

ENVIRONMENT COMMITTEE REVENUE DETAIL

Table 1 – Environment Committee Outturn Detail

Environment Committee	Para Refs	2019/20 Original Budget (£'000)	2019/20 Revised Budget (£'000)	2019/20 Actual (£'000)	2019/20 Reserve Transfers (£'000)	2019/20 Outturn Variance (£'000)
Canal		6	32	297	0	265
Carbon Management		71	135	140	0	5
Development Control		41	130	210	0	80
Director (Development Services)		119	78	122	0	44
Economic Development		91	102	(210)	347	35
Health & Wellbeing		780	951	713	176	(62)
Land Charges & Street Naming		(51)	(42)	(47)	0	(4)
Planning Strategy/Local Plan		309	374	399	(15)	11
Statutory Building Control		92	(29)	(94)	(102)	(167)
Waste & Recycling: Other		20	20	6	0	(14)
Waste and Recycling: MSC		3,947	3,947	3,548	6	(393)
Environment TOTAL		5,425	5,696	5,085	412	(200)

1.1 Canal - £265k overspend

(Dave Marshall xtn 4646, dave.marshall@stroud.gov.uk)

Although showing as an overspend against budget, this cost is fully funded within the Canal Phase 1B programme, with these costs funded from the agreed council contribution of £3m. Further detail on the project is included within the Capital programme detail in Appendix G.

1.2 Development Control – £80k overspend

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

As previously reported to members an overspend of £80k has been identified. Application fee income is currently down in comparison with this time of year over the last 3 years but interrogation of these historic statistics also shows how there is no predictable pattern to income month on month or year on year.

The service has also taken a cautionary approach because of the as yet unknown impact of Brexit on the development sector.

The service has been reviewed and a new structure was put in place in June 2019. The new structure should allow us to improve the fee income from the pre-application service we provide however two key posts are currently vacant which has hampered our ability to implement these changes. It is also worth noting that the service can only seek to recoup its costs in providing a pre-application advice service.

1.3 Director (Development Services) - £44k overspend

(Kathy O'Leary xtn 4780, kathy.oleary@stroud.gov.uk)

This overspend is directly related to redundancy costs associated with the re-structure of the Senior Leadership team that was approved by Strategy and Resources in July 2019.

1.4 Economic Development – £35k overspend (Pippa Stroud xtn 4099, pippa.stroud@stroud.gov.uk)

In 2018 business rates support, in the form of a discount against business rates, was offered to a business who were relocating within the District. This relocation is now complete and as the support was offered in 2018 it creates an overspend in the 2019/20 financial year.

1.5 Health & Wellbeing – (£62k) underspend/additional income (Jon Beckett xtn 4443, jon.beckett@stroud.gov.uk)

A salary underspend of (£30k) has been identified. 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 has also been a reduction in hours with the service which has contributed to this saving. Any changes to establishment have been identified as part of the budget setting process.

There a number of projects within Land Drainage which encompass external funding over several financial years. They comprise of (£80k) (external funding from the County Council) to fund land drainage enforcement work. No suitable funding projects were identified in 2019/20 but several flood incidents did occur early 2020 where these monies will be able to be potentially allocated in 2020/21. (£36k) income surplus has been forecast on flood prevention projects and S106 monies for flood prevention work and is a combination of funding from the Environment Agency. This has been allocated towards on-going schemes in the new financial year. The Rural SuDS Project budget (£52k underspend) is the funding we receive from the EA to mainly pay for the project officer who is to remain in post until March 2021.

1.6 Statutory Building Control – (£167k) underspend (Paul Bowley xtn 4250, paul.bowley@stroud.gov.uk)

Gloucestershire Building Control Partnership is a shared service with Gloucester City Council and hosted by Stroud. The service is provided under the auspices of the Building Act 1984, an element of the service is in competition with the private sector. The shared service was established on the 1st July 2015 and has resulted in an increase in income due to receiving applications from both Stroud and Gloucester areas.

The savings in Building Control in the main, relate to an unfilled Area Building Control Surveyor post which remains vacant. Other in year savings against budget within the service have also been achieved. A review of the financial position by the shared service board and audit has concluded that any previous year's surplus cannot be re-invested into the service and that the service must meet the overriding objective of balancing income with expenditure over a 3 to 5 year period. Building Control charges are set to be increased by 9.5% in 2020/21 and a review of costs ahead of the 2021/22 budget is planned in order to mitigate any future deficit.

The year end position includes a transfer from the Building Control reserve in line with the purpose of the reserve.

1.7 Waste & Recycling – (£393k underspend)

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

A more favourable outturn variance compared to the Q3 forecast has been achieved.

As reflected in the recent report presented to Environment Committee the market for mixed paper collapsed in late 2019. Whilst we expected a large reduction in our contractual price mechanism, the key market price held firm in January 2020, resulting in better returns than we expected (£160k) favourable variance. Whilst SDC has been insulated from this within the existing contract, it will end shortly, exposing us fully to current market conditions. This is now very likely to impact the budgetary position in 2020/21.

The UBICO contract final spend was (£195k) under the original budget of £5.873m across all Committees. This saving has been generated across all services within the Multi Service Contract. Whilst this is an extremely positive outcome, we will continue working very closely with Ubico to work on a more robust approach to their budget monitoring process, so any variances will be identified earlier. This will then lead to a more streamlined budget setting process for future years.

Garden Waste has achieved improved revenue levels due to the scheduled price increase tariff. This has allowed the investment in scheme expansion and record subscriber numbers by March 2020. Additional underspends within the service have contributed towards the favourable variance.

Alongside this the final reimbursement for recycling credits was higher than anticipated at Q3.

In this financial year incentive and recycling credit payments made via the County Council remain relatively unchanged. Members will recall that GCC previously proposed changes to the food waste incentive payments they make to SDC and other districts. Following a notice period the new payment mechanism is due to be introduced in July 2020. The financial impact is large, with revenue levels expected to decrease by circa. £225k per annum.