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<b>Report To:</b>	<b>Environment &amp; Regeneration Committee</b>	<b>Date:</b>	<b>16 January 2020</b>
<b>Report By:</b>	<b>Chief Financial Officer and Corporate Director Environment, Regeneration and Resources</b>	<b>Report No:</b>	<b>FIN/02/20/AP/MMcC</b>
<b>Contact Officer:</b>	<b>Mary McCabe</b>	<b>Contact No:</b>	<b>01475 712222</b>
<b>Subject:</b>	<b>Environment and Regeneration 2019/20 Revenue Budget – Period 7 (31 October 2019)</b>		

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## 1.0 PURPOSE

- 1.1 To advise the Committee of the 2019/20 Revenue Budget position at period 7 to 31 October 2019.

## 2.0 SUMMARY

- 2.1 The revised 2019/20 budget for Environment and Regeneration is £23,727,000 which excludes Earmarked Reserves.
- 2.2 The latest projection, excluding Earmarked Reserves, is an underspend of £106,000, a reduction in spend of £24,000 since the Period 5 Committee.
- 2.3 The main material variances projected at Period 7 are:
- i. Turnover savings across the Committee (not offset by other expenditure or reduced income) of £124,000.
  - ii. An underspend in Economic Development Workforce Development of £73,000 resulting from staff vacancies meaning that expenditure on this area has been curtailed.
  - iii. An under recovery in Planning income of £100,000, £69,000 of which is covered by the Planning Income Smoothing Earmarked Reserve; net under recovery being £31,000. This is mainly due to reduced demand.
  - iv. Additional property costs associated with surplus properties awaiting disposal of £49,000.
  - v. A projected underspend of £69,000 in the residual waste contract, partly due to a reduction in tonnages treated. This is more than offset by an under recovery in trade waste income of £90,000. Officers are reviewing these budgets with a view to presenting an offsetting virement at the next Committee.
  - vi. A projected underspend of £71,000 within the recycling contract.
  - vii. A projected underspend in Roads Client Lighting electrical power of £65,000, due to investment in street lighting. Part of this budget will be removed as a saving during the current budget process. The remaining underspend will be used to address underlying overspends in the Committee and officers will report back to the Committee with proposals.
  - viii. A net under recovery in Roads Operations income of £68,000. This position takes account of the current workload and is due in part to high levels of short term sickness. A review is underway into the Roads Operations recharge rate and any impact on the projected outturn will be included in future monitoring reports.

- 2.4 The European Commission (EC) has suspended European Social Fund (ESF) payments pending an ongoing investigation into the submission of claims. The Scottish Government has been working with the EC in order to resolve matters and ensure payment of grant claims however at this point in time this remains unresolved. It is not clear at this stage when the suspension will be lifted or, in the event that it is not lifted, whether any outstanding claims will be honoured by the Scottish Government. As such while we continue to project that all relevant grant claims will be paid in full there remains a risk that grant claims will not be paid resulting in a shortfall in income. The situation will continue to be monitored closely and reported in future monitoring reports.
- 2.5 Operational Earmarked Reserves for 2019/20 total £4,659,000 of which £1,378,000 is projected to be spent in the current financial year. As detailed in Appendix 4 expenditure of £464,000 (34% of projected spend or 87% of phased budget) has been incurred to Period 7.

### **3.0 RECOMMENDATIONS**

- 3.1 It is recommended that the Committee notes the current projected underspend for 2019/20 of £106,000 as at 31 October 2019.
- 3.2 It is recommended that the Committee notes the current position with regard to ESF funding and that updates will be brought to future meetings of this Committee.
- 3.3 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 2019/20 budget and to highlight the main issues contributing to the projected underspend.
- 4.2 The revised 2019/20 budget for Environment and Regeneration, excluding earmarked reserves, is £23,727,000. This is an increase of £177,000 from the approved budget, prior to transfers to earmarked reserves.

## 5.0 2019/20 CURRENT POSITION

- 5.1 The current projection for 2019/20 is an underspend of £106,000 (0.44%).

### 5.2 Regeneration & Planning - £215,000 underspend

The current projected out-turn for Regeneration & Planning is an underspend of £215,000, a reduction in spend of £46,000 since last the 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 £213,000 in employee costs, a reduction in spend of £43,000 due to:

- i. Turnover savings within Economic Development of £94,000 resulting from delays in filling vacant posts, a reduction of £34,000 from the last Committee. This includes budget for a Regeneration & Planning Policy Manager post.
- ii. Turnover savings within Building Services of £34,000.
- iii. Turnover savings within Planning of £65,000, £1,000 more spend than was projected at Period 5. This is partly offset by payments to Argyll and Bute Council, see 5.2 (c)(ii) below.
- iv. Other turnover savings across the service amounting to £20,000.

#### (b) Supplies & Services

Within supplies and services there is a projected overspend of £120,000 within Building Services direct purchases and sub-contractors. This is due to the current workload and is offset by additional income, as previously reported.

#### (c) Payments to Other Bodies

There is a projected overspend of £79,000 in payments to other bodies, a reduction in projected spend of £38,000 from the last Committee, mainly due to:

- i. Expenditure on grant funded projects: Smarter Choices and Innovation & Integration of £73,000 and £30,000 respectively. This expenditure is offset by grant income, per 5.2 (d)(i) below.
- ii. £35,000 paid to Argyll and Bute Council for the processing of building warrants, necessary due to vacant Planning posts.
- iii. An underspend in Training within Economic Development Workforce Development of £73,000, not previously reported, as expenditure in this area has been curtailed.

(d) Income

There is a projected over recovery in income of £213,000, a reduction of £35,000 since the last Committee, mainly due to:

- i. Grant income for Smarter Choices and Innovation and Integration of £103,000, as outlined at 5.2 (c)(i) above.
- ii. It was anticipated at the last Committee that there would be an over recovery of Commercial rental income of £50,000, mainly due to backdated income relating to transmitters. However, this was an invoicing error and the revised projection is an over recovery of £16,000.
- iii. An over recovery of Building Services income of £120,000, offset by increased supplies and services costs, per 5.2(b) above, as previously reported.
- iv. An under recovery in Planning fee income of £100,000, £70,000 less income than was previously reported, mainly due to reduced demand. Of this under recovery £69,000 is covered by the Planning Income Smoothing Earmarked Reserve, leaving a net under recovery of £31,000.

**5.3 Property Services - £115,000 overspend**

The current projected out-turn for Property Services is an overspend of £115,000, an increase in spend of £1,000 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 underspend of £47,000, £9,000 less spend than last report. This is mainly due to projected turnover savings in Technical Services of £58,000, partially offset by additional agency costs and an over recovery in income.

(b) Property Costs

There is a projected overspend in property costs of £68,000, an increase in spend of £10,000. This is mainly within Surplus Property (£49,000) due to NDR costs for a number of surplus properties which are at various stages in the disposal process.

(c) Administration Costs

There is a projected overspend of £200,000 within Technical Services agency staff costs which is partly offset by additional capital recharge income and turnover savings, as previously reported.

(d) Income

There is a projected over recovery in income of £111,000, as reported at the last Committee. This is mainly due to a projected over recovery in Technical Services property fee income of £125,000. This income is offset by an increase in agency staff costs and turnover savings.

**5.4 Environmental & Public Protection - £36,000 underspend**

The current projected out-turn for Environmental & Public Protection is an underspend of £36,000, an increase in spend of £48,000 since last report.

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

(a) Employee Costs

There is a projected underspend of £74,000 in employee costs, £19,000 less spend than was previously projected, mainly due to:

- i. Turnover savings and reduced overtime in Refuse Collection of £55,000, a reduction in spend of £12,000 since last Committee. This is offset by an overspend on agency costs.
- ii. Turnover savings within Vehicle Maintenance of £48,000, a reduction in spend of £11,000 from last report. This is partially offset by an under recovery in Drivers recharge income.
- iii. Within Management, there is a projected overspend of £55,000 mainly due to the turnover savings target not being achieved and increased overtime. This is an increase in spend of £10,000 from Period 5.
- iv. Turnover savings within Community Wardens of £42,000, a reduction in spend of £9,000 from Period 5, due to delays in filling vacant posts.
- v. Across the rest of the Service, the net turnover savings target is underachieved by £16,000.

(b) Supplies & Services

There is a projected overspend of £147,000 within supplies and services, an increase in spend of £55,000 from the last Committee, mainly due to:

- i. A projected overspend of £89,000 within Vehicle Maintenance materials and subcontractors, £23,000 more spend than at Period 5. This is offset by an over recovery of non-routine maintenance income.
- ii. A projected overspend on Ground Maintenance Christmas Decorations of £20,000, not previously reported. This is due to one-off expenditure on new lights and the increased cost of Christmas trees.

(c) Transportation & Plant

There is a projected overspend in transportation and plant of £22,000, £3,000 more spend than at the last Committee, mainly due to a net overspend across the Client services on non-routine maintenance of £26,000.

(d) Administration Costs

There is a projected overspend of £66,000 in administration costs, a reduction in spend of £5,000 from the last Committee. This is mainly due to a projected overspend on agency costs within Refuse Collection of £55,000. This overspend is offset by an underspend in employee costs.

(e) Payments to Other Bodies

Payments to other bodies is projected to overspend by £588,000, an increase in spend of £311,000 since Period 5, due mainly to the following:

- i. Expenditure of £735,000 relating to the Home Energy Efficiency Programmes for Scotland (HEEPS) and Scotland's Energy Efficiency Programme (SEEP) grants, offset by income. This is an increase in projected spend of £349,000 since the last Committee.
- ii. A projected underspend in the residual waste contract of £69,000, a reduction in spend of £30,000, resulting from reduced residual tonnages. This is more than offset by an under recovery in trade waste income, see 5.4(f)(ii) below. Officers will review the position at Period 9 with a view to viring budget between these two lines to offset

the variances.

- iii. A projected underspend on the recycling contract of £71,000, £2,000 more spend than was previously reported, an element of which is in line with the previous years' outturn.

(f) Income

There is a projected over recovery in income of £777,000, £297,000 more income than last report, mainly due to:

- i. HEEPS and SEEP grant income of £735,000, offset by additional expenditure, see 6.4(e)(i) above.
- ii. An under recovery in Refuse Collection trade waste income of £90,000, A further reduction in projected income of £57,000. This line will continue to be monitored in conjunction with the residual waste budget.
- iii. An over recovery in Vehicle Maintenance non-routine maintenance income of £89,000, in line with increased materials and sub-contractor costs.
- iv. An under recovery in Cremations income of £32,000, partially offset by a projected over recovery in Burial Grounds income of £18,000. This is £10,000 less income than was previously projected.
- v. An under recovery in Drivers' recharges income of £22,000, in line with reduced employee costs.
- vi. Various minor variances across the Service, the net projection being an over recovery of £79,000.

5.5 Roads - £30,000 overspend

The current projected out-turn for Roads is an overspend of £30,000, a reduction in spend of £27,000 since the last Committee.

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

(a) Employee Costs

Employee costs are projected to overspend by £24,000, an increase in spend of £8,000, due to the following:

- i. Within Roads Client there is an overspend of £53,000 projected. This is mainly due to employee cost expenditure which is partly funded by additional fee income and the turnover savings target not being achieved.
- ii. There are turnover savings projected within Roads Operations of £29,000 which are offset by expenditure on agency staff, per 5.5(d) below.

(b) Supplies & Services

There is a projected overspend of £170,000 within supplies & services, £121,000 more spend than last reported, mainly due to:

- i. Roads Client rechargeable works of £59,000, offset by additional income. This is an increase of £18,000 since Period 5.
- ii. An underspend in Roads Client Lighting electrical power of £65,000, a reduction in spend of £15,000, due to the investment in street lighting. Part of this budget will be removed as a saving during the current budget process. The remaining underspend will be used to address underlying overspends in the Committee and officers will report back to Committee with proposals.
- iii. An overspend on Roads Operations' subcontractors and materials of £163,000, in

line with the current work programme. This is an increase of £110,000 since Period 5. The net overall position is explained further at 5.5(e)(iii).

(c) Transportation & Plant

There is a projected overspend of £54,000, £37,000 more spend than at the last Committee, mainly due to an overspend in non-routine maintenance of £32,000.

(d) Administration Costs

There is a projected overspend of £38,000 due mainly to spend on agency workers which is offset by turnover savings, as previously reported.

(e) Income

There is a projected over recovery in income of £237,000, an increase in income of £202,000 since Period 5, mainly due to:

- i. Income for rechargeable works, as outlined at 5.5(b)(i) above of £59,000.
- ii. Capital fee income which offsets additional employee costs of £30,000, as previously reported.
- iii. An over recovery in Roads Operations income of £129,000, £174,000 more income than was previously reported due to acceleration of capital projects. This additional income is offset by increased supplies and services costs. The net position for Roads Operations is an under recovery of £68,000, £32,000 more income than was projected at the last Committee. This position takes account of the current workload and is in part due to high levels of short term sickness. A review is underway into the Roads Operations recharge rate and any impact on the projected outturn will be included in future monitoring reports.

**5.6 Corporate Director - £nil Variance**

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

**6.0 EARMARKED RESERVES**

- 6.1 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 87% of phased budget (34% of projected spend).

**7.0 VIREMENTS**

- 7.1 The Committee is asked to approve virement as outlined in Appendix 5. This virement is required due to responsibility for the More Choices, More Chances (MCMC) team moving from the Education and Communities Committee to Economic Development. The virement amount relates to the part year employee costs; the full year effect will be adjusted through the 2020/21 budget process.

**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 Equalities

(a) Has an Equality Impact Assessment been carried out?

	YES
X	NO – This report does not introduce a new policy, function or strategy or recommend a substantive change to an existing policy, function or strategy. Therefore, no Equality Impact Assessment is required

(b) Fairer Scotland Duty

If this report affects or proposes any major strategic decision:-

Has there been active consideration of how this report's recommendations reduce inequalities of outcome?

	YES – A written statement showing how this report's recommendations reduce inequalities of outcome caused by socio-economic disadvantage has been completed.
X	NO

(c)

## Data Protection

Has a Data Protection Impact Assessment been carried out?

X

YES – This report involves data processing which may result in a high risk to the rights and freedoms of individuals.

NO

## **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 £106,000.

## **11.0 LIST OF BACKGROUND PAPERS**

11.1 There are no background papers relating to this report.

**Environment & Regeneration Budget Movement - 2018/19****PERIOD 7: 1st April 2019 - 31st October 2019**

Service	Approved Budget		Movements			Revised Budget
	2019/20 £000	Inflation £000	Virement £000	Supplementary Budgets £000	Transferred to EMR £000	2019/20 £000
Regeneration & Planning	3,849	1	26	4	(345)	3,535
Property Services	3,307	8	55			3,370
Environmental & Public Protection	12,918	55	(46)			12,927
Roads	3,665	28	46			3,739
Corporate Director	156					156
Totals	<u>23,895</u>	<u>92</u>	<u>81</u>	<u>4</u>	<u>(345)</u>	<u>23,727</u>

**Movement Details**

£000

**External Resources****Inflation**

NDR Inflation	15
Residual Waste Contract Inflation	41
Green Waste Contract Inflation	11
Roads Lighting Electrical Power Inflation	25
	<u>92</u>

**Virements**

Virement from Environment & Public Protection to Roads in relation to employee transfers	(46)
Virement to Roads from Environment & Public Protection in relation to employee transfers	46
Virement to Education & Communities Committee - FIT/RHI Income	55
Virement from Education & Communities Committee - MCMC team	26
	<u>81</u>

**Supplementary Budgets**

Additional budget for management regrading approved as part of Senior Management restructure	4
	<u>4</u>
	<u>177</u>

ENVIRONMENT AND REGENERATION COMMITTEEREVENUE BUDGET MONITORING REPORTPERIOD 7: 1st April 2019 - 31st October 2019

Subjective Heading	Approved Budget 2019/20 £000	Revised Budget 2019/20 £000	Projected Out-turn 2019/20 £000	Projected Over/(Under) Spend	Percentage Variance %
Employee Costs	15,784	16,043	15,733	(310)	(1.93)%
Property Costs	5,385	5,400	5,455	55	1.02%
Supplies & Services	4,633	4,226	4,666	440	10.41%
Transport Costs	2,230	2,298	2,376	78	3.39%
Administration Costs	556	570	874	304	53.32%
Payments to Other Bodies	9,561	9,312	9,978	666	7.15%
Other Expenditure	378	365	364	(1)	(0.27)%
Income	(14,632)	(14,142)	(15,480)	(1,338)	9.46%
<b>TOTAL NET EXPENDITURE</b>	<b>23,895</b>	<b>24,072</b>	<b>23,966</b>	<b>(106)</b>	<b>(0.44)%</b>
Transfer to Earmarked Reserves *	0	(345)	(345)	0	
<b>TOTAL NET EXPENDITURE EXCLUDING EARMARKED RESERVES</b>	<b>23,895</b>	<b>23,727</b>	<b>23,621</b>	<b>(106)</b>	<b>(0.45)%</b>

Objective Heading	Approved Budget 2019/20 £000	Revised Budget 2019/20 £000	Projected Out-turn 2019/20 £000	Projected Over/(Under) Spend	Percentage Variance %
Regeneration & Planning	3,849	3,880	3,665	(215)	(5.54)%
Property Services	3,307	3,370	3,485	115	3.41%
Environmental & Public Protection	12,918	12,927	12,891	(36)	(0.28)%
Roads	3,665	3,739	3,769	30	0.80%
Corporate Director	156	156	156	0	0.00%
<b>TOTAL NET EXPENDITURE</b>	<b>23,895</b>	<b>24,072</b>	<b>23,966</b>	<b>(106)</b>	<b>(0.44)%</b>
Transfer to Earmarked Reserves *	0	(345)	(345)	0	
<b>TOTAL NET EXPENDITURE EXCLUDING EARMARKED RESERVES</b>	<b>23,895</b>	<b>23,727</b>	<b>23,621</b>	<b>(106)</b>	<b>(0.45)%</b>

\* Per Appendix 3: New funding transferred to earmarked reserves during 2019/20

Earmarked Reserves	Approved Reserves 2019/20 £000	Revised Reserves 2019/20 £000	2019/20 Budget £000	Projected Spend 2019/20 £000	Projected Carry Forward £000
Earmarked Reserves	5,794	10,208	5,283	4,782	5,426
CFCR	0	665	173	173	492
<b>TOTAL</b>	<b>5,794</b>	<b>10,873</b>	<b>5,456</b>	<b>4,955</b>	<b>5,918</b>

**ENVIRONMENT AND REGENERATION COMMITTEE****REVENUE BUDGET MONITORING REPORT****MATERIAL VARIANCES****PERIOD 7: 1st April 2019 - 31st October 2019**

<u>Out Turn</u> <u>2018/19</u> <u>£000</u>	<u>Budget</u> <u>Heading</u>	<u>Subjective Head</u>	<u>Budget</u> <u>2019/20</u> <u>£000</u>	<u>Proportion</u> <u>of Budget</u> <u>£000</u>	<u>Actual to</u> <u>31-Oct-19</u> <u>£000</u>	<u>Projection</u> <u>2019/20</u> <u>£000</u>	<u>(Under)/Over</u> <u>Budget</u> <u>£000</u>	<u>Percentage</u> <u>Variance</u> <u>%</u>
	<b>REGENERATION &amp; PLANNING</b>							
487	Economic Development - Admin	Employee Costs	517	282	226	423	(94)	(18.18)%
881	Building Services	Employee Costs	935	510	493	901	(34)	(3.64)%
827	Planning	Employee Costs	903	492	385	838	(65)	(7.20)%
							<b>(193)</b>	
351	Building Services - Direct Purchases	Supplies and Services	164	96	248	254	90	54.88%
381	Building Services - Sub-Contractors	Supplies and Services	220	128	197	250	30	13.64%
							<b>120</b>	
76	Regeneration Fund - Innovation Grant Expenditure	PTOB	0	0	6	30	30	
30	Economic Development - Training	PTOB	73	43	0	0	(73)	(100.00)%
0	Planning - Building Control	PTOB	0	0	22	35	35	
87	Planning - Smarter Choices Grant Expenditure	PTOB	0	0	0	73	73	
							<b>65</b>	
(76)	Regeneration Fund - Innovation Grant Income	Income	0	0	(30)	(30)	(30)	
(87)	Planning - Smarter Choices Grant Income	Income	0	0	0	(73)	(73)	
(891)	Building Services - Tendered Work	Income	(603)	(352)	(40)	(743)	(140)	23.22%
(48)	Building Services - Recharge Internal Clients	Income	(145)	(85)	(6)	(125)	20	(13.79)%
(875)	Planning - Sales, Fees & Charges	Income	(661)	(386)	(241)	(630)	31	(4.69)%
							<b>(192)</b>	
	<b>PROPERTY SERVICES</b>							
843	Technical Services - Employee Costs	Employee Costs	867	471	444	809	(58)	(6.69)%
							<b>(58)</b>	
86	Surplus Property - Property Costs	Property Costs	55	32	120	104	49	89.09%
							<b>49</b>	
265	Technical Services - Agency Staff	Administration	0	0	125	200	200	
							<b>200</b>	
(1,025)	Technical Services - Recharges to Capital	Income	(758)	(442)	0	(883)	(125)	16.49%
							<b>(125)</b>	

**ENVIRONMENT AND REGENERATION COMMITTEE****REVENUE BUDGET MONITORING REPORT****MATERIAL VARIANCES****PERIOD 7: 1st April 2019 - 31st October 2019**

<u>Out Turn</u> <u>2018/19</u> <u>£000</u>	<u>Budget</u> <u>Heading</u>	<u>Subjective Head</u>	<u>Budget</u> <u>2019/20</u> <u>£000</u>	<u>Proportion</u> <u>of Budget</u> <u>£000</u>	<u>Actual to</u> <u>31-Oct-19</u> <u>£000</u>	<u>Projection</u> <u>2019/20</u> <u>£000</u>	<u>(Under)/Over</u> <u>Budget</u> <u>£000</u>	<u>Percentage</u> <u>Variance</u> <u>%</u>
	<b>ENVIRONMENTAL &amp; PUBLIC PROTECTION</b>							
843	Public Protection - Community Wardens	Employee Costs	772	419	293	730	(42)	(5.44)%
843	Vehicle Maintenance - Manuals	Employee Costs	897	504	466	849	(48)	(5.35)%
1,481	Refuse Collection - Manuals	Employee Costs	1,585	862	845	1,530	(55)	(3.47)%
2,406	Environmental Management	Employee Costs	1385	849	790	1,440	55	3.97%
							<b>(90)</b>	
42	Grounds Maintenance- Christmas Decorations	Supplies and Services	34	26	29	54	20	58.82%
219	Vehicle Maintenance - Materials	Supplies and Services	185	106	153	232	47	25.41%
92	Vehicle Maintenance - Sub Contractors	Supplies and Services	96	58	90	138	42	43.75%
							<b>109</b>	
12	Service-Wide - Non-Routine Vehicle Maintenance	Transport & Plant	210	123	108	238	28	13.33%
							<b>28</b>	
93	Refuse Collection - Agency Staff	Administration	20	11	69	75	55	275.00%
							<b>55</b>	
1,204	HEEPS - Payments to Other Bodies	PTOB	0	0	710	710	710	
37	SEEPS - Payments to Other Bodies	PTOB	0	0	25	25	25	
2,812	Refuse Transfer Station - Residual Waste Contract	PTOB	2,717	1,451	1,141	2,648	(69)	(2.54)%
270	Waste Strategy - Dry Mixed Recycling	PTOB	344	188	147	273	(71)	(20.64)%
							<b>595</b>	
1,248	HEEPS - Government Grants	Income	0	0	(710)	(710)	(710)	
(37)	SEEPS - Government Grants	Income	0	0	(25)	(25)	(25)	
(650)	Crematorium - Cremations Income	Income	(697)	(341)	(307)	(665)	32	(4.59)%
(704)	Refuse Collection - Trade Waste	Income	(722)	(550)	(451)	(632)	90	(12.47)%
(222)	Vehicle Maintenance - Non Routine Material Income	Income	(273)	(157)	(143)	(362)	(89)	32.60%
(446)	Vehicle Maintenance - Recharge - Drivers	Income	(496)	(289)	(261)	(474)	22	(4.44)%
							<b>(680)</b>	

**ENVIRONMENT AND REGENERATION COMMITTEE****REVENUE BUDGET MONITORING REPORT****MATERIAL VARIANCES****PERIOD 7: 1st April 2019 - 31st October 2019**

<u>Out Turn</u> <u>2018/19</u> <u>£000</u>	<u>Budget</u> <u>Heading</u>	<u>Subjective Head</u>	<u>Budget</u> <u>2019/20</u> <u>£000</u>	<u>Proportion</u> <u>of Budget</u> <u>£000</u>	<u>Actual to</u> <u>31-Oct-19</u> <u>£000</u>	<u>Projection</u> <u>2019/20</u> <u>£000</u>	<u>(Under)/Over</u> <u>Budget</u> <u>£000</u>	<u>Percentage</u> <u>Variance</u> <u>%</u>
	<b>ROADS</b>							
698	Roads Operations Unit	Employee Costs	730	398	342	701	(29)	(3.97)%
29	Roads Client	Employee Costs	1,269	599	743	1,322	53	4.18%
							<b>24</b>	
293	Roads Client - Rechargeable payments to contractor	Supplies and Services	0	0	59	59	59	
358	Roads Client - Lighting - Electrical Power	Supplies and Services	354	209	102	289	(65)	(18.36)%
265	Roads Operations Unit - Subcontractors	Supplies and Services	227	91	143	280	53	23.35%
1,090	Roads Operations Unit - Materials	Supplies and Services	1,034	436	743	1,144	110	10.64%
							<b>157</b>	
52	Roads - Non Routine Vehicle Maintenance	Transport & Plant	25	15	28	54	29	116.00%
							<b>29</b>	
24	Roads Operations Unit - Agency Costs	Administration Costs	0	0	0	30	30	
							<b>30</b>	
(133)	Roads Client - Income from Capital	Income	(324)	(189)	(324)	(354)	(30)	9.26%
(807)	Roads Operations Unit - DLO Recharges at Dayworks	Income	(654)	(266)	(373)	(872)	(218)	33.33%
(1,903)	Roads Operations Unit - DLO Recharges at Schedule of Rates	Income	(2,256)	(919)	(1,127)	(2,052)	204	(9.04)%
(197)	Roads Operations Unit - Non Client Involvement	Income	(26)	(11)	(38)	(141)	(115)	442.31%
(286)	Roads Client - Rechargeable Works	Income	0	0	0	(59)	(59)	
							<b>(218)</b>	
	<b>Total Material Variances</b>						<b>(95)</b>	

EARMARKED RESERVES POSITION STATEMENT

COMMITTEE: Environment & Regeneration

Project	Total Funding	Phased Budget To Period 07	Actual To Period 07	Projected Spend	Amount to be Earmarked for 2020/21 & Beyond	Lead Officer Update
	2019/20 £000	2019/20 £000	2019/20 £000	2019/20 £000	£000	
Renewal of Clune Park Area	2,285	106	21	140	2,145	Current projection is £140K, mainly survey costs and employee costs. Depending on the outcome of notices which have been served or will be served by the end of the year there may be further legal costs and ultimately demolition costs, albeit the latter are unlikely before the end of the financial year.
Youth Employment	633	201	51	332	301	Direct employee costs for Modern apprentices as well as training fees and grants to local employers. Graduates now in post.
Repopulating/Promoting Inverclyde/ Group Action Plan	595	80	24	180	415	Original funding for Marketing, Council Tax discounts, relocation packages, Tourism, Business Support and self build plots to attract residents to Inverclyde. New Action Plan currently being developed by repopulation group.
Employability Initiatives	154	8	0	0	154	Contracts to local organisations and individuals for general employability.
Town and Village Centre Environmental Improvements	143	88	85	143	0	To deliver a range of environmental improvements in towns and villages across Inverclyde in consultation with Local Communities. Review of outturn being undertaken following RI transition.
Demolish Redundant Buildings	150	0	0	0	150	Provision of grant support to private owners to allow demolition of redundant buildings at Port Glasgow Industrial Estate. Report was agreed at August Committee to amend policy, increasing the grant intervention rate to 50% and a maximum of £75k.

EARMARKED RESERVES POSITION STATEMENT

COMMITTEE: Environment & Regeneration

Project	Total Funding	Phased Budget To Period 07	Actual To Period 07	Projected Spend	Amount to be Earmarked for 2020/21 & Beyond	Lead Officer Update
	2019/20 £000	2019/20 £000	2019/20 £000	2019/20 £000	£000	
Roads Defects & Drainage	200	50	110	200	0	Additional funding with accelerated spend being used to carryout repairs to carriageways, footways, drainage and others as required after winter weather conditions.
Allocation for a Safer Streets Initiative	150	0	0	150	0	Recommendations will be identified and presented to Committee in January. Additional funding will be used to deliver projects that are identified through reallocation of scoring to prioritise public perception projects. Policy being developed by Officers and will be discussed with members. Projects will be delivered.
Seed Funding for active travel within Inverclyde	50	0	0	50	0	Report approved by October Committee to progress 3 projects. Full spend anticipated in 19/20
Establish a conservation area and listed building grant	80	0	4	4	76	Policy in development, update report to January's Committee.
Repaint and carry out essential repairs to the Comet	50	0	0	10	40	Allocation is to carry out survey to assess the extent and cost of work required. Condition survey has been concluded and report awaited.
Strategic Investment	169	0	169	169	0	Spent in full 19/20.
<b>Total Category C to E</b>	<b>4,659</b>	<b>533</b>	<b>464</b>	<b>1,378</b>	<b>3,281</b>	

**ENVIRONMENT AND REGENERATION COMMITTEE****VIREMENT REQUESTS****PERIOD 7: 1st April 2019 - 31st October 2019**

<b>Budget Heading</b>	<b>Increase Budget</b>	<b>(Decrease) Budget</b>
	<b>£</b>	<b>£</b>
Education		(25,750)
Economic Development	25,750	
<b>Total</b>	<b>25,750</b>	<b>(25,750)</b>

**Note**

This virement is the part year effect of moving the More Choices More Chances (MCMC) team from the Education and Communities Committee to Economic Development. The full year effect of this transfer will be adjusted through the 2020/21 budget process.