

The Vale of Glamorgan Council

Environment and Regeneration Scrutiny Committee: 10th January 2019

Report of the Director of Environment and Housing

Revenue and Capital Monitoring for the period 1st April to 30th November 2018

Purpose of the Report

1. To bring to the attention of this Scrutiny Committee, the position in respect of revenue and capital expenditure for the period 1st April to 30th November 2018 regarding those revenue and capital budgets, which form this Committee's remit.

Recommendation

It is recommended that Scrutiny Committee consider the position with regard to the 2018/19 revenue and capital monitoring.

Reason for the Recommendation

That members are aware of the position with regard to the 2018/19 revenue and capital monitoring relevant to this scrutiny committee.

Background

2. On 28th February 2018, Council approved the Revenue and Capital budgets for 2018/19 (minute no 746 and 745 respectively). Reports monitoring expenditure are brought to this committee on a regular basis. Cabinet on 19th November 2018 approved the revised 2018/19 Revenue and Capital budgets (minute no C480 and C482 respectively).

Relevant Issues and Options

Revenue

3. It is currently projected that services under this Committee will out-turn on budget, however, there are some areas of concern and reserves will be utilised this year.

Service	2018/19	2018/19	2018/19	Variance
	Original	Amended	Projected	(+)Favourable
	Budget £'000	Budget £'000	Outturn £'000	(-) Adverse £'000
Neighbourhood & Transport Services	25,518	25,194	25,509	-315
Unplanned use of reserves to fund overspend	0	0	(315)	+315
Building Services	0	0	0	0
Regeneration	2,075	2,065	2,065	0
Development Management	1,060	1,058	1,058	0
Total	28,653	28,317	28,317	0

4. Neighbourhood Services & Transport is currently projected to out-turn on budget, however, there are some areas of concern to highlight and reserves will be utilised.
5. Within the Waste Collection Service there is still pressure on employee and transport budgets due to downtime involved in travelling to Cardiff to dispose of waste. Some additional resource has also been required during the recent service change which introduced the 2 black bag limit for residual waste. There has however recently been an operational change to use a site within Cowbridge as a transfer station for some elements of waste. It is anticipated that this will decrease the level of downtime currently experienced. £200k had been set aside for 2018/19 within the Neighbourhood Services Reserve with an aim to offset this budget pressure. Due to an increase in treatment charges within the recycling market, primarily as a result of China's decision to reject elements of mixed recycling, there is also a pressure within the recycling treatment budget. Again funding had been set aside in reserves for 2018/19 to cover this pressure however this is only a one-off funding stream and a cost pressure has been submitted for 2019/20.
6. The Reshaping Services savings target for Neighbourhood and Transport Services for 2018/19 is £951k. £375k of this saving relates to the remaining balance to be found from the recent restructure within Neighbourhood Services. The restructure has been effective from 1st April 2018 however due to the timescales and notice periods required, some staff have remained in post longer than anticipated. This may have some effect on the level of savings achievable. It is envisaged that the full £951k saving will not be made in this financial year and a shortfall of £315k is being reported. Plans for the remainder of the savings are currently being developed and will be reported to Cabinet in due course however the Neighbourhood Services Reserve will be required to meet any remaining shortfall in savings at year end.
7. Regeneration - This budget covers the Countryside, Economic Development and Tourism & Events functions. Although the forecast is again shown as a balanced budget at year-end, there remains concern over the income targets for car parking charges and commercial opportunities within the Countryside Division, where historic savings targets are unlikely to be achieved this year. Efforts are being made to maintain a balanced budget by year-end, but the situation will need to be closely monitored.

8. Development Management - Planning application fee income remains behind target as at 30th November. Application fee income is difficult to forecast as there is no regular trend to track, but in the absence of any major applications being received this year it is unlikely that the current target can now be achieved. However, as there are underspends in staff costs and Building Control income remains buoyant, it is still anticipated that the overall position for this Division at year-end will be a breakeven position. The Section is also continuing to pursue the use of Planning Performance Agreements and other income generation initiatives such as pre-planning application advice to help support the regulatory process.

2018/19 Savings Targets

9. As part of the Final Revenue Budget Proposals for 2018/19, a savings target of £6.298m was set for the Authority. Attached at Appendix 1 is a statement detailing all savings targets relating to this Committee.
10. Each savings target has been given a RAG status. Green indicates that it is anticipated that the target will be achieved in full within the year, amber indicates that it is considered that the saving in the year will be within 20% of the target and red indicates that the saving to be achieved in year will be less than 80% of the target.
11. Neighbourhood Services and Transport - There is a savings target this year of £951k however it is currently anticipated that £636k will be achieved leaving a shortfall of £315k to be identified. Work is continuing to identify schemes to close this gap however any shortfall at year end will need to be funded from the Neighbourhood Services reserve.

Capital

12. Appendix 2 details financial progress on the Capital Programme as at 30th November 2018.
13. Penarth Heights Public Art - A delegated authority has been approved to include a new scheme with a value of £834k into the capital programme to be funded by Public Art S106 monies. The scheme will be carried out over three years. The scheme seeks to implement the Public Arts Strategy by creating a Makerspace at Penarth Library, replacement of boundary railings and the provision of three artist designed entrances to Dingle Park, promoting storytelling and writing in association with schools, art designed signage and information boards. Landscaping and free standing art in Arcott Street, replace the entrance railings to Cogan Leisure Centre and enhance the seating which overlooks Cardiff Bay and Penarth Marina along with artistic interventions along the railings and information boards. The funding will be profiled as follows; 2018/19 £323k, 2019/20 £188k and 2020/21 £323k.
14. Barry Regeneration Partnership - This is a legacy project that has developed as a result of the Welsh Government's VVP (Tackling Poverty) programme, which focused on Main Street (and adjoining areas), Barry. The project involves work to a boundary wall which adjoins a key pedestrian route which connects Main Street with Cadoxton Primary School and Victoria Park. Completion of a works licence with the landowner has been delayed which has resulted in the start date for the work being pushed back to 2019/20. It has therefore been requested that £24k is carried forward into the 2019/20 Capital Programme.

Resource Implications (Financial and Employment)

15. As detailed in the body of the report.

Sustainability and Climate Change Implications

16. There are no direct implications arising from this report.

Legal Implications (to Include Human Rights Implications)

17. There are no legal implications.

Crime and Disorder Implications

18. There are no crime and disorder implications.

Equal Opportunities Implications (to include Welsh Language issues)

19. There are no equal opportunity implications.

Corporate/Service Objectives

20. Effective monitoring assists in the provision of accurate and timely information to officers and members and in particular allows services to better manage their resources.

Policy Framework and Budget

21. The report is in accordance with the Policy Framework and Budget.

Consultation (including Ward Member Consultation)

22. The appropriate Chief Officer has been consulted. This report does not require Ward Member consultation.

Background Papers

None

Contact Officer

Carolyn Michael
Operational Manager - Accountancy

Officers Consulted

Director of Environment and Housing

Responsible Officer:

Miles Punter
Director of Environment and Housing

Title of Saving	Description of Saving	Target Saving £000	Projected Saving	RAG Status	Update Comments, Issues & Actions	Relevant Scrutiny Committee	Project Manager
<u>Neighbourhood and Transport</u>							
Reshaping Services	Completion of the implementation of the new target operating model for service delivery for Visible Services and other service initiatives	775	522	Red	£375k of this saving is the balance of the recent restructure. There is a £147k saving from Regulatory Services. Further savings are in progress however it is unlikely that they will be achieved in 2018/19.	Environment & Regeneration	Emma Reed
Reshaping Tranche 3 - Procurement	More efficient and effective procurement of goods and services	52	52	Green	Saving pro-rated across all areas	Environment & Regeneration	Emma Reed
Reshaping Tranche 3 - Establishment Review	Review of various payments to staff and efficient utilisation of staff	124	62	Red	Recent restructure within Neighbourhood & Transportation has limited the potential to make additional staff savings.	Environment & Regeneration	Emma Reed
Total Neighbourhood and Transport		951	636	Red	67%		
<u>Regeneration</u>							
Reshaping Tranche 3 - Procurement	More efficient and effective procurement of goods and services	44	44	Green	Savings allocated and will be achieved in-year	Environment & Regeneration	Marcus Goldsworthy
Reshaping Tranche 3 - Establishment Review	Review of various payments to staff and efficient utilisation of staff	8	8	Green	Savings allocated and will be achieved in-year	Environment & Regeneration	Marcus Goldsworthy
Total Regeneration		52	52	Green	100%		
<u>Development Management</u>							
Reshaping Tranche 3 - Procurement	More efficient and effective procurement of goods and services	10	10	Green	Savings allocated and will be achieved in-year	Environment & Regeneration	Marcus Goldsworthy
Reshaping Tranche 3 - Establishment Review	Review of various payments to staff and efficient utilisation of staff	16	16	Green	Savings allocated and will be achieved in-year	Environment & Regeneration	Marcus Goldsworthy
Total Development Management		26	26	Green	100%		
COMMITTEE TOTAL		1,029	714	Red	69%		

Green = on target to achieve in full

Amber = forecast within 20% of target

Red = forecast less than 80% of target

315

SHORTFALL

PROFILE TO DATE	ACTUAL SPEND 2018/19		APPROVED PROGRAMME 2018/19	PROJECTED OUTTURN 2018/19	VARIANCE AT OUTTURN 2018/19	PROJECT SPONSOR	COMMENTS
£000	£000		£000	£000	£000		
		Neighbourhood and Transport Services					
120	120	Asset Renewal	185	185	0	E Reed	St Athan crossing works now complete
573	1,123	Visible Services Highway Improvements	1,406	1,406	0	E Reed	The 3 year plan for resurfacing has been approved by Cabinet and works are commencing.
800	0	WG Highway Refurbishment Fund	1,136	1,136	0	E Reed	Capital grant funding for Local Authority roads refurbishment. Grant received in 2017/18 however funding displaced to spend in 2018/19.
60	0	Highways Infrastructure Improvements	97	97	0	E Reed	To implement traffic signals at Stanwell Rd/Windsor Rd. Procurement in progress.
90	0	Street Lighting Replacement	172	172	0	E Reed	This budget is to undertake critical street lighting asset repairs and improvements to maintain the integrity and safety of the street light infrastructure.
98	95	Flood Risk Management	183	183	0	M Clogg	Majority complete, now looking at a programme to replace concrete columns
220	220	Coldbrook Flood Risk Management	271	271	0	E Reed	Programme being developed. Windsor Road works completed May 2018. Relining works to be undertaken
45	0	Street Lighting Energy Reduction Strategy	100	100	0	E Reed	Scheme complete. Account being finalised and further report to be presented to Cabinet
350	166	Dimming of Street Lighting/Fitting of LED lanterns	681	681	0	M Clogg	Scheme in design stage. Scheme is over 2 years.
65	5	Coast Protection and Land Drainage General	111	111	0	E Reed	Scheme progressing, the conversion of standard LED lantern units has almost been completed and the conversion of ornamental units will commence later in 2018/19.
631	61	Boverton Flooding	818	818	0	E Reed	Programme being developed. Some works complete
250	1	Llanmaes Flood Management Scheme	537	537	0	E Reed	Scheme complete and at final account stage
3	3	Cardiff/Vale of Glamorgan Coastal Sustainable Transport Corridors	170	170	0	E Reed	NRW have reviewed the modelling. The works are on-going on the main storage area below the village in conjunction with the Northern Access Road scheme.
19	19	WelTag Stage Two Transport Network Appraisal for Dinas Powys	107	107	0	E Reed	WelTag Stage 1 and 2 has been tendered and bids returned. Consultants to be appointed.
0	0	Bigliss Roundabout to Dinas Powys Active Travel Route	100	100	0	E Reed	Review Groups complete, further work required
3	3	A48 Strategic Corridor and Other Primary Bus Stops	175	175	0	E Reed	WelTag Stage 3 Report to be commissioned following on from WelTag Stage 1 and 2 being completed in 17/18. Currently reviewing scheme. Review of previous reports in order to progress with scheme design.
64	64	South Road Sully	100	100	0	E Reed	Bus Stops identified and plan has been put in action for a programme of upgrades along the A48, Penarth, Llantwit Major and Barry. Highway Design and Construction Team to begin this work early July 2018. Bus shelters ready to be installed
		Slippage					
0	0	Cross Common Bridge	101	101	0	M Clogg	£60k transferred from Asset Renewal budget.
0	0	Barry Island Shelters	32	32	0	E Reed	Dealing with ecological issues prior to finalising detailed design and procurement for demolition. Due to procure works shortly. £20k allocated from Asset renewal
94	94	Safe Routes in Communities: Dinas Powys to Penarth via Cosmeston	106	106	0	E Reed	Works complete.
0	0	Dinas Powys Library Bridge	170	170	0	E Reed	Procurement options are being investigated.
0	0	Murchfield Access Bridge	44	44	0	E Reed	Procurement options are being investigated.
50	0	Ashpath Footpath Improvements	72	72	0	E Reed	The feasibility / design to progress the upgrade of the existing footpath between Dinas Powys and Sully Road (referred to as the Ashpath) to a footway / cycleway is being programmed to be undertaken during the summer / autumn period. Once the feasibility / design is carried out, the relevant details of the proposed new route including width can be used to progress creation of a Legal Order to turn the footpath into a bridleway before scheme can be constructed. It is envisaged that subject to Legal Order the construction works could commence in the last quarter of the financial year.
0	0	Court Road Car Park	20	20	0	E Reed	Design to be agreed with ICT prior to procurement.
3,534	1,973	Total Neighbourhood and Transport Services	6,894	6,894	0		

PROFILE TO DATE	ACTUAL SPEND 2018/19		APPROVED PROGRAMME 2018/19	PROJECTED OUTTURN 2018/19	VARIANCE AT OUTTURN 2018/19	PROJECT SPONSOR	COMMENTS
£000	£000		£000	£000	£000		
		S106 Schemes					
93	17	Pedestrian and Cycling Facilities between St Josephs School and Ash Path	111	111	0	E Reed	Works completed in Aug18
0	0	Maendy Pedestrian Sustainable Transport Improvement	80	80	0	E Reed	On-going discussions taking place.
0	0	St Athan Sustainable Transport Improvements	12	12	0	E Reed	Design to be undertaken this year from WG grant. Works to be carried out in 2019/20
53	53	Improve Pedestrian/ Public Transport/ Cycle/ Vehicular movements to Barry Island	78	78	0	E Reed	Phase 1 and 2 are complete. Delivery on phase 3a and Phase 3b is progressing
0	0	Sustainable Transport Improvements Penarth Heights	57	57	0	E Reed	Results of consultation being collated. Trial to begin Early 2019
0	0	Improve Pedestrian movements along Treharne Road	0	0	0	E Reed	Scheme has been designed and currently scheduling works. Phase 1 complete in 1718, Phase 3 has not yet been determined.
27	27	Improve access into Cogan Primary School	30	30	0	E Reed	Works complete
5	5	Ogmore by Sea/St Brides Major Sustainable Transport Improvements	100	100	0	E Reed	Design to be completed this year
10	10	Fferm Goch Sustainable Transport Improvements	70	70	0	E Reed	Work to commence October 2018
1	1	Dinas Powys Sustainable Transport-Footpath	32	32	0	E Reed	New scheme to improve pedestrian movements to the village funded by S106
0	0	Community POD Penarth	15	15	0	E Reed	New scheme for a Community POD which can be used for training courses and other community activities funded by S106
21	21	Rhosee Sustainable Transport	100	100	0	E Reed	New scheme, Walking, cycling and public transport improvements funded by S106
0	0	Wick Sustainable Transport	12	12	0	E Reed	New scheme funded from S106 monies preparatory work
209	134	Total S106 Schemes	697	697	0		
		Waste Recycling and Coastal Management					
23	0	Penarth Pier	23	23	0	E Reed	Works to Penarth pier on going
0	0	Waste Grant	3,500	3,500	0	E Reed	WG grant
0	0	Total Waste Recycling and Coastal Management	3,523	3,523	0		
		Fleet Management					
108	216	Vehicles Renewal Fund	590	590	0	E Reed	In process of procuring vehicles
108	216	Total Fleet Management	590	590	0		
		Regeneration & Planning					
25	25	Barry Regeneration Partnership	478	454	24	M Goldsworthy	Undertaking various initiatives including Main Street Area improvements, demolition former office block Broad Street, Barry Town Centre Gateway Regeneration. Request to carry forward £24k as part of this report
20	17	Tackling Poverty	175	175	0	M Goldsworthy	New grant programme will be undertaken in Holton Road this year
37	37	Coastal Access Improvements	37	37	0	M Goldsworthy	Schemes will be funded by £30,050 grant from Natural Resources Wales and £6,516 from the Countryside revenue budget.
5,970	5,970	Five Mile Lane	9,300	9,300	0	M Punter	Contractor on site, works are progressing.
		Slippage					
1	1	Skills Centre - Property Conversion and Car Park	165	165	0	M Goldsworthy	In order to get the first floor of the building operational and to get the building control sign off the Council need to install additional fire protection. Work is also been undertaken to the heating system on first floor.
88	88	RCDF Go Wild	101	101	0	B Guy	Scheme complete
21	21	Cosmeston Medieval Village	21	21	0	B Guy	Scheme complete
38	38	Refurbishment of Car Park and Toilets at Dunraven Bay	44	44	0	B Guy	Scheme complete
6	6	High Street/Broad Street Traffic Management	19	19	0	B Guy	Scheme complete
3	3	Marketing and Disposal of the Innovation Quarter	31	31	0	M Goldsworthy	Discussions continuing

CAPITAL MONITORING
FOR THE PERIOD ENDED 30th NOVEMBER 2018

APPENDIX 2

PROFILE TO DATE	ACTUAL SPEND 2018/19		APPROVED PROGRAMME 2018/19	PROJECTED OUTTURN 2018/19	VARIANCE AT OUTTURN 2018/19	PROJECT SPONSOR	COMMENTS
£000	£000		£000	£000	£000		
0	0	S106 Funding Maes Dyfan Open Space Improvements	40	40	0	M Goldsworthy	Community consultation continuing prior to commencement of works
0	0	Penarth Heights Public Art	323	323	0	M Goldsworthy	New scheme to support Public Art Strategy funded by S106
0	0	S106 Slippage					
42	4	Fferm Goch Public Open Space	44	44	0	M Goldsworthy	Tenders have now been returned and work is planned to commence in October
37	37	Dochdwy Road Public Open Space	37	37	0	M Goldsworthy	Scheme is complete
0	0	Badgers Brook Public Open Space Enhancement	3	3	0	M Goldsworthy	Budget to cover fees and to settle final account some small items
310	261	North Penarth Open Space Improvements	483	483	0	M Goldsworthy	Paget Road scheme complete. The Skate park is currently being tendered. Plassey Square and Paget Road are complete. Fence to be refurbished at Dingle
6,598	6,508	Total Regeneration & Planning	11,301	11,277	24		
10,450	8,831	COMMITTEE TOTAL	23,005	22,981	24		