

**Report To:** Environment & Regeneration Committee      **Date:** 6 March 2014

**Report By:** Acting Corporate Director Environment, Regeneration and Resources and Head of Finance      **Report No:** FIN/09/14/JB/MM

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

**Subject:** Environment and Regeneration 2013/14 Revenue Budget – Period 9 to 31 December 2013

---

## 1.0 PURPOSE

1.1 To advise Committee of the 2013/14 Revenue Budget position at period 9 to 31 December 2013.

## 2.0 SUMMARY

2.1 The revised 2013/14 budget for Environment and Regeneration is £20,308,000 which excludes Earmarked Reserves.

2.2 The latest projection, excluding Earmarked Reserves, is an underspend of £41,000, a reduction in spend of £4,000 since Period 7 Committee. This is after a £150,000 virement from Policy and Resources Committee.

2.3 The main variances projected at Period 9 are:

- i. Underspends within Cleaning and Catering employee costs totalling £74,000 due to delays in filling vacant posts and a reduction in additional hours.
- ii. An underspend within Waste Management/disposal of £68,000. This is due to an overall reduction in the number of tonnes of waste generated and disposed of.
- iii. Overspends within Client services on non routine vehicle maintenance of £65,000. This overspend is mainly due to vehicles which are outwith their warranty period requiring specialist maintenance.
- iv. There is a projected underspend on the Lighting Maintenance Contract of £40,000, not previously reported. This budget has been increased by £25,000, to cover the increased costs of the new contract and a further £118,000 vired from Policy & Resources Committee. Without these virements there would have been a projected overspend of £103,000.
- v. An overspend within Building Services of £44,000 mainly from increased sub contractor costs and reduced income resulting from the current workload.
- vi. An underrecovery of Physical Assets income of £58,000 mainly due to reduced rental income, reduced charges for lease transactions and reduced fees as a result of minimal disposal of property assets in line with previous years.

### **3.0 RECOMMENDATIONS**

- 3.1 The Committee note the current projected underspend for 2013/14 of £41,000 as at 31 December 2013.
- 3.2 The Committee approve, in principle, the carry forward of earmarked reserves as outlined in paragraphs 6.2 and 6.3, subject to confirmation through the normal earmarked reserve approval process.

Jan Buchanan  
Head of Finance

Alan Puckrin  
Acting Corporate Director  
Environment, Regeneration & Resources

## 4.0 BACKGROUND

- 4.1 The purpose of this report is to advise Committee of the current position of the 2013/14 budget and to highlight the main issues contributing to the projected underspend in 2013/14.
- 4.2 The revised 2013/14 budget reflects an increase from the approved budget of £681,260. This is an increase of £238,650 from Period 7, due to:
- i. Additional budgets allocated from the Inflation Contingency for the following:
    - Electricity - £7,280
    - Additional costs of the short term Greenlight contract - £28,370
    - Additional costs of the new Lighting Maintenance contract - £25,000
  - ii. A one-off virement from Finance under Policy & Resources Committee to offset current budget pressures within Environmental and Commercial Services of £150,000.
  - iii. £28,000 budget received as a redetermination relating to Roads Lighting surveys. This budget will be earmarked for spend in 2014/15.

## 5.0 2013/14 CURRENT POSITION

- 5.1 The current projection for 2013/14 is an underspend of £41,000, a reduction in spend of £4,000 since last Committee.

### 5.2 Regeneration & Planning - £34,000 Underspend

The current projected out-turn for Regeneration & Planning is an underspend of £34,000, a reduction in projected spend of £100,000 since Period 7.

The main issues relating to the current projected underspend for Regeneration & Planning are detailed in Appendix 2 and the movement from last period is explained below:

#### (a) Employee Costs

There is a projected underspend of £84,000, a reduction in projected spend of £27,000 since Period 7, due to turnover savings resulting from further delays in filling vacancies.

#### (b) Property Costs

There is a projected underspend of £20,000 within Industrial & Commercial security costs due to budget not being required this financial year. This was not previously reported but is in line with previous year's spend.

#### (c) Income

Income is projected to be underrecovered by £47,000. The main reason for this is a projected underrecovery within Planning income of £35,000. This is an increase in projected income of £46,000 since Period 7. This movement is due to a number of large fees being received since the previous report

### 5.3 Property Assets and Facilities Management - £24,000 Underspend

The current projected out-turn for Property Assets and Facilities Management is an underspend of £24,000; an increase in projected spend of £94,000 since Period 7.

The main issues contributing to the current projected underspend for Property Assets and Facilities Management are detailed in Appendix 2 and the movement from last period is explained below:

(a) Employee Costs

There is a projected underspend of £95,000, a reduction in spend of £11,000 since last Committee, mainly due to:

- i. Minor increases in Cleaning and Catering employee costs totalling £13,000 since Period 7. There remains a projected underspend of £42,000 within Cleaning and £32,000 within Catering due to reductions in additional hours and turnover savings.
- ii. A projected underspend of £23,000 within Building Services due to long term sickness absence, delays in filling vacancies and a reduction in overtime and travel and subsistence.

(b) Property Costs

Property Costs are projected to be £54,000 underspent. The majority of this is due to a projected underspend within Physical Assets and Office Accommodation electricity of £31,000 and water of £11,000. This has not previously reported and is projected following the receipt of up to date utilities billing information.

(c) Supplies & Services

There is a projected overspend within Supplies & Services of £36,000, an increase in spend of £91,000 since last Committee, due mainly to:

- i. A projected overspend of £80,000 within Building Services Sub Contractors. This is due to an increase in specialised sub contractor work and is offset by income.
- ii. An increase in projected spend on Catering Provisions of £18,000 since last Committee following a review of the projection. There remains an underspend of £25,000. The projected underspend is mainly resulting from a reduced uptake of school meals.

(d) Payments to Other Bodies

There is a projected underspend of £16,000 within Property Resources Consultants, not previously reported. This is due to the budget for procurement of Landscape Architect services not being required this financial year.

(e) Income

There is a projected £115,000 underrecovery of income, a reduction in projected income of £86,000 since Period 7. This movement is mainly due to:

- i. A projected overrecovery of Building Services income of £16,000. This is due to an increase in subcontractors income offset by a reduction in achievable income resulting from long term sickness absence.
- ii. A refund made to RCH relating to previous years rental of £20,000.
- iii. Underrecoveries in income within Physical Assets of £58,000, mainly due to reduced rental income, reduced charges for lease transactions and reduced fees as a result of minimal disposal of property assets in the current year.
- iv. An underrecovery of Cleaning income of £17,000 due to transfer of Children's homes to Social Work. The budget will be realigned in 2014/15.

#### 5.4 **Environmental & Commercial Services - £19,000 Overspend**

The current projected out-turn for Environmental & Commercial Services is an overspend of £19,000; an increase in spend of £2,000 since last period.

The main issues contributing to the current projected overspend for Environmental & Commercial Services are detailed in Appendix 2 and the movement from last period is explained below:

##### (a) Employee Costs

There is a projected underspend of £42,000, an increase in projected spend of £19,000 since Period 7. This movement is mainly due to an increase in Vehicle Maintenance employee costs of £12,000 due to an employee returning from sickness absence earlier than anticipated.

##### (b) Property Costs

There is a projected underspend of £80,000 within Property Costs, a reduction in spend of £44,000 since last Committee. This reduction is mainly due to a reduction in Waste Management costs of £27,000. The underspend is £68,000 in total and is a result of a reduction in tonnages.

##### (c) Supplies & Services

There is a projected overspend of £1,536,000 within Supplies & Services; an increase in spend of £19,000 since last Committee; mainly due to the following:

- i. A further increase in Sub Contractor costs of £34,000 and an increase in Materials of £34,000 within Vehicle Maintenance. This is mainly due to the fact that some vehicles are no longer under warranty and require specialist maintenance;
- ii. An underspend of £37,000 within Waste Strategy on Bins and Plastic Sacks. This was not previously reported and is due to use of external grant prior to spending core budget.
- iii. A further increase in projected spend within the Roads Operational Account of £44,000. This mainly relates to increased Subcontractors and Materials costs and is offset by additional income per 5.4(g)(iii) below.
- iv. There is a projected underspend on the Lighting Maintenance Contract of £40,000, not previously reported. This budget has been increased by £25,000, to cover the increased costs of the new contract, per 4.2(i) above and a further £118,000 vired from Policy & Resources Committee, per 4.2(ii) above. Without these virements there would have been a projected overspend of £103,000. The underspend has occurred due to the previous contractor carrying out less planned maintenance works during the final months of the old contract.
- v. There is a projected underspend of £16,000 from the budget vired from Finance Services, under Policy and Resources, to assist with Environmental & Commercial Services budget pressures.

##### (d) Transportation & Plant

There is a projected overspend of £245,000, an increase in spend of £40,000 since last Committee. This movement has arisen due to:

- i. A further reduction in Vehicle Maintenance fuel spend of £14,000 since Period 7. As previously reported this underspend has resulted from efficiencies due to the tracking system, lower than anticipated fuel prices and a decrease in usage.

- ii. A projected overspend on tyres within Vehicle Maintenance of £28,000, this is in line with the previous year's outturn and is due to increased tyre prices and more tyres being replaced due to the age and mileage of vehicles.
- iii. An increase in external hires within the Roads Operational Account of £27,000 due to increased Capital works associated with the RAMP. This overspend is offset by an overrecovery of income, as outlined in 5.4(g)(iii).

(e) Administration

There is a projected overspend of £93,000, a decrease of £10,000 since last Committee, due to minor movements.

(f) Payments to Other Bodies

There is a projected overspend of £33,000, an increase in projected spend of £11,000 since last Committee, due mainly to additional costs within Waste Strategy relating to maintenance and repairs of the MRF of £20,000 partially offset by a £7,000 reduction in payments to Greenlight. The impact of terminating the previous Greenlight contract and the resulting costs of the interim short term contract have been included in the projections and budget allocated from Inflation Contingency to cover these additional costs.

(g) Income

There is a projected overrecovery in income of £1,766,000, an increase in income of £32,000 since last Committee, mainly due to:

- i. Overrecovery of Drivers recharge income of £22,000 in line with increased employee and agency costs, not previously reported.
- ii. Underrecovery in Burial Grounds income of £30,000 due to a reduction in the number of burials and reduced sale of lairs; partially offset by an overrecovery of £15,000 in Crematorium income.
- iii. An increase in projected income within the Roads Operational Account of £85,000 following a review of the work programme. This is offset by increased transport and supplies and services spend.
- iv. An underrecovery in Roads Client sales, fees and charges income of £60,000 due to Construction Consent income which was previously projected to be received in the current financial year but which will now not be received until 2014/15.

**5.5 Corporate Director - £2,000 Underspend**

The Corporate Director budget is currently projecting to out-turn £2,000 under budget.

**6.0 EARMARKED RESERVES**

- 6.1 There is a planned £3,106,000 contribution to Earmarked Reserves in the current financial year. Spend to date is 65% of the phased budget, as outlined in Appendix 3. However, various projects have been reprofiled to future years since the original phasings were agreed.
- 6.2 Committee is asked to approve carry forward of £28,000 to 2014/15 which has been received as a redetermination for the purpose of Roads Lighting surveys. This carry forward is included in the Transfer to Earmarked Reserves figure and will be subject to confirmation via the normal earmarked reserve approval process.
- 6.3 Committee is asked to approve the carry forward of £16,000 from the underspend for upgrading of Planning's iDox system in order that it can be retained pending clarity on e-building control/standards at a national level. This carry forward is included in the Modernisation Earmarked Reserves figure and will be subject to confirmation via the normal

earmarked reserve approval process.

## 7.0 VIREMENTS

7.1 These figures reflect the one off £150,000 virement from the Policy and Resources Committee to meet various cost pressures largely within Environmental and Commercial Services.

## 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 Acting Corporate Director Environment, Regeneration & Resources and the Head of Finance.

## 10.0 CONCLUSIONS

10.1 The Committee is currently reporting an underspend of £41,000.

## 11.0 LIST OF BACKGROUND PAPERS

11.1 There are no background papers relating to this report.



ENVIRONMENT AND REGENERATION COMMITTEEREVENUE BUDGET MONITORING REPORTPERIOD 9: 1st April 2013 - 31st December 2013

Subjective Heading	Approved Budget 2013/14	Revised Budget 2013/14	Projected Out-turn 2013/14	Projected Over/(Under) Spend	Percentage Variance %
Employee Costs	18,168	18,082	17,859	(223)	(1.24)%
Property Costs	8,612	8,330	8,177	(153)	(1.83)%
Supplies & Services	5,377	5,717	7,289	1,572	27.51%
Transport Costs	3,503	3,405	3,641	236	6.92%
Administration Costs	459	477	571	94	19.80%
Payments to Other Bodies	5,977	6,270	6,307	37	0.59%
Income	(19,363)	(18,867)	(20,471)	(1,604)	(8.50)%
<b>TOTAL NET EXPENDITURE</b>	<b>22,733</b>	<b>23,414</b>	<b>23,373</b>	<b>(41)</b>	<b>(0.18)%</b>
Transfer to Earmarked Reserves *	0	(3,106)	(3,106)	0	0.00%
<b>TOTAL NET EXPENDITURE EXCLUDING EARMARKED RESERVES</b>	<b>22,733</b>	<b>20,308</b>	<b>20,267</b>	<b>(41)</b>	<b>(0.20)%</b>

Objective Heading	Approved Budget 2012/13	Revised Budget 2012/13	Projected Out-turn 2012/13	Projected Over/(Under) Spend	Percentage Variance %
Regeneration & Planning	4,809	4,965	4,931	(34)	(0.68)%
Property Assets & Facilities Management	3,467	3,885	3,861	(24)	(0.63)%
Environmental & Commercial Services	14,297	14,404	14,423	19	0.13%
Corporate Director	160	160	158	(2)	(1.31)%
<b>TOTAL NET EXPENDITURE</b>	<b>22,733</b>	<b>23,414</b>	<b>23,373</b>	<b>(41)</b>	<b>(0.18)%</b>
Transfer to Earmarked Reserves *	0	(3,106)	(3,106)	0	0.00%
<b>TOTAL NET EXPENDITURE EXCLUDING EARMARKED RESERVES</b>	<b>22,733</b>	<b>20,308</b>	<b>20,267</b>	<b>(41)</b>	<b>(0.20)%</b>

\* Per Appendix 3: New funding transferred to earmarked reserves during 2013/14

## ENVIRONMENT AND REGENERATION COMMITTEE

## REVENUE BUDGET MONITORING REPORT

## MATERIAL VARIANCES

PERIOD 9: 1st April 2013 - 31st December 2013

Out Turn 2012/13 £000	Budget Heading	Subjective Head	Budget 2013/14 £000	Proportion of Budget	Actual to 31-Dec-13 £000	Projection 2013/14 £000	(Under)/Over Budget £000	Percentage Variance %
	<b>REGENERATION &amp; PLANNING</b>							
52	Economic - Get Ready for Work - Employee Costs	Employee Costs	151	107	74	117	(34)	(22.52)%
911	Economic Employee Costs	Employee Costs	737	692	679	726	(11)	(1.49)%
952	Planning Employee Costs	Employee Costs	964	523	493	925	(39)	(4.05)%
							<b>(84)</b>	
6	Building Control - Repairs & Maintenance	Property Costs	0	0	10	10	10	0.00%
0	Commercial & Industrial Security	Property Costs	20	15	0	0	(20)	
							<b>(10)</b>	
3	Economic Pay Other Bodies - Consultants	PTOB	0	0	17	17	17	#DIV/0!
							<b>17</b>	
(114)	Economic Getting Ready for Work - Recoveries	Income	(162)	(95)	(75)	(114)	48	(29.63)%
(681)	Commercial & Industrial Income	Income	(640)	(482)	(498)	(665)	(25)	3.91%
(377)	Planning - Income	Income	(578)	(441)	(439)	(543)	35	(6.06)%
							<b>58</b>	
	<b>PROPERTY ASSETS &amp; FACILITIES MANAGEMENT</b>							
1,665	Cleaning - Employee Costs	Employee Costs	1,743	1,246	1,216	1,701	(42)	(2.41)%
1,813	Catering - Employee Costs	Employee Costs	1,792	1,280	1,259	1,760	(32)	(1.79)%
893	Building Services - Employee Costs	Employee Costs	878	629	614	855	(23)	(2.62)%
							<b>(97)</b>	
182	Physical Assets - Electricity	Property Costs	222	167	94	191	(31)	(13.96)%
253	Office Accommodation - Water	Property Costs	257	193	284	246	(11)	(4.28)%
							<b>(42)</b>	
941	Catering - Provisions	Supplies & Services	930	698	645	905	(25)	(2.69)%
207	Building Services - Direct Purchases	Supplies & Services	164	123	123	184	20	12.20%
250	Building Services - Subcontractors	Supplies & Services	260	195	241	305	45	17.31%
							<b>40</b>	
5	Technical Services - Landscape Architect	PTOB	16	12	0	0	(16)	(100.00)%
							<b>(16)</b>	
0	Physical Assets Income - Feu Duty	Income	(17)	(13)	0	0	17	(100.00)%
0	Physical Assets Income - Rent Shops	Income	(43)	0	0	(10)	33	(76.74)%
(7)	Physical Assets Income - External Income	Income	0	0	(8)	(10)	(10)	0.00%
(104)	Office Accommodation Income - Rent Offices/Shops	Income	(106)	(80)	(9)	(86)	20	(18.87)%
(144)	Building Services Income - Internal Clients	Income	(171)	(128)	(21)	(116)	55	(32.16)%
(542)	Building Services Income - Work Won in Tender	Income	(463)	(347)	(180)	(500)	(37)	7.99%
(860)	Building Services Income - Central Repairs	Income	(900)	(675)	(520)	(959)	(59)	6.56%
(64)	Building Services Income - External	Income	(50)	(37)	(8)	(25)	25	(50.00)%
(25)	Building Services Income - PAT Testing	Income	(40)	(30)	(5)	(5)	35	(87.50)%
(1,683)	Cleaning - Internal Income	Income	(1,651)	(1,238)	(1,230)	(1,634)	17	(1.03)%
							<b>96</b>	

## ENVIRONMENT AND REGENERATION COMMITTEE

## REVENUE BUDGET MONITORING REPORT

## MATERIAL VARIANCES

PERIOD 9: 1st April 2013 - 31st December 2013

Out Turn 2012/13 £000	Budget Heading	Subjective Head	Budget 2013/14 £000	Proportion of Budget	Actual to 31-Dec-13 £000	Projection 2013/14 £000	(Under)/Over Budget £000	Percentage Variance %
<b>ENVIRONMENTAL &amp; COMMERCIAL SERVICES</b>								
2,483	Environmental Management - Employee costs	Employee Costs	2,552	1,831	1,778	2,526	(26)	(1.02)%
976	Street Cleaning - Employee Costs	Employee Costs	1,021	733	683	976	(45)	(4.41)%
1,364	Refuse Collection - Employee Costs	Employee Costs	1,162	846	856	1,135	(27)	(2.32)%
537	Vehicle Maintenance - Employee Costs	Employee Costs	619	444	432	604	(15)	(2.42)%
775	Roads Trading Account - Employee Costs	Employee Costs	764	548	536	798	34	4.45%
							(79)	
2,440	Transfer Station - Waste Disposal Contract	Property Costs	2,459	1,855	1,707	2,391	(68)	(2.77)%
10	Roads Client - Water	Property Costs	12	12	0	(8)	(20)	(166.67)%
15	Roads Client - Electricity	Property Costs	16	11	18	33	17	106.25%
							(71)	
74	Vehicle Maintenance - Sub Contractors	Supplies & Services	59	44	123	145	86	145.76%
145	Vehicle Maintenance - Materials	Supplies & Services	131	98	140	165	34	25.95%
76	Waste Strategy - Purchase of Bins & Plastic Sacks	Supplies & Services	146	110	95	109	(37)	(25.34)%
351	Roads Client - Lighting Maintenance	Supplies & Services	502	376	182	446	(56)	(11.16)%
235	Roads Trading Account - Subcontractors	Supplies & Services	119	77	197	269	150	126.05%
1,612	Roads Trading Account - Materials	Supplies & Services	810	491	1,587	2,027	1,217	150.25%
							1,394	
108	Grounds Maintenance - Fuel Costs	Transport & Plant	96	82	58	73	(23)	(23.96)%
58	Street Cleaning - Fuel Costs	Transport & Plant	59	44	31	43	(16)	(27.12)%
239	Waste Management - Fuel	Transport & Plant	243	182	156	222	(21)	(8.64)%
79	Roads Trading Account - Fuel	Transport & Plant	85	63	40	72	(13)	(15.29)%
711	Vehicle Maintenance - Fuel	Transport & Plant	663	498	421	606	(57)	(8.60)%
37	Vehicle Maintenance - Road Fund	Transport & Plant	31	22	22	42	11	35.48%
212	Environmental Vehicles - non routine Maintenance	Transport & Plant	153	119	175	218	65	42.48%
101	Vehicle Maintenance - Tyres	Transport & Plant	58	38	70	86	28	0.00%
211	Roads Trading Account - External Hires	Transport & Plant	94	61	283	329	235	250.00%
45	Roads Trading Account - Non Routine Vehicle Maintenance	Transport & Plant	20	15	38	47	27	135.00%
							236	
38	Refuse Collection - Agency Staff	Administration	0	0	14	17	17	0.00%
33	Vehicle Maintenance - Agency Staff	Administration	0	0	34	35	35	0.00%
29	Pottery Street Depot - Training & Telephones	Administration	17	13	2	32	15	88.24%
							67	
(3)	Waste Strategy - Greenlight	PTOB	8	6	60	18	10	125.00%
95	Waste Strategy - Other Expenditure	PTOB	100	75	89	120	20	20.00%
							30	
(30)	Ground Maintenance - Special Events Income	Income	(27)	(20)	(1)	(11)	16	(59.26)%
(210)	Burial Grounds Income	Income	(236)	(172)	(131)	(206)	30	(12.71)%
(441)	Crematorium Income	Income	(424)	(284)	(308)	(439)	(15)	3.54%
(711)	Vehicle Maintenance - Fuel Income	Income	(697)	(530)	(421)	(606)	91	(13.06)%
(318)	Vehicle Maintenance - Non Routine Maint. Income	Income	(215)	(161)	(252)	(304)	(89)	41.40%
(422)	Vehicle Maintenance - Increase in Drivers recoveries	Income	(389)	(269)	(306)	(411)	(22)	5.66%
(28)	Transfer Station - Scrap Metal Income	Income	(60)	(45)	(21)	(31)	29	(48.33)%
(121)	Roads Client - Sales, Fees and Charges	Income	(120)	(92)	(27)	(60)	60	(50.00)%
(121)	Roads Client - Advertising Income	Income	(112)	(84)	(62)	(124)	(12)	10.71%
(2,062)	Roads Trading Account - Income (Capital)	Income	(1,652)	(986)	(2,183)	(3,018)	(1,366)	82.69%
(1,159)	Roads Trading Account - Income (Revenue)	Income	(700)	(418)	(453)	(880)	(180)	25.71%
(203)	Roads Trading Account - Income (Non Client Involvement)	Income	0	0	(96)	(120)	(120)	0.00%
							(1,578)	
<b>Total Material Variances</b>							<b>(39)</b>	

EARMARKED RESERVES POSITION STATEMENT

Appendix 3

COMMITTEE: Regeneration & Environment

Project	Lead Officer	Total Funding 2013/14 £000	Phased Budget To Period 9 2013/14 £000	Actual To Period 9 2013/14 £000	Projected Spend 2013/14 £000	Amount to be Earmarked for 2014/15 & Beyond £000	Lead Officer Update
Riverside Inverclyde	AF	3,185	1,964	1,259	1,925	1,260	Due to scheduled later start date of Town Centre Regeneration (autumn) & the prioritised draw down of Scottish Government funding (Kelburn, Custom House) it was anticipated that the majority of the projected spend would be drawn down from October onwards. Significant drawdowns are not taking place however some reductions in spend are anticipated relating mainly to Town Centre Regeneration (£0.538m).
Asset Management Plan - Office Rationalisation	AG	1,259	192	216	653	606	Central Library Offices and Princes Street Offices have commenced on site and are currently on schedule. Wallace place is also on site but is behind schedule by approximately 12 weeks. Projected spend is reduced by savings anticipated from the termination of lease on Cathcart House (approx £270k) which has yet to be wired to the AMP. It is acknowledged that this treatment lacks clarity and a review of the AMP Financial Model is being carried out with a view to improving the presentation of these figures.
Asset Management Plan - Replacement Depot	AG	1,182	27	15	74	1,108	The tender for the Civic Amenity Site has been awarded and the contractor is due to start on site in mid February. Demolition of Nissen Huts/Temporary parking complete. Design progressing for Vehicle Maintenance building and Planning Permission now granted. Design work on Kirm Drive civic Amenity Site is progressing.
Youth Employment	SJ	1,140	229	254	448	692	Approved by Policy & Resources Committee 27/03/12. Three year programme to address youth unemployment. The anticipated annual spend profile has £88k for Modern Apprentices and £360k for Graduates and External funding. On programme with MA recruitment complete.
Business Support Initiative	SJ	462	257	137	238	224	Funding will be used to support 1 Business Development post for four years and streetscape / shop front improvement at Dubbs Road and West Station, as well as marketing and aftercare. The post was filled in July 2012 initially for two years but is likely to be extended for a further two years. The Tender process for shop front improvements at Dubbs Road should be completed in 2013/14. Shop front improvements for West Station are subject to ongoing discussions with the traders and work is now likely to commence in 2014/15.
Birkmyre Park, Port Glasgow	IM	200	50	4	20	180	Work originally due to start in January 2014, however a contractor will not now be appointed until April 2014, so £16k requires to be slipped into 2014/15. Planning consent approved January 2014.
Investment Fund for Council Owned Bowling Clubs	AG	159	132	62	99	60	Work completed for Wellington, Hillend and Gourcock Park. Work on site at Parklea, Rankin Park no longer being sold so design now being progressed. Anticipated this will be completed by March 2014. Lady Alice insurers will not make payment for subsidence. Reduced scheme agreed with club to demolish and rebuild toilets. Will not be on site prior to April 2014 and will require to slip to next year

EARMARKED RESERVES POSITION STATEMENT

Appendix 3

COMMITTEE: Regeneration & Environment

Project	Lead Officer	Total Funding 2013/14 £000	Phased Budget To Period 9 2013/14 £000	Actual To Period 9 2013/14 £000	Projected Spend 2013/14 £000	Amount to be Earmarked for 2014/15 & Beyond £000	Lead Officer Update
Whinhill Golf Club	IM	183	183	13	33	150	Relates to 14 individual projects. Work is complete or in progress on most items including a project valued at £20k which will be completed by the end of January 2014. Two items valued at £110k are still awaiting an electricity supply and an allowance for car park resurfacing of £40k will be delayed until 2014/15 due to other ongoing works and weather.
Lower Clyde River Valley Projects	SJ	14	7	7	14	0	Reserve used for specific projects. £11k to be spent in 2013/14 in conjunction with award from Coastal Communities Fund for the creation of a Heritage trail, and £3k for additional project work.
Flooding Strategy	IM	60	18	16	16	44	The actual spend was for a temporary Flooding Officer to July 2013 to assist in the development and design of the Flooding Strategy. The remaining funding is for Legal costs and the Service now do not expect any spend in 2013/14. The remaining £44k has therefore been carried forward to 2014/15.
Roads Assessment /Feasibilities	IM	18	18	18	18	0	The Greenock Town Centre Parking Strategy and the Decriminalised Parking Enforcement Business Case report was approved by Committee in October 2012. This funding was for ongoing Consultants costs totalling £18k with no further spend anticipated. The remaining £14k of funding has been transferred to the Greenock Town Centre Parking Strategy for reporters cost as yet unknown.
Winter Maintenance	IM	233	0	0	0	233	Carry forward funding is in addition to the Roads Services Winter Maintenance budget and is to provide additional funds should a severe winter arise. The final contribution to this reserve will be identified at year end.
Local Plan Preparation	SJ	11	4	4	11	0	The projected spend represents amount due for 2013/14. Local Plan is prepared in a five year cycle with the majority of spend incurring in the fifth year. 2013/14 being the final year.
Local Environment Improvement Fund	IM	135	135	62	90	45	Consolidated to 41 individual projects. 34 are complete or in progress. Works to Kelburn Park will be the subject of a committee report in January 2014 and if approved work will commence soon thereafter, weather permitting.

EARMARKED RESERVES POSITION STATEMENT

Appendix 3

COMMITTEE: Regeneration & Environment

Project	Lead Officer	Total Funding 2013/14 £000	Phased Budget To Period 9 2013/14 £000	Actual To Period 9 2013/14 £000	Projected Spend 2013/14 £000	Amount to be Earmarked for 2014/15 & Beyond £000	Lead Officer Update
Greenock Town Centre Parking Strategy	IM	110	24	17	43	67	Funding is for implementation of the Greenock Town Centre Parking Strategy and Decriminalised Parking Enforcement. The revised proposals including funding was approved by Committee in October 2012 and the majority of funding is being reported through the Environment and Regeneration Capital Programme report. The EMR funding includes the funding of an employee from August 2013 to July 2014 to assist in the implementation. The cost of this employee in 2013/14 will be £29k. A further £14k was transferred from the Roads Assessment/Feasibility EMR for Reporters costs that are yet unknown but will be spent in 2013/14. The Service anticipate that the remaining funding will not be achieved until 2014/15 and that £67k be carried forward
Utilities Spend to Save Fund	AG	231	106	58	136	95	Various small works underway for water saving measures. Water systems work completed in Greenock Municipal Buildings, awaiting meter install. St Mary's Electrical Work out to tender (contribution being made towards additional cost of LED lights). Action being taken to ensure all heating systems are switched off May to September, particularly schools. Saving made in electricity used by main ICT servers due to virtualisation project. Replacement boilers to be fitted in Greenock Municipal buildings which will be significantly more efficient than the current boilers which are at the end of economic life.
Roads - Additional revenue investment	IM	126	39	17	114	12	£126k of funding carried forward from 2012/13 is for cycle track maintenance, the completion of the RAMP report (to include sea walls, etc.) additional pothole and patching work, pedestrian guardrails and additional drainage work. As previously reported that due to delays in carrying out preliminary work the completion of the RAMP report (£12k) will not be carried out until 2014/15.
Vehicle Replacement Programme	IM	1,310	29	29	1,002	308	£29k has been spent in period 1 on additional revenue running costs for the vehicle tracking system. Loans charges will be charged in period 12. There is an anticipated underspend in the current year of £103k increasing the earmarked reserve available for carry forward to £308k. The carried forward funding of £205k relates to an under spend in loan charges due to the initial delay in the implementation of the VRP but has been factored into the overall VRP funding as part of the midterm review.
Greenock Town Centre - Extra Police	AP	80	0	34	34	46	Resources equivalent to two additional police officers are employed within Greenock Town Centre. Awaiting statistics from the police and thereafter an update on progress to go to members
Repopulating/Promoting Inverclyde	AP	1,000	0	3	70	930	Tourism and Liaison Officer posts now filled and Promotional campaign including a banner visible from the M8 and self build marketing being progressed.

EARMARKED RESERVES POSITION STATEMENT

Appendix 3

COMMITTEE: Regeneration & Environment

Project	Lead Officer	Total Funding 2013/14 £000	Phased Budget To Period 9 2013/14 £000	Actual To Period 9 2013/14 £000	Projected Spend 2013/14 £000	Amount to be Earmarked for 2014/15 & Beyond £000	Lead Officer Update
Increased Officer Capacity - External Funding Officer	SJ	125	17	17	26	99	A post has been created for a period of three years to lead on behalf of the Council in obtaining external Funding. The post was filled on the 24th June 2013.
Employability Initiatives	SJ	150	0	0	0	150	This new reserve was approved at Policy & Resources Committee on 24 September 2013 and is to fund additional targeted employability initiatives. Proposals for use of this reserve were agreed at the Environment & Regeneration Committee on 16th January 2014.
Greenock Municipal Buildings Tourism Initiative	AG	150	0	0	8	142	Following approval design work will commence shortly.
Improvements in Parks & Cemeteries	IM	100	0	0	75	25	£75k worth of work has been programmed to be completed this financial year by the Roads Service. At 16 Jan 2014 Committee, £100k worth of repairs to footpaths and roadways associated with Kilmacolm, Port Glasgow and Gourrock cemeteries and Birkmyre Park, Port Glasgow was approved.
Shopfront Improvements Grants	SJ	50	0	0	0	50	This new reserve was approved at Policy & Resources Committee on 24 September 2013 and is additional funding to provide grant support for improved shop fronts and signage in targeted areas. Proposals for use of this reserve were agreed at the Environment & Regeneration Committee on 16th January 2014.
<b>Total</b>		11,673	3,431	2,242	5,147	6,526	

AF Aubrey Fawcett  
 AP Alan Puckrin  
 AG Andrew Gerard  
 SJ Stuart Jamieson  
 IM Ian Moffat