

Committee: Environment

Agenda Item

Date: 18 January 2011

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Title: 2010/11 Budget Monitoring

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Item for decision

Summary

1. The Committee is responsible for overseeing various General Fund Service Budgets and Capital Programme Schemes.
2. The report sets out financial performance for the period April to November 2010 and a forecast outturn to the end of the financial year.
3. The Committee's General Fund expenditure is forecasted to end the year with a net favourable variance of £105,000.
4. Capital schemes are forecasted to end the year with a net favourable variance of £130,000.
5. The information in this report will be collated into a report covering the Council's corporate financial position to be received by the Finance & Administration Committee on 27 January.

Recommendations

6. The Committee is recommended to note and approve this report.

Financial Implications

7. There are no direct financial implications arising from the recommendations.

Background Papers

[2010/11 Budget Book](#)

Impact

Communication/Consultation	The forecasts in the report have been provided by budget holders and scheme managers.
Community Safety	None
Equalities	None
Health and Safety	None

Human Rights/Legal Implications	None
Sustainability	None
Ward-specific impacts	None
Workforce/Workplace	None

Environment Committee General Fund - Summary

Net favourable variance is forecast	<p>Overall, the Committee's expenditure is forecasted to underspend the budget by £105,000.</p> <p>Details are Appendix A.</p>
Overspending areas	<p>£76,000 – Energy Efficiency. The Council has had to repay the Salix loan of £100,000. To be funded from the Energy Efficiency Reserve, which had been established for this purpose. The unbudgeted cost of £100,000 is offset by a saving arising from the decision to not replace a member of staff and instead procure expertise from Braintree DC.</p> <p>£39,000 – Vehicle Management, higher materials costs plus new post recruited to at a higher level than budgeted for.</p> <p>£28,000 – Car Parking – mostly due to a reducing trend in penalty charge income, there is also a small cost arising from the higher VAT rate which is not being passed on to customers.</p> <p>No other significant overspends anticipated.</p>
Underspending areas	<p>£95,000 – Assisted Travel. Funds established for a possible legal case liability are no longer required, so the amount held is credited back to the service</p> <p>£86,000 – Waste Management net underspend, due to renegotiated disposal charges and additional external funding, offset by loss of trade waste customers.</p> <p>£30,000 – Building Surveying – additional income arising from the new building regulation fees adopted in October.</p> <p>£28,000 – Street Services – contribution towards Head of Division's costs from Braintree DC, and efficiency savings realised within administrative posts.</p> <p>No other significant underspends anticipated.</p>

Environment Committee Capital Programme - Summary

Net favourable variance is forecast

An overall net underspend of £130,000 is forecasted.

Repairs to SW Fairycroft Road Car Park are being deferred pending resolution of Waitrose proposals.

Repairs to GD White Street Car Park have been deferred pending discussions with the Town Council.

Expenditure on replacement wheelie bins is higher than budgeted: this appears to be an under-budgeting issue rather than any unusual increase in activity.

Planned expenditure on street cleansing vehicle replacements has been brought forward from 2011/12 to this year, so there is an unbudgeted cost of £105,000 in 2010/11.

A saving of £75,000 has been made by getting a good deal on refuse vehicle replacements. Part of this saving is to be used to purchase a vehicle that will provide protection to litter picking operatives.

Details are in Appendix B.

Risk Analysis

Risk	Likelihood	Impact	Mitigating actions
Actual income and expenditure will vary from forecast, requiring adjustments to budget and/or service delivery	2 – some variability is inevitable	2 – budget will be closely monitored and prompt action taken to deal with variances	Budgetary control framework

1 = Little or no risk or impact

2 = Some risk or impact – action may be necessary.

3 = Significant risk or impact – action required

4 = Near certainty of risk occurring, catastrophic effect or failure of project.

APPENDIX A

ENVIRONMENT COMMITTEE – GENERAL FUND BUDGET

£000	April to November			2010/11 Financial Year			
	Current Budget April to Nov	Actual April to Nov	Variance April to Nov	Original Budget	Current Budget	Forecast Outturn	Forecast Variance
Assisted Travel	149	130	-19	219	219	124	-95
Building Surveying	33	-8	-41	77	77	47	-30
Car Parking	-386	-430	-44	-654	-654	-626	28
Conservation & Enhancement	57	54	-3	95	113	100	-13
Depots	31	32	1	38	38	47	9
District Monitoring & Enforcement	25	25	0	38	38	38	0
Energy Efficiency	38	110	72	29	29	105	76
Housing Strategy	70	60	-10	102	114	93	-21
Land Drainage	33	33	0	52	52	51	-1
Local Amenities	72	77	5	70	74	82	8
On Street Parking	-8	-9	-1	-176	-176	-157	19
Planning Grants	8	8	0	5	8	8	0
Planning Policy	172	184	12	274	309	307	-2
Solid Waste Management	-3	-1	2	-2	-2	4	6
Street Cleansing	179	174	-5	278	271	257	-14
Street Services Management & Admin	178	160	-18	271	272	244	-28
Transport Administration	121	145	24	313	313	313	0
Vehicle Management	181	218	37	272	272	311	39
Waste Management	576	556	-20	393	401	315	-86
Committee Total	1,526	1,518	-8	1,694	1,768	1,663	-105

APPENDIX B

ENVIRONMENT COMMITTEE CAPITAL PROGRAMME

£000	Actual April to November	2010/11 Financial Year				Forecast Outturn	Forecast Variance
		Original Budget	Slippage from 2009/10	Additional External Funding in Year	Updated Budget		
Environment							
<u>Capital Equipment</u>							
Energy Efficiency Programme	10	25	0	0	25	25	0
Food Waste Caddies	0	0	7	0	7	7	0
Glass Bottle Banks	0	0	2	0	2	2	0
Trade Waste Bin replacements	7	10	0	0	10	10	0
Wheelie Bins	33	10	0	0	10	50	40
<u>Capital Grants</u>							
Grant to Saffron Walden Town Council	50	0	50	0	50	50	0
<u>Capital Vehicles</u>							
Light Vans replacement programme	25	36	0	0	36	25	-11
Pest Control Vans replacement programme	25	36	0	0	36	29	-7
Recycling Vehicles	208	166	0	0	166	208	42
Refuse Collection / Trade Waste vehicles	546	370	285	0	655	580	-75
Street Cleansing Vehicles	14	147	0	0	147	252	105
Hard to Reach Properties Vehicle	0	0	0	100	100	100	0
<u>Capital Works</u>							
Ashton/DEFRA Project	4	0	0	83	83	83	0
Fairycroft Car Park - Repairs	0	154	0	0	154	0	-154
Museum Grounds Boundary Wall	12	0	37	0	37	37	0
White Street Car Park - Prior Year	0	0	15	0	15	15	0
White Street Car Park - Repairs	0	70	0	0	70	0	-70
Total - Environment Committee	934	1,024	396	183	1,603	1,473	-130