

Public Document Pack

Mid Devon District Council

Environment Policy Development Group

Tuesday, 7 November 2017 at 2.00 pm
Exe Room, Phoenix House, Tiverton

Next ordinary meeting
Tuesday, 9 January 2018 at 2.00 pm

Those attending are advised that this meeting will be recorded

Membership

Cllr R F Radford
Cllr D R Coren
Cllr Mrs C P Daw
Cllr R Evans
Cllr D J Knowles
Cllr Mrs E J Slade
Cllr J D Squire
Cllr Mrs N Woollatt
Cllr R Wright

A G E N D A

Members are reminded of the need to make declarations of interest prior to any discussion which may take place

1 **Apologies and substitute Members**

To receive any apologies for absence and notices of appointment of substitute Members (if any).

2 **Public Question Time**

To receive any questions relating to items on the Agenda from members of the public and replies thereto.

Note: A maximum of 30 minutes is allowed for this item.

3 **Minutes of the Previous Meeting** (*Pages 5 - 10*)

To approve as a correct record the minutes of the last meeting.

4 **Chairman's Announcements**

To receive any announcements that the Chairman may wish to make.

5 **Motion 538 (Cllr Mrs J Roach – 1 June 2017 (Pages 11 - 18)**

At the request of the Committee to receive, with regard to Motion 538, a report from the Director of Operations.

Motion 538 (Cllr Mrs J Roach – 1 June 2017)

Mid Devon District Council is concerned that the present level of grass cutting across the district is the subject of much criticism.

The Mid Devon District Council therefore resolves to urgently review;

1. Whether the budget is sufficient and if it isn't to put forward a request to Council for a supplementary budget to meet the cost of providing an effective service.

2. If it is impossible to provide extra funding the the Council should consider asset transfers to Parish Councils and/or individuals.

Taxpayers are now facing the second year of a grass cutting regime which leaves the grass uncut for long periods.

Please note: Having considered the above Motion the Policy Development Group are asked to consider whether this Motion should either be supported or rejected. This decision will be referred back to full Council on 13 December 2017.

6 **Parks and Open Spaces, 10 year Management Plans and Design Principles (Pages 19 - 24)**

To consider potential design principles for parks and open spaces under the control of Mid Devon District Council.

7 **Draft Budget (Pages 25 - 54)**

To consider options available in order for the Council to set a balanced budget for 2018/19 and agree a future strategy for further budget reductions for 2019/20 onwards.

8 **Financial Monitoring (Pages 55 - 78)**

To present a financial update in respect of the income and expenditure so far in the year.

9 **Performance and Risk (Pages 79 - 86)**

To provide Members with an update on performance against the Corporate Plan and local service targets for 2017-18 as well as providing an update on the key business risks.

10 Identification of Items for Future Meetings

Note: This item is limited to 10 minutes. There should be no discussion on the items raised.

District Officer Discretionary Time
Waste Update

Stephen Walford
Chief Executive
Monday, 30 October 2017

Anyone wishing to film part or all of the proceedings may do so unless the press and public are excluded for that part of the meeting or there is good reason not to do so, as directed by the Chairman. Any filming must be done as unobtrusively as possible from a single fixed position without the use of any additional lighting; focusing only on those actively participating in the meeting and having regard also to the wishes of any member of the public present who may not wish to be filmed. As a matter of courtesy, anyone wishing to film proceedings is asked to advise the Chairman or the Member Services Officer in attendance so that all those present may be made aware that is happening.

Members of the public may also use other forms of social media to report on proceedings at this meeting.

Members of the public are welcome to attend the meeting and listen to discussion. Lift access the first floor of the building is available from the main ground floor entrance. Toilet facilities, with wheelchair access, are also available. There is time set aside at the beginning of the meeting to allow the public to ask questions.

An induction loop operates to enhance sound for anyone wearing a hearing aid or using a transmitter. If you require any further information, or

If you would like a copy of the Agenda in another format (for example in large print) please contact Julia Stuckey on:

Tel: 01884 234209

E-Mail: jstuckey@middevon.gov.uk

Public Wi-Fi is available in all meeting rooms.

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MID DEVON DISTRICT COUNCIL

MINUTES of a **MEETING** of the **ENVIRONMENT POLICY DEVELOPMENT GROUP**
held on 5 September 2017 at 2.00 pm

Present

Councillors

R F Radford (Chairman)
D R Coren, Mrs C P Daw, R Evans,
F W Letch, Mrs E J Slade, J D Squire and
R Wright

Also Present

Councillor(s)

Mrs J Roach

Also Present

Officer(s):

Andrew Pritchard (Director of Operations), Stuart Noyce (Waste and Transport Manager), Roderick Hewson (Principal Accountant), Joe Scully (Operations Manager), Catherine Yandle (Internal Audit Team Leader) and Sally Gabriel (Member Services Manager)

20 **APOLOGIES AND SUBSTITUTE MEMBERS**

There were no apologies.

21 **PUBLIC QUESTION TIME**

There were no members of the public present.

22 **MINUTES OF THE PREVIOUS MEETING (00-01-45)**

The minutes of the previous meeting were approved as a true record and signed by the Chairman.

23 **CHAIRMAN'S ANNOUNCEMENTS (00-09-39)**

The Chairman informed the meeting that he wished to take item 10 as the next item of business, this was agreed.

24 **FINANCIAL MONITORING (00-09-45)**

The Group had before it and **NOTED** a * report of the Director of Finance, Assets and Resources presenting a financial update in respect of the income and expenditure so far in the year.

The Principal Accountant outlined the contents of the report stating that there was a projected deficit of £130k at year end.

He highlighted the significant service movements and identified the shortfall in leisure and car parking income; trade waste was also showing a reduction in income but that

this was offset by reduction in disposal expenditure, however the garden waste scheme income was up on profiled income.

During the discussion it was necessary to pass the following resolution to exclude the press and public having reflected on Article 15, 15.02(d) (a presumption in favour of openness) of the Constitution. This decision was required because consideration of the matter in public may have disclosed information falling within one of the descriptions of exempt information in Schedule 12A to the Local Government Act 1972

RESOLVED that under Section 100A(4) of the Local Government Act 1972 the public be excluded on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 respectively of Part 1 of Schedule 12A of the Act, namely information relating to the financial or business affairs of any particular person (including the authority holding that information)

Having discussed a number of business issues with regard to the leisure service, the meeting moved back into open session.

Note: *Report previously circulated, copy attached to minutes.

25 **GRASS CUTTING (00-24-00)**

The Group had before it and **NOTED** a * report of the Director of Operations setting out Devon County Council's grass cutting arrangements for verges as delivered by Mid Devon District Council, the areas cut by this authority and subsidised by the Parish and Town Councils.

The officer outlined the contents of the report highlighting the grass cutting issues that had arisen in previous years, the reduction of Devon County Council funding, the need to subsidise the maintenance of Devon County Council owned land and the involvement of the Town and Parish Councils in the grass cutting arrangements. He highlighted the report put before the PDG in November 2015 which outlined options for Town and Parish Councils regarding future arrangements for grass cutting.

He outlined a pilot scheme taking place in Silverton which hoped to identify the level of resource required taking into consideration the equipment required and the terrain of the land to manage grassed areas. Some of the areas within Silverton were HRA owned land therefore the maintenance of those grassed areas should be charged for within the Council's accounting systems.

Cllr Mrs Roach raised the following questions:

Please could you give separate and approximate figures for grass cutting and the other grounds maintenance work?

The cost of living recharge, is that a way of saying that the charge to the HRA has not kept pace with the cost of living. If this is the case, how long ago was it reviewed?

When are funds transferred from the HRA to pay for the grass cutting? Have any payments been made this year?

She also stated that she had agreed for Silverton to be used as a pilot, land had been identified and whose responsibility to cut the grass had been confirmed.

Discussion took place regarding:

- The areas cut with Devon County Council funding
- The transfer of monies to the General Fund from the HRA and when the transfer took place
- The number of cuts per year for each area
- Maps highlighting each Town and Parish and who had responsibility for cutting the grass
- Whether land could be transferred to residents
- Whether HRA land could be sold to residents and any legal implications/restrictions.

The Director of Operations agreed that a thorough report would be brought using Silverton as the sample area to the next meeting of the Group in which Cllr Mrs Roach's questions would be answered, a review of the bill of quantities provided, a review of existing prices levied across the HRA for Silverton which would include income, a review of pricing, cost of living recharges and clarification on legal restrictions to do with the HRA (specifically the sale and transfer of HRA land), all of which would be fed into the budget process.

Note: * Report previously circulated, copy attached to minutes.

26 **MOTION 538 (CLLR MRS J ROACH - 1 JUNE 2017) (00-50-39)**

At the previous meeting of the Group Cllr Mrs J Roach had agreed that this Motion be deferred to the following meeting in order that enquiries could be made.

Motion 538 (Cllr Mrs J Roach – 1 June 2017)

Mid Devon District Council is concerned that the present level of grass cutting across the district is the subject of much criticism.

The Mid Devon District Council therefore resolves to urgently review;

1. Whether the budget is sufficient and if it isn't to put forward a request to Council for a supplementary budget to meet the cost of providing an effective service.
2. If it is impossible to provide extra funding the Council should consider asset transfers to Parish Councils and/or individuals.

Taxpayers are now facing the second year of a grass cutting regime which leaves the grass uncut for long periods.

Following discussion within the previous item, where further work was required to enable a thorough report to be submitted to the next meeting, Cllr Mrs Roach although unhappy with the delay stated that she wished her motion to be discussed thoroughly and therefore agreed to a further deferral to allow for further work to take place.

27 **PARKS AND OPEN SPACES 10-YEAR MANAGEMENT PLANS AND DESIGN PRINCIPLES (00-52-26)**

Following consideration of the 10 year management plan and design principles at the previous meeting and the recent views of the Community Policy Development Group, the Director of Operations provided the following update: Members were being asked to consider/develop policy which would feed into a 10 Year Management Plan and Design Principles for parks and open spaces across Mid Devon, the Community Policy Development Group had been requested to consider health and well-being issues which would be fed into the plan and the following views had been put forward for consideration:

- a) Play areas must be fenced when necessary for health and safety reasons, as the health, safety and wellbeing of children was of paramount importance:
- b) Play England criteria be used;
- c) When work was undertaken to remove fences or other items such as benches, the work must be undertaken safely and no hazards left:
- d) That communication and clear consultation must take place with all parties being updated.

A debate had also taken place at full Council regarding play area issues and those views would also be considered as part of the plan. Options would also be considered for the transfer of assets, the aspiration to retain native trees and the wild flowers in amenity spaces that had been so well received, all these views would form part of a report to the next meeting.

Discussion took place regarding:

- The contents of the 'Play England' document, which outlined design ideas, specifications and maintenance of play areas and open spaces which could be fed into the design guide.
- The issue of the use of design consultants for parks and open spaces in Mid Devon.
- The need to change the way planning applications were dealt with, with regard to the creation of open spaces in line with an approved design guide.
- The possible conflict with design principles and planning guidance.
- The need to protect play areas in Mid Devon.
- The affordability of maintaining play areas across the district.
- The requirement of a budget to deliver the vision

It was **AGREED** that a full report with recommendations be brought to the next meeting of the Group.

28 **WASTE AND RECYCLING REGULAR UPDATE (1-08-45)**

The Waste and Transport Manager provided the following 6 monthly update by way of presentation, he stated that the Devon wide figures were not available at the present time, however with regard to Mid Devon the overall recycling rate was 53.7%, an improvement on the previous year, the dry recycling rate was up from 17%

to 21%; the total waste figures showed a reduction of 796kg and waste for disposal data showed a decrease to 371kg. The authority was mid table with regard to waste arising, this was where further work was required. The cost per household for the disposal of waste had reduced by 17%.

He outlined the savings made and the changes to the services which looked to reduce costs, that of:

- The new transfer station which would see all the garden waste being taken to a site in East Devon, food waste being taken to an AD plant in Somerset and residual and trade waste being taken to the Waste to Energy Plant in Exeter,
- The 10 year share saving agreement with Devon County Council
- The new vehicles which would allow garden and food waste to be collected separately
- An audit of the contents of black bags which may highlight the need for further education
- The work of the recycling advisors had commenced
- An expansion of the trade waste scheme
- The trial of split litter bins in the main towns
- New collection calendars would be delivered shortly

The Chairman thanked the officer for his update.

29 **PERFORMANCE AND RISK (1-28-10)**

The Group had before it and **NOTED** a * report of the Director of Corporate Affairs and Business Transformation providing Members with an update on performance against the corporate plan and local service targets for 2017-18 as well as providing an update on the key business risks.

The Internal Audit Team Leader outlined the contents of the report highlighting the corporate aims and actions that had taken place against the targets in the Corporate Plan.

Members stated that they were pleased with the performances highlighted in the report.

Note: * Report previously circulated, copy attached to minutes.

30 **IDENTIFICATION OF ITEMS FOR FUTURE MEETINGS**

The following items are due to be discussed at future meetings of the Group:

- Parks and Open Spaces, 10 year Management Plans and Design Principles
- District Officer Discretionary Time Update
- Performance and Risk
- Financial Monitoring
- Grass cutting and the HRA

(The meeting ended at 3.40 pm)

CHAIRMAN

ENVIRONMENT PDG 7th November 2017

Grounds Maintenance – Grass Cutting

Cabinet Member: Cllr Clive Eginton,

Responsible Officer: Andrew Pritchard, Director of Operational Services

Reason for Report: To provide Members with a report on the present level of grass cutting and Grounds Maintenance with a specific focus on the area of Silverton.

Relationship to Corporate Plan: Environment – Priority 4 – Protecting the environment.

Financial Implications: The 17.18 budget to maintain open spaces and parks is set out below:

- Grounds Maintenance £620k
- Parks and Open Spaces £386k
- Play areas £159k
- Bereavement Services £77k
- Cemeteries £120k

Legal Implications: Health and Safety legislation requires the Council to ensure all parks and open spaces are compliant with current guidelines. Crime and Disorder Act Section 17 requires that open space design and maintenance ensures adequate provision is made to design-out opportunities for anti-social behaviour and criminal activities.

Risk Assessment: The Council would require a relevant review of risk assessments for all proposals that significantly impact on current landscaping provision; the intent being to assess risk on a case by case, site by site basis.

Equality Impact Assessment: There are no equality issues identified in this report.

1.0 Introduction

1.1 This report provides information in response to Cllr Mrs Roach's Motion 538 (Cllr Mrs Roach – 1 June 2017 (00-50-39)) regarding grass cutting,

1.2 At the Environment PDG held on 5th September 2017, at item 25, Grass Cutting (00-24-00) Cllr Mrs Roach raised a number of questions. Those questions and the answers are set out below:

1.2.1 *Please could you give separate and approximate figures for grass cutting and the other grounds maintenance work?*

1.2.2 The total budget position for Grounds Maintenance for 17.18 is set out above. The Grounds Maintenance budget is shown against four activity based areas, namely;

- Grass Cutting Team - £380k
- Additional Works Team - £75k

- Gardeners - £94k
- Management Team - £71k

Across any given year seasonal demands have led to elements of the Additional Works, Gardeners and Management Team having a portion of their time charged to the Grass Cutting Team. The 17.18 budget for Grounds Maintenance is attached at Annex A.

- 1.2.3 *The cost of living recharge, is that a way of saying that the charge to the HRA has not kept pace with the cost of living. If this is the case, how long was it reviewed?*
- 1.2.4 The charges applied to the HRA are based on the budget figure for Grounds Maintenance and as such include the inflationary rises applied to Council budgets each year. It is therefore not the case that the charges to the HRA have not kept pace with the cost of living.
- 1.2.5 *When are the funds transferred from the HRA to pay for grass cutting? Have any payments been made this year?*
- 1.2.6 For 16.17 the Grounds Maintenance recharge to the HRA was £112,510; that charge was posted on 3rd April 2017. The provisional recharge for 17.18 is £118,160. That is due to be posted on the 3rd April 2018.
- 1.3 At the Environment PDG on the 5th September 2017 the Director of Operations agreed that a report would be brought using Silverton as the sample area to the next meeting. This report is that document.
- 1.4 To clarify the legal status of HRA Land sales. In 2013 the Secretary of State issued General Consent for the Disposal of Housing Land held for Housing Revenue Account purposes. That General Consent contains the framework and criteria to be applied when selling HRA land. In short, it is possible to sell HRA land; that sale would be within the context of the General Consent. For Mid Devon District Council any such disposal would be through the Capital Strategy and Asset Management Group. There are a number of caveats, gateway criteria and restrictions associated with the sale of HRA Land, but it is technically possible.

2.0 Bill of Quantities

- 2.1 For the purpose of this report 'Bill of Quantities' is the term used to describe the jobs that Grounds Maintenance carry out. It is a list of when, where and how often tasks are completed. For grass cutting it would typically be a map identifying the surface area to be cut, recorded in square metres (m²), how often it is cut and the cost per m².
- 2.2 Mid Devon currently use a traditional approach to pricing work where a cost per m² is applied to activity. The figures available for Silverton are shown, by land ownership, below:

2.2.1 HRA Land (Silverton) – Current Bill of Quantities

Current Task	Frequency	Total Area (m²)	Unit rate per m² (£)	Current recharge (£)
Play area grass cuts (ellerhayes)	20	770	0.0124	190.96
Amenity grass	10	1347	0.0293	394.67
Hedge cutting	2	627	0.414	519.16
Weed killing	2	500	0.123	123.00
Total				1227.79

2.2.2 Mid Devon District Council (Silverton) – Current Bill of Quantities

Current Task	Frequency	Total Area (m²)	Unit rate per m² (£)	Current recharge (£)
Amenity Grass	10	2551	0.0293	747.44
Weed treatment	2	500	0.123	123.00
Non-Amenity Grass Cutting	10	4644	0.0293	1360.69
Amenity car parks	10	143	0.0293	41.90
Total				2273.03

2.2.3 Devon County Council (Silverton) – Current Bill of Quantities

Current Task	Frequency	Total Area (m²)	Unit rate per m² (£)	Current recharge (£)
Grass	10	6759	NA	2039.69*

*Provisional figure subject to verification

2.3 The Bill of Quantities for Silverton broadly reflects the total area in m² required; the review undertaken with Cllr Mrs Roach identified a number of anomalies that need to be addressed. It highlighted the need to accelerate a rolling programme to ensure all Bill of Quantities used in Mid Devon are accurate. Therefore, current Bill of Quantities will be deemed to be provisional pending their formal review and sign off.

3.0 Pricing Strategy

- 3.1 The current methodology used to price work and recharge was implemented in the 12.13 financial year.
- 3.2 There are two principle ways to price; apply a unit cost based on surface area (calculated with or without weighting factors), or a price based on the number of hours, staff and the equipment used per task. For Grounds Maintenance a move to pricing on the number of hours, staff and equipment used was identified as the most effective way to show full cost recovery for activity where a charge or recharge is made. It mirrors the most common current commercial approach to pricing grounds maintenance work. The work in Silverton has highlighted the need to accelerate the move from the existing pricing approach to the total cost recharge approach. For full cost recovery the following factors contribute to an hourly charge-out rate of £35.09 per person on task:

<u>Total cost recharge</u>	
Employee Costs	500,550
Super Back funding	4,660
Premises Costs	24,640
Transport & Plant costs (including sinking funds)	125,040
Supplies & Services	34,330
Internal Recharges (include capital depreciation)	68,830
Total costs of Grounds Maintenance	758,050
Hourly Rate Recharge to cover total cost of GM	35.09

- 3.3 Work undertaken for a third party, or internal client, could in future be priced using the total cost recharge principle.

4.0 Conclusion

- 4.1 The work undertaken in Silverton has highlighted the importance of accelerating the work to verify existing Bill of Quantities. It also shows the importance of moving to a total cost recharge model to ensure work undertaken for third parties and internal clients is priced in a manner consistent with the market.

Contact for more Information: Andrew Pritchard, Director of Operations

Circulation of the Report: Cabinet Members, Leadership Team, Community and Environment Policy Development Groups.

<u>Grounds Maintenance</u>	
Account Description	2017/18 FY Budget (£)
Basic Pay	401,390
Employers National Insurance	27,910
Superannuation - Current Year	47,560
Overtime Payments	5,700
Cpd Training	2,500
Health And Safety Training	2,500
Employee Insurance	1,990
Protective Clothing	6,000
Agency Staff	5,000
Staffing Costs	500,550
Responsive Maintenance	360
Tree Maintenance Works	20,000
Planned Maintenance	2,000
Electricity	1,500
Water	550
Premises Insurance	230
Premises Costs	24,640
Vehicle Operating Leases	4,300
Vehicle Repairs/Service/Mot	19,000
Vehicle Tyres	2,600
Fuel - Stock Issues	15,000
Fuel - External Purchases	5,000
Road Fund Licence	2,380
Motor Insurance	14,350
Plant Lease/Hire Payments	1,000
Plant - Planned Maintenance	8,000
New Plant Purchases	1,000
Transport & Plant Costs	72,630
Equipment	11,000
Computer Software	560
Skips	2,000
Printing/Stationery/Photocopy	50
Telephones	340
Mobile Telephones	800
Postage	20
Materials And Chemicals	1,000

Materials Stock Issues	1,800
Plants, Trees And Shrubs	11,040
Miscellaneous Expenses	400
Trade Waste Charges	1,700
General Insurance	2,220
Insurance Exp-Unins Losses	1,000
Grass Cutting Contributions	400
Supplies & Services	34,330
Central Messenger Services	2,940
Customer Services Admin	2,190
Phoenix House Franker	20
Accountancy Services	4,880
Payroll Services	3,420
Purchase Ledger	1,450
Sales Ledger	50
Human Resources	11,060
IT Software Support & Main	3,430
IT Network & Hardware	1,370
Gazetteer Management	1,570
Central Telephones	160
Corporate Communications	6,020
Old Road Stores	230
Property Services	1,070
Waste Management	4,170
Office Cleaning	5,210
Safety Officer	3,310
Customer First	5,640
Learning & Development	3,330
Procurement	3,240
Capital Charges – Depreciation	4,070
Recharges	68,830
Vehicle Sinking Fund provision	38,050
Plant Sinking Fund provision	14,360
Sinking Funds	52,410
Super Back Funding 9.80%	4,660
Total Cost of Grounds Maintenance	758,050
Recharge Other Authorities	(7,000)
Grounds Maint Internal Income	(500)
Dcc Recharge Grounds Maint	(7,400)
Grass Cutting Contributions	(26,100)

Service Charge-Tree Works	(10,000)
Total Income from Grounds Maintenance	(51,000)
Net Cost of Grounds Maintenance	707,050

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ENVIRONMENT PDG 7th November 2017

Parks and Open Space 10 Year Management Plans and Design Principles

Cabinet Member: Cllr Clive Eginton, and Cllr Colin Slade

Responsible Officer: Andrew Pritchard, Director of Operational Services

Reason for Report: To consider potential design principles for parks and open spaces under the control of Mid Devon District Council.

Relationship to Corporate Plan: Environment – Priority 4 – Protecting the environment.

Financial Implications: The 17.18 budget to maintain open spaces and parks is set out below:

- Grounds Maintenance £620k
- Parks and Open Spaces £386k
- Play areas £159k
- Bereavement Services £77k
- Cemeteries £120k

Legal Implications: Health and Safety legislation requires the Council to ensure all parks and open spaces are compliant with current guidelines. Crime and Disorder Act Section 17 requires that open space design and maintenance ensures adequate provision is made to design-out opportunities for anti-social behaviour and criminal activities.

Risk Assessment: The Council would require a relevant review of risk assessments for all proposals that significantly impact on current landscaping provision; the intent being to assess risk on a case by case, site by site basis.

Equality Impact Assessment: There are no equality issues identified in this report.

1.0 Introduction

1.1 At the Environment PDG held on the 11th July 2017 a discussion paper (Item 15) was tabled which outlined a potential framework which could be used to take a long term view of our open spaces and parks. It was a paper written to stimulate discussion and debate. That debate included a resolution to ask the Community PDG to discuss the paper with regard to the health and wellbeing of families using open spaces, in particular section 8 concerning play areas.

1.2 At the Community PDG which met on 1st August 2017 it was resolved that the Environment PDG be asked to ensure that the Parks and Open Spaces 10 Year Management Plan be clear that:

1.2.1 Play areas must be fenced when necessary for health and safety reasons, as the health, safety and wellbeing of children was of paramount importance:

1.2.2 Play England criteria be used:

- 1.2.3 When work was undertaken to remove fences or other items such as benches, the work must be undertaken safely and no hazards left:
- 1.2.4 That communication and clear consultation must take place with all parties being updated.
- 1.3 The Environment PDG meeting on the 5th September 2017 received the response from the Community PDG and agreed a full report with recommendations be brought to the next meeting of the PDG; this report being that document.

2.0 Overarching Ambition

- 2.1 The overarching ambition is to develop a 10 year management plan for each open space under the control of Mid Devon District Council. The intention is to prioritise the design of formal parks and gardens in the first instance.

3.0 10-year Management Plans

- 3.1 The idea behind introducing 10 year management plans is to establish a long term view of our open spaces. It is a chance to look at planting and infrastructure investment over many seasons rather than simply year to year.
- 3.2 From the outset it is clear that consultation is a vital step when considering the future look of our open spaces. There is an important role for our Town and Parish Councils and we welcome their opinion and involvement.

4.0 Wild flower displays, natural grassland meadows, slow growing grasses.

- 4.1 The options and benefit of these environments were set out in the briefing paper to Environment PDG dated 6th September 2016¹. The introduction of wild flower in particular has been well received to date.

4.2 RECOMMENDATION 1: The Council should look to increase the volume of wild flower, natural grassland meadows and slow growing grasses in its open spaces.

5.0 Shrub bed maintenance

- 5.1 A traditional feature of public open space has been the use of displays with typical shrubs set within shrub bed areas. Over recent decades the maintenance of these areas has been largely reduced to trimming shrubs with hedge trimmers in the autumn. As a result of this practice the parts of the plants that develop the traditional flower displays have been removed. An unintended consequence has been that certain areas have become isolated and, in part, have encouraged anti-social behaviour. The original intended objective of producing attractive seasonal displays has been lost by these practices.

¹ A briefing paper on 6 September 2016 called 'Wildflower displays, grassland meadows and slow growing grass seed mixtures'. It was noted by the PDG but no decisions were made.

5.2 **RECOMMENDATION 2: Where shrub beds have become overgrown, a new style of specimen planting will be used to replace traditional shrub bed areas.**

This will remove the need for high intensity shrub pruning and allow specimen plants to mature in the right location. Seasonal displays will be enhanced by the removal of incorrect hedge trimming practices and areas of anti-social behaviour will be reduced within the parks.

6.0 **Tree stock maintenance and development**

6.1 All parks have a variety of trees and shrubs. In certain areas the wrong species may, perhaps, have been introduced into that open space. This means there may be incidences when we choose to removal a healthy tree or group of trees in order to benefit the long term development of an area. In these situations a full replacement plan and explanation of the proposals would be set out in advance.

6.2 **RECOMMENDATION 3: The management of tree stock will be set in the context of the 10 year management plan for that open space. There should be a presumption on the use of native trees as the prominent choice within any landscape design.**

7.0 **Built Environment**

7.1 Within our parks and open spaces the built environment can be as important to the public as the natural or soft landscaping provision. This includes paths, furniture, fences and walls.

7.2 When developing a 10 year management plan for an open space it is proposed that a hierarchy of questions is used when determining the response to maintenance. These should be:

7.2.1 **Remove** - is the facility needed? Often a feature may be unnecessary but retained over decades without a clear reason for doing so. There are numerous paths within our open spaces that are in need of resurfacing and walls and fences that are becoming dilapidated. By removing a feature the Council can reduce future liabilities.

7.2.2 **Reduce** - in many instances there may not be an option to remove a facility completely. Therefore our second option could be to reduce the quantities provided. For example, careful consideration of how benches are sited could result in an overall reduction in the number of benches without that loss being seen as a detrimental reduction. If a bench is located in an area that enjoys far reaching views, rather than in a dark and hidden area of a park, it is more likely to be used and less likely to be vandalised or encourage anti-social behaviour.

Footpaths could be removed and returned to grass land areas. Fences to internal areas of open spaces can be reduced in height with boundary treatments changed to reduce the need for a fence. Un-fencing play areas in certain circumstances will create a broader area for natural play.

- 7.2.3 **Repair** - only after consideration of Remove or Reduce would we look to repair the facility in question in a like for like manner.
- 7.2.4 When working through the ‘**remove, reduce, repair**’ hierarchy of questions, the view of Town or Parish Council would be sought as an important part of the decision making process.

8.0 Play areas

- 8.1 Play areas are part of the built environment and would be approached within the context of paragraph 7 above. The interest around play areas warrants them being identified as an element of the built environment for specific discussion.
- 8.2 In considering play areas the “**Play England - Making space for play** (ISBN: 978-1-84775-225) publication is a potential independent reference. It sets out extensive recommendations for play design within the landscape. The guidance is comprehensive and focuses on the design principles of play in the landscape.

The following link www.playengland.org.uk contains useful source material; including the reference document “Play England – Making Space for Play”.

- 8.3 Mid Devon District Council currently maintains 97 play areas skate parks and a BMX track of varying size and condition. There are currently 11 play areas leased to Parish or Town Councils. The active leases have terms of between 2 and 20 years remaining.
- 8.4 In 2008 the Council adopted a Supplementary Planning Document relating to ‘The provision and funding of open space through development’. Should recommendation 5 at paragraph 8.5.1 be adopted the advice from planning officers is that the “Play England – Making space for play” could be cited as a material consideration when assessing developer proposals.
- 8.5 **RECOMMENDATION 4: When considering maintenance of the built environment the Remove – Reduce – Repair approach outlined in paragraphs 7.2.1 to 7.2.4 above should be applied.**

With particular regard to play areas it is further recommended that:

- 8.5.1 **RECOMMENDATION 5: Play England – Making Space for Play should be adopted by Mid Devon District Council as its formal reference for best practice in the design and management of play areas.**
- 8.5.2 **RECOMMENDATION 6: Play areas must be fenced where fencing is the most appropriate means to protect the health, safety and wellbeing of children.** E.g. to physically separate play areas from roads and/or cycle paths.

8.5.3 RECOMMENDATION 7: When work is undertaken to remove fences or other items, such as benches, the work must be undertaken in a safe manner ensuring no residual hazards.

9.0 Cemetery Maintenance

9.1 The new sections of our cemeteries are now laid out in formal rows that allow for the installation of a headstone and a small vase to each side of the headstone. In defining the area for floral displays and by setting out each headstone border in a formal manner it allows for a high standard of mowing and ensures that none of the new areas become over grown or unsafe to access.

9.2 RECOMMENDATION 8: Headstone runners should be used to define and structure new burial plots.

9.3 RECOMMENDATION 9: Environmental areas should be generated in the old sections of the Council's cemeteries and biodiversity actively promoted in naturalised habitats. At all times War Graves shall be tended and maintained with clear access routes made available.

10.0 Conclusion

10.1 The recommendations contained in this report aim to reflect the debate and representations made during discussion on how to deliver sustainable open spaces. The next step, if supported, would be to apply the principles to our main parks and open spaces to generate a vision for how each space could develop over the next 10 years.

Contact for more Information: Andrew Pritchard, Director of Operations

Circulation of the Report: Cabinet Members, Leadership Team, Community and Environment Policy Development Groups.

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CABINET
26 OCTOBER 2017

DRAFT 2018/19 GENERAL FUND AND CAPITAL BUDGETS

Cabinet Member Cllr Peter Hare-Scott
Responsible Officer Andrew Jarrett, Director of Finance, Assets & Resources

Reason for the report: To consider options available in order for the Council to set a balanced budget for 2018/19 and agree a future strategy for further budget reductions for 2019/20 onwards.

RECOMMENDATION: To consider the draft budget proposals for 2018/19 and start to plan for additional savings as identified in the Medium Term Financial Plan.

Relationship to the Corporate Plan: To deliver our Corporate Plan's priorities within existing financial resources.

Financial Implications: The current budget for the General Fund shows a deficit of £617k. In addition we have predicted a funding deficit of £1.8m on our General Fund by 2021/22. This highlights the need to take steps to plan for further reductions to our ongoing expenditure levels.

It is a statutory requirement for the Local Authority to set a balanced budget each year.

Risk Assessment: Service Managers and Finance staff have assessed volatility in income and large contractor budgets, taking account of current and estimated future demand patterns. In addition prudent levels of reserves will also continue to be maintained.

Equality Impact Assessment: It is considered that the impact of this report on equality related issues will be nil.

1.0 Introduction

1.1 2018/19 will be the third year of a four year fixed funding settlement which will see a further reduction of £318k and then the complete removal of the remaining Revenue Support Grant of £179k by 2019/20.

1.2 It is worth reflecting that our budgets are affected in a number of ways:

- a) The funding received from central government.
- b) Devon County Council (DCC) and other public bodies' budgets being cut leads to them cutting funding to us and others, in a variety of ways.
- c) Government departments such as Department of Work and Pensions and Department for Communities and Local Government also have lower budgets and reduce grants.
- d) Changes in customer demand/expectations in the context of the local/national economy.

- 1.3 Although the priority is to balance next year's budget, strategic decisions will need to be made to accommodate reduced funding going forward. So far senior managers will have produced a draft budget based upon "business as usual."
- 1.4 Based on seven years of public sector austerity many services can no longer continue to reduce cost and still expect "business as usual". It is important to remember that some services are statutory and in some cases must breakeven. i.e. we cannot generate a profit. This restricts where savings/cuts can be imposed and section 7 below provides more details.
- 1.5 The proposed savings embodied in the draft budget will need to be agreed by Members, as every proposed saving that is rejected will need to be matched by a suggestion of where a similar saving could be made. Members will be aware that the budget is an evolving process. We have already made a range of assumptions relating to: pay awards, inflation, fees/charges, demand for services, property increases, etc. More information may well change/alter our assumptions in the months leading up to February, when the budget has to be finalised. So the current budget gap of £617k will be revised over the next few months, but it is based on the most current information, in conjunction with professional guidance, that is available.
- 1.6 The Council continues to look into opportunities to further reduce operational costs without immediately reducing service levels. However it remains a real possibility moving forward that some difficult decisions will have to be made relating to what the Council can and can't afford to deliver/support in the future.

2.0 The Draft 2018/19 Budget

- 2.1 The initial aggregation of all service budgets (which also includes assumptions surrounding predictions of interest receipts, contributions to our capital programme, transfers from/to reserves and Council Tax levels) currently indicates a General Fund budget gap of £617k (see Appendix 1).
- 2.2 At this point it is worth summarising how we have arrived at this deficit. The table shown below shows the main budget variances affecting the 2018/19 draft budget.

Table 1 – Reconciliation of Major 2018/19 Budget Variances

Variances	Amount £k
<i>External items outside of our control</i>	
Reduced formula grant settlement	318
Decrease in Housing Benefit Grant and increase in associated costs	57
Pay award and pension increases	239
Rural Services Delivery Grant	86
Transition Grant	32
<i>Subtotal</i>	732
<i>Other changes</i>	
Increase in service cost pressures	317

Not utilising New Homes Bonus to balance the budget	89
Increase in property sinking funds	100
Interest payments on loans for new Leisure equipment	45
Service cost reductions	(108)
New or increased income identified by service managers	(272)
Increase in Council Tax income (£5 rise + 370 new properties)	(212)
Net recharge to HRA	(108)
Minor changes	34
Draft budget gap for 2018/19	617

2.3 In compiling the 2018/19 draft budget we have also examined budget performance during 2017/18 and then made any relevant budget corrections for staffing changes, levels of income, changes in legislation, increases in inflation, etc.

2.4 Due to the need to get budget information to all of the PDG and Cabinet meetings during October and November there are still a few key issues that have not been resolved or are still to be fully evaluated. These issues may either improve or worsen the summary budget position currently reported and can be summarised as follows.

- Application by the Devon Pool to become 100% Business Rates Pilot
- Impact of new Homeslessness legislation from 01/04/18
- Impact of full rollout of Universal Credit from 01/04/18
- Autumn Statement announcement in November 2017
- Finalisation of Formula Grant settlement
- Ongoing service reviews (including changes to fees/charges)

3.0 The Past

3.1 Just to remind members of the financial journey the Council has been on since the austerity programme in 2010/11, here is a list of some of the challenges that have been presented to MDDC in balancing budgets during recent years.

- Net loss of £4m in Formula Grant
- Loss of funding for Housing Benefit admin and Regional Housing Pot removed circa £0.6m
- Council Tax freezes accepted for a number of years
- Increased costs associated with Local Land Provision
- Tax and pension related pressures totalling £350k as follows
 - National Insurance change
 - Increased pension back-funding costs
 - Government mandated auto-enrolment to the Pension Scheme
- Apprentice Levy of £50k introduced

3.1 The following lists just some of the actions taken by MDDC to mitigate these funding reductions.

- Significant efficiency agenda has led to service reductions amounting to over £2m
- Increased income has been generated by a number of services
 - Waste shared savings agreement with DCC
 - Garden Waste Scheme
 - Improved recycling scheme
- Increased commercialisation
 - £200k profit from market Walk and Fore Street properties
- Business Rates Devon Pool participation
- Profit from the Special Purpose Vehicle will return to the General Fund, along with a margin on interest received
- Increasing CCLA holding to £5m
- Colocation with Department for Work & Pensions (DWP)
- Revised Car Parking Strategy in 2016/17
- Rationalising our property estate, including depots, parks, toilets and car parks
- Joint working with North Devon DC as part of the Building Control Partnership
- DCC Transfer Station located at Carlu Close

4.0 The Future

4.1 It is clear that a lot of work has already been undertaken in order to deliver a draft budget gap of £617k, i.e. further efficiency savings of circa £250k included in the service appendices. We now are set with two tasks: firstly, to deliver a balanced General Fund budget by February 2018 in order to formally set the Council Tax and secondly, and of equal importance, begin to plan how our future spending plans can be financed. The work with town and parish councils will continue.

5.0 Capital Programme

5.1 In addition to this revenue funding pressure, is our ongoing commitment to future capital programmes, not helped by the current low levels of capital receipts. Even greater pressure may be placed on future programmes if additional borrowing was made to fund new Council Houses, Depots, Sport Centre enhancements, Town Centre enhancement works, vehicle replacements, etc.

5.2 The draft Capital Programme for 2018/19 is attached at Appendix 5. Excluding the new commitments to fund town centre regeneration or further commercial/land acquisitions, the size of our current and future capital programmes remains very small, due to the reductions in funding and level of sale receipts and now only includes material projects that are essential maintenance, or asset replacement or income generating/cost reducing.

6.0 The Autumn PDGs and Cabinet meetings

6.1 The first round of draft budget meetings will allow discussions with Members, Senior Management, Service Managers and Finance Officers in order to review the proposed draft 2018/19 budget – see Appendix 2. This will include

scrutinising and challenging the initial position (and confirming acceptance of all proposed savings put forward) and discussing any other budget areas that Members would like to see additional savings from.

- 6.2 Before the next round of PDGs and Cabinet in January the Council will receive formal confirmation regarding its; Formula Grant other emerging legislative changes, more information regarding the 2017/18 budget performance etc. At this point if any of the initial assumptions/estimates significantly worsen, then we will need to bring further savings options forward for consideration.

7.0 Public Consultation

- 7.1 Earlier year's consultations have consistently highlighted the three most valued services:

- REFUSE COLLECTION & RECYCLING - First
- PARKS, OPEN SPACES & PLAY AREAS - Second
- ENVIRONMENTAL HEALTH - Third

The three services valued the lowest comprised:

- COMMUNITY GRANTS - First
- PUBLIC CONVENIENCES - Equal second
- COMMUNITY SAFETY - Equal second

- 7.2 With the Council having to make more challenging decisions with regard to service prioritisation these views and our Corporate Plan should be foremost in determining changes to the base budget.

8.0 Statutory, Discretionary Services and the Level of Service Provision

- 8.1 Whilst the Council has a legal obligation to perform some activities, others are at the discretion of the elected members, subject to funding. Although some undertakings are clearly statutory and others clearly discretionary, there are some service areas that have elements of both.

- 8.2 The main *discretionary* services of the Council comprise:

- Business development (although a corporate priority)
- Community development (includes community group grants)
- Leisure facilities
- Parks and open spaces (identified as important to the public at 6.1)
- Shops and industrial units

What can we do to balance the budget?

- 8.3 An activity's net cost could be changed by one or more of these factors:

- a) Changing the frequency
- b) Changing the quality, instead of a "Platinum service" we may be forced to offer a "Silver service"
- c) Increasing fees or start charging for a service

- d) Reducing the overheads
- e) Stopping the activity entirely
- f) Different models of service delivery (including partnership)

8.4 Over the last five or six years the Authority has concentrated its efforts in maintaining frontline service levels across all sectors by reducing overheads. It is now clear that following those budgetary cuts some service areas are struggling to deliver their service plans, within their existing budgets. Indeed in a few cases external reviews have necessitated increasing the resources in a particular service area to meet our legal obligations.

What options are available if something is *statutory*?

8.5 Although we cannot stop the function, we may be able to approach it differently in terms of frequency or quality.

8.6 Some of our income streams are influenced by external market forces and in setting prices we have to be mindful of the going market rate. Aside from Council tax, the main income streams are:

- Building control fees
- Burial fees
- Car park charges
- Industrial unit rent
- Leisure centre fees
- Licence fees
- Market tolls
- Shop rents
- Planning fees
- Trade waste fees
- Garden waste

8.7 Any multi million pound business employing staff and utilising assets needs teams to support them and our frontline services are no different.

8.8 The key components, some statutory, others essential, include:

- Audit
- Accountancy
- Customer First
- Procurement (Buying goods and services)
- Human resources (Includes health and safety)
- IT
- Legal services
- Property services

8.9 For example our waste service has to have vehicles and depots to operate from, both of which need to be maintained. The staff need to be managed, to be paid, and legislation provides for health and safety considerations. Depots and buildings such as Phoenix House are fixed costs, although even here we have created savings by renting out some space. The “back office” activities are therefore intrinsically linked to the “frontline” and savings from both areas have continued to be made.

9.0 Conclusion

- 9.1 The feedback from all of the PDGs and Scrutiny will be reported to the January Cabinet for consideration in order to set a balanced 2018/19 budget and agree a forward plan. Group Managers will be working with Leadership Team and elected members in order to determine ways in which savings of £1m can be achieved over the next three years, based on the priorities identified in the Corporate Plan. Having identified possible savings, there will need to be careful consideration of their potential impact, probable lead times for delivery of that saving and any associated disengagement costs or possible 'spend to save' implications that would arise.

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Circulation of the Report: Leadership Team
Elected Members
Group Managers

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GENERAL FUND REVENUE ACCOUNT DRAFT BUDGET SUMMARY 2018/19

	Notes	Net Direct Costs Budget 2017/18 £	Budget Changes £	Draft Net Direct Costs Budget 2018/19 £
Cabinet	2,4	4,287,630	183,810	4,471,440
Community	2,4	2,648,810	156,570	2,805,380
Economy	2,4,7	(700,830)	69,170	(631,660)
Environment	2,4	2,252,740	28,930	2,281,670
Homes	2,4	1,131,370	(163,100)	968,270
TOTAL NET DIRECT COST OF SERVICES		9,619,720	275,380	9,895,100
Net recharge to HRA	6	(1,245,730)	(107,930)	(1,353,660)
Provision for the financing of capital spending		398,370	(2,800)	395,570
NET COST OF SERVICES		8,772,360	164,650	8,937,010
PWLB Bank loan interest payable		106,920	(4,920)	102,000
Finance Lease interest payable		36,760	4,610	41,370
Interest payments for new loans		0	45,000	45,000
Interest from Funding provided for HRA		(54,000)	3,460	(50,540)
Interest receivable/payable on other activities		0	(25,000)	(25,000)
Interest Received on Investments	5	(254,000)	0	(254,000)
New Homes Bonus	8	(1,721,980)	521,980	(1,200,000)
Transfers into earmarked reserves	3	2,366,980	(321,840)	2,045,140
Transfers from earmarked reserves	3	(632,590)	(44,270)	(676,860)
Proposed contribution from New Homes Bonus Reserve		(89,380)	89,380	0
TOTAL BUDGETED EXPENDITURE		8,531,070	433,050	8,964,120
Funded by:-				
Revenue Support Grant		(497,550)	318,290	(179,260)
Rural Services Delivery Grant		(374,510)	86,430	(288,080)
Transition Grant		(31,510)	31,510	0
NNDR revenue		(2,265,210)	(34,790)	(2,300,000)
CTS Funding Parishes		46,960	(7,040)	39,920
Collection Fund Surplus		(52,860)	2,340	(50,520)
Council Tax (28,246 x £197.15)	1	(5,356,390)	(212,330)	(5,568,720)
TOTAL FUNDING		(8,531,070)	184,410	(8,346,660)
REQUIREMENT TO BALANCE THE BUDGET		0	617,460	617,460

Current Assumptions :

1. Council Tax has been increased by £5 as an illustration with an increased property growth of 370.
2. 2018/19 salary budgets include an increase of 1%.
3. All earmarked reserves have been reviewed and adjustment made based upon existing need.
4. All income flows have been reviewed and adjusted for changes in demand and unit price.
5. Investment income has been based upon the existing lending criteria now in force.
6. Support services have been calculated in accordance with the annual process.
7. Car parking fees are based upon 2017/18 fees and vends.
8. New Homes Bonus receipts based on new legislation changes.

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PDG SERVICE UNIT MOVEMENTS

Appendix 2

GENERAL FUND SUMMARY		Budget Net Direct Cost	Current Budgeted Net Direct Cost	Movement	+/- %
		2017/18	2018/19	2018/19	2018/19
Cabinet					
SCM01	Leadership Team	459,240	468,900	9,660	2.1%
SCM02	Corporate Functions	0	81,250	81,250	N/A
SCM03	Corporate Fees/Charges	226,930	207,550	(19,380)	-8.5%
SCM06	Pension Backfunding	901,510	890,060	(11,450)	-1.3%
SFP01	Accountancy Services	321,260	332,620	11,360	3.5%
SFP02	Internal Audit	103,460	88,000	(15,460)	-14.9%
SFP03	Procurement	77,840	71,970	(5,870)	-7.5%
SFP04	Purchase Ledger	45,480	45,850	370	0.8%
SFP05	Sales Ledger	44,580	44,190	(390)	-0.9%
SHR01	Human Resources	266,470	279,020	12,550	4.7%
SHR02	Mddc Staff Training	41,530	132,250	90,720	218.4%
SHR03	Payroll	57,520	57,890	370	0.6%
SHR04	Learning And Development	50,590	51,150	560	1.1%
SIT01	It Gazetteer Management	65,080	69,750	4,670	7.2%
SIT03	It Information Technology	794,370	807,500	13,130	1.7%
SLD01	Electoral Registration	135,590	143,340	7,750	5.7%
SLD02	Democratic Rep And Management	440,980	458,260	17,280	3.9%
SLD04	Legal Services	255,200	241,890	(13,310)	-5.2%
		4,287,630	4,471,440	183,810	4.3%
Community PDG					
SCD01	Community Development	82,700	87,530	4,830	5.8%
SCS20	Customer Services Admin	108,030	106,540	(1,490)	-1.4%
SCS22	Customer First	686,270	697,310	11,040	1.6%
SES01	Emergency Planning	0	7,880	7,880	N/A
SES04	Public Health	44,370	4,090	(40,280)	-90.8%
SES16	Es Staff Units/Recharges	607,020	709,040	102,020	16.8%
SES17	Community Safety	59,960	540	(59,420)	-99.1%
SES18	Food Safety	(12,530)	(17,580)	(5,050)	40.3%
SES21	Licensing	(15,480)	(8,180)	7,300	-47.2%
SES22	Pest Control	4,000	4,000	0	0.0%
SES23	Pollution Reduction	4,240	840	(3,400)	-80.2%
SPR01	Building Regulations	500	(5,170)	(5,670)	-1134.0%
SPR02	Enforcement	100,380	100,900	520	0.5%
SPR03	Development Control	156,910	13,410	(143,500)	-91.5%
SPR04	Local Land Charges	(32,830)	(31,130)	1,700	-5.2%
SPR09	Forward Planning	204,290	227,280	22,990	11.3%
SPR11	Regional Planning	348,160	288,960	(59,200)	-17.0%
SRB01	Collection Of Council Tax	201,600	233,560	31,960	15.9%
SRB02	Collection Of Business Rates	(76,180)	(100,860)	(24,680)	32.4%
SRB03	Housing Benefit Admin & Fraud	111,380	168,260	56,880	51.1%
SRB04	Housing Benefit Subsidy	(75,000)	(45,000)	30,000	-40.0%
SRB06	Debt Recovery	94,380	97,590	3,210	3.4%
SRS01	Recreation And Sport	46,640	265,570	218,930	469.4%
		2,648,810	2,805,380	156,570	5.9%

PDG SERVICE UNIT MOVEMENTS

Appendix 2

GENERAL FUND SUMMARY		Budget Net Direct Cost	Current Budgeted Net Direct Cost	Movement	+/- %
		2017/18	2018/19	2018/19	2018/19
<u>Economy PDG</u>					
SCD02	Economic Development - Markets	34,420	51,290	16,870	49.0%
SCP01	Parking Services	(592,390)	(588,620)	3,770	-0.6%
SES03	Community Safety - C.C.T.V.	3,060	(1,950)	(5,010)	-163.7%
SPR06	Economic Development	413,470	421,200	7,730	1.9%
SPS12	GF Properties Shops / Flats	(559,390)	(513,580)	45,810	-8.2%
		(700,830)	(631,660)	69,170	-9.9%
<u>Environment PDG</u>					
SES02	Cemeteries	(34,850)	(76,420)	(41,570)	119.3%
SES05	Open Spaces	85,410	72,530	(12,880)	-15.1%
SGM01	Grounds Maintenance	541,150	584,180	43,030	8.0%
SPS03	Flood Defence And Land Drain	26,430	26,430	0	0.0%
SPS04	Street Naming & Numbering	7,560	7,360	(200)	-2.6%
SPS07	Public Transport	(15,110)	(13,110)	2,000	-13.2%
SPS11	Public Conveniences	43,230	54,110	10,880	25.2%
SWS01	Street Cleansing	374,320	376,220	1,900	0.5%
SWS02	Waste Collection	445,110	375,500	(69,610)	-15.6%
SWS03	Recycling	608,700	605,800	(2,900)	-0.5%
SWS04	Waste Management	170,790	269,070	98,280	57.5%
		2,252,740	2,281,670	28,930	1.3%
<u>Homes PDG</u>					
SES15	Private Sector Housing Grants	163,900	(22,610)	(186,510)	-113.8%
SHG03	Homelessness Accommodation	251,340	242,170	(9,170)	-3.6%
SPS05	Administration Buildings	257,310	231,920	(25,390)	-9.9%
SPS06	Mddc Depots	28,120	58,530	30,410	108.1%
SPS08	Office Building Cleaning	53,490	54,210	720	1.3%
SPS09	Property Services Staff Unit	377,210	404,050	26,840	7.1%
		1,131,370	968,270	(163,100)	-14.4%
GRAND TOTAL		9,619,720	9,895,100	275,380	-0.6

ENVIRONMENT PDG 2018/19 Service Unit Budgets

SES02 Cemeteries

Group	Description	2016/17 Actuals	2017/18 Budget	2018/19 Budget	Movement
1000	Employees	86,327	62,230	24,200	(38,030)
2000	Premises	20,907	21,030	21,350	320
3000	Transport	357	340	0	(340)
4000	Cost Of Goods And Services	9,758	9,930	11,340	1,410
7000	Income	(122,524)	(128,380)	(133,310)	(4,930)
	Sum:	(5,176)	(34,850)	(76,420)	(41,570)

Cost Centre	Cost Centre Name	2018/19 Budget
ES100	Cemeteries	(100,930)
ES110	Bereavement Services	24,510
	TOTAL	(76,420)

Major cost increases

No major changes.

Major cost decreases and changes in income

1 FTE moved to Grounds Maintenance GM960.

SES05 Open Spaces

Group	Description	2016/17 Actuals	2017/18 Budget	2018/19 Budget	Movement
1000	Employees	35,434	34,980	0	(34,980)
2000	Premises	90,284	68,090	95,990	27,900
3000	Transport	4,889	4,060	0	(4,060)
4000	Cost Of Goods And Services	27,297	26,080	23,040	(3,040)
7000	Income	(28,528)	(47,800)	(46,500)	1,300
	Sum:	129,376	85,410	72,530	(12,880)

Cost Centre	Cost Centre Name	2018/19 Budget
ES450	Parks & Open Spaces	24,730
ES455	Amory Park Recreation	27,280
ES460	Play Areas	20,520
PS480	Mddc Footpaths & Railway Walks	0
	TOTAL	72,530

Major cost increases

Premises budget increased by £20k for Specific Revenue projects.

Major cost decreases and changes in income

Tree Officer salary moved to Planning and Estates and Open Spaces Officer moved to Property Services.

SGM01 Grounds Maintenance

Group	Description	2016/17 Actuals	2017/18 Budget	2018/19 Budget	Movement
1000	Employees	425,867	460,550	490,810	30,260
2000	Premises	35,432	24,640	24,590	(50)
3000	Transport	70,138	72,630	75,630	3,000
4000	Cost Of Goods And Services	43,215	34,330	35,330	1,000
7000	Income	(34,637)	(51,000)	(42,180)	8,820
	Sum:	540,015	541,150	584,180	43,030

Cost Centre	Cost Centre Name	2018/19 Budget
GM960	Grounds Maintenance	584,180
	TOTAL	584,180

Major cost increases

1 FTE moved from Bereavement Services.

Major cost decreases and changes in income

Income reduced to reflect the current level of works recharged to Towns & Parishes.

SPS03 Flood Defence And Land Dra

Group	Description	2016/17 Actuals	2017/18 Budget	2018/19 Budget	Movement
1000	Employees	0	0	0	0
2000	Premises	2,978	26,230	26,230	0
4000	Cost Of Goods And Services	40,515	200	200	0
7000	Income	(5,000)	0	0	0
	Sum:	38,493	26,430	26,430	0

Cost Centre	Cost Centre Name	2018/19 Budget
PS400	Flood Defence And Land Drain	26,430
	TOTAL	26,430

Major cost increases

No major changes.

Major cost decreases and changes in income

No major changes.

SPS04 Street Naming & Numbering

Group	Description	2016/17 Actuals	2017/18 Budget	2018/19 Budget	Movement
1000	Employees	5,518	5,920	5,720	(200)
2000	Premises	(389)	2,970	2,970	0
3000	Transport	(1)	0	0	0
4000	Cost Of Goods And Services	65	60	60	0
7000	Income	(1,625)	(1,390)	(1,390)	0
	Sum:	3,569	7,560	7,360	(200)

Cost Centre	Cost Centre Name	2018/19 Budget
PS600	Street Naming & Numbering	7,360
	TOTAL	7,360

Major cost increases

No major changes.

Major cost decreases and changes in income

No major changes.

SPS07 Public Transport

Group	Description	2016/17 Actuals	2017/18 Budget	2018/19 Budget	Movement
2000	Premises	4,133	8,000	8,000	0
4000	Cost Of Goods And Services	840	890	890	0
7000	Income	(19,687)	(24,000)	(22,000)	2,000
	Sum:	(14,714)	(15,110)	(13,110)	2,000

Cost Centre	Cost Centre Name	2018/19 Budget
PS880	Bus Station Maintenance	(13,110)
	TOTAL	(13,110)

Major cost increases

No major changes.

Major cost decreases and changes in income

No major changes.

SPS11 Public Conveniences

Group	Description	2016/17 Actuals	2017/18 Budget	2018/19 Budget	Movement
1000	Employees	33,303	23,120	18,780	(4,340)
2000	Premises	54,693	58,270	65,270	7,000
3000	Transport	5,085	4,040	3,260	(780)
4000	Cost Of Goods And Services	8,487	8,000	7,000	(1,000)
7000	Income	(58,019)	(50,200)	(40,200)	10,000
	Sum:	43,549	43,230	54,110	10,880

Cost Centre	Cost Centre Name	2018/19 Budget
PS350	Public Conveniences	54,110
	TOTAL	54,110

Major cost increases

No major changes.

Major cost decreases and changes in income

Income levels for PC contributions from Towns and Parishes have been adjusted to reflect 17-18 income.

SWS01 Street Cleansing

Group	Description	2016/17 Actuals	2017/18 Budget	2018/19 Budget	Movement
1000	Employees	206,486	257,510	263,940	6,430
2000	Premises	46	0	0	0
3000	Transport	104,534	85,980	83,300	(2,680)
4000	Cost Of Goods And Services	38,146	44,300	42,450	(1,850)
7000	Income	(9,964)	(13,470)	(13,470)	0
	Sum:	339,247	374,320	376,220	1,900

Cost Centre	Cost Centre Name	2018/19 Budget
WS650	Street Cleansing	376,220
	TOTAL	376,220

Major cost increases

No major changes.

Major cost decreases and changes in income

No major changes.

SWS02 Waste Collection

Group	Description	2016/17 Actuals	2017/18 Budget	2018/19 Budget	Movement
1000	Employees	828,816	899,970	865,920	(34,050)
2000	Premises	28	0	0	0
3000	Transport	542,390	460,700	446,780	(13,920)
4000	Cost Of Goods And Services	560,717	561,340	523,600	(37,740)
7000	Income	(1,361,192)	(1,476,900)	(1,460,800)	16,100
	Sum:	570,759	445,110	375,500	(69,610)

Cost Centre	Cost Centre Name	2018/19 Budget
WS700	Refuse Collection	539,450
WS710	Trade Waste Collection	(141,950)
	TOTAL	397,500

Major cost increases

No major changes.

Major cost decreases and changes in income

WS700 Salaries - Moved a Grade 4 post to SWS04 (£24k).
Following a round review, reduction in overtime and agency costs (£9.4k).
Budget for training moved to the corporate training code (£7k).
Budget for plant hire now used for a sinking fund (£14k).
Reduced usage of clinical waste service and doing in house collection of WEEE (£20k).
Target to increase number of garden waste customers by 500. (£24k)
Clinical waste recharge income £7k.
Reduction in caddy liner sales £5k
WS710 - Reduction in disposal charges (£23k), this is however offset by reduced income £13.5k and in house skip recharges £10k.

SWS03 Recycling

Group	Description	2016/17 Actuals	2017/18 Budget	2018/19 Budget	Movement
1000	Employees	893,680	883,680	922,530	38,850
2000	Premises	191,061	173,350	203,960	30,610
3000	Transport	245,883	224,920	233,320	8,400
4000	Cost Of Goods And Services	389,522	232,950	170,430	(62,520)
7000	Income	(868,220)	(906,200)	(924,440)	(18,240)
	Sum:	851,927	608,700	605,800	(2,900)

Cost Centre	Cost Centre Name	2018/19 Budget
WS725	Kerbside Recycling	437,350
WS740	16 Shop - Recycling	0
WS770	Unit 3 Carlu Close	172,610
	TOTAL	609,960

Major cost increases

WS725 - Salaries 1% payrise, SCP movement and increase in agency.

WS770 - Premises, includes increased insurance costs for the Waste Transfer Station £20k, this is however paid for by DCC, please see income note. Electricity budget set in line with actual spend £10k.

WS700 - Transport, hire of skip truck £10k please see cost decreases note.

Major cost decreases and changes in income

WS725 - Skips, not using a contractor and doing service in house (£10k).

WS725 - Movement in recycling income and haulage costs (£20k), mainly due to increase in material prices for glass and cardboard.

WS770 - Insurance costs paid for by DCC (£25k).

WS770 - Equipment budget not required (£10k).

WS770 - Income from DCC for the Waste Transfer Station JCB sinking fund (£15k).

SWS04 Waste Management

Group	Description	2016/17 Actuals	2017/18 Budget	2018/19 Budget	Movement
1000	Employees	141,219	162,410	264,130	101,720
2000	Premises	0	0	0	0
3000	Transport	2,121	2,560	2,320	(240)
4000	Cost Of Goods And Services	3,754	5,820	2,620	(3,200)
7000	Income	(4)	0	0	0
	Sum:	147,091	170,790	269,070	98,280

Cost Centre	Cost Centre Name	2018/19 Budget
WS750	Waste Management Staff Unit	269,070
	TOTAL	269,070

Major cost increases

Salaries - Moved a Grade 4 post from SWS02 £24k. Group Manager £11k. To realign the Service staff costs have been moved from SGM01 Grounds Maintenance £16k and SES16 Environmental Enforcement £45K, which falls within the Community PDG.

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Major cost decreases and changes in income

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2018/19 BUDGETS

Appendix 4

Transfers from Earmarked Reserves

SERVICE		UTILISE NHB	OTHER	
CS938	DIGITAL STRATEGY STAFFING			
ES733	PUBLIC HEALTH	(35,900)		
LD600	LEGAL SERVICES			
PR200	DEVELOPMENT CONTROL			
PR220	TIVERTON EUE		(52,030)	
PR225	GARDEN VILLAGE PROJECT		(51,830)	
PR400	BUSINESS DEVELOPMENT	(45,000)		
PR400	BUSINESS DEVELOPMENT	(100,000)		
PR810	STATUTORY DEVELOPMENT PLAN	(350,000)		
RB600	REVENUES MISC INCOME TEAM			
ES361	PUBLIC HEALTH			
EQ638	DEV CONT LINEAR PARK		(4,170)	
EQ640	W52 POPHAM CLOSE COMM FUND		(1,950)	
EQ641	W67 MOORHAYES COM DEV FUND		(1,630)	
EQ642	W69 FAYRECROFT WILLAND EX WEST		(4,620)	
EQ643	W70 DEVELOPERS CONTRIBUTION		(6,650)	
EQ644	DEV CONT WINSWOOD CREDITON		(3,080)	
EQ660	ES354 PRIVATE SECTOR HOUSING EMR		(20,000)	
TOTAL		(530,900)	(145,960)	(676,860)

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2018/19 BUDGETS

Transfers into Earmarked Reserves

SERVICE		MAINT 18/19 BUDGET	PLANT 18/19 BUDGET	EQUIPMENT 18/19 BUDGET	VEHICLES 18/19 BUDGET	OTHER 18/19	NEW HOMES BONUS	Market Walk /Fore Street Surplus
CS500	MESSENGER SERVICES				1,440			
CS900	CENTRAL PHOTOCOPYING							
CS902	CENTRAL POSTAGE							
CS910	CUSTOMER SERVICES ADMIN							
CS932	CUSTOMER FIRST							
ES100	CEMETERIES	25,000						
ES450	PARKS & OPEN SPACES	25,000			1,200			
ES580	POOL CAR RUNNING COSTS				4,320			
ES660	CONTROL OF POLLUTION							
ES730	ENVIRONMENTAL ENFORCEMENT				2,210			
GM960	GROUNDS MAINTENANCE		14,360		42,010			
EQ754	PHOENIX PRINTERS EQUIP SFUND			2,200				
LD201	ELECTION COSTS - DISTRICT					20,000		
LD300	DEMOCRATIC REP & MANAGEMENT					5,000		
PR810	STATUTORY DEVELOPMENT PLAN					100,000		
PS350	PUBLIC CONVENIENCES				1,120			
PS880	BUS STATION	5,000						
PS980	PROPERTY SERVICES STAFF UNIT				7,400			
RB100	COUNCIL TAX				740			
RS140	LEISURE SINKING FUND			100,000				
EQ737	STREET CLEAN VEHICLE SFUND				52,670			
EQ738	REFUSE VEHICLE SFUND				230,900			
EQ739	TRADE WASTE VEHICLE SFUND				23,070			
EQ740	RECYCLING VEHICLE SFUND				158,800			
EQ761	RECYCLING PLANT SFUND		20,000					
EQ	RECYCLING MAINT SINKING FUND	2,700						
IE435	New Homes Bonus Grant						1,200,000	
NHB								
TOTAL		57,700	34,360	102,200	525,880	125,000	1,200,000	0

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2,045,140

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£k

Estates Management**Lords Meadow Leisure centre**

Lords Meadow - Replace main pool filters	80
Lords Meadow - Tennis Courts surface and lining	25

Exe Valley Leisure Centre

EVLC pool tiling and balance tank repairs	25
EVLC - Pool Cover	25

Total	155
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Other MDDC Buildings**Phoenix House**

Phoenix House - Electric water heater replacement	25
Phoenix House- Toilet refurbishment flooring and units	30

MDDC Depot Sites

Old Road Depot - Actions following condition report	50
Grounds Maintenance relocation (subject to feasibility)	80

Play Areas

Play area refurbishment District wide	50
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Other Projects

Land drainage flood defence schemes	25
Land drainage flood defence schemes - Ashleigh Park Bampton	87

General Fund Development Schemes

Tiverton Redevelopment project - Asset acquisition	4,000
Total	4,347

Economic Development Schemes

Tiverton Town Centre improvements	40
Mills Electricity Project	100
Broadband Project	100
Total	240

ICT Projects

Desktop states replacement/refresh	50
CRM replacement	75
Data centre hardware refresh servers/storage	120
Replacement Grounds Maintenance system	100
Total	345

Affordable Housing Projects

Grants to housing associations to provide houses (covered by Commuted Sums) 116

Total 116**Private Sector Housing Grants**

Empty homes and enforcement 106

Disabled Facilities Grants–P/Sector 500

Total 606**Replacement Vehicles****Grounds Maintenance**

Van Tipper 52

Total 52**TOTAL GF PROJECTS 5,861****HRA Projects****Existing Housing Stock**

Major repairs to Housing Stock 2,101

Renewable Energy Fund 100

Disabled Facilities Grants - Council Houses 300

Housing Development Schemes

Palmerston Park - Soil Nailing -RC Wall -Tree Clearance-Re sequencing charges 1,056

Birchen Lane - PHL correction work 143

Total 3,700**HRA Replacement Vehicles**

Van Tipper 7T (Voids) 40

Total 40**TOTAL HRA PROJECTS 3,740****GRAND TOTAL GF + HRA 9,601****MDDC Funding Summary****2018-19****EXISTING FUNDS £k**

Capital Grants Unapplied Reserve 636

Capital Receipts Reserve 1,125

Earmarked Reserves 1462

Miscellaneous Funding 2,338

Subtotal 5,561**NEW FUNDS**

Borrowing 4,000

Revenue Contributions 40

Subtotal 4,040**TOTAL FUNDING 9,601**

CABINET
26 October 2017

FINANCIAL UPDATE FOR THE SIX MONTHS TO 30 SEPTEMBER 2017

Cabinet Member Cllr Peter Hare-Scott
Responsible Officer Andrew Jarrett – Director of Finance, Assets & Resources

Reason for Report: To present a financial update in respect of the income and expenditure so far in the year.

RECOMMENDATION(S): 1. The Cabinet note the financial monitoring information for the income and expenditure for the six months to 30 September 2017.

2. The Cabinet approve bringing forward a sum of £45k in order to refurbish the dry side changing rooms, disabled toilets and shower rooms at Exe Valley Leisure Centre. (See para 6.6 below)

Relationship to the Corporate Plan: The financial resources of the Council impact directly on its ability to deliver the corporate plan; prioritising the use of available resources brought forward and any future spending will be closely linked to key Council pledges from the updated Corporate Plan.

Financial Implications: Good financial management and administration underpins the entire document.

Legal Implications: None.

Risk Assessment: Regular financial monitoring information mitigates the risk of over or underspends at year end and allows the Council to direct its resources to key corporate priorities.

Equality Impact Assessment: It is considered that the impact of this report on equality related issues will be nil.

1.0 Introduction

1.1 The purpose of this report is to highlight to Cabinet our current financial status and the likely reserve balances at 31 March 2018. It embraces both revenue, in respect of the General Fund and the Housing Revenue Account (HRA), and capital and aims to focus attention on those areas which are unlikely to achieve budget. It is particularly important for next year's budget setting and, looking further ahead, with the medium term financial plan.

1.2 Favourable variances generating either increased income or cost savings are expressed as credits (negative numbers), whilst unfavourable overspends or incomes below budget are debits (positive numbers). This report only includes budget variances of circa £10k as the purpose of the report is to concentrate on material issues that may require further investigation/action.

2.0 Executive Summary of 2017/18

2.1 The table below shows the opening position of key operational balances of the Council, the forecast in year movements and final predicted position at 31 March 2018:

Usable Reserves	31/03/2017	Forecast in year movement	31/03/2018
	£k	£k	£k
Revenue			
General Fund (see paragraph 3.2)	(2,241)	181	(2,060)
Housing Revenue Account (see paragraph 4.2)	(2,000)	0	(2,000)
Capital			
Major Repairs Reserve	0	0	0
Capital Receipts Reserve	(2,438)	(1,423)	(3,861)
Capital Contingency Reserve	(471)	165	(306)

3.0 The General Fund Reserve

3.1 This is the major revenue reserve of the Council. It is increased or decreased by the surplus or deficit generated on the General Fund in the year. This reserve held a balance of £2,241k as at 31/03/17.

3.2 The forecast General fund deficit for the current year is £181k (an increase of £108k since the annual variance of £73k was reported for July) as shown at Appendix A. The most significant movements this month comprise:

Vacant posts in Environmental Services	(£36k)
Net overspend forecast in Grounds maintenance	£43k
3 Rivers Development set-up costs	£20k
Salary underspend in Property services net of agency costs	(£21k)
Reduced income / increased costs in Market Walk	£50k
Recycling income	(£20k)
Utilities and maintenance in Leisure Facilities greater than budget	£58k
Planning fees above budget, partially offset by increased costs in Forward Planning	(£70k)
Development Control staff savings reported in July now expected to be spent in latter part of the year	£33k

3.3 The major variances are highlighted at Appendix B. The current incomes from our major funding streams are shown at Appendix C, whilst current employee costs are shown at Appendix D.

4.0 Housing Revenue Account (HRA)

- 4.1 This is a ring-fenced account in respect of the Council's social housing function. Major variances and proposed corrective action are highlighted at Appendix F.
- 4.2 Appendix E shows that the reserve opening balance is £2m. It is anticipated that the forecast variance of £7k surplus will increase the budgeted transfer to the Housing Maintenance Fund and so the HRA reserve balance should remain at £2m.
- 4.3 Overall, the HRA is forecast to underspend by £7k in 2017/18, made up of two deficits and several surpluses, the most significant of which comprise the following:
- £59k rent shortfall is due to dwelling rents being 0.5% behind target
 - £130k relates to major works since £2,405k is planned to be spent against the £2,275k budget
 - £76k of savings across Repairs & Maintenance, made up of the following
 - £60k surplus generated by the Direct Labour Operation (DLO) carrying out more adaptation work than planned
 - £16k of various staffing savings including apprentice vacancies
 - £43k underspend across Housing and Tenancy Services, made up of a number of small underspends that make up this total amount
- 4.4 There is a budgeted revenue contribution to capital purchases as follows for 2017/18.

Description	Budget £'000	Forecast Outturn £'000	Variance £'000
1 x Tipper Vehicle	32	21	(11)

- 4.5 The following works are expected to be funded from the Housing Maintenance Fund during 2017/18.

Description	Budget £'000	Forecast Outturn £'000	Variance £'000
Birchen Lane re-development	147	147	0
Palmerston Park	1,205	573	(632)
Queensway development	209	61	(148)
Burlescombe development	214	0	(214)
Stoodleigh development	223	0	(223)
Land Acquisition for Affordable Housing	1,851	251	(1,600)
	3,849	1,032	(2,817)

In addition, £25k is planned to be spent on sewage treatment works and funded by an earmarked reserve.

5.0 Major Repairs Reserve

- 5.1 The Major Repairs Reserve had a nil balance at 31 March 2017. After this year's capital expenditure and funding of the Major Repairs Reserve the closing balance is forecast to be £0k.

6.0 Capital Programme

- 6.1 Capital projects by their very nature often overlap financial years. In some cases it is known from the outset that the construction of buildings may fall into 3 separate accounting years. The status of this year's capital programme is shown at Appendix G.
- 6.2 Committed and Actual expenditure is currently £7,975k against a budgeted Capital Programme of £22,620k. (Note this includes £9,184k of slippage rolled forward from 16/17). As projects often overlap financial years officers have given their best estimate of what is 'deliverable' in 17/18; this amounts to £10,530k. Committed and Actual expenditure will therefore be monitored against this & currently shows an uncommitted amount of £2,555k (£10,530k - £7,975k).
- 6.3 The reduction in the approved Capital Programme to the 'deliverable' programme includes £5,114k in relation to the development project at the rear of the Town Hall which will now be delivered by the Special Purpose Vehicle Company (SPV).
- 6.4 Now we are 6 months into the financial year, forecast (Underspends) and Overspends amount to a net forecast underspend of (£5,116k), this mainly relates to the project at the rear of the Town Hall referred to in para 6.3 above. Please refer to appendix G for a full breakdown.

- 6.5 Forecast slippage into 18/19 financial year has also been reviewed; this amounts to £7,144k. Of this £6,541k relates to council house build projects that will cross the financial year and land acquisition for affordable housing. Again please refer to appendix G for a full breakdown.
- 6.6 As part of the wider enhancement works being carried out at Eve Valley Leisure Centre the property team have suggested some essential maintenance work to refurbish the dry side changing rooms, disabled toilets and shower rooms programmed for next year be delivered in conjunction with exiting works in order to all be operational with effect from 1st January 2018. (See Cabinet recommendation 2 above)

7.0 Capital Contingency Reserve

- 7.1 The Capital Earmarked Reserve has been set aside from Revenue to fund Capital Projects; the movement on this reserve is projected below:

	£k
Capital Earmarked Reserve at 1 April 2017	(471)
Funding required to support 2017/18 Capital Programme	165
Forecast Balance at 31 March 2018	(306)

8.0 Capital Receipts Reserve (Used to fund future capital programmes)

- 8.1 Unapplied useable capital receipts are used to part fund the capital programme, the movement on this account for the year to date is given below:

	£k
Unapplied Useable Capital Receipts at 1 April 2017	(2,438)
Net Receipts to date (includes 13 "Right to Buy" Council House sales & sale of land at Station Yard & MSCP)	(2,241)
Current Balance	(4,679)
Forecast further capital receipts in year	(700)
Forecast capital receipts to be applied in year	1,518
Forecast Unapplied Capital Receipts c/fwd. 31 March 2018	(3,861)

- 8.2 Please note the majority of these balances on the Capital Contingency Reserve and the Capital Receipts Reserve are required to balance the Medium Term Financial Strategy.

9.0 Treasury Management

9.1 The interest position so far this financial year can be summarised as follows:

Interest Receivable:

	Budget £k	Forecast outturn £k	Forecast variance £k
Investment Income Received	(259)	(259)	0
Interest from HRA funding	(54)	(54)	0
Total Interest Receivable	(313)	(313)	0

10.0 Conclusion

10.1 Members are asked to note the revenue and capital forecasts for the financial year. Managers are working hard to offset overspends, many unavoidable or unforeseen, with budget savings to deliver an outturn close to the budget.

10.2 The work undertaken to produce this monitoring information to 30th September 2017 has been used to inform the 18/19 Budget setting process and Medium Term Financial Plan that is also being reported to this Cabinet meeting.

**Contact for more
information:**

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Circulation of the Report:

Cllr Peter Hare-Scott, Management Team

GENERAL FUND FINANCIAL MONITORING INFORMATION FOR THE PERIOD FROM 01 APRIL TO 30 SEPTEMBER 2017

			2017/18 Annual Budget	Full Year Forecast	Variance
Com	General Fund Summary	Note	£	(0 = On budget) £	%
	Cllr C J Eginton				
CM	Corporate Management	A	1,587,680	0	0.0%
LD	Legal & Democratic Services: Member/Election Services	B	576,570	0	0.0%
PR	Land charges	Q	(32,830)	0	0.0%
GM	Grounds Maintenance	E	541,150	43,000	7.9%
ES	Cemeteries & Bereavement Services	D	(34,850)	(5,000)	14.3%
WS	Waste Services	H	1,598,920	(30,000)	-1.9%
	Cllr C R Slade				
CD	Community Development	I	82,700	2,300	2.8%
ES	Environmental Services incl. Licensing	D	599,780	(32,500)	-5.4%
ES	Open Spaces	F	85,410	13,800	16.2%
IT	IT Services	Q	859,450	23,000	2.7%
RS	Recreation And Sport	J	46,640	224,000	480.3%
	Cllr P H D Hare-Scott				
FP	Finance And Performance	K	592,620	(13,800)	-2.3%
RB	Revenues And Benefits	L	256,180	22,900	8.9%
CP	Car Parks	C	(592,390)	7,200	1.2%
	Cllr R L Stanley				
ES	ES: Private Sector Housing Grants	D	163,900	0	0.0%
HG	General Fund Housing	M	251,340	5,000	2.0%
PS	Property Services	G	218,850	65,000	29.7%
	Cllr R J Chesterton				
CD	Community Development: Markets	I	34,420	10,000	-29.1%
PR	Planning And Regeneration	N	1,223,710	(256,630)	-21.0%
	Cllr M Squires				
CS	Customer Services	O	794,300	(12,000)	-1.5%
ES	Environment Services - Public Health	D	94,860	0	0.0%
HR	Human Resources	P	416,110	10,000	2.4%
LD	Legal & Democratic Services: Legal Services	B	255,200	(4,000)	-1.6%
	All General Fund Services		9,619,720	72,270	0.8%
	Net recharge to HRA		(1,245,730)	0	
IE260	Interest Payable		143,680	0	
IE290	Interest Receivable on Investments		(254,000)	0	
IE290	Interest from Funding provided for HRA		(54,000)	(677)	
IE435	New Homes Bonus Grant		(1,721,980)	0	
	Sundry Grants			0	
IE800	Statutory Adjustments (Capital charges)		398,370	0	
TREMR	Net Transfer to/(from) Earmarked Reserves	APP B	1,645,010	109,832	
	TOTAL BUDGETED EXPENDITURE		8,531,070	181,425	2.1%
30/IE440	Formula Grant (RSG & NNDR)		(2,762,760)	0	
IE431	Rural Services Delivery Grant		(374,510)	0	
IE432	Transitional Grant		(31,510)	0	
IE410	Council Tax		(5,356,390)	0	
IE439	CTS Funding Parishes		46,960	0	
IE420	Collection Fund Surplus		(52,860)	0	
	TOTAL BUDGETED FUNDING		(8,531,070)	0	0%
	Forecast in year (Surplus) / Deficit		0	181,425	
EQ700	General Fund Reserve 01/04/17			(2,241,085)	
	Forecast General Fund Balance 31/03/18			(2,059,660)	

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GENERAL FUND FINANCIAL MONITORING INFORMATION FOR THE PERIOD FROM 01 APRIL TO 30 SEPTEMBER 2017

Note	Description of Major Movements	Full year variance (net of transfer to EMR)	PDG
A	Corporate Management		Cabinet
		0	
B	Legal & Democratic Services		
	Minor variances in Electoral Registration	0	Cabinet
	Minor variances in Legal Services	(4,000)	Cabinet
		(4,000)	
C	Car Parks		
	P&D income forecast for yearend down against budget by £20k, £6k of this relates to the installation of the new P&D machines.	20,000	Economy
	Income from off-street fines is forecasted to be above budget	(20,000)	Economy
	Day Permit income expected to be down against budget at yearend	4,000	Economy
	Premises overspend across Parking Services forecast	8,200	Economy
	Car Park machine maintenance budget underspend due to the implementation of the new P&D machines	(5,000)	Economy
		7,200	
D	Environmental Services combined		
	Cemetery income above profile for the 1st Qtr, will review month by month.	(5,000)	Environment
	Anticipated Licensing income over and above budget.	(9,500)	Environment
	Licensing Officer post now full time.	13,000	Environment
	Environmental Enforcement salary savings due to vacant District Officers post.	(26,000)	Environment
	Environmental Health salary savings due to vacant Environmental Officers post	(10,000)	Environment
		(37,500)	
E	Grounds Maintenance		
	Salary underspends due to vacant posts	(27,000)	Environment
	Agency overspends	40,000	Environment
	Overspend on Plant/Vehicle running costs	10,000	Environment
	Insurance Excess from break in at Park Nursery Depot	10,000	Environment
	Equipment costs overspend	5,000	Environment
	Grass cutting contribution from Parishes & Towns not as high as budgeted	5,000	Environment
		43,000	
F	Open Spaces		
	Amory Park Income contribution no longer received	4,800	Environment
	Sponsorship income down against budget	3,000	Environment
	Play Area maintenance budget overspend	6,000	Environment
		13,800	
G	Property Services		
	3 Rivers Development set-up costs re Legal & Tax advice	20,000	Homes
	No rental income for Station Yard due to sale of the asset	16,000	Homes
	Salary underspend in Property Services due to vacant posts	(45,000)	Homes
	Agency overspend in Property Services	24,000	Homes
	Reduced income and increased costs from Market Walk vacant shop units	50,000	Homes
		65,000	
H	Waste Services		
	Trade waste - income is down due to losing a couple of big customers	40,000	Environment
	Trade waste - less in landfill disposal charges	(40,000)	Environment
	Recycling income and haulage prices better than budgeted	(30,000)	Environment
		(30,000)	
I	Community Development		
	Market Income - Market Manager actively seeking new traders, however footfall in Tiverton is down	10,000	Economy
	Grant spend (covered by Seed Fund ear marked reserve)	2,300	Cabinet
		12,300	
J	Recreation And Sport		
	All sites Income: revised growth based upon 16/17 Outturn	138,000	Community
	All sites Rates: charges exceeded annual budget	9,000	Community
	All sites Water: charges higher than anticipated	20,000	Community
	All sites Maintenance: Responsive works greater than anticipated	35,000	Community

GENERAL FUND FINANCIAL MONITORING INFORMATION FOR THE PERIOD FROM 01 APRIL TO 30 SEPTEMBER 2017

Note	Description of Major Movements	Full year variance (net of transfer to EMR)	PDG
	All sites Energy costs: Electricity & Gas increases from prior year 16-17	12,000	Community
	One off marketing and advertising expenditure	10,000	Community
		224,000	
K	Finance And Performance		
	Salary saving from vacant Finance Manager has been partially off-set by an additional Principal Accountant	(8,000)	Cabinet
	Procurement Manager's recharge to Torridge District Council	(5,800)	Cabinet
		(13,800)	
L	Revenues And Benefits		
	Housing Benefit Subsidy	(20,000)	Community
	Benefits Local Welfare Assistance Scheme (covered by EMR)	42,900	Community
		22,900	
M	General Fund Housing		
	Minor variances	5,000	Homes
		5,000	
N	Planning And Regeneration		
	Building Control Partnership Income - Manager forecast	27,000	Community
	Enforcement: Salary saving from staff vacancy (now filled) partially offset by costs recently awarded against the authority	(2,500)	Community
	Development Control: Saving on staff vacancies now to be spent on additional resources in second half of the year	0	Community
	Development Control: Fee income (partly used to fund additional resources required in Forward Planning, see below)	(100,000)	Community
	Tiverton EUE: Ongoing expenditure (fully funded from EMR)	11,300	Community
	Garden Village: Ongoing expenditure (fully funded from EMR)	51,000	Community
	Business Development - Temporary Grants and Funding Officer post (not required from EMR)	(21,730)	Community
	Business Development - Town Centre Manager post filled for part of year (not required from EMR)	(31,700)	Community
	Forward Planning: Additional resources required due to workload - funded from additional Development Control income	30,000	Community
	Planning Policy: Ongoing expenditure (fully funded from EMR)	36,000	Community
	Statutory Development Plan: most of the expenditure now expected to fall into 2018/19; the transfer from reserves will therefore be reduced from the budgeted figure	(256,000)	Community
		(256,630)	
O	Customer Services		
	Comms Manager post reintroduced to the establishment (est)	11,000	Cabinet
	Digital transformation post will not be filled in financial year	(23,000)	Cabinet
		(12,000)	
P	Human Resources		
	Increased software costs for HR, Payroll & L&D	10,000	Cabinet
		10,000	
Q	I.T. Services		
	The current contract for data lines procured through DCC is expiring, new infrastructure is required for which DCC will no longer pay, each LA is now individually funding this	14,000	Cabinet
	Salary overspend due to JE regrade - this forecast may change as the service is currently going through a restructure	9,000	Cabinet
		23,000	
	FORECAST (SURPLUS)/DEFICIT AS AT 31/03/18	72,270	

Cabinet	5,500
Community	(9,730)
Homes	70,000
Environment	(10,700)
Economy	17,200
	72,270

GENERAL FUND FINANCIAL MONITORING INFORMATION FOR THE PERIOD FROM 01 APRIL TO 30
SEPTEMBER 2017

Committee	Net Transfers to / from Earmarked Reserves	Net Budgeted Trfr to EMR	Forecast Actual Net Trfr to EMR	Forecast Variance to Budget
CM	Corporate Management			0
LD	Legal & Democratic Services: Member/Election Services			
	LD201 Election costs - District	20,000	20,000	0
	LD300 Democratic Rep & Management	5,000	5,000	0
	LD600 Legal Services	(16,180)	(16,180)	0
CP	Car Parks			0
ES	Environmental Services combined			0
	ES100 Cemeteries	25,000	25,000	0
	ES450 Parks and Open Spaces	25,000	25,000	0
	ES450 Parks and Open Spaces	1,200	1,200	0
	ES580 Pool Car Running costs	4,320	4,320	0
	ES660 Control of Pollution	4,000	4,000	0
	ES730 Environmental Enforcement	2,950	2,950	0
	ES361 Public Health	(19,700)	(7,278)	12,422
GM	Grounds Maintenance			
	GM960 Grounds Maintenance	38,050	38,050	0
	GM960 Grounds Maintenance	14,360	14,360	0
OS	Open Spaces			
	EQ643 W70 Developers Contribution	(6,650)	(6,650)	0
	EQ640 W52 Popham Close Comm Fund	(1,950)	(1,950)	0
	EQ641 W67 Moorhayes Com Dev Fund	(1,630)	(1,630)	0
	EQ642 W69 Fayrecroft Willand Ex West	(4,620)	(4,620)	0
	EQ638 Dev Cont Linear park	(4,170)	(4,170)	0
	EQ644 Dev Cont Winswood Crediton	(3,080)	(3,080)	0
PS	Property Services			
	PS350 Public Conveniences	1,120	1,120	0
	PS980 Property Services Staff Unit	7,400	7,400	0
	Market Walk/Fore Street Surplus	50,000		(50,000)
WS	Waste Services			
	WS650 Street Cleaning - Vehicle Sinking Fund	56,470	56,470	0
	WS650 Street Cleaning - Litter Buster Team	(44,600)	(44,600)	0
	WS700 Refuse Collection - Litter Buster Team	(9,900)	(9,900)	0
	WS700 Refuse Collection - Vehicle Sinking Fund	217,510	217,510	0
	WS710 Trade Waste - Vehicle Sinking Fund	21,720	21,720	0
	WS725 Kerbside Recycling - Vehicle Sinking Fund	158,810	158,810	0
	WS725 Kerbside Recycling - Equipment Sinking Fund	20,000	20,000	0
	WS770 Unit 3 Carlu Close - Maintenance Sinking Fund	2,700	2,700	0
CD	Community Development			
	CD200 Community Development - GWC grant	(45,000)	(45,000)	0
	CD200 Grant spend from Seed Fund - EMR released		(2,300)	(2,300)
RS	Recreation And Sport			0
FP	Finance And Performance			0
RB	Revenues And Benefits			
	RB600 Revenues Misc Income Team Salaries	(20,000)	(20,000)	0
	RB340 Benefits Local Welfare Assistance Scheme		(42,900)	(42,900)

**GENERAL FUND FINANCIAL MONITORING INFORMATION FOR THE PERIOD FROM 01 APRIL TO 30
SEPTEMBER 2017**

Committee	Net Transfers to / from Earmarked Reserves	Net Budgeted Trfr to EMR	Forecast Actual Net Trfr to EMR	Forecast Variance to Budget
HG	General Fund Housing			0
PR	Planning and Regeneration			
	PR200 Development Control	(294,000)	(294,000)	0
	PR220 Tiverton EUE	0	(53,000)	(53,000)
	PR225 Garden Village Project	0	(51,000)	(51,000)
	PR400 Business Development - Grants & Funding Officer	(21,730)	0	21,730
	PR400 Business Development - Town Centre Manager	(40,700)	(9,000)	31,700
	PR400 Business Development	(100,000)	(100,000)	0
	PR800 Planning Policy	(30,000)	(30,000)	0
	PR810 Statutory Development Plan		220,000	220,000
CS	Customer Services			
	CS500 Messenger Services	1,440	1,440	0
	CS900 Central Photocopying	5,000	5,000	0
	CS902 Central Postage	2,500	2,500	0
	CS910 Customer Services Admin	250	250	0
	CS932 Customer First	5,000	5,000	0
	CS938 Digital Strategy Staffing	(23,180)	0	23,180
HR	Human Resources			0
IT	IT Services			0
	IT800 Phoenix House Printer Sinking Fund	9,700	9,700	0
IE	New Homes Bonus monies earmarked for capital and economic regeneration projects	1,721,980	1,721,980	0
		(89,380)	(89,380)	0
		0		
	Net Transfer to / (from) Earmarked Reserves	1,645,010	1,754,842	109,832

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GENERAL FUND FINANCIAL MONITORING INFORMATION FOR THE PERIOD FROM 01 APRIL TO 30 SEPTEMBER 2017

	2017/18 Annual Budget	2017/18 Profiled Budget	2017/18 Actual	2017/18 Variance
	£	£	£	£
Total Employee Costs				
General Fund				
Community Development	62,120	31,060	25,591	(5,469)
Corporate Management	1,299,200	649,600	660,468	10,868
Customer Services	711,710	355,855	334,021	(21,834)
Environmental Services	981,140	490,570	477,351	(13,219)
Finance And Performance	535,450	267,725	238,089	(29,636)
General Fund Housing	206,040	103,020	99,982	(3,038)
Grounds Maintenance	442,560	221,280	200,689	(20,591)
Human Resources	341,290	170,645	166,464	(4,181)
I.T. Services	488,880	244,440	250,737	6,297
Legal & Democratic Services	462,960	231,480	256,169	24,689
Planning And Regeneration	1,755,840	877,920	754,541	(123,379)
Property Services	423,430	211,715	188,751	(22,964)
Recreation And Sport	1,828,350	914,175	908,025	(6,150)
Revenues And Benefits	701,690	350,845	328,384	(22,461)
Waste Services	1,986,040	993,020	906,708	(86,312)
	12,226,700	6,113,350	5,795,972	(317,378)
Housing Revenue Account				
BHO09 Repairs And Maintenance	603,330	346,248	347,275	1,027
BHO10 Supervision & Management	1,369,080	684,540	701,846	17,306
BHO11 Special Services	37,180	18,590	12,519	(6,071)
	2,009,590	1,049,378	1,061,639	12,261
Total	14,236,290	7,162,728	6,857,611	(305,117)

	2017/18 Annual Budget	2017/18 Profiled Budget	2017/18 Actual	2017/18 Variance
	£	£	£	£
Agency Staff				
General Fund				
Car Parks	0	0	0	0
Community Development	0	0	0	0
Corporate Management	0	0	0	0
Customer Services	0	0	0	0
Environmental Services	0	0	2,813	2,813
Finance And Performance	0	0	0	0
General Fund Housing	0	0	0	0
Grounds Maintenance	5,000	2,500	28,914	26,414
Human Resources	0	0	0	0
I.T. Services	0	0	0	0
Legal & Democratic Services	0	0	0	0
Planning And Regeneration	0	0	0	0
Property Services	0	0	8,142	8,142
Recreation And Sport	0	0	0	0
Revenues And Benefits	0	0	37,549	37,549
Waste Services	179,250	89,625	87,185	(2,440)
	184,250	92,125	164,603	72,478
Housing Revenue Account				
BHO09 Repairs And Maintenance	0	0	(1,128)	(1,128)
BHO10 Supervision & Management	0	0	175	175
BHO11 Special Services	0	0	0	0
	0	0	(952)	(952)
Total	184,250	92,125	163,650	71,525

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**HOUSING REVENUE ACCOUNT FINANCIAL MONITORING INFORMATION FOR
THE PERIOD FROM 01 APRIL TO 30 SEPTEMBER 2017**

		2017/18 Annual Budget	Forecast	Variance
Housing Revenue Account (HRA)	Notes	£	£	%
Income				
SHO01 Dwelling Rents Income	A	(12,368,590)	59,000	-0.5%
SHO04 Non Dwelling Rents Income	B	(571,420)	(18,000)	3.2%
SHO06 Tenant Charges For Services	C	(350)	0	0.0%
SHO07 Leaseholders' Service Charges	D	(21,640)	(5,000)	23.1%
SHO08 Contributions Towards Expenditure	E	(36,470)	(10,000)	27.4%
SHO09 Alarm Income - Non Tenants	F	(209,520)	(3,000)	1.4%
SHO10 H.R.A. Investment Income	G	(40,000)	(10,000)	25.0%
SHO11 Miscellaneous Income	H	(19,000)	0	0.0%
Services				
SHO13A Repairs & Maintenance	I	3,098,380	(76,000)	0.0%
SHO17A Housing & Tenancy Services	J	1,315,290	(43,000)	-3.3%
SHO22 Alarms & L.D. Wardens expenditure	K	121,700	(20,000)	-16.4%
Accounting entries 'below the line'				
SHO29 Bad Debt Provision Movement	L	25,000	0	0.0%
SHO30 Share Of Corporate And Democratic	M	165,320	0	0.0%
SHO32 H.R.A. Interest Payable	N	1,214,500	0	0.0%
SHO34 H.R.A. Transfers between earmarked reserves	O	2,952,820	0	0.0%
SHO36 H.R.A. R.C.C.O.	P	32,000	(11,000)	-34.4%
SHO37 Capital Receipts Reserve Adjustment	Q	(26,000)	0	0.0%
SHO38 Major Repairs Allowance	R	2,275,000	130,000	5.7%
SHO45 Renewable Energy Transactions	S	(130,000)	0	0.0%
		(2,222,980)	(7,000)	-0.3%
Net recharge to HRA		1,245,730		
Capital Charges		977,250		
Net Housing Revenue Account Budget		0		

Housing Revenue Account	£k
Total HRA reserve as at 01/04/7	(2,000)
Forecast movement in the year	0
Forecast HRA reserve as at 31/03/18	(2,000)

Housing Maintenance Fund	£k
Opening balance	10,970
Reserve utilised for capital works (see appendix G)	(1,032)
Budgeted transfer to reserves	2,182
Forecast variance for the year (see above)	7
Forecast closing balance	12,127

Renewable Energy Fund	£k
Opening balance	455
Expenditure forecast for this year (see appendix G)	(98)
Net income forecast for this year	130
Forecast closing balance	487

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**HOUSING REVENUE ACCOUNT FINANCIAL MONITORING INFORMATION FOR THE PERIOD
FROM 01 APRIL TO 30 SEPTEMBER 2017**

Note	Description of Major Movements	Corrective Action	Forecast
			Variance £
A	Dwelling rent is 0.5% behind target	N/A	59,000
B	Garage voids are lower than budgeted	N/A	(18,000)
D	Minor variance	N/A	(5,000)
E	Rechargeable works have been higher than budgeted	N/A	(10,000)
F	Minor variance	N/A	(3,000)
G	Cash balances have been high again in 2017/18	N/A	(10,000)
I	Significantly more time than expected will be spent on adaptations work, leading to a transfer of costs	N/A	(60,000)
	Underspends due to staffing vacancies	N/A	(16,000)
J	Several minor savings forecast across budget areas including training, environmental and tree works give rise to this total	N/A	(43,000)
K	Minor savings forecast	N/A	(20,000)
P	Tipper vehicle expected to cost less than budgeted	N/A	(11,000)
R	MRA is forecast to spend £2,405k (£2,278k budgeted plus £87k slippage rolled forward from 16/17 plus an additional £40k on Fire Risk Assessment work)	N/A	130,000
		TOTAL	(7,000)

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MID DEVON DISTRICT COUNCIL
MONITORING OF 2017/18 CAPITAL PROGRAMME

Appendix G

Code	Scheme	Budgeted Capital Programme 2017/18	Deliverable Capital Programme 2017/18	Actual Expenditure 2017/18	Committed Expenditure 2017/18	Total	Variance to Adj Capital Programme	Forecast (Underspend)/ Overspend	Forecast Slippage to 18/19	Notes
		£		£	£	£	£	£	£	
General Fund Projects										
Lords Meadow Leisure Centre										
CA624	Main car park resurfacing	50,000	50,000	35,210	0	35,210	(14,790)	(5,000)		Total Project cost circa £45k
Exe Valley Leisure Centre										
CA630	Exe Valley Leisure Centre - Replenish sand filters	25,000	25,000	0	0	0	(25,000)			This Project is planned due to be completed during Q3 17/18
CA627	EVLC - Pressure set replacement Hot/Cold	50,000	50,000	0	0	0	(50,000)	(5,000)		Forecast total Project cost circa £45k. Planned completion Feb'18
CA626	EVLC - Fitness extension	657,000	657,000	228,032	539,211	767,243	110,243	49,000		This forecast variance includes wet side improvement works amounting to £43k in 16/17. Planned project completion Jan '18
Culm Valley Leisure Centre										
CA631	CVSC replace end of life AC for fitness Gym	30,000	30,000	0	0	0	(30,000)	(5,000)		Forecast total Project cost circa £25k
Pannier Market										
CA509	Pannier Market - Improvement Project back log maintenance	60,000	60,000	43,842	0	43,842	(16,158)	(16,000)		Project complete - see Pannier Market Clock Tower CA508 - Scaffolding shared
CA507	Tiverton Pannier Market Piggins	70,000	0	0	0	0	0	(70,000)		This Project will no longer be undertaken
CA508	Pannier Market Clock Tower	12,000	12,000	28,256	0	28,256	16,256	16,000		Project complete - see Pannier Market back log maint CA509 - Scaffolding shared between projects
MSCP Improvements										
CA709	MSCP improvements (refer to Matrix condition report)	139,000	70,000	0	0	0	(70,000)		139,000	Spend on this project will be undertaken with consideration to proposed Premier Inn project - Planned commencement Jan '18
MDDC Shops/Industrial Units										
CA510	Energy Assessment works - new legislation - Indust Units/Shops/Mkt Walk	50,000	25,000	0	0	0	(25,000)		25,000	This Project is likely to straddle 17/18 & 18/19 Financial years
Play Areas										
CA632	Play area refurbishment District wide - Amory Park Tiverton	50,000	0	0	0	0	0		50,000	This project is likely to be delivered in Q2 18/19
CA628	Play area refurbishment - West Exe Recreation Ground Tiverton	50,000	0	0	2,300	2,300	2,300		50,000	This project is likely to be delivered in Q2 18/19
Other Projects										
CA460	Crediton Office - Structural improvement work	30,000	20,000	0	0	0	(20,000)	(10,000)		This project is likely to be delivered in Q4 17/18
CA461	A361 junction to facilitate Eastern Urban Extension (funded by s106)	1,750,000	1,000,000	0	0	0	(1,000,000)			MDDC contribution to DCC to help fund this junction now agreed at £1m
CA455	St Lawrence Green Project	30,000	30,000	0	0	0	(30,000)			
CA570	Coggans Well building acquisition			268,176	0	268,176	268,176	268,000		This acquisition will be funded by Useable Capital Receipts
CA468	Replacement Car park Machines			60,922	7,922	68,844	68,844	69,000		This project will be funding by a combinations of EMR's (£20k) & the balance from Useable Capital Receipts
General Fund Development Schemes										
CA462	Rear of Town Hall development site (6 Houses, 24 Apartments)	5,114,000	0	2,464	1,000	3,464	3,464	(5,114,000)		This project will now be delivered by the SPV & any associated costs will be novated to the new company
ICT Projects										
CA433	Unified Comms/telephony	107,000	107,000	0	0	0	(107,000)		67,000	Circa £40k spend in 17/18
CA456	Digital Transformation replacement of CRM	100,000	0	0	0	0	0	(100,000)		This Project will no longer be undertaken in 17/18 - future funds will be bid for in accordance with Leadership Team/ICT strategy
CA463	Secure Wifi replacement	50,000	50,000	0	0	0	(50,000)	(50,000)		Project to be delivered on Revenue circa £10k
CA464	Parking System Replacement (enforcement)	40,000	40,000	370	0	370	(39,630)			
CA465	Replacement Queue System	30,000	0	0	0	0	0	(30,000)		This Project will no longer be undertaken in 17/18 - future funds will be bid for in accordance with Leadership Team/ICT strategy
CA466	Core System Refreshes - Revs/Bens	20,000	20,000	0	0	0	(20,000)			This Project will no longer be undertaken in 17/18 - future funds will be bid for in accordance with Leadership Team/ICT strategy
CA467	Replacement Estates/Property Systems	50,000	0	0	0	0	0	(50,000)		
CA421	Replacement of PC estate 330s	31,000	31,000	18,964	0	18,964	(12,036)			
CA423	Continued replacement of WAN/LAN	60,000	60,000	0	0	0	(60,000)			
CA425	Server farm expansion/upgrades	96,000	96,000	12,233	0	12,233	(83,767)			
CA437	Digital Transformation	61,000	61,000	2,430	30	2,460	(58,540)			
CA439	Mobile Working NDL MX	7,000	7,000	7,000	0	7,000	0			
CA444	SQL/Oracles refreshes	21,000	21,000	2,500	7,975	10,475	(10,525)			
Replacement Vehicles										
CA714	Medium Sweeper (Street Cleansing)	70,000	70,000	0	0	0	(70,000)			
CA715	Van Tipper (Grounds Maintenance)	26,000	26,000	0	0	0	(26,000)			
CA716	Ransomes Mower (Grounds Maintenance)	35,000	35,000	0	0	0	(35,000)			
CA712	Iveco Tipper (or equivalent)	24,000	24,000	0	0	0	(24,000)			
CA814	Dennis Eagle Terberg RCV 22-26t (or equivalent)	160,000	160,000	166,409	2,820	169,229	9,229	10,000		Trade Waste vehicle
CA821	5 Refuse Vehicles with Food waste capability	900,000	900,000	0	830,667	830,667	(69,333)	(69,000)		Garden Waste (3 large & 3 small refuse vehicles)
CA822	7.5T Tipper	100,000	100,000	0	0	0	(100,000)			
CA825	3.5T Tipper	25,000	25,000	0	0	0	(25,000)			
CA827	3.5T Tipper	25,000	25,000	0	0	0	(25,000)			
		10,205,000	3,887,000	876,807	1,391,925	2,268,733	(1,618,267)	(5,112,000)	331,000	

Code	Scheme	Budgeted Capital Programme 2017/18	Deliverable Capital Programme 2017/18	Actual Expenditure 2017/18	Committed Expenditure 2017/18	Total	Variance to Adj Capital Programme	Forecast (Underspend)/ Overspend	Forecast Slippage to 18/19	Notes
CG217	Private Sector Housing Grants Empty homes and enforcement	104,000	30,000	0	0	0	(30,000)		64,000	
CG201	Disabled Facilities Grants-P/Sector	664,000	555,000	200,980	183,391	384,371	(170,629)		109,000	
<p>Please note where possible commitments are raised on the Finance Ledger. Currently the total commitment for Private Sector Housing Grants held outside the ledger is £184k. This underspend includes underspent budget on Private Tenant DFG's amounting to 171k; these are effectively ring fenced, therefore leaving £30k uncommitted. (£201k - £171k) Commitments include all approved grants. The timing of when these are drawn down is dependent on the client (up to 1 year), therefore at year end although sums may be committed, some may be carried forward to 2018/19 as slippage.</p>										
		768,000	585,000	200,980	183,391	384,371	(200,629)	0	173,000	
CA200	Affordable Housing Projects Grants to Housing Associations to provide units (funded by commuted sums)	115,000	115,000	7,959	0	7,959	(107,041)		99,000	
		115,000	115,000	7,959	0	7,959	(107,041)	0	99,000	
Total General Fund Projects		11,088,000	4,587,000	1,085,746	1,575,317	2,661,063	(1,925,937)	(5,112,000)	603,000	
CA100	HRA Projects Major repairs to Housing Stock	2,365,000	2,365,000	838,736	991,551	1,830,287	(534,713)	40,000		Additional works on fire risk Assessments £40k
CA111	Renewable Energy Fund Spend	100,000	100,000	51,488	0	51,488	(48,512)			
CG200	Disabled Facilities Grants - Council Houses	299,000	299,000	130,327	0	130,327	(168,673)			
CA135	Land acquisition for Affordable Housing	2,100,000	500,000	0	0	0	(500,000)		1,600,000	A substantial amount of this project will slip into 18/19
CA112	Birchen Lane	238,000	238,000	86,533	77,878	164,412	(73,588)			
CA119	Palmerston Park Tiverton - affordable dwellings (26 units)	2,694,000	2,062,000	374,292	2,708,819	3,083,110	1,021,110		1,500,000	Forecast project completion Q3 2018/19. Additional £261k to be funded by S106 Affordable Housing Contribs per Cabinet report 02/03/17
CA124	Queensway (Beech Road) Tiverton (3 units)	298,000	150,000	7,719	0	7,719	(142,281)		250,000	Forecast project completion Q4 2018/19
CA120	Burlescombe (6 units)	776,000	100,000	220	3,840	4,060	(95,940)		700,000	Forecast project completion Q4 2018/19
CA125	Waddeton Park - (70 units)	1,991,000	0	71	0	71	71		1,991,000	This project is likely to be delivered in 18/19
CA126	Sewerage Treatment Works - Washfield	25,000	25,000	0	0	0	(25,000)			Forecast project completion Q4 2017/18
CA127	Stoodleigh - Pending feasibility (4 units)	520,000	50,000	0	0	0	(50,000)		500,000	A substantial amount of this project will slip into 18/19
CA132	HRA ICT Projects Repairs - mobile replacement	30,000	30,000	11,340	10,013	21,354	(8,646)			
CA133	Tenancy Mobile	40,000	0	0	0	0	0	(40,000)		This Project will no longer be undertaken in 17/18 - future funds will be bid for in accordance with Leadership Team/ICT strategy
CA134	HRA Replacement Vehicles Van Tipper 4.5T (Responsive Repairs)	32,000	0	0	0	0	0	(32,000)		Vehicle not required in 17/18
CA122	Iveco Tipper 3.5t (or equivalent)	24,000	24,000	21,455	0	21,455	(2,545)	(3,000)		
Total HRA Projects		11,532,000	5,943,000	1,522,180	3,792,102	5,314,282	(628,718)	(35,000)	6,541,000	
CAPITAL PROGRAMME GRAND TOTAL		22,620,000	10,530,000	2,607,926.21	5,367,418.20	7,975,344	(2,554,656)	(5,147,000)	7,144,000	

**ENVIRONMENT PDG
7 NOVEMBER 2017:**

AGENDA ITEM:

PERFORMANCE AND RISK REPORT

Cabinet Member Cllr Clive Eginton
Responsible Officer Director of Corporate Affairs and Business Transformation, Jill May

Reason for Report: To provide Members with an update on performance against the corporate plan and local service targets for 2017-18 as well as providing an update on the key business risks.

RECOMMENDATION(S): That the PDG reviews the Performance Indicators and Risks that are outlined in this report and feeds back any areas of concern to the Cabinet.

Relationship to Corporate Plan: Corporate Plan priorities and targets are effectively maintained through the use of appropriate performance indicators and regular monitoring.

Financial Implications: None identified

Legal Implications: None identified

Risk Assessment: If performance is not monitored we may fail to meet our corporate and local service plan targets or to take appropriate corrective action where necessary. If key business risks are not identified and monitored they cannot be mitigated effectively.

Equality Impact Assessment: No equality issues identified for this report.

1.0 Introduction

- 1.1 Appendix 1 provides Members with details of performance against the Corporate Plan and local service targets for the 2017-18 financial year.
- 1.2 Appendix 2 shows the section of the Corporate Risk Register which relates to the Environment Portfolio. See 3.0 below.
- 1.3 Appendix 3 shows the profile of all risks for the Environment for this quarter.
- 1.4 All appendices are produced from the corporate Service Performance and Risk management system (SPAR).

2.0 Performance

- 2.1 Regarding the Corporate Plan Aim: **Increase recycling and reduce the amount of waste:** The Council is broadly on track with **Residual household waste per household (measured in Kilograms)** until the end of August of just under 167kg against a profiled target of 175kg. We are still a little below

target for **% of household waste reused, recycled and composted** and the % tends to be lower later in the year due to the reduction in garden waste tonnage. Last year August was the peak in performance for 2016/17 at 56.7%.

- 2.2 The 2-3% reduction in the recycling rate for quarters 1 and 2 was due to the loss of mechanical sweeping material being composted. The material could not be accepted from April 2017 until the new transfer station was operational due to DCC contractual changes.
- 2.3 The transfer station at Carlu Close has been completed and is now accepting food, garden and residual waste. The amount of residual waste accepted will gradually increase in tonnage until December 2018. All residual waste accepted at the site is then transported to the Exeter Energy from waste plant.
- 2.4 **Number of Households on Chargeable Garden Waste**; sales/renewals exceeded the target of 9,000 by the end of June. We would expect the increase in numbers to slow now the peak growing season has passed but we still had an extra 984 customers in September!
- 2.5 Regarding the Corporate Plan Aim: **Reduce our carbon footprint**: The new split garden and food waste vehicles have now been delivered and this means two HGVs have been replaced by smaller 7.5T vehicles reducing fuel usage and carbon emissions.
- 2.6 Regarding the Corporate Plan Aim: **Protect the natural environment**: The Air Quality Action Plan, for the District, 2017-21 was presented to the Community PDG on 26 September; after useful discussion, it was referred back for further information to be brought to the next meeting on 28 November.
- 2.7 When benchmarking information is available it is included

3.0 Risk

- 3.1 The Operational risk assessments are job specific and flow through to safe systems of work.
- 3.2 The Corporate risk register has been reviewed by Management Team (MT) and updated. Risk reports to committees include risks with a total score of 10 or more. (See Appendix 2)

4.0 Conclusion and Recommendation

- 4.1 That the PDG reviews the performance indicators and risks for 2017-18 that are outlined in this report and feeds back any areas of concern to the Cabinet.

Contact for more Information: Catherine Yandle, Group Manager for Performance, Governance and Data security ext. 4975

Circulation of the Report: Management Team and Cabinet Member

Corporate Plan PI Report Environment

Monthly report for 2017-2018
 Arranged by Aims
 Filtered by Aim: Priorities Environment
 For MDDC - Services

Key to Performance Status:

Performance Indicators:	No Data	Well below target	Below target	On target	Above target	Well above target
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* Indicates that an entity is linked to the Aim by its parent Service

Corporate Plan PI Report Environment

Priorities: Environment

Aims: Increase recycling and reduce the amount of waste

Performance Indicators

Title	Prev Year (Period)	Prev Year End	Annual Target	Apr Act	May Act	Jun Act	Jul Act	Aug Act	Sep Act	Oct Act	Nov Act	Dec Act	Jan Act	Feb Act	Mar Act	Actual to Date	Group Manager	Officer Notes
<u>Residual household waste per household (measured in Kilograms)</u>	148.81 (5/12)	374.20	420.00	32.80	63.57	98.59	130.52	166.92								166.92 (5/12)	Stuart Noyce	(April - Septem Figures supplied DCC one month behind reporting cycle. (L
<u>% of Household Waste Reuse, Recycled and Composted</u>	56.7% (5/12)	53.3%	53.0%	51.3%	52.6%	51.3%	51.8%	52.1%								52.1% (5/12)	Stuart Noyce	(Septem Figures supplied DCC one month behind reporting cycle. (L
<u>Net annual cost of waste service per household</u>		£56.37	£50.35	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	Stuart Noyce	
<u>Number of Households on Chargeable Garden Waste</u>	8,533 (6/12)	8,536	9,000	8,692	8,973	9,107	9,343	9,449	9,537							9,537 (6/12)	Stuart Noyce	(Septem The num of custome has riser 984 sinc Septem 2016 (LI
<u>% of missed collections reported (refuse and organic waste)</u>	0.03% (6/12)	0.04%	0.03%	0.04%	0.03%	0.03%	0.03%	0.03%	0.03%							0.03% (6/12)	Stuart Noyce	(Septem Continue remain c target (L
<u>% of Missed Collections logged (recycling)</u>	0.03% (6/12)	0.03%	0.03%	0.03%	0.03%	0.03%	0.03%	0.03%	0.03%							0.03% (6/12)	Stuart Noyce	(Septem Continue remain c target (L

Aims: Protect the natural environment

Performance Indicators

Title	Prev Year (Period)	Prev Year End	Annual Target	Apr Act	May Act	Jun Act	Jul Act	Aug Act	Sep Act	Oct Act	Nov Act	Dec Act	Jan Act	Feb Act	Mar Act	Actual to Date	Group Manager	Officer Notes
<u>Number of Fixed Penalty Notices (FPNs) Issued (Environment)</u>	5 (6/12)	10		5	9	10	13	16	21							21 (6/12)	Vicky Bowden	

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Environment PDG Risk Management Report - Appendix 2

Report for 2017-2018

For Environment - Cllr Clive Eginton Portfolio

Filtered by Flag:Include: * CRR 5+ / 15+

For MDDC - Services

Filtered by Performance Status: Exclude Risk Status: Low

Not Including Risk Child Projects records or Mitigating Action records

Key to Performance Status:

Risks: No Data (0+) High (15+) Medium (6+) Low (1+)

Environment PDG Risk Management Report - Appendix 2

Risk: Green Spaces Green Spaces - arborist team

Effects (Impact/Severity):

Causes (Likelihood):

Service: Grounds Maintenance

Current Status: Medium (10)

Current Risk Severity: 5 - Very High

Current Risk Likelihood: 2 - Low

Service Manager: Joe Scully

Review Note: Because of the nature of the work which can be in areas of limited access to emergency services and of a high risk all team members should be First Aid at Work (FAW)

Risk: H&S RA - Recycling Depot Operatives Risk assessment for role - Highest Risk scored - Vehicle Movements inside Depot

Effects (Impact/Severity):

Causes (Likelihood):

Service: Street Scene Services

Current Status: Medium (10)

Current Risk Severity: 5 - Very High

Current Risk Likelihood: 2 - Low

Service Manager: Stuart Noyce

Review Note: No incidents or further mitigating actions added.

Environment PDG Risk Management Report - Appendix 2

Risk: H&S RA - Refuse Driver/Loader Risk Assessment for Role - Highest risk from role RA. - Risk of RTA from severe weather conditions

Effects (Impact/Severity):

Causes (Likelihood):

Service: Street Scene Services

Current Status: Medium (10)	Current Risk Severity: 5 - Very High	Current Risk Likelihood: 2 - Low
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Service Manager: Stuart Noyce

Review Note: Annual review - No incidents or further mitigating actions added.

Risk: H&S RA - Street Cleansing Operative Risk assessment for role - highest risk from role - Risk of RTA from severe weather conditions

Effects (Impact/Severity):

Causes (Likelihood):

Service: Street Scene Services

Current Status: Medium (10)	Current Risk Severity: 5 - Very High	Current Risk Likelihood: 2 - Low
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Service Manager: Stuart Noyce

Review Note: Risk with control measures added

Risk: Power Take Off (PTO)shaft use That the PTO shaft is not correctly guarded

Effects (Impact/Severity):

Causes (Likelihood):

Service: Grounds Maintenance

Current Status: Medium (10)	Current Risk Severity: 5 - Very High	Current Risk Likelihood: 2 - Low
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Service Manager: Joe Scully

Review Note: Locking mechanism on the universal joint must be engaged successfully before engaging the PTO. Safe systems of work item

Printed by: Catherine Yandle

SPAR.net

Print Date: 26 October 2017

13:26

Risk Matrix Environment Appendix 3

Report

Filtered by Service: Grounds Maintenance, Street Scene Services
Current settings

Risk Likelihood	5 - Very High	No Risks	No Risks	No Risks	No Risks	No Risks
	4 - High	No Risks	No Risks	No Risks	No Risks	No Risks
	3 - Medium	No Risks	No Risks	1 Risk	No Risks	No Risks
	2 - Low	1 Risk	1 Risk	No Risks	8 Risks	5 Risks
	1 - Very Low	2 Risks	6 Risks	3 Risks	5 Risks	4 Risks
	1 - Very Low	2 - Low	3 - Medium	4 - High	5 - Very High	
	Risk Severity					

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