

STROUD DISTRICT COUNCIL

ENVIRONMENT COMMITTEE

09 SEPTEMBER 2021

Report Title	BUDGET MONITORING REPORT Q1 2021/22			
Purpose of Report	To present the 2021/22 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.			
Decision(s)	The Committee RESOLVES to Note the outturn forecast for the General Fund Revenue budget and the Capital Programme for this Committee.			
Consultation and Feedback	Budget holders have been consulted about the budget issues in their service areas. The feedback has been incorporated into to the report to explain difference between budgets and forecast income and expenditure.			
Report Author	Adele Rudkin, Accountant Tel: 01453 754109 Email: adele.rudkin@stroud.gov.uk			
Options	None			
Background Papers	None			
Appendices	Appendix A – Detailed breakdown of revenue position			
Implications (further details at the end of the report)	Financial	Legal	Equality	Environmental
	Yes	Yes	No	No

1 Background

- 1.1 This report provides the first monitoring position statement for the financial year 2021/22. 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.
- 1.2 **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.**

2. Summary

- 2.1 The monitoring position for the committee at 30 June 2021 shows a **projected net revenue underspend of (£32k)** against the latest budget, as summarised in Table 1.

- 2.2 This position does not include the expected financial impact of Covid-19, which is reported to Strategy and Resources Committee. A summary of the position for this committee included in Section 4.
- 2.3 The capital programme is showing a forecast spend of £8.160m against a budget of £10.011m. The variance of (£1.850m) relates to re-profiling of timings, predominantly on the Canal project.
- 2.4 Table 3 shows the capital spend and projected outturn for the Environment Committee for 2021/22.

3. Revenue Budget Position

- 3.1 Council approved the General Fund Revenue budget for 2021/22 in February 2021 including budget proposals of the administration.
- 3.2 The latest budget for Environment Committee taking into account the adjustments for carry forwards is **£6.346m** (Original Budget was **£6.172m**).
- 3.3 The monitoring position for the committee at 30 June 2021 shows a **projected net underspend of (£32k)** against the latest budget, as summarised in Table 1. This does not incorporate the Covid pressures outlined in table 2, this will be reported in the overall position on the General Fund to Strategy and Resources Committee.
- 3.4 The outturn position is mainly attributable to those items outlined in Table 1 with an explanation of the significant variances (including Covid related issues) that have arisen (a significant variation is defined as being +/- £20,000 on each reporting line).
- 3.5 Appendix A provides a more detailed breakdown on the Committee's budgets.

Table 1 – Environment Revenue budgets 2021/22

Environment Committee	Para Refs	2021/22 Original Budget (£'000)	2021/22 Revised Budget (£'000)	2021/22 Forecast Outturn (£'000)	2021/22 Reserve Transfers (£'000)	2021/22 Outturn Variance (£'000)	Covid-19 Pressures (Reported in S&R)
Canal	3.6	379	379	279	100	(1)	0
Carbon Management		110	173	181	0	9	0
Development Control	3.7	197	197	210	0	13	275
Economic Development		101	101	101	0	0	0
Health & Wellbeing		830	941	960	0	18	0
Land Charges & Street Naming		(18)	(18)	(18)	0	0	0
Planning Strategy/Local Plan		370	370	363	0	(7)	0
Statutory Building Control	3.8	(137)	(137)	(139)	0	(2)	50
Waste & Recycling: Other		12	12	28	0	16	0
Waste and Recycling: MSC	3.9	4,329	4,329	4,251	0	(78)	0
Environment TOTAL		6,172	6,346	6,215	100	(32)	325

Note: table may contain rounding differences

3.6 Canal - £nil variance

The spend on the Canal project, including any revenue spend, will continue to be monitored as part of the overall Phase 1B project. Further detail on the project is included in the capital narrative.

3.7 Development Control – £288k under achievement of income/overspend

(Geraldine LeCointe xtn 4233, geraldine.lecointe@stroud.gov.uk)

This variance consists of two elements. A £200k underachievement of income is forecast on Planning application fee income. The pandemic is still having an impact on the type of applications submitted to council with the trend being for smaller scale developments that attract smaller fees. This may change with progress of the draft local plan and as the impact of the pandemic recedes, but this is yet to evidence itself.

The predicted £80k salary overspend relates to extra agency staff who have been brought in to support the development management and enforcement services. These are temporary posts plugging gaps created while we recruit and train new staff and also to support the substantial increase in enforcement complaints received during the pandemic.

3.8 Statutory Building Control – £48k overspend

(Paul Bowley xtn 4520, paul.bowley@stroud.gov.uk)

Income for the first quarter has achieved target. The bounce back of construction activity and our share of the market will continue to be monitored with the aim that there will not be the loss of income due to Covid-19 which was predicted to be up to £48k when the budget was set. At future budget monitoring this figure will be reduced or removed. Business support posts were filled in the first quarter and an agency building control surveyor has been advertised ahead of recruiting for a permanent position. The current salary savings will cover the increased agency cost.

3.9 Waste and Re-cycling - Multi Service Contract – (£78k) additional income/overspend

(Mike Hammond xtn 4447, mike.hammond@stroud.gov.uk)

This underspend is made of several offsetting variances. Recycling is forecasting an additional (£55k) of income due to a more buoyant than expected paper re-cycling market. Sustained growth of garden waste subscriptions will impact the forecast income variance by (£63k). A £48k overspend is estimated on replacement refuse receptacles due to the ageing wheelie bin infrastructure, this will be addressed at budget setting in the autumn. The Ubico contract will continue to be monitored closely on a monthly basis, the current forecast is showing a small overspend mainly due to an outstanding insurance dispute claim and theft of diesel from the Gossington site of £25k. In addition, Ubico have raised the issue of the national shortage of drivers and rates of pay. A proposal is currently being looked over in conjunction with the other Councils across the contract, in effect this could mean increased supplementary costs of circa £45k this financial year. This will be considered in more detail through the upcoming budget strategy later this financial year.

4. Covid Pressures

- 4.1 Table 2 below outlines the particular Covid pressures borne though either additional expenditure or loss of income within with each service for this Committee.
- 4.2 The impact of these figures will be included in the budget monitoring report to Strategy & Resources Committee against the budget allocated by Council in February, and any expected grant income from Government.

Environment

Table 2 - Covid Pressures reported to Strategy and Resources Committee

Committee Summary Heading	Committee Service Area	Outturn Forecast (£'000)
Development Control	Development Control	75
Subtotal Covid-19 Additional Expenditure		75
Development Control	Development Control	200
Statutory Building Control	Building Control	50
Subtotal Covid-19 Loss of Income		250
TOTAL Covid Pressures		325

5. Capital Programme

Table 3 below shows the Capital Outturn forecast for 2021/22 with a projected outturn variance of (£1.850m).

Table 3 – Environment Committee Capital Programme

Environment Capital Schemes	Para Refs	2021/22 Original Budget (£'000)	2021/22 Revised Budget (£'000)	2021/22 Forecast Outturn (£'000)	2021/22 Outturn Variance (£'000)
Canal	5.1	6,631	8,215	6,603	(1,611)
Market Town Centres Initiative Fund	5.2	50	40	40	0
Multi-Service Contract Vehicles	5.5	859	1,208	1,208	0
Rural SuDS Project	5.3	30	30	30	0
Stratford Park Acquisition of Machinery	5.4	0	14	14	0
Stroud District Cycling & Walking Plan	5.6	200	404	165	(239)
Wallbridge-Gateway	5.7	100	100	100	0
Environment Capital Schemes TOTAL		7,870	10,011	8,160	(1,850)

5.1 Canal

Following the successful bid to the National Lottery Heritage Fund for grant funding for Phase 1B of the Cotswold Canal Connected Project, work is underway. The variance to the

budget is a timing difference, which will be reviewed, and the existing budget re-profiled to reflect the timetable. The overall project budget remains the same.

5.2 Market Town Centres Initiative Fund.

The Distribution of Market Towns Funding was agreed at the January 2019 by Strategy and Resources Committee. In order to be able to distribute the funds to the relevant Town Councils, written confirmation was sought as to how would spend the funds for agreement. Some responses were received after the relevant financial year, resulting in a variance against the profiled budget, this has been taken into account in 2021/22 with the remaining budget due to be spent in year.

5.3 Rural SuDS

Four schemes have been completed in the first quarter of this financial year with 16 leaky dams and 3 small attenuation areas created plus additional small works. This has involved working with 5 new private landowners and 3 new contractors. There are currently 7 new schemes in planning stages for delivery later in the year.

5.4 Stratford Park Acquisition of Machinery

This amount was allocated as part of the overall Capital project of the transfer of grounds maintenance contract for Stratford Park and Brimscombe Cemetery to Ubico was approved on the 14 April 2020 by Officer decision in consultation with group leaders and Chairs of the relevant Committees of £95k. The £14k is earmarked for site enhancements and options are currently being reviewed. It is anticipated to be fully utilised on 2021/22.

5.5 Multi- Service Contract – Vehicles

The spend is in line with the fleet programme which is being procured in conjunction with Ubico, this is expected to be delivered within budget and within this financial year.

5.6 Stroud District Cycling and Walking Plan

Progress is being made on delivering improvements to the cycling and walking network, working with Gloucestershire County Council and local groups. A significant underspend is currently forecast for 2021/22, partly because a number of the projects are at the early feasibility and design stages and significant funding is yet to be required, partly due to the incremental nature of some of the projects and finally because of the success to date in attracting significant match funding from, for example, CIL funding, the Country Council, Gloucestershire Health Services and ERDF European funding. Future expenditure is expected to be aligned with Local Cycling and Walking Plans (LCWP) which are currently in production. A Cycling and Walking Task & Finish Group is being set up to consider ways of focussing future investment on priority projects and how to unblock constraints and accelerate delivery.

5.7 Wallbridge Gateway

This site has been included in the canal strategy and a design will be progressed with Stroud Town Council once the strategy has been completed as it is a significant gateway site for the town and the canal. In the mean-time the upper part of the site has been identified as the location for a district wide Covid memorial.

6. IMPLICATIONS

6.1 Financial Implications

There are no financial implications arising from this report as it reports on previous financial activities, and expected forecasts.

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6.2 Legal Implications

There are no direct legal implications arising from the report and its recommendations.

One Legal

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6.3 Equality Implications

There are not any specific changes to service delivery proposed within this decision.

6.4 Environmental Implications

There are no significant implications within this category.

		2021/22 Original Budget (£'000)	2021/22 Revised Budget (£'000)	2021/22 Forecast Outturn (£'000)	2021/22 Reserve Transfers (£'000)	2021/22 Outturn Variance (£'000)
Environment Committee	Para Refs					
Canal Restoration Project		379	379	279	100	(1)
Canal	3.6	379	379	279	100	(1)
Energy Efficiency		110	173	181	0	9
Carbon Management		110	173	181	0	9
Development Control		197	197	210	0	13
Development Control	3.7	197	197	210	0	13
Economic Development		35	35	35	0	0
Regeneration		66	66	66	0	0
Economic Development		101	101	101	0	0
Contaminated Land		30	30	30	0	0
Dog Warden Service		95	95	96	0	1
Environmental Protection		182	182	183	0	1
Food Safety		151	151	148	0	(3)
Head of Health and Wellbeing		76	76	81	0	5
Health & Wellbeing		113	113	114	0	0
Health and Safety		82	90	98	0	7
Land Drainage		41	145	145	0	1
Pest Control		6	6	12	0	6
Planning Liaison		15	15	15	0	0
Port Health		2	2	2	0	0
Public Health		36	36	36	0	0
Health & Wellbeing		830	941	960	0	18
Land & Property Custodian		12	12	12	0	0
Street Naming		(30)	(30)	(30)	0	0
Land Charges & Street Naming		(18)	(18)	(18)	0	0
Planning Strategy		370	370	363	0	(7)
Planning Strategy/Local Plan		370	370	363	0	(7)
Building Control		(179)	(179)	(181)	0	(2)
Building Regulation Enforcement / Advice		32	32	32	0	0
Securing Dangerous Structures		10	10	10	0	0
Statutory Building Control	3.8	(137)	(137)	(139)	0	(2)
Waste & Recycling: Other		12	12	28	0	16
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MSC: Bulky Waste		10	10	(1)	0	(11)
MSC: Food Waste		747	747	747	0	0
MSC: Garden Waste		(94)	(94)	(142)	0	(48)
MSC: Recycling		1,544	1,544	1,489	0	(55)
MSC: Refuse Collection		1,412	1,412	1,448	0	36
MSC: Street Cleansing		710	710	710	0	0
Waste and Recycling: MSC	3.9	4,329	4,329	4,251	0	(78)
Environment TOTAL		6,172	6,346	6,215	100	(32)

Note: table may contain rounding differences