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| Report To: | Environment & Regeneration Committee | Date: | 3 May 2018 |
| Report By: | Chief Financial Officer and Corporate Director Environment, Regeneration and Resources | Report No: | FIN/49/18/AP/MMcC |
| Contact Officer: | Mary McCabe | Contact No: | 01475 712222 |
| Subject: | Environment and Regeneration 2017/18 Revenue Budget – Period 11 (28 February 2018) | | |

1.0 PURPOSE

1.1 To advise the Committee of the 2017/18 Revenue Budget position at 28 February 2018.

2.0 SUMMARY

2.1 The revised 2017/18 budget for Environment and Regeneration is £20,837,000 which excludes Earmarked Reserves.

2.2 The latest projection, excluding Earmarked Reserves, is an underspend of £219,000, a reduction in projected spend of £77,000 since the last Committee.

2.3 The major variances projected at Period 11 are:

- i. There is a projected underspend within Waste Disposal on the residual waste contract of £75,000. This projection is based on current prices and tonnages.
- ii. Turnover savings across the Committee (not offset by other costs or income) of £202,000 due to delays in filling vacant posts.
- iii. An under recovery in Commercial & Industrial income of £60,000, due to a higher than budgeted level of voids.
- iv. An over recovery in Planning Development Control income of £103,000, due to a number of large applications being received in recent months.
- v. An over recovery of Crematorium income of £70,000 due to a higher than budgeted number of cremations. This is partially offset by an under recovery in Burial Grounds income of £40,000. This reflects recent trends and will be reflected in future years' budgets.
- vi. Within Roads Operations there is a projected net shortfall in income of £99,000. This is mainly due to resources being diverted from capital works as a result of increased winter maintenance activity.
- vii. An underspend in Catering provisions spend of £50,000, in line with previous year's outturn.

2.4 Operational Earmarked Reserves for 2017/18 total £2,342,000 of which £843,000 is projected to be spent in the current financial year. As detailed in Appendix 4 expenditure of £677,000 (80% of projected spend or 54% of phased budget) has been incurred to Period 11. The earmarked reserves have been reviewed and expenditure previously projected to be spent in 2017/18 has been reprofiled, with £1,499,000 now expected to be spent in 2018/19 and beyond, an increase in slippage of £372,000 since Period 9.

2.5 As reported at the last Committee, there has been a call on the Roads winter maintenance earmarked reserve. The core budget has been fully utilised and it is now projected that £260,000 of the earmarked reserve will be required in this financial year, due to the extreme winter weather experienced in February and March. The earmarked reserve has a balance of £575,000 at present, which will reduce to £315,000 under the current projection.

3.0 RECOMMENDATIONS

3.1 It is recommended that the Committee note the current projected underspend for 2017/18 of £219,000 as at 28 February 2018.

3.2 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 current position of the 2017/18 budget and to highlight the main issues contributing to the projected underspend.

4.2 The revised 2017/18 budget for Environment and Regeneration, excluding earmarked reserves, is £20,837,000. This is an increase of £386,000 from the approved budget, prior to transfers to earmarked reserves. Appendix 1 gives details of this budget movement.

5.0 2017/18 CURRENT POSITION

5.1 The current projection for 2017/18 is an underspend of £219,000 (1.01%), a reduction in projected spend of £77,000 from Period 9.

5.2 Regeneration & Planning - £101,000 underspend

The current projected out-turn for Regeneration & Planning is an underspend of £101,000, a reduction in spend of £89,000 since the last Committee.

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

(a) Employee Costs

There is a projected underspend of £132,000, £40,000 less spend than was previously reported, mainly due to:

- i. Turnover savings of £86,000 resulting from delays in filling vacant posts. This is £14,000 less expenditure than was projected at Period 9.
- ii. An underspend in Get Ready for Work student training fees of £21,000, £1,000 less spend than was previously reported. This is offset by an under recovery of income, per 5.2(c)(iv).
- iii. An underspend in Modern Apprentices of £25,000, offset by an under recovery of income, not previously reported.

(b) Payments to Other Bodies

There is a projected overspend of £23,000, an increase in spend of £33,000 since Period 9. This is mainly due to a £30,000 projected overspend in Planning payments to other bodies budget, in line with previous year's outturn. This is a further increase in spend of £10,000 since last report.

(c) Income

There is a projected over recovery of £26,000, an increase in projected income of £110,000 since the last Committee, due to:

- i. An under recovery in Commercial & Industrial rental income of £60,000, a reduction in income of £2,000 since the last Committee, due to a higher than budgeted level of voids.
- ii. A projected under recovery of Planning Building Standards income of £28,000, due to a lower than budgeted level of applications being received. This is an increase in projected income of £40,000 since last period.
- iii. An over recovery of Planning Development Control income of £103,000, due to a number of large applications being made in the last quarter. This is a further increase in income of £45,000 from that reported at Period 9.

- iv. An under recovery in Get Ready for Work income of £20,000. This is offset by an underspend in training fees under employee costs.
- v. Income of £30,000 relating to a secondment, not previously reported. This post will be backfilled, however due to delays, there is a one-off over recovery in this financial year.
- vi. An over recovery of Procurement income of £22,000, mainly relating to a one-off historic income rebate, not previously reported.
- vii. An under recovery of Modern Apprentices income of £25,000, in line with reduced costs, per 5.2(a)(iii).

5.3 **Property Services - £66,000 overspend**

The current projected out-turn for Property Services is an overspend of £66,000, a reduction in projected expenditure of £24,000 since the last Committee.

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

(a) **Employee Costs**

There is a projected overspend of £33,000 due to the turnover savings target being underachieved. This is a reduction in spend of £6,000 since the last Committee.

(b) **Property Costs**

There is a projected overspend of £28,000 within Property costs, a reduction in projected spend of £12,000 from Period 9. This overspend is due to a number of small variances across Property Services, none of which are individually material.

(c) **Administration Costs**

There is a projected overspend of £266,000, as previously reported, mainly due to agency worker costs within Technical Services; offset by additional fee income.

(d) **Income**

There is a projected over recovery in income of £275,000 mainly due to:

- i. Additional Technical Services capital recharges income of £260,000 – offset by increased agency worker costs.
- ii. An over recovery of Renewal Heat Incentive and Feed in Tariff income of £23,000, £2,000 more income than was previously reported. This is more than offset by increased costs in Education.

5.4 **Environmental & Commercial Services - £184,000 underspend**

The current projected out-turn for Environmental & Commercial Services is an underspend of £184,000, an increase in projected expenditure of £36,000 since the last Committee.

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

(a) **Employee Costs**

There is a projected underspend of £364,000, £38,000 less spend than was reported at Period 9, mainly due to:

- i. Additional turnover savings within Management of £63,000, an increase in spend of £14,000 since the last Committee.
- ii. An overspend in Catering of £22,000 a reduction in spend of £6,000 since the last report. As previously reported this overspend is mainly due to an increase in superannuation due to auto enrolment and the increase in the living wage.
- iii. An underspend in Cleaning of £100,000, mainly as a result of the early achievement of productivity savings, due to be achieved in 2018/19. This underspend is offset by reduced income and is £16,000 less spend than was previously reported.
- iv. Turnover savings within Roads Operations of £30,000, £10,000 more spend than was previously reported. This underspend is offset by agency costs under Administration.
- v. Turnover savings within Vehicle Maintenance of £48,000, partially offset by increased subcontractor costs due to works being carried out externally. This is a reduction in spend of £12,000 from Period 9.
- vi. Turnover savings within Refuse Collection of £44,000. This is an increase in spend of £1,000 since the last Committee and is partially offset by agency costs per 5.4(d)(i) below.
- vii. An underspend in Building Services of £28,000, an increase in spend of £2,000 since Period 9, mainly due to reduced overtime and delays in filling vacancies.
- viii. An underspend in Ground Maintenance of £38,000 as a result of delays in appointing seasonal employees. This is a reduction in spend of £33,000 since the last report.
- ix. An underspend in Burial Grounds of £21,000, a reduction in spend of £2,000 since the last Committee, due to turnover savings.

(b) Supplies & Services

There is a projected underspend of £134,000, an increase in projected spend of £210,000 since the last report, mainly resulting from:

- i. Projected overspends in Vehicle Maintenance subcontractor and materials costs of £15,000 and £40,000 respectively. This is partially offset by reduced employee costs, per 5.4(a)(v) above and increased non routine maintenance income. This is a net increase in costs of £5,000 since the last Committee.
- ii. Projected underspends in Roads Operations subcontractors and materials of £15,000 and £310,000 respectively. These underspends are in line with the current work programme and are offset by reduced income. This is an increase in projected expenditure of £120,000 from last period. The projected bottom line for the Roads Operations budget at Period 11 is a net under recovery of £99,000, a net increase in costs of £57,000 since the last Committee. This is mainly due to resources being diverted from capital works as a result of increased winter maintenance activity.
- iii. An overspend in Building Services direct purchases of £118,000. This is an increase in spend of £2,000 since the last report and is offset by additional income. There has been an increase in subcontractors costs of £26,000 – now projecting to be underspent by £4,000, again offset by additional income. The net position of the Building Services budget is a minor overspend of £6,000.
- iv. A projected underspend in the Roads' lighting maintenance budget of £30,000. This is after virement of £20,000 to Roads' electrical power, as outlined in Section 7 and Appendix 5. This underspend is due to a reduction in lighting faults resulting from the roll out of LED technology.
- v. A projected overspend of £20,000 on Crematorium technical equipment, as previously reported, due to increased cremator repair costs.
- vi. Roads Client rechargeable spend of £58,000; not previously reported; which is offset by additional income.
- vii. As highlighted at the last Committee, a further £40,000 was intended to be spent on pothole patching works; funded from the Committee's underspend; following the extreme winter weather. It is now projected that only £23,000 will be spent in this financial year, due to the availability of external contractors to carry out the work.
- viii. A projected underspend on Catering provisions of £50,000, a further reduction in spend of £9,000 since the last Committee. This underspend is in line with the previous year's spend.

(c) Transportation & Plant

There is a projected overspend of £15,000, a net increase in spend of £41,000 since Period 9, the material variances being as follows:

- i. An underspend in Roads Operations external hires of £35,000 as previously reported; details of the net position included at 5.4(b)(ii) above.
- ii. An overspend in Roads Operations non routine maintenance of £39,000, an increase in spend of £5,000 from the last Committee, in line with previous years.
- iii. An underspend in Vehicle Maintenance fuel purchases spend of £20,000, as previously reported. This underspend is offset by an under recovery of recharge income.

(d) Administration Costs

There is a projected overspend of £98,000, an increase in spend of £9,000 since the last Committee, mainly due to:

- i. Refuse Collection agency costs of £42,000, offset by turnover savings, £12,000 more spend than was previously reported.
- ii. Roads Operations agency costs of £40,000, as previously reported, offset by turnover savings.

(e) Payments to Other Bodies

There is a projected underspend of £73,000, a reduction in spend of £24,000 since the last Committee. Within Waste Disposal, there is a projected underspend of £65,000, a reduction in spend of £16,000. This underspend is due to movements in the waste tonnages treated under the various contracts, specifically:

- i. A projected underspend in the residual waste contract of £75,000, a reduction in projected spend of £27,000 since Period 9.
- ii. A projected underspend in the MRF contract of £42,000, an increase in projected spend of £12,000 since the last Committee, due to an increase in the price per tonne following the 6 monthly price review.
- iii. Projected overspends in the composting contract and non-contract waste disposal of £31,000 and £23,000, as previously reported.

(f) Income

There is a projected under recovery of £288,000, an increase in projected income of £165,000 since the last Committee, mainly due to:

- i. Building Services income is projected to over recover by £71,000, which is an increase in income of £28,000 since the last Committee. This is offset by increased spend on direct purchases and subcontractors, per 5.4(b)(iii) above.
- ii. An under recovery in Cleaning income of £100,000 offset by reduced employee costs, per 5.4(a)(iii) above.
- iii. An under recovery of Roads Operations income of £392,000, in line with reduced expenditure, as detailed in 5.4(b)(ii). This is a reduction in the under recovery of £95,000 from the last Committee.
- iv. Within Vehicle Maintenance, an over recovery of non-routine maintenance income of £55,000 and an under recovery of fuel recharge income of £20,000 in line with variances in expenditure.
- v. An over recovery of Refuse Transfer Station scrap metal income of £20,000 due to higher rates for recyclable material.

- vi. An over recovery in Cremations income of £70,000 due to a higher than budgeted level of cremations. This is a further increase in income of £20,000 since the last report. This is partially offset by an under recovery of Burial Grounds interment income of £40,000, as previously reported. This reflects recent trends and will be reflected in future years' budgets.
- vii. An over recovery of Roads Client rechargeable income, in line with increased supplies and services spend, of £58,000, not previously reported.
- viii. An under recovery of Roads Client sales, fees and charges income of £25,000, mainly due to reduced permit income, in line with last financial year.

5.5 **Corporate Director - £nil Variance**

The Corporate Director budget is currently projecting to out-turn on budget.

6.0 **EARMARKED RESERVES**

- 6.1 There is a planned contribution of £947,000 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 54% of phased budget (80% of projected spend). However, the earmarked reserves have been reviewed and expenditure previously projected to be spent in 2017/18 has been reprofiled, with £1,499,000 now expected to be spent in 2018/19 and beyond, an increase of £372,000 since the last Committee.
- 6.2 As reported at the last Committee, there has been a call on the Roads winter maintenance earmarked reserve. The core budget has been fully utilised and it is now projected that £260,000 of the earmarked reserve will be required in this financial year, due to the extreme winter weather experienced in February and March. The earmarked reserve has a balance of £575,000 at present, which will reduce to £315,000 under the current projection.

7.0 **VIREMENTS**

- 7.1 The Committee is asked to approve virement as outlined in Appendix 5. This virement is reflected throughout the report and is requested to align budgets which were reduced by savings resulting from the LED lighting implementation programme. The virement of £20,000 from Roads' Lighting Maintenance Contract to Roads' electrical power adjusts the budgets to reflect current expenditure.

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 Committee is currently reporting an underspend of £219,000.

11.0 LIST OF BACKGROUND PAPERS

11.1 There are no background papers relating to this report.

Environment & Regeneration Budget Movement - 2017/18**PERIOD 11: 1st April 2017 - 28th February 2018**

| Service | Approved Budget | | Movements | | | Revised Budget |
|-------------------------------------|-----------------|-------------------|------------------|----------------------------------|-------------------------------|-----------------|
| | 2017/18 £000 | Inflation £000 | Virement £000 | Supplementary Budgets £000 | Transferred to EMR £000 | 2017/18 £000 |
| Regeneration & Planning | 4,157 | | | 22 | (298) | 3,881 |
| Property Services | 3,250 | | (49) | 91 | (428) | 2,864 |
| Environmental & Commercial Services | 13,843 | (37) | 16 | 341 | (221) | 13,942 |
| Corporate Director | 148 | | | 2 | | 150 |
| Totals | <u>21,398</u> | <u>(37)</u> | <u>(33)</u> | <u>456</u> | <u>(947)</u> | <u>20,837</u> |

Movement Details

£000

External ResourcesInflation

| | |
|--|-------------|
| Roads Electrical Power allocation from Inflation Contingency | 32 |
| Residual Waste contract - return to Inflation Contingency | (17) |
| MRF contract - return to Inflation Contingency | (52) |
| | <u>(37)</u> |

Virements

| | |
|---|-------------|
| To P&R Committee - Legal & Property employee costs correction | (20) |
| To P&R Committee to partly fund solicitor's post (agreed P&R 14/11/17) | (12) |
| To ECOD Committee re Physical Assets Rental Income (agreed ECOD 31/10/17) | (1) |
| | <u>(33)</u> |

Supplementary Budgets

| | |
|---|------------|
| Apprenticeship Levy | 72 |
| Pay Award | 267 |
| NDR Rates Revaluation | 112 |
| Line Rentals | 5 |
| Additional GRG | (12) |
| Rankin Park - funded from Implications of the Capital Programme | 12 |
| | <u>456</u> |
| | <u>386</u> |

ENVIRONMENT AND REGENERATION COMMITTEE**REVENUE BUDGET MONITORING REPORT****PERIOD 11: 1st April 2017 - 28th February 2018**

| Subjective Heading | Approved Budget 2017/18 £000 | Revised Budget 2017/18 £000 | Projected Out-turn 2017/18 £000 | Projected Over/(Under) Spend | Percentage Variance % |
|---|---------------------------------|--------------------------------|------------------------------------|------------------------------|-----------------------|
| Employee Costs | 17,932 | 18,125 | 17,662 | (463) | (2.55)% |
| Property Costs | 5,137 | 5,257 | 5,286 | 29 | 0.55% |
| Supplies & Services | 6,096 | 6,116 | 5,994 | (122) | (1.99)% |
| Transport Costs | 2,356 | 2,357 | 2,375 | 18 | 0.76% |
| Administration Costs | 538 | 561 | 933 | 372 | 66.36% |
| Payments to Other Bodies | 9,131 | 9,522 | 9,464 | (58) | (0.61)% |
| Other Expenditure | 495 | 95 | 113 | 18 | 18.86% |
| Income | (20,287) | (20,249) | (20,262) | (13) | 0.06% |
| TOTAL NET EXPENDITURE | 21,398 | 21,784 | 21,565 | (219) | (1.01)% |
| Transfer to Earmarked Reserves * | 0 | (947) | (947) | 0 | 0.00% |
| TOTAL NET EXPENDITURE EXCLUDING EARMARKED RESERVES | 21,398 | 20,837 | 20,618 | (219) | (1.05)% |

| Objective Heading | Approved Budget 2017/18 £000 | Revised Budget 2017/18 £000 | Projected Out-turn 2017/18 £000 | Projected Over/(Under) Spend | Percentage Variance % |
|---|---------------------------------|--------------------------------|------------------------------------|------------------------------|-----------------------|
| Regeneration & Planning | 4,157 | 4,179 | 4,078 | (101) | (2.42)% |
| Property Services | 3,250 | 3,292 | 3,358 | 66 | 2.00% |
| Environmental & Commercial Services | 13,843 | 14,163 | 13,979 | (184) | (1.30)% |
| Corporate Director | 148 | 150 | 150 | 0 | 0.00% |
| TOTAL NET EXPENDITURE | 21,398 | 21,784 | 21,565 | (219) | (1.01)% |
| Transfer to Earmarked Reserves * | 0 | (947) | (947) | 0 | 0.00% |
| TOTAL NET EXPENDITURE EXCLUDING EARMARKED RESERVES | 21,398 | 20,837 | 20,618 | (219) | (1.05)% |

* Per Appendix 3: New funding transferred to earmarked reserves during 2017/18

ENVIRONMENT AND REGENERATION COMMITTEEREVENUE BUDGET MONITORING REPORTMATERIAL VARIANCESPERIOD 11: 1st April 2017 - 28th February 2018

| <u>Out Turn</u> <u>2016/17</u> <u>£000</u> | <u>Budget</u> <u>Heading</u> | <u>Subjective Head</u> | <u>Budget</u> <u>2017/18</u> <u>£000</u> | <u>Proportion</u> <u>of Budget</u> <u>£000</u> | <u>Actual to</u> <u>28-Feb-18</u> <u>£000</u> | <u>Projection</u> <u>2017/18</u> <u>£000</u> | <u>(Under)/Over</u> <u>Budget</u> <u>£000</u> | <u>Percentage</u> <u>Variance</u> <u>%</u> |
|--|--|------------------------|--|--|---|--|---|--|
| | REGENERATION & PLANNING | | | | | | | |
| 468 | Economic Development Admin | Employee Costs | 515 | 442 | 376 | 457 | (58) | (11.26)% |
| 209 | Modern Apprentices | Employee Costs | 215 | 184 | 170 | 190 | (25) | (11.63)% |
| 805 | Planning | Employee Costs | 914 | 784 | 752 | 878 | (36) | (3.94)% |
| 81 | Economic Development - Get Ready for Work | Employee Costs | 97 | 83 | 67 | 76 | (21) | (21.65)% |
| | | | | | | | (140) | |
| 120 | Planning admin | PTOB | 110 | 101 | 120 | 140 | 30 | 27.27% |
| | | | | | | | 30 | |
| (250) | Planning - Building Standards Income | Income | (334) | (306) | (274) | (306) | 28 | (8.38)% |
| (258) | Planning - Development Control Income | Income | (266) | (244) | (365) | (369) | (103) | 38.72% |
| (634) | Commercial & Industrial Rental Income | Income | (694) | (636) | (635) | (634) | 60 | (8.65)% |
| (50) | Modern Apprentices | Income | (63) | (58) | (37) | (38) | 25 | (39.68)% |
| 0 | Planning admin - Secondment Income | Income | 0 | 0 | (30) | (30) | (30) | |
| (3) | Procurement - Rebate Income | Income | 0 | 0 | (3) | (22) | (22) | |
| (78) | Economic Development - Get Ready for Work income | Income | (108) | (99) | (64) | (88) | 20 | (18.52)% |
| | | | | | | | (22) | |
| | PROPERTY SERVICES | | | | | | | |
| 954 | Technical Services | Employee Costs | 835 | 765 | 775 | 896 | 61 | 7.31% |
| 75 | Office Accommodation | Employee Costs | 119 | 109 | 70 | 95 | (24) | (20.17)% |
| | | | | | | | 37 | |
| 178 | Technical Services - Agency Staff | Administration | 0 | 0 | 213 | 260 | 260 | |
| | | | | | | | 260 | |
| (988) | Technical Services - Recharges to Capital | Income | (758) | (695) | (742) | (1,018) | (260) | 34.30% |
| | Technical Services - RHI and FIT Income | Income | (55) | (41) | (78) | (78) | (23) | |
| | | | | | | | (283) | |

ENVIRONMENT AND REGENERATION COMMITTEEREVENUE BUDGET MONITORING REPORTMATERIAL VARIANCESPERIOD 11: 1st April 2017 - 28th February 2018

| <u>Out Turn</u> <u>2016/17</u> <u>£000</u> | <u>Budget</u> <u>Heading</u> | <u>Subjective Head</u> | <u>Budget</u> <u>2017/18</u> <u>£000</u> | <u>Proportion</u> <u>of Budget</u> <u>£000</u> | <u>Actual to</u> <u>28-Feb-18</u> <u>£000</u> | <u>Projection</u> <u>2017/18</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 | | | | | | | |
| 710 | Roads Operations Unit | Employee Costs | 800 | 686 | 628 | 770 | (30) | (3.75)% |
| 2,601 | Management | Employee Costs | 2,616 | 2,244 | 2,175 | 2,553 | (63) | (2.41)% |
| 876 | BSU | Employee Costs | 894 | 767 | 727 | 866 | (28) | (3.13)% |
| 582 | Vehicle Maintenance | Employee Costs | 862 | 739 | 718 | 814 | (48) | (5.57)% |
| 487 | Burial Grounds | Employee Costs | 503 | 431 | 416 | 482 | (21) | (4.17)% |
| 1,509 | Grounds Maintenance | Employee Costs | 1,567 | 1,344 | 1,369 | 1,529 | (38) | (2.43)% |
| 1,309 | Refuse Collection | Employee Costs | 1,544 | 1,324 | 1,293 | 1,500 | (44) | (2.85)% |
| 1,775 | Catering | Employee Costs | 1,930 | 1,655 | 1,757 | 1,952 | 22 | 1.14% |
| 1,686 | Cleaning | Employee Costs | 1,759 | 1,508 | 1,491 | 1,659 | (100) | (5.69)% |
| | | | | | | | (350) | |
| 209 | Vehicle Maintenance - Materials | Supplies and Services | 176 | 161 | 205 | 216 | 40 | 22.73% |
| 27 | Crematorium - Technical equipment | Supplies and Services | 20 | 18 | 38 | 40 | 20 | 100.00% |
| 924 | Catering - Provisions | Supplies and Services | 975 | 894 | 804 | 925 | (50) | (5.13)% |
| 1,547 | Roads Operations Unit - Materials | Supplies and Services | 1,525 | 1,174 | 1,009 | 1,215 | (310) | (20.33)% |
| 226 | BSU - Direct Purchases | Supplies and Services | 164 | 150 | 235 | 282 | 118 | 71.95% |
| 379 | Roads Client - Lighting Maintenance | Supplies and Services | 356 | 344 | 250 | 326 | (30) | (8.43)% |
| 251 | Roads Client - Payments to Contractor Rechargeable | Supplies and Services | 0 | 0 | 58 | 58 | 58 | |
| 448 | Roads Client - Pothole/ Patching | Supplies and Services | 446 | 409 | 484 | 469 | 23 | 5.16% |
| | | | | | | | (131) | |
| 360 | Roads Operations Unit - External Hires | Transport & Plant | 305 | 220 | 242 | 270 | (35) | (11.48)% |
| 445 | Vehicle Maintenance - Fuel Purchases | Transport & Plant | 508 | 466 | 417 | 488 | (20) | (3.94)% |
| 82 | Roads Operations - Non Routine Vehicle Maintenance | Transport & Plant | 26 | 24 | 60 | 65 | 39 | 150.00% |
| | | | | | | | (16) | |
| 48 | Refuse Collection - Agency Staff | Administration | 20 | 18 | 54 | 62 | 42 | 210.00% |
| 0 | Roads Operations Unit - Agency Staff | Administration | 0 | 0 | 27 | 40 | 40 | |
| | | | | | | | 82 | |

ENVIRONMENT AND REGENERATION COMMITTEEREVENUE BUDGET MONITORING REPORTMATERIAL VARIANCESPERIOD 11: 1st April 2017 - 28th February 2018

| <u>Out Turn</u> <u>2016/17</u> <u>£000</u> | <u>Budget</u> <u>Heading</u> | <u>Subjective Head</u> | <u>Budget</u> <u>2017/18</u> <u>£000</u> | <u>Proportion</u> <u>of Budget</u> <u>£000</u> | <u>Actual to</u> <u>28-Feb-18</u> <u>£000</u> | <u>Projection</u> <u>2017/18</u> <u>£000</u> | <u>(Under)/Over</u> <u>Budget</u> <u>£000</u> | <u>Percentage</u> <u>Variance</u> <u>%</u> |
|--|---|------------------------|--|--|---|--|---|--|
| 2,748 | Refuse Transfer Station - Residual waste contract | PTOB | 2,853 | 2,615 | 2,242 | 2,778 | (75) | (2.63)% |
| 186 | Waste Strategy - Payments to Greenlight | PTOB | 182 | 167 | 104 | 140 | (42) | (23.08)% |
| 57 | Refuse Transfer Station - Non contract waste disposal | PTOB | 48 | 44 | 60 | 71 | 23 | 47.92% |
| 126 | Waste Strategy - Composting | PTOB | 105 | 96 | 132 | 136 | 31 | 29.52% |
| | | | | | | | (63) | |
| (84) | BSU - Recharges Internal Clients | Income | (145) | (132) | 12 | (119) | 26 | (17.93)% |
| (443) | BSU - Income Work Won in Tender | Income | (603) | (553) | (539) | (690) | (87) | 14.43% |
| (1,630) | Cleaning - Internal income | Income | (1,685) | (1,545) | (1,630) | (1,585) | 100 | (5.93)% |
| (777) | Roads Operations Unit - Recharges at Dayworks | Income | (770) | (546) | (714) | (936) | (166) | 21.56% |
| (2,826) | Roads Operations Unit - Recharges Schedule of Rates | Income | (2,705) | (1,918) | (1,776) | (2,127) | 578 | (21.37)% |
| (32) | Roads Operations Unit - Non Client Involvement | Income | (26) | (18) | (18) | (46) | (20) | 76.92% |
| (253) | Roads Client - Payments to Contractors Recoveries | Income | 0 | 0 | (58) | (58) | (58) | |
| (110) | Roads Client - Sales, Fees and Charges | Income | (147) | (135) | (36) | (122) | 25 | (17.01)% |
| (536) | Crematorium - Cremations income | Income | (542) | (497) | (530) | (612) | (70) | 12.92% |
| (173) | Burials - Interments income | Income | (203) | (186) | (149) | (163) | 40 | (19.70)% |
| (17) | Refuse Transfer Station - Scrap Metal Income | Income | (11) | (10) | (26) | (31) | (20) | 181.82% |
| (443) | Vehicle Maintenance - Fuel Recharges | Income | (505) | (463) | (435) | (485) | 20 | (3.96)% |
| (247) | Vehicle Maintenance - Non-routine maintenance income | Income | (154) | (90) | (195) | (209) | (55) | 35.71% |
| | | | | | | | 313 | |
| Total Material Variances | | | | | | | (283) | |

EARMARKED RESERVES POSITION STATEMENT

Appendix 4

COMMITTEE: Environment & Regeneration

| <u>Project</u> | <u>Total Funding</u> | <u>Phased Budget To Period 11</u> | <u>Actual To Period 11</u> | <u>Projected Spend</u> | <u>Amount to be Earmarked for 2018/19 & Beyond</u> | <u>Lead Officer Update</u> |
|-----------------------------------|----------------------|-----------------------------------|----------------------------|------------------------|--|--|
| | <u>2017/18</u> | <u>2017/18</u> | <u>2017/18</u> | <u>2017/18</u> | | |
| | <u>£000</u> | <u>£000</u> | <u>£000</u> | <u>£000</u> | <u>£000</u> | |
| Youth Employment | 570 | 420 | 25 | 25 | 545 | To deliver 6 mature modern apprentices with additional employability support for care leavers/ clients with autism. Delay in recruitment. At P9 £50k spend reported, however at P11 estimates revised based on the current number of MA's and £25k is expected to be contained within the core budget. |
| Repopulating/Promoting Inverclyde | 137 | 70 | 0 | 0 | 137 | To address falling population levels. A further £500k was allocated as part of the 2018/19 Budget and proposals will be brought to a future Committee. |
| Employability Initiatives | 483 | 213 | 283 | 283 | 200 | To support local individuals in providing employment opportunities within the employability pipeline. £160k additional reserve transferred from the pre Release Initiatives EMR. |
| Power Boat Grand Prix | 50 | 50 | 50 | 50 | 0 | Delivery of Power Boat grand Prix in Greenock on the weekend of 24th/25th June 2017. |
| Commonwealth Flotilla Event | 16 | 16 | 0 | 16 | 0 | To stage the Commonwealth Flotilla event and fund legacy infrastructure. Remaining EMR balance to be paid to RI as final payment for retentions and consulting fee. |
| Roads Defects and Drainage works | 202 | 202 | 131 | 202 | 0 | Additional funding to be used to treat backlog of pot holes and problematic drainage locations. Works will be completed in 2017/18 |

EARMARKED RESERVES POSITION STATEMENT

COMMITTEE: Environment & Regeneration

| <u>Project</u> | <u>Total Funding</u> | <u>Phased Budget To Period 11</u> | <u>Actual To Period 11</u> | <u>Projected Spend</u> | <u>Amount to be Earmarked for 2018/19 & Beyond</u> | <u>Lead Officer Update</u> |
|--|----------------------|-----------------------------------|----------------------------|------------------------|--|--|
| | <u>2017/18</u> | <u>2017/18</u> | <u>2017/18</u> | <u>2017/18</u> | | |
| | <u>£000</u> | <u>£000</u> | <u>£000</u> | <u>£000</u> | <u>£000</u> | |
| Town and Village Centre Environmental Improvements | 488 | 100 | 66 | 82 | 406 | Delivery of a range of environmental improvements in town and village centres across Inverclyde in consultation with Local Communities. |
| Economic Development Initiatives | 267 | 167 | 113 | 166 | 101 | To supplement the Councils employability pipeline which delivers advice and training to take clients towards the job market. |
| Tourism & Events | 9 | 9 | 9 | 9 | 0 | Delivery of marketing grants to local businesses along with supplementing the events programme within Inverclyde. The amount earmarked for 2018/19 & beyond had been earmarked for the 2018/19 powerboat grand prix but has now been written back to reserves. |
| Demolition of Former Babylon Nightclub | 30 | 0 | 0 | 0 | 30 | Allocated to assist with future development of site. |
| CEF Energy Audit | 90 | 0 | 0 | 10 | 80 | Funding for specialist Energy Audits and subsequent energy efficiency projects identified as part of audits. Initial energy audit progressing. |
| Total Category C to E | 2,342 | 1,247 | 677 | 843 | 1,499 | |

ENVIRONMENT AND REGENERATION COMMITTEE**VIREMENT REQUESTS****PERIOD 11: 1st April 2017 - 28th February 2018**

| Budget Heading | Increase Budget | (Decrease) Budget |
|--|------------------------|--------------------------|
| | £ | £ |
| Roads Client Lighting Maintenance Contract | | (20,000) |
| Roads Client Lighting Electrical Power | 20,000 | |
| Total | 20,000 | (20,000) |

Note

This virement is requested to align budgets which were reduced by savings resulting from the LED lighting implementation programme. The virement from Roads' Lighting Maintenance Contract to Roads' electrical power adjusts the budgets to reflect current expenditure.