
Report To:	Environment & Regeneration Committee	Date:	15 June 2017
Report By:	Chief Financial Officer and Corporate Director Environment, Regeneration and Resources	Report No:	FIN/45/17/AP/MMcC
Contact Officer:	Mary McCabe	Contact No:	01475 712222
Subject:	Environment and Regeneration 2016/17 Revenue Budget – Probable Outturn		

1.0 PURPOSE

- 1.1 The purpose of this report is to advise the Committee of the probable outturn of the 2016/17 Revenue Budget to 31 March 2017.

2.0 SUMMARY

- 2.1 The revised 2016/17 budget for Environment and Regeneration is £19,233,000 which excludes Earmarked Reserves.
- 2.2 The probable outturn, excluding Earmarked Reserves, is an underspend of £312,000 (1.62%), a reduction in spend of £310,000 from that reported at the last Committee.
- 2.3 The major variances in 2016/17 were:
- i. An underrecovery in Commercial Industrial rental income of £80,000 due to a higher than budgeted level of voids.
 - ii. An underspend in Regeneration Fund under Economic Development of £52,000 in payments to external bodies due to timing of Employability initiative grants.
 - iii. Turnover savings across the Committee of £308,000 due to delays in filling vacant posts.
 - iv. An underrecovery in Physical Assets rental income of £81,000 in line with previous years' outturn.
 - v. An underspend in Catering provisions spend of £50,000, partly due to reduced food waste.
 - vi. An underspend in Fuel purchases within Vehicle Maintenance of £52,000.
 - vii. Overrecovery in Refuse Transfer Station recharge income of £59,000.
 - viii. An underspend in the Corporate Director budget of £58,000 due to turnover savings and a recharge to RI.
- 2.4 Operational Earmarked Reserves for 2016/17 total £2,966,000 of which £1,227,000 was originally projected to be spent in year. As detailed in Appendix 4 expenditure of £1,039,000 (85%) has been incurred, with the remaining expenditure projected in future years. Further details of specific projects are included in the appendix.

3.0 RECOMMENDATIONS

- 3.1 That the Committee note that the probable outturn for 2016/17 is an underspend of £312,000.
- 3.2 That the Committee is asked to approve virement as detailed in Section 7 and Appendix 5.

Alan Puckrin
Chief Financial Officer

Scott Allan
Corporate Director
Environment, Regeneration & Resources

4.0 BACKGROUND

4.1 The purpose of this report is to advise the Committee of the probable outcome of the 2016/17 revenue budget and to highlight the main issues contributing to the underspend.

4.2 The revised 2016/17 budget for Environment and Regeneration, excluding earmarked reserves, is £19,233,000. This is an increase of £257,000 from the approved budget prior to transfers to earmarked reserves. Appendix 1 gives details of this budget movement.

5.0 2016/17 PROVISIONAL OUTTURN

5.1 The provisional outcome for 2016/17 is an underspend of £312,000 (1.62%).

5.2 Regeneration & Planning - £87,000 underspend

The probable outcome for Regeneration & Planning is an underspend of £87,000, a reduction in projected spend of £100,000 since Period 9 Committee.

The main issues relating to the underspend for Regeneration & Planning are detailed below and in Appendix 3:

(a) Employee Costs

There is an underspend of £124,000 due to turnover savings resulting from delays in filling vacant posts, a reduction in projected spend of £13,000 since last Committee.

(b) Payments to Other Bodies

There is an underspend in payments to other bodies of £36,000, mainly due to an underspend in the Regeneration Fund of £52,000 in payments to external bodies due to timing of Employability initiative grants.

(c) Income

There is an underrecovery in income of £96,000 mainly due to:

- i. An underrecovery in Commercial Industrial rental income of £80,000, due to a higher than budgeted level of voids. This is a further reduction in income of £36,000 since last report. As previously reported, it is intended that the level of voids will decrease in future years by using earmarked reserves to improve the commercial portfolio.
- ii. An overrecovery in Building Standards fee income of £20,000. This is £80,000 more income than previously projected due to an increase in activity. Similarly, there has been an increase in Development Control income of £17,000, with a projected outcome of £3,000 underrecovery.

5.3 Property Services - £159,000 overspend

The probable outcome for Property Services is an overspend of £159,000, an increase in spend of £11,000 since last Committee.

The main issues contributing to the overspend for Property Services are detailed below and in Appendix 3:

(a) Employee Costs

There is an overspend of £46,000, £47,000 less spend than projected at Period 9, made up as follows:

- i. Cost of additional Technical Services employees totalling £67,000; offset by additional fee income.
- ii. Former Tied Houses - £22,000 underspend not previously reported due to corrections relating to the prior year.
- iii. An overspend of £1,000, a reduction in projected spend of £26,000 since Period 9, mainly in overtime and other allowances.

(b) Property Costs

There is an overspend of £54,000 within Property Costs, an increase in spend of £23,000 since last report, mainly due to overspends in Central Repairs repairs and health and safety works of £38,000.

(c) Administration Costs

There is an overspend of £182,000 mainly due to agency worker costs within Technical Services of £177,000; offset by additional fee income.

(d) Income

There is an overrecovery in income of £123,000, £37,000 less income than was previously reported, mainly due to:

- i. Additional Technical Services capital recharges income of £230,000 – offset by increased employee costs and agency worker costs. This is £17,000 less income than previously reported.
- ii. Underrecovery of Physical Asset Rental income of £81,000, an increase in income of £14,000 from last Committee. This is in line with the previous year's outturn and was addressed as part of the budget process.

5.4 Environmental & Commercial Services - £326,000 underspend

The provisional out-turn for Environmental & Commercial Services is an underspend of £326,000, a reduction in projected spend of £228,000 since last Committee.

The main issues contributing to the underspend for Environmental & Commercial Services are detailed below and in Appendix 3:

(a) Employee Costs

There is an underspend of £357,000, a reduction in spend of £37,000 from Period 9, mainly due to:

- i. Underspend in Cleaning of £128,000, due to the early achievement of productivity savings. This is an increase in spend of £8,000 from last Committee and is offset by reduced recharge income.
- ii. Underspend in Catering of £32,000, £2,000 less spend than previously reported, due to delays in filling vacant posts.
- iii. Turnover savings within Public Conveniences of £23,000 resulting from a vacant post, as previously reported.
- iv. Turnover savings within Roads Operational of £49,000, a further reduction in spend of £20,000 since last Committee, due to delays in filling vacant posts. In addition there is a £21,000 underspend on overtime and allowances, not previously reported.
- v. Underspend in Vehicle Maintenance employee costs of £44,000, an increase in spend of £1,000 since last report. These turnover savings are partially offset by additional agency costs as detailed below.
- vi. Underspend in Ground Maintenance employee costs of £24,000, £4,000 less expenditure than was previously reported, due to delays in employing seasonal employees.
- vii. Other turnover savings across the Service of £36,000.

(b) Supplies & Services

There is an overspend of £247,000, £12,000 more spend than was reported at Period 9, mainly due to:

- i. Overspends in Roads Operational Subcontractors and Materials of £38,000 and £22,000 respectively. These overspends are offset by additional income and are a result of additional capital works. This is £20,000 less spend than previously reported, based on the current workplan.
- ii. Roads Client rechargeable spend of £252,000; £107,000 more spend than last Committee; which is offset by additional income.
- iii. Overspends in Vehicle Maintenance Materials and Subcontractors of £66,000, £8,000 more than was previously reported, due to increased Non Routine Maintenance. This overspend is offset by additional Vehicle Maintenance recharge income.
- iv. Net underspend in Building Services' Direct Purchases and Subcontractors of £39,000, offset by reduced income. This is a reduction in spend of £19,000 since last Committee.
- v. Underspend in the Roads Lighting Maintenance budget of £37,000, a further reduction in spend of £7,000 from that previously reported, due to a lower than anticipated number of unplanned lighting faults which is in part due to investment in LED lanterns.
- vi. An overspend in Roads Lighting electrical power of £22,000, not previously reported, due to higher than anticipated pass through charges.
- vii. Underspend in Roads Assessment/Feasibilities of £20,000, as previously reported, resulting from delayed feasibility studies.
- viii. Underspend in Catering Provisions of £50,000, £27,000 less spend than previously reported, mainly due to decreases in food waste.
- ix. Overspends in Ground Maintenance Subcontractors and Direct Purchases of £24,000, £6,000 less than last Committee, offset by reduced employee costs and additional income.

(c) Transportation & Plant

There is an overspend of £85,000, £82,000 more spend than was projected at last Committee, as a result of:

- i. An underspend in purchase of fuel of £52,000, a reduction in spend of £16,000 since last report, offset by a reduction in recharge income.
- ii. Underspends in Fuel across the Client Services of £44,000 (in line with reduced spend per (i) above), a further reduction of £11,000 from last Committee.
- iii. Overspend on Roads Operational external hires and non-routine maintenance of £55,000 and £56,000. This is £26,000 more spend than previously projected and is based on the current workplan. This overspend is offset by additional income.
- iv. Net overspend in non-routine maintenance across the other Client Services (excluding Roads Operations) of £30,000, £49,000 more spend than at last Committee.

(d) Administration Costs

There is an overspend of £64,000, £40,000 more than previously reported, mainly due to:

- i. Agency staff costs in Vehicle Maintenance of £23,000, offset by reduced employee costs; an increase of £10,000 since last Committee.
- ii. Refuse Collection agency staff costs of £28,000, £14,000 more spend than previously reported.

(e) Payments to Other Bodies

There is an overspend of £94,000, £44,000 less spend than was previously reported, due to:

- i. An overspend of £23,000 in the Residual Waste Contract, a reduction in spend of £46,000 since last Committee. This reduction is due to lower than anticipated waste tonnages in the last three months of the financial year.
- ii. An overspend on Waste Strategy other expenditure of £35,000, £25,000 more spend than previously reported, due to increased spend on repairs to the MRF.
- iii. Legal fees relating to a dispute with a former contractor amounting to £39,000, as previously reported.

(f) Income

There is an overrecovery of £444,000, £292,000 more income than was projected at Period 9, made up as follows:

- i. An overrecovery of Roads Operational income of £136,000, in line with increased costs, per above. This is £5,000 less income than previously reported and is in line with the current work programme.
- ii. An overrecovery of Roads Client Rechargeable income of £257,000, £109,000 more income than at last Committee; offset by additional Supplies & Services spend.
- iii. An underrecovery of Cleaning income of £136,000, in line with reduced employee costs as outlined in 5.4(a)(i).
- iv. Underrecovery of Fuel recharge income of £52,000, in line with reduced spend.
- v. Overrecovery of Non Routine Maintenance recharge income of £113,000, in line with increased costs. This is £55,000 more income than previously reported and is offset by overspends in the client services.
- vi. Overrecovery of Ground Maintenance income of £58,000, partially offset by increased Supplies & Services costs. This is an increase in income of £37,000 from Period 9.
- vii. Underrecovery of Building Services income of £72,000 in line with reduced costs per 5.4 (c)(iv) above. This is £34,000 less income than previously reported.
- viii. Overrecovery of Crematorium income of £51,000, partially offset by an underrecovery of Burial Grounds income of £20,000, not previously reported.
- ix. Overrecovery of Refuse Transfer Station recharge income of £59,000, not previously reported. This is due to additional chargeable waste disposed of at the transfer station.

5.5 Corporate Director - £58,000 underspend

The Corporate Director budget is £58,000 under budget partially as a result of recharges to Riverside Inverclyde and partially turnover savings pending commencement of the new Corporate Director.

6.0 EARMARKED RESERVES

- 6.1 There is a planned contribution of £2,409,000 to Earmarked Reserves in the current financial year. Appendix 4 gives an update on the operational Earmarked Reserves, ie excluding strategic funding models such as RI funding, AMP and Vehicle Replacement Programme. Spend to date on these operational Earmarked Reserves is £972,000, 79% of the original planned spend, with the remaining projected to be spent in future years.

7.0 VIREMENTS

7.1 The Committee is asked to approve virement for financial year 2017/18 as outlined in Appendix 5. This virement, from Ground Maintenance employee costs to subcontractors, is requested for specialist tree maintenance works as some services will be procured externally following the redeployment of one grounds maintenance employee to another post.

8.0 IMPLICATIONS

Finance

8.1 All finance implications are discussed in detail within the report above.

Financial Implications:

One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report £000	Virement From	Other Comments
N/A					

Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact £000	Virement From (if Applicable)	Other Comments
N/A					

Legal

8.2 There are no specific legal implications arising from this report.

Human Resources

8.3 There are no specific human resources implications arising from this report.

Equalities

8.4 There are no equality issues arising from this report.

Repopulation

8.5 There are no repopulation issues within this report.

9.0 CONSULTATIONS

9.1 The report has been jointly prepared by the Corporate Director Environment, Regeneration & Resources and the Chief Financial Officer.

10.0 CONCLUSIONS

10.1 The provisional outturn for the Committee is an underspend of £312,000.

11.0 LIST OF BACKGROUND PAPERS

11.1 There are no background papers relating to this report.

Environment & Regeneration Budget Movement - 2016/17**PERIOD 12: 1st April 2016 - 31st March 2017**

Service	Approved Budget		Movements			Revised Budget
	2016/17 £000	Inflation £000	Virement £000	Supplementary Budgets £000	Transferred to EMR £000	2016/17 £000
Regeneration & Planning	4,698	(2)	(33)		(1,175)	3,488
Property Services	2,824	(44)	62		(961)	1,881
Environmental & Commercial Services	13,716	233	35	6	(273)	13,717
Corporate Director	147					147
Totals	21,385	187	64	6	(2,409)	19,233

Supplementary Budget Detail

£000

External Resources

Flooding Grant Support

6

Internal Resources

Residual Waste Disposal Contract - inflationary increase funded from the Inflation Contingency

137

Waste Strategy MRF Contract - inflationary increase funded from the Inflation Contingency

77

Waste Strategy Composting Contract - inflationary increase funded from the Inflation Contingency

19

Various Services Gas - inflationary decrease returned to Inflation Contingency

(57)

Roads Client Electrical Power - inflationary increase funded from Inflation Contingency

11

Savings/Reductions

193

ENVIRONMENT AND REGENERATION COMMITTEE**REVENUE BUDGET MONITORING REPORT****PERIOD 12: 1st April 2016 - 31st March 2017**

Subjective Heading	Approved Budget 2016/17 £000	Revised Budget 2016/17 £000	Projected Out-turn 2016/17 £000	Projected Over/(Under) Spend	Percentage Variance %
Employee Costs	17,969	17,967	17,482	(485)	(2.70)%
Property Costs	4,955	4,778	4,810	32	0.67%
Supplies & Services	6,249	6,190	6,439	249	4.02%
Transport Costs	2,294	2,365	2,450	85	3.59%
Administration Costs	512	538	773	235	43.65%
Payments to Other Bodies	9,711	10,066	10,124	58	0.58%
Income	(20,305)	(20,262)	(20,748)	(486)	(2.40)%
TOTAL NET EXPENDITURE	21,385	21,642	21,330	(312)	(1.44)%
Transfer to Earmarked Reserves *	0	(2,409)	(2,409)	0	0.00%
TOTAL NET EXPENDITURE EXCLUDING EARMARKED RESERVES	21,385	19,233	18,921	(312)	(1.62)%

Objective Heading	Approved Budget 2016/17 £000	Revised Budget 2016/17 £000	Projected Out-turn 2016/17 £000	Projected Over/(Under) Spend	Percentage Variance %
Regeneration & Planning	4,698	4,662	4,575	(87)	(1.87)%
Property Services	2,824	2,842	3,001	159	5.60%
Environmental & Commercial Services	13,716	13,990	13,664	(326)	(2.33)%
Corporate Director	147	148	90	(58)	(39.32)%
TOTAL NET EXPENDITURE	21,385	21,642	21,330	(312)	(1.44)%
Transfer to Earmarked Reserves *	0	(2,409)	(2,409)	0	0.00%
TOTAL NET EXPENDITURE EXCLUDING EARMARKED RESERVES	21,385	19,233	18,921	(312)	(1.62)%

* Per Appendix 3: New funding transferred to earmarked reserves during 2016/17

ENVIRONMENT AND REGENERATION COMMITTEEREVENUE BUDGET MONITORING REPORTMATERIAL VARIANCESPERIOD 12: 1st April 2016 - 31st March 2017

<u>Out Turn</u> <u>2015/16</u> <u>£000</u>	<u>Budget</u> <u>Heading</u>	<u>Subjective Head</u>	<u>Budget</u> <u>2016/17</u> <u>£000</u>	<u>Proportion</u> <u>of Budget</u> <u>£000</u>	<u>Actual to</u> <u>31-Mar-17</u> <u>£000</u>	<u>Projection</u> <u>2016/17</u> <u>£000</u>	<u>(Under)/Over</u> <u>Budget</u> <u>£000</u>	<u>Percentage</u> <u>Variance</u> <u>%</u>
1,162	REGENERATION & PLANNING							
954	Economic Development & Procurement	Employee Costs	1,077	1,077	994	994	(83)	(7.71)%
	Planning	Employee Costs	948	948	896	896	(52)	(5.49)%
							(135)	
	Regeneration Fund	PTOB	2,284	2,284	2,232	2,232	(52)	(2.28)%
							(52)	
(638)	Commercial & Industrial - Rent	Income	(698)	(698)	(618)	(618)	80	(11.46)%
(342)	Planning - Building Standards Fee Income	Income	(328)	(328)	(348)	(348)	(20)	6.10%
							60	
	PROPERTY SERVICES							
1,029	Technical Services	Employee Costs	842	842	954	954	112	13.30%
0	Physical Assets	Employee Costs	0	0	(22)	(22)	(22)	
							90	
1,880	Central Repairs	Property Costs	1,430	1,430	1,468	1,468	38	2.66%
							38	
157	Technical Services - Agency Staff	Administration	0	0	177	177	177	
							177	
(1,200)	Technical Services - Recharges to Capital	Income	(758)	(758)	(988)	(988)	(230)	30.34%
(87)	Physical Assets - Rent	Income	(172)	(172)	(91)	(91)	81	(47.09)%
							(149)	

ENVIRONMENT AND REGENERATION COMMITTEEREVENUE BUDGET MONITORING REPORTMATERIAL VARIANCESPERIOD 12: 1st April 2016 - 31st March 2017

<u>Out Turn</u> <u>2015/16</u> <u>£000</u>	<u>Budget</u> <u>Heading</u>	<u>Subjective Head</u>	<u>Budget</u> <u>2016/17</u> <u>£000</u>	<u>Proportion</u> <u>of Budget</u> <u>£000</u>	<u>Actual to</u> <u>31-Mar-17</u> <u>£000</u>	<u>Projection</u> <u>2016/17</u> <u>£000</u>	<u>(Under)/Over</u> <u>Budget</u> <u>£000</u>	<u>Percentage</u> <u>Variance</u> <u>%</u>
	ENVIRONMENTAL & COMMERCIAL SERVICES							
1,741	Cleaning	Employee Costs	1,814	1,814	1,686	1,686	(128)	(7.06)%
1,824	Catering	Employee Costs	1,889	1,889	1,857	1,857	(32)	(1.69)%
76	Public Conveniences	Employee Costs	95	95	72	72	(23)	(24.21)%
767	Roads Operations	Employee Costs	780	780	710	710	(70)	(8.97)%
580	Vehicle Maintenance	Employee Costs	626	626	582	582	(44)	(7.03)%
1,292	Grounds Maintenance	Employee Costs	1,306	1,306	1,282	1,282	(24)	(1.84)%
							(321)	
238	Building Services - Direct Purchases	Supplies and Services	164	164	226	226	62	37.80%
191	Building Services - Subcontractors	Supplies and Services	220	220	119	119	(101)	(45.91)%
503	Roads Client - Rechargeable Works	Supplies and Services	0	0	252	252	252	
433	Roads Client - Lighting Maintenance	Supplies and Services	416	416	379	379	(37)	(8.89)%
513	Roads Client - Street Lighting Electrical Power	Supplies and Services	482	482	504	504	22	4.56%
119	Roads Client - Roads Assessment/Feasibility	Supplies and Services	68	68	48	48	(20)	(29.41)%
281	Roads Operational Account - Subcontractors	Supplies and Services	235	235	273	273	38	16.17%
1,802	Roads Operational Account - Materials	Supplies and Services	1,525	1,525	1,547	1,547	22	1.44%
216	Vehicle Maintenance - Non Routine Maintenance Materials	Supplies and Services	176	176	208	208	32	18.18%
104	Vehicle Maintenance - Non Routine Maintenance Sub Contractors	Supplies and Services	96	96	130	130	34	35.42%
17	Grounds Maintenance - Sub Contractors	Supplies and Services	20	20	43	43	23	115.00%
966	Catering - Provisions	Supplies and Services	974	974	924	924	(50)	(5.13)%
							277	
453	Vehicle Trading Account - Fuel Purchases	Transport & Plant	495	495	443	443	(52)	(10.51)%
356	Environmental & Commercial Services - Fuel Recharges	Transport & Plant	387	387	343	343	(44)	(11.37)%
402	Roads Operational Account - External Hires	Transport & Plant	305	305	360	360	55	18.03%
85	Roads Operational Account - Non Routine Maintenance	Transport & Plant	26	26	82	82	56	215.38%
261	Environmental (excluding Roads) - Non- Routine Maintenance	Transport & Plant	226	226	256	256	30	13.27%
							45	
39	Refuse Collection - Agency Costs	Administration	20	20	48	48	28	
71	Vehicle Maintenance - Agency Costs	Administration	20	20	43	43	23	
							51	

ENVIRONMENT AND REGENERATION COMMITTEEREVENUE BUDGET MONITORING REPORTMATERIAL VARIANCESPERIOD 12: 1st April 2016 - 31st March 2017

<u>Out Turn</u> <u>2015/16</u> <u>£000</u>	<u>Budget</u> <u>Heading</u>	<u>Subjective Head</u>	<u>Budget</u> <u>2016/17</u> <u>£000</u>	<u>Proportion</u> <u>of Budget</u> <u>£000</u>	<u>Actual to</u> <u>31-Mar-17</u> <u>£000</u>	<u>Projection</u> <u>2016/17</u> <u>£000</u>	<u>(Under)/Over</u> <u>Budget</u> <u>£000</u>	<u>Percentage</u> <u>Variance</u> <u>%</u>
2,523	Refuse Transfer - Waste Disposal	PTOB	2,725	2,725	2,748	2,748	23	0.84%
95	Waste Strategy - Other Expenditure	PTOB	67	67	102	102	35	52.24%
19	Roads Client - Legal Fees	PTOB	0	0	39	39	39	
							97	
(3,147)	Roads Operational Account - Capital	Income	(2,705)	(2,705)	(2,827)	(2,827)	(122)	4.51%
(503)	Roads Client - Recoveries	Income	0	0	(257)	(257)	(257)	
(156)	Roads Client - Sales, Fees and Charges	Income	(144)	(144)	(110)	(110)	34	(23.61)%
(133)	Roads Client - Recharge to Capital	Income	(133)	(133)	(163)	(163)	(30)	22.56%
(1,661)	Building Services	Income	(1,558)	(1,558)	(1,486)	(1,486)	72	(4.62)%
(1,820)	Cleaning - Recharges	Income	(1,954)	(1,954)	(1,818)	(1,818)	136	(6.96)%
(454)	Vehicle Maintenance - Fuel Recharges Income	Income	(495)	(495)	(443)	(443)	52	(10.51)%
(261)	Vehicle Maintenance - Non Routine Materials Recharges	Income	(154)	(115)	(247)	(247)	(93)	60.39%
(167)	Vehicle Maintenance - Non Routine Labour Recharges	Income	(134)	(134)	(154)	(154)	(20)	14.93%
(76)	Ground Maintenance - Other Income	Income	(63)	(63)	(121)	(121)	(58)	92.06%
(514)	Crematorium - Cremations income	Income	(496)	(496)	(547)	(547)	(51)	10.28%
(246)	Burial Grounds - Income	Income	(275)	(275)	(255)	(255)	20	(7.27)%
(266)	Refuse Transfer Station - Recharge Income	Income	(267)	(267)	(326)	(326)	(59)	22.10%
							(376)	
91	CORPORATE DIRECTOR Corporate Director	Employee Costs	141	141	76	76	(65)	(46.10)%
							(65)	
Total Material Variances							(263)	

EARMARKED RESERVES POSITION STATEMENT

Appendix 4

COMMITTEE: Environment & Regeneration

<u>Project</u>	<u>Total Funding 2016/17</u>	<u>Phased Budget To Period 12 2016/17</u>	<u>Actual To Period 12 2016/17</u>	<u>Projected Spend 2016/17</u>	<u>Amount to be Earmarked for 2017/18 & Beyond</u>	<u>Lead Officer Update</u>
	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>	
Youth Employment	70	70	0	0	70	Funding will be used to enhance core revenue budget in support of the Modern Apprenticeship scheme and Graduate support.
Flooding Strategy	14	0	0	0	14	Funding was originally for legal fees relating to discussions with Scottish Water on ownership of the Eastern Line of Falls. However, this is unlikely now to be required. It was agreed at the Environment & Regeneration Committee 1 September 2016 that £30k of this budget be reallocated towards the demolition of the former Babylon Nightclub.
Greenock Town Centre Parking Strategy	9	9	7	7	2	Funding used for parking surveys and road markings.
Repopulating/Promoting Inverclyde	385	265	248	248	137	This relates to a number of different workstreams. RI element for 2016/17 is Kilmacolm £185k plus P1 Grand Prix £45k. Total spend to date on Kilmacolm is £154k. The contractor NRS Group took possession of the Kilmacolm site on 11th October and are currently levelling the site current plan to complete 7th April 2017. The February draw down from RI was an additional £33k. Therefore current Kilmacolm Self Build cost is £185k. The Repopulation Group have used the final £12,000 which was allocated to the mid-market housing initiative to develop the housing options 'wizard'. There is £540 left from this and it was agreed at the Repopulation Outcome Delivery group that this would be used for community planning in 2017-18. Current overall spend as at 24th March 2017 is £241k.
Employability Initiatives	411	200	67	67	344	Tenders completed, report to E+R Committee, contracts awarded. As at P12 the £67k has been paid to ICDT.

EARMARKED RESERVES POSITION STATEMENT

Appendix 4

COMMITTEE: Environment & Regeneration

<u>Project</u>	<u>Total Funding 2016/17</u>	<u>Phased Budget To Period 12 2016/17</u>	<u>Actual To Period 12 2016/17</u>	<u>Projected Spend 2016/17</u>	<u>Amount to be Earmarked for 2017/18 & Beyond</u>	<u>Lead Officer Update</u>
	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>	
Commonwealth Flotilla Event	123	73	107	107	16	Spend will be directed to creating a legacy from the sailing event undertaken to celebrate the Commonwealth Games. The legacy involves the relocation of pontoons used during the event to East India Harbour. Additional £50k funding from car pack acquisition CFCR. Some work remains outstanding at this time, namely the installation of payment meter and gate opening mechanism, and water & power supply to the pontoon. As at 24th March £106k has been spent and the remaining balance is required in 2017-18 for final consultant fees and retentions.
Roads Defects and Drainage works	468	270	266	266	202	Funding is for improved drainage maintenance and to reduce pothole backlog.
City Deal	26	0	26	26	0	Required to meet anticipated share of Project Management Office Costs for 2015/17.
Town and Village Centre Environmental Improvements	500	50	12	12	488	Project is progressing as planned, just not incurred much in the way of fees yet.
Economic Development Initiatives	500	200	233	233	267	Money to be spent on Marketing, Modern Apprenticeships and graduates. Agreed at the ER&R committee meeting on 27/10/2016 that intervention type would change from grant to direct intervention up to £120k of the 2016/17 EMR to facilitate lease opportunities and shopfront improvements. Of the 2016/17 expenditure, £100k on Modern Apprentices, £50k ICDT and £80k on grants.
Tourism & Events	150	50	33	33	117	Funding for tourism grants spend expected to be in line with profile.

EARMARKED RESERVES POSITION STATEMENT

COMMITTEE: Environment & Regeneration

<u>Project</u>	<u>Total Funding 2016/17</u>	<u>Phased Budget To Period 12 2016/17</u>	<u>Actual To Period 12 2016/17</u>	<u>Projected Spend 2016/17</u>	<u>Amount to be Earmarked for 2017/18 & Beyond</u>	<u>Lead Officer Update</u>
	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>	
Pre Release Initiatives	200	40	40	40	160	Engagement meeting has taken place with Scottish Prison Service and the final details of the scheme have been agreed. Contract awarded. Issues with slow engagement and available clients from scottish prison service therefore expected spend in 2016-17 reduced to £40k with £160k expected to be spent in 2017-18.
Demolition of Former Babylon Nightclub	30	0	0	0	30	Agreed at Environment & Regeneration Committee 1 September 2016, funded from Flooding Strategy earmarked reserve.
Power Boat Grand Prix	50	0	0	0	50	Agreed at Environment & Regeneration Committee 1 September 2016, funded from Carpark acquisition earmarked reserve.
TS Queen Mary	30	0	0	0	30	Agreed at Environment & Regeneration Committee 1 September 2016, funded from Carpark acquisition earmarked reserve. Loan was not made in 2016-17 therefore required to carry forward to 2017-18.
Total Category C to E	2,966	1,227	1,039	1,039	1,927	

ENVIRONMENT AND REGENERATION COMMITTEE**VIREMENT REQUESTS****PERIOD 12: 1st April 2016 - 31st March 2017**

Budget Heading	Increase Budget	(Decrease) Budget
	£	£
Ground Maintenance - Employee Costs		(23,000)
Ground Maintenance - Subcontractors	23,000	
Total	23,000	(23,000)

Note

This virement is requested for financial year 2017/18. This virement, from Ground Maintenance employee costs to subcontractors, is requested for specialist tree maintenance works as some services will be procured externally following the redeployment of one grounds maintenance employee to another post.