on matters of detail if they could be referred to the report author or the appropriate service manager before the meeting.

### Revenue Budget position

3. Council approved the General Fund Revenue budget for 2019/20 in February 2019 including budget proposals of the administration.
4. The latest budget for Environment Committee taking into account the adjustments for carry forwards is **£5.610m** (Original Budget was **£5.462m**).
5. The monitoring position for the committee at 30 June 2019 shows a **projected net overspend of £72k** against the latest budget, as summarised in Table 1. The overall position on the General Fund will be considered by Strategy and Resources committee at their meeting in October 2019.
6. The outturn position is mainly attributable to the major items outlined in Table 2 with an explanation of the significant variances that have arisen (a significant variation is defined as being +/- £20,000 on each reporting line). Table 4 provides a more detailed breakdown on the committee's budgets.
7. Table 3 shows the Capital spend and Projected outturn for the Environment Committee for 2019/20.

(Tables may contain roundings for presentation purposes)

**Table1 – Revenue budgets Environment Committee 2019/20**

Environment Committee	Para Refs	2019/20 Original Budget (£'000)	2019/20 Revised Budget (£'000)	2019/20 Forecast Outturn (£'000)	2019/20 Reserve Transfers (£'000)	2019/20 Outturn Variance (£'000)
Canal		6	6	6	0	0
Carbon Management		71	78	78	0	0
Development Control	8	41	41	119	0	78
Director (Development Services)		119	119	119	0	0
Economic Development		91	91	100	0	9
Head of Health and Wellbeing		72	72	72	0	0
Health & Wellbeing	9	736	878	839	0	(39)
Land Charges & Street Naming		(42)	(42)	(54)	0	(12)
Planning Strategy/Local Plan	10	309	309	429	(76)	44
Statutory Building Control		92	92	84	0	(8)
Waste & Recycling: Other		20	20	20	0	1
Waste and Recycling: MSC		3,947	3,947	3,947	0	0
<b>Environment TOTAL</b>		<b>5,462</b>	<b>5,610</b>	<b>5,759</b>	<b>(76)</b>	<b>72</b>

**Table 2 - Headline Budget variances**

<b>Service</b>	<b>Para Refs</b>	<b>Overspend/ (Underspend) (£'000)</b>
Development Control	8	78
Health & Wellbeing	9	(39)
Planning Strategy/Local Plan	10	44
<b>TOTAL</b>		<b>83</b>

Note: This table shows the significant variations only and therefore will not agree to the variation shown in Table 1.

**8. Development Control – £78k overspend**

(Geraldine LeCointe xtn 4233, [geraldine.lecointe@stroud.gov.uk](mailto:geraldine.lecointe@stroud.gov.uk))

This variance directly relates to salaries. The service went through a review in 2018/19. The re-evaluation of all job descriptions has resulted in a new structure that includes an improved and more robust officer hierarchy in the development management teams and reporting lines. The review process has led to a number of posts being re-evaluated at a higher grade, which has had a direct impact on the overall salary spend. The overall variance includes savings from vacant posts to date. These additional salary costs should be offset by income from planning application fees by the end of Q4, but it is too early to attempt to forecast this in Q1. Officers are also mindful of future unknowns that may impact income, such as Brexit and the fact that many large strategic sites identified in the local plan have already been the subject of planning applications. However, it is anticipated that a number of income generating 'reserved matters' applications will be received in Q2 and Q3.

**9. Health & Wellbeing – (£39k underspent)**

(Jon Beckett xtn 4443, [jon.beckett@stroud.gov.uk](mailto:jon.beckett@stroud.gov.uk))

This underspend is directly related to salaries. A number of in year vacancies have been identified (including business support roles and Health and Safety Officer), which have now been recruited to. There have also been a reduction in hours with the service which has contributed to this saving. Any changes to establishment will be identified as part of the budget setting process later in this financial year.

**10. Planning Strategy – £44k overspend**

(Mark Russell xtn 4305, [mark.russell@stroud.gov.uk](mailto:mark.russell@stroud.gov.uk))

**£30k** of this overspend is due to a salaries variance. The service has just completed its Workforce Plan Review and this now reflects the costs required to deliver a fit for purpose planning team. Additional Fee income in Development Control is scheduled to cover this overspend.

The reserve transfer column (table 1) shows overspends that will be funded from earmarked reserves. **£54k** of the overall variance is forecast for additional transport modelling work required to support the Local Plan Review. This forecast will result in an overspend in the consultants budget for 2019/20, although some of this work

may be re-scheduled for 2020/21. This variance can be substantially funded from the Local Plan Reserve (**£49.7k**).

**£27k** expenditure in relation to the development of neighbourhood plans (NDPs) will be paid for via the Government grants made available to the Council for progressing NDPs to adoption, this will be dealt with as a reserve transfer therefore a net nil variance.

### Capital Programme

Table 3 below shows the Capital Outturn forecast for 2019/20 with a projected outturn variance of (**£1.659m**).

**Table 3 – Environment Committee Capital Programme**

Environment Capital Schemes	Para Refs	2019/20 Original Budget (£'000)	2019/20 Revised Budget (£'000)	2019/20 Forecast Outturn (£'000)	2019/20 Outturn Variance (£'000)
Canal	11	732	2,029	580	(1,449)
Market Town Centres Initiative Fund	12	50	113	113	0
Multi-Service Contract-Vehicles	13	684	844	844	0
Stroud District Cycling & Walking Plan	14	100	200	90	(110)
Wallbridge-Gateway	15	0	100	0	(100)
<b>Environment Capital Schemes TOTAL</b>		<b>1,566</b>	<b>3,286</b>	<b>1,627</b>	<b>(1,659)</b>

#### 11. Canal

The Council and Cotswold Canals Trust have now secured the **£842k** crucial development funding from the Heritage Lottery Fund (HLF). This announcement will enable the subsequent application for a further £9million of HLF money to allow the whole project to go ahead.

The project aims to take the canal under the M5 motorway, reinstate the 'missing mile' of canal near Eastington and forge a new stretch of canal under the Gloucester to Bristol railway line at Stonehouse.

The expectation regarding the forecast to end of the current financial year of **£580k** is a reasonable estimate at this time.

#### 12. Market Town Centres Initiative Fund.

The Distribution of Market Towns Funding was agreed at January's Strategy and Resources Committee. In order to be able to distribute the funds to the relevant Town Councils, written confirmation has been sought that they will spend the funds as agreed. There are a number of outstanding replies from the Town Councils and funds cannot be released until this confirmation is received. It is anticipated that the budget will be fully spent this financial year.

#### 13. Multi- Service Contract – Vehicles

It is forecast that the capital budget will be spent in 2019/20, as there is an ongoing fleet management programme with vehicles identified as being at the end of their expected lifespan along with vehicles required in order to allow for additional growth within the district. The ongoing ambition of removing vehicles from hire within the contract will require the purchase of vehicles.

Currently there is one vehicle on hire (JCB) this will be procured for in 2019/20 which will result in the removal of hire costs within the revenue contract.

#### **14. Stroud District Cycling and Walking Plan**

The resurfacing of the Nailsworth/Dudbridge route, which is being led by Gloucestershire Wildlife Trust as part of their ERDF Wild Towns project, is due to commence in September. This will complete the section between Nailsworth and South Woodchester. A further **£40k** has been earmarked to go towards completing the second half of the track between South Woodchester and Dudbridge. Additional funding sources for this section are in the process of being secured.

A finalised route between Uley and Cam station, via Dursley and Cam was agreed in March 2019. **£50k** of the Cycling and Walking budget has been earmarked to spend on resurfacing some sections of this route.

A feasibility study for a high quality utility cycle route between Chalford and Stroud has commenced and is currently going through a public consultation phase. This being carried out by an independent Dutch consultancy called Witteveen and Bos. SDC has not contributed to the cost of the study.

Initial work into the feasibility of a Kingswood/Wotton/Charfield Greenway route has been completed by Sustrans. They are now looking to progress towards the design phase.

#### **15. Wallbridge Gateway**

Ecotricity withdrew their application to match fund on this project last financial year. SDC and Stroud Town Council have been sourcing possible other funds to make up for this lack of funding. Whilst this continues to be sought, a landscape designer maybe appointed to complete the design scheme.

**Table 4 – Detailed revenue variations**

	Para Refs	2019/20 Original Budget (£'000)	2019/20 Revised Budget (£'000)	2019/20 Forecast Outturn (£'000)	2019/20 Reserve Transfers (£'000)	2019/20 Outturn Variance (£'000)
<b>Environment Committee</b>						
Canal Restoration Project		0	0	0	0	0
Canal Partnership		6	6	6	0	0
<b>Canal</b>		<b>6</b>	<b>6</b>	<b>6</b>	<b>0</b>	<b>0</b>
Energy Efficiency		71	78	78	0	0
<b>Carbon Management</b>		<b>71</b>	<b>78</b>	<b>78</b>	<b>0</b>	<b>0</b>
Footpaths		(2)	(2)	(2)	0	0
Conservation		60	60	73	0	13
Development Control		(241)	(241)	(135)	0	106
Planning Appeals		71	71	30	0	(41)
Tree Conservation		43	43	43	0	0
Planning Enforcement		109	109	109	0	0
<b>Development Control</b>	<b>8</b>	<b>41</b>	<b>41</b>	<b>119</b>	<b>0</b>	<b>78</b>
Director (Development Services)		119	119	119	0	0
<b>Director (Development Services)</b>		<b>119</b>	<b>119</b>	<b>119</b>	<b>0</b>	<b>0</b>
Economic Development		35	35	35	0	0
Market Town Projects		0	0	0	0	0
Regeneration		56	56	65	0	9
<b>Economic Development</b>		<b>91</b>	<b>91</b>	<b>100</b>	<b>0</b>	<b>9</b>
Head of Environmental Health		72	72	72	0	0
<b>Head of Health and Wellbeing</b>		<b>72</b>	<b>72</b>	<b>72</b>	<b>0</b>	<b>0</b>
Health & Wellbeing		126	126	111	0	(16)
Contaminated Land		27	27	30	0	3
Dog Warden Service		79	79	83	0	4
Environmental Protection		154	154	164	0	10
Food Safety		154	154	137	0	(17)
Health and Safety		89	89	76	0	(13)
Land Drainage		39	210	210	0	0
Public Health		44	44	35	0	(10)
Pest Control		5	5	5	0	1
Port Health		2	2	(1)	0	(3)
Planning Liaison		17	(11)	(11)	0	0
<b>Health &amp; Wellbeing</b>	<b>9</b>	<b>736</b>	<b>878</b>	<b>839</b>	<b>0</b>	<b>(39)</b>

	Para Refs	2019/20 Original Budget (£'000)	2019/20 Revised Budget (£'000)	2019/20 Forecast Outturn (£'000)	2019/20 Outturn Variance (£'000)
<b>Environment Committee</b>					
Land & Property Custodian		(36)	(36)	(33)	3
Street Naming		(6)	(6)	(21)	(15)
<b>Land Charges &amp; Street Naming</b>		<b>(42)</b>	<b>(42)</b>	<b>(54)</b>	<b>(12)</b>
Planning Strategy		309	309	429	44
<b>Planning Strategy/Local Plan</b>	<b>10</b>	<b>309</b>	<b>309</b>	<b>429</b>	<b>44</b>
Planning and Building Control Admin		266	266	266	0
Building Control		(244)	(244)	(244)	0
Securing Dangerous Structures		10	10	8	(2)
Building Regulation Enforcement / Advice		60	60	54	(6)
<b>Statutory Building Control</b>		<b>92</b>	<b>92</b>	<b>84</b>	<b>(8)</b>
Waste & Recycling: Other		20	20	20	1
<b>Waste &amp; Recycling: Other</b>		<b>20</b>	<b>20</b>	<b>20</b>	<b>1</b>
MSC: Refuse Collection		1,320	1,320	1,330	10
MSC: Food Waste		511	511	511	0
MSC: Recycling		1,433	1,433	1,424	(9)
MSC: Bulky Waste		7	7	7	0
MSC: Garden Waste		29	29	29	0
MSC: Ubico Other		0	0	0	0
MSC: Street Cleansing		647	647	646	(1)
<b>Waste and Recycling: MSC</b>		<b>3,947</b>	<b>3,947</b>	<b>3,947</b>	<b>0</b>
<b>Environment TOTAL</b>		<b>5,462</b>	<b>5,610</b>	<b>5,759</b>	<b>72</b>

- Planning Strategy Outturn variance does reflect the reserve transfers as detailed in Table 1.