
Report To: Safe, Sustainable Communities Committee **Date:** 10 March 2009

Report By: Chief Financial Officer and Corporate Director Environment & Community Protection **Report No:** FIN/21/09/MMcC/CB

Contact Officer: Mary McCabe **Contact No:** 01475 712222

Subject: 2008/09 Revenue Budget Period 9 to 31 December 2008

1.0 PURPOSE

1.1 To advise Committee of the position of the 2008/09 Revenue Budget at Period 9 to 31 December 2008.

2.0 SUMMARY

2.1 The 2008/09 budget, excluding the statutory trading accounts, is £17,840,000 with a further £1,464,000 brought forward as earmarked reserves. The current projection is an underspend of £219,000.

3.0 RECOMMENDATIONS

3.1 The Committee note the current projected underspend of £219,000 as at 31 December 2008.

3.2 The Committee approve the virements requested at 7.1.

Alan Puckrin
Chief Financial Officer

Neil Graham
Corporate Director Environment & Community
Protection

4.0 BACKGROUND

- 4.1 The purpose of the report is to advise Committee of the current position of the 2008/09 revenue budget and to highlight the main variances projected at Period 9, to 31 December 2008.
- 4.2 The revised budget reflects an increase of £264,000 from last Committee. This is due to:
- £26,000 additional Revenue Support Grant for Tobacco Sales Enforcement.
 - £252,000 additional Revenue Support Grant for the Waste Strategy's Food Waste Trial.
 - (£14,000) net reduction due to finalising the Single Status budget and the impact of the extra 0.5% pay award offset by strike savings.

5.0 2008/09 PROJECTION

- 5.1 The projected underspend of £219,000 represents a reduction in spend of £122,000 since last Committee. The key movements are discussed below.
- 5.2 Employee Costs:

The total employee cost movement is a net reduction in the underspend of £33,000 since last reported to Committee, relating to:

Excess turnover savings, net of travel and overtime of £100,000. This is an adverse movement of £67,000 since last Committee, due to a £36,000 reduction in turnover to that previously projected and a £31,000 cost as a result of the pay award.

Within Street Cleaning there is an underspend of £75,000 which is partly offset by a reduction in income of £45,000, see Income section below.

Within Burial Grounds there is a projected underspend of £25,000 in employee costs, this is more than offset by reduced income of £40,000, see Income section below.

Property Costs:

Within Safer Communities, there is an overspend of £14,000 within Property Costs, mainly due to higher than budgeted spend on CCTV maintenance. The Service are containing this with underspends in Supplies and Services as explained below.

Supplies & Services:

Within Roads Client there is a further projected £12,000 overspend in Basic Contract; £5,000 of which relates to Winter Maintenance, see below; and an £18,000 overspend in payments to Lighting Contractors. These overspends are offset by additional income.

In addition to the £5,000 additional spend on Basic Contract within Roads Client, there is a £32,000 projected overspend in Winter Maintenance Materials, as a result of the severe weather conditions experienced this winter. Winter Maintenance and the projected overspend therein is the subject of a separate report to this Committee.

Within Safer Communities, there is a projected underspend of £36,000 across various Supplies and Services lines, including dog kennelling costs, office equipment purchase, tools and equipment and computer consumables.

Transport & Plant:

There is a projected £30,000 overspend in Vehicle Costs for Roads Client, due to essential maintenance and repairs. Within the Refuse Transfer Station, there is a £15,000 projected underspend in Vehicle Costs due to fewer than normal repairs.

Administration Costs

There are various underspends within Safer Communities administration budgets totalling £51,000. These include underspends in printing and stationery, promotions and publicity, Stop Now orders and other administration costs due to a combination of staff constraints and the Service actively reducing spend until the full impact of Single Status was finalised.

Payments to Other Bodies:

Within Safer Communities, there is a projected underspend within Other Expenditure of £35,000. As above this underspend has resulted from the Service restricting spend until the full impact of Single Status was finalised.

Income:

Within the Roads Client the over-recovery of income has increased by £25,000 to £104,000, partly offset by £95,000 of additional Supplies and Services costs, due to additional workload.

Since the last Committee the under-recovery of Planning Income has reduced by £150,000 to a projected under-recovery of £100,000. This significant movement is as a result of higher than anticipated planning fees received in December 2008, mainly from River Clyde Homes and the expectation that further fees will be received prior to the end of the financial year.

Within Refuse Collection there is a projected under-recovery of £42,000, an adverse movement of £50,000 since last Committee. This is made up as follows:

Skip Income	£13,000
Bulk Uplifts	£4,000
Sale of Bins	£16,000
Trade Waste	£9,000

Within Burial Grounds there is a projected under-recovery of £40,000, an adverse movement of £26,000 since last Committee. This is due to fewer burials taking place than is budgeted for and is partly offset by reduced Employee Costs.

As noted above, there is an under-recovery of £45,000 in Street Cleaning income, more than offset by a corresponding reduction in Employee Costs.

6.0 OTHER AREAS OF INTEREST

6.1 As reported to last Committee, there is an underspend of £254,000 on Zero Waste Funding due to the timing of the award and this is now included under Environmental Services. It should be noted that there is a potential spend on a bin replacement programme, subject to the terms of funding and Corporate Management Team (CMT) approval. However, at the point of producing this report, costs have not been identified and no commitment has been included. Any proposals to spend against this budget will be reported to the CMT and thereafter to Committee.

7.0 VIREMENT

7.1 Committee are asked to approve virement as detailed in Appendix 4. Where appropriate, this virement is reflected in Appendix 2.

8.0 CONCLUSIONS

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

9.0 FINANCIAL IMPLICATIONS

9.1 The current projected out-turn per Service is:

Service	Approved Budget 2008/09 £'000	Revised Budget 2008/09 £'000	Projected Out-turn 2008/09 £'000	Projected over/(under) spend £'000	Percentage Variance %
Planning and Housing	1,221	969	992	23	2.34
Environmental Services	11,805	12,621	12,501	(120)	(0.95)
Safer Communities	3,931	4,074	3,952	(122)	(2.99)
Corporate Director	175	176	176	0	0.00
Total	17,132	17,840	17,621	(219)	(1.23)
Earmarked Reserves			0	0	
NET UNDERSPEND EXCLUDING EARMARKED RESERVES	17,132	17,840	17,621	(219)	(1.23)

10.0 EARMARKED RESERVES

10.1 A detailed breakdown of the current earmarked reserves position is included as Appendix 3. Spend to date is 61% of projected spend; with further spend on Community Investment Fund projects expected prior to the year end.

11.0 CONSULTATIONS

11.1 The report has been jointly prepared by the Corporate Director Environment & Community Protection and Chief Financial Officer.

12.0 EQUALITIES

12.1 This report has no impact on the Council's Equality Agenda.

SAFE, SUSTAINABLE COMMUNITIES COMMITTEE

REVENUE BUDGET MONITORING REPORT

MATERIAL VARIANCES

Period 9: 1st April 2008 - 31st December 2008

<u>Out Turn</u> <u>2007/08</u> <u>£000</u>	<u>Budget</u> <u>Heading</u>	<u>Budget</u> <u>2008/09</u> <u>£000</u>	<u>Proportion</u> <u>of Budget</u>	<u>Actual to</u> <u>31-Dec-08</u> <u>£000</u>	<u>Projection</u> <u>2008/09</u> <u>£000</u>	<u>(Under)/Over</u> <u>Budget</u> <u>£000</u>	<u>Percentage</u> <u>Variance</u> <u>%</u>
	ENVIRONMENTAL SERVICES						
	APT&C Employee Costs					(17)	
269	Refuse Collection Vehicle Costs	186	140	158	251	65	35
(846)	Refuse Collection - Income	(806)	(605)	(554)	(764)	42	(5)
1,152	Refuse Transfer Station - Landfill Tax	1,173	880	879	1,155	(18)	(2)
652	Refuse Transfer Station - Waste Disposal	725	544	544	715	(10)	(1)
38	Refuse Transfer Station - Vehicle & Plant Allocations	54	41	30	39	(15)	(28)
93	Waste Strategy - Transport & Plant	64	48	61	104	40	63
316	Burial Grounds - Employee Costs	366	275	250	341	(25)	(7)
(141)	Burial Grounds - Interments	(165)	(124)	(85)	(125)	40	(24)
995	Street Cleaning - Employee Costs	1,047	785	700	972	(75)	(7)
(64)	Street Cleaning - Income	(67)	(50)	(14)	(22)	45	(67)
1,023	Roads Client - Basic Contract	1,017	763	750	1,099	82	8
37	Roads Client - Winter Maintenance Materials	40	30	8	72	32	80
320	Roads Client - Payments to Lighting Contractors	282	212	156	300	18	6
26	Roads Client - Vehicle Costs	22	17	22	52	30	136
(743)	Roads Client - Income	(376)	(282)	(290)	(480)	(104)	28
0	Zero Waste Fund	256	192	0	2	(254)	(99)
	SAFER COMMUNITIES						
206	Safer Communities - Property Costs	137	103	102	151	14	10
65	Safer Communities - Supplies & Services	416	312	296	380	(36)	(9)
99	Safer Communities - Administration Costs	157	118	42	106	(51)	(32)
4	Safer Communities - Evaluation	20	15	0	0	(20)	(100)
1,537	Safer Communities - Other Expenditure	274	206	116	239	(35)	(13)
	PLANNING AND HOUSING						
	APT&C Employee Costs					(93)	
(615)	Planning Fees Income	(919)	(536)	(415)	(819)	100	(11)
23	Planning Advertising Planning Application Fees	7	4	19	24	17	243
Total Material Variances						(228)	

SAFE, SUSTAINABLE COMMUNITIES COMMITTEE**REVENUE BUDGET MONITORING REPORT****SUBJECTIVE ANALYSIS****PERIOD 9: 1st April 2008 - 31st December 2008**

Subjective Heading	Approved Budget 2008/09 £000	Revised Budget 2008/09 £000	Projected Out-turn 2008/09 £000	Projected Over/(Under) Spend £000	Percentage Variance %
Employee Costs	11,815	12,096	11,873	(223)	(1.85)
Property Costs	3,538	3,308	3,286	(22)	(0.67)
Supplies & Services	2,828	2,811	2,908	97	3.47
Transport & Plant Costs	1,097	1,169	1,294	125	10.69
Administration Costs	563	583	529	(54)	(9.26)
Payments to Other Bodies	1,300	2,094	1,807	(287)	(13.70)
Income	(4,009)	(4,221)	(4,076)	145	3.44
TOTAL NET EXPENDITURE	17,132	17,840	17,621	(219)	(1.23)
Earmarked Reserves			0	0	
TOTAL NET EXPENDITURE EXCLUDING EARMARKED RESERVES	17,132	17,840	17,621	(219)	(1.23)

EARMARKED RESERVES POSITION STATEMENT
COMMITTEE: Safe Sustainable Communities

<u>Project</u>	<u>Lead Officer/ Responsible Manager</u>	<u>Funding Brought Fwd 2007/08</u> £000	<u>New Funding 2008/09</u> £000	<u>Total Funding 2008/09</u> £000	<u>Actual Spend to Period 9 2008/09</u> £000	<u>Projected Spend 2008/09</u> £000	<u>Amount to be Earmarked for 2009/10</u> £000	<u>Lead Officer Update</u>
Alcohol Related Crime	John Arthur	24	0	24	24	24	0	This reserve has now been fully spent.
Registration of Private Landlords	John Arthur	57	0	57	42	57	0	Will be spent on software to improve data management and the funding of a student post during 2008/09.
Maintenance of Trunk Road Network	Alan Barnes	200	0	200	65	140	60	To make good diversion route for Trunk road. The timing of the spend is subject to the outcome of legal challenge.
Community Investment Fund	Neil Graham	768	(410)	358	25	213	145	£410k has been transferred to capital for CIF works in 08/09.
Council Tax Second Home discount initiative	Ronnie Lee	265	0	265	265	265	0	This reserve has now been fully spent.
Strategic Housing	Fraser Williamson	519	0	519	26	26	493	HRA balance transferred to general fund to be retained for strategic housing purposes including contaminated land.
National Accommodation Strategy for Sex Offenders	Fraser Williamson	41	0	41	0	6	35	Temporary funding of a post within Housing Development Team of Planning and Housing. Virement to Other Housing will be part of March Committee Reports.
Total		1,874	(410)	1,464	447	731	733	

SAFE, SUSTAINABLE COMMUNITIES COMMITTEEREVENUE BUDGET MONITORING REPORTVIREMENT REQUESTPeriod 9: 1st April 2008 - 31st December 2008

Budget Heading		Increase Budget £	(Decrease) Budget £
National Accommodation Strategy for Sex Offenders - Other Housing	*1	41,000	
National Accommodation Strategy for Sex Offenders - Social Work	*1		(41,000)
Burial Grounds Manual Employee Costs	*2		(13,000)
Crematorium Organist Fees	*2	13,000	
Refuse Transfer Station Landfill Tax / Waste Disposal	*3		(272,000)
Waste Strategy Recycling / Glass Bank Servicing / Composting	*3	272,000	
Total		326,000	(326,000)

*1 The above movement is a transfer of uncommitted budget from Social Work to Other Housing and as such will also be reported to the Health and Social Care Committee.

*2 This virement is required as costs of the Organist within the Crematorium were previously included within the Employee Cost budget. These are now under Supplies and Services.

*3 As reported to last Committee, there is a projected underspend within Landfill Tax and Waste Disposal due to reduced tonnages going to landfill. As a result there are increased costs of Recycling, Glass Bank Servicing and Composting. Therefore, Committee are asked to approve virement, as per above, in order to align these budgets.