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<b>Report To:</b>	<b>Environment &amp; Regeneration Committee</b>	<b>Date:</b>	<b>1 May 2014</b>
<b>Report By:</b>	<b>Acting Corporate Director Environment, Regeneration and Resources and Head of Finance</b>	<b>Report No:</b>	<b>FIN/20/14/JB/MM</b>
<b>Contact Officer:</b>	<b>Mary McCabe</b>	<b>Contact No:</b>	<b>01475 712222</b>
<b>Subject:</b>	<b>Environment and Regeneration 2013/14 Revenue Budget – Period 11 to 28 February 2014</b>		

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## 1.0 PURPOSE

1.1 To advise Committee of the 2013/14 Revenue Budget position at period 11 to 28 February 2014.

## 2.0 SUMMARY

2.1 The revised 2013/14 budget for Environment and Regeneration is £20,716,000 which excludes Earmarked Reserves.

2.2 The latest projection, excluding Earmarked Reserves, is an underspend of £215,000, a reduction in spend of £174,000 since Period 9 Committee.

2.3 The major variances projected at Period 11 are:

- i. Employee Cost savings across the Committee of £287,000 due to delays in filling vacancies and reductions in additional hours. This is a reduction in projected spend of £56,000 since Period 9.
- ii. An underspend within Waste Management disposal of £82,000, due to an overall reduction in the number of tonnes of waste generated and disposed of.
- iii. Overspends on subcontractors and materials within Vehicle Maintenance of £86,000 and £54,000. This is a result of increased non routine maintenance mainly due to vehicles outwith their warranty period requiring specialist maintenance.
- iv. Underspend in purchase of fuel within Vehicle Maintenance of £57,000 resulting from efficiencies due to the tracking system, lower than anticipated fuel prices and a decrease in usage.
- v. 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.
- vi. An underrecovery of Roads Client sales, fees and charges income of £70,000, due to delays in receipt of construction consent income.
- vii. An underspend in Lighting Maintenance of £118,000. The current contractor has focussed on the unplanned maintenance which had not been completed by the previous contractor at the expense of the planned maintenance with a reduced requirement on the Scottish power costs.

### **3.0 RECOMMENDATIONS**

- 3.1 The Committee note the current projected underspend for 2013/14 of £215,000 as at 28 February 2014.
- 3.2 The Committee is asked to approve virement as detailed in Appendix 4.

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 £657,240. This is a decrease of £24,020 from Period 9, due to:
- i. Adjustment to 1% pay award virement of (£24,380). The total virement being an increase in budget of £144,440.
  - ii. Reduction in Public Conveniences non domestic rates budget of (£4,100) due to a rates re-evaluation.
  - iii. Budget transferred from Social Work to Cleaning of £4,460 for the part year effect of an employee transferring under Facilities Management from Social Work.

## 5.0 2013/14 CURRENT POSITION

- 5.1 The current projection for 2013/14 is an underspend of £215,000, a reduction in spend of £174,000 since last Committee.

### 5.2 Regeneration & Planning - £102,000 Underspend

The current projected out-turn for Regeneration & Planning is an underspend of £102,000, a reduction in projected spend of £68,000 since Period 9.

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 £107,000, a reduction in projected spend of £23,000 since Period 9, due to a further underspend in Get Ready for Work of £17,000 which is offset by a reduction in income, per 5.2(b)(ii) below; and further turnover savings of £6,000.

#### (b) Income

Income is projected to be overrecovered by £5,000. This is an increase in projected income of £52,000 since Period 9. The reasons for this movement are:

- i. A projected increase in Planning income of £68,000 due to a further increase in fees received. This line, by its nature, is hard to project and the levels of income being observed are over £200,000 more than last financial year.
- ii. A reduction in Get Ready for Work income from Skills Development Scotland of £16,000; in line with reduced employee costs; see 5.2(a) above.

### 5.3 Property Assets and Facilities Management - £39,000 Underspend

The current projected out-turn for Property Assets and Facilities Management is an underspend of £39,000; a reduction in projected spend of £15,000 since Period 9.

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 £136,000, a reduction in spend of £41,000 since last Committee, mainly due to:

- i. A reduction in Cleaning employee costs of £24,000 due to a reduction in additional hours and turnover savings. This increases the underspend in Cleaning employee costs to £66,000.
- ii. A reduction in Janitors costs of £13,000. This is offset by a reduction in recharge income.
- iii. A projected increase of £14,000 within Building Services due to increased overtime resulting from an increase in available work. This is offset by additional income.
- iv. Minor turnover savings across the other divisions totalling £18,000.

(b) Property Costs

Property Costs are projected to be £4,000 underspent, an increase in spend of £50,000 since Period 9, mainly due to:

- i. An increase in spend on Catering cleaning materials of £14,000. This is due to changes in food industry legislation relating to cross contamination rendering the existing budget insufficient.
- ii. An overspend on non domestic rates for empty properties of £24,000, the majority of which relates to a bill for a property which covers the last four financial years.
- iii. Various minor movements amounting to a projected overspend of £12,000.

(c) Supplies & Services

There is a projected overspend within Supplies & Services of £23,000, a reduction in spend of £13,000 since last Committee, due mainly to:

- i. A reduction in Building Services Sub Contractors of £20,000 based on the current workload.
- ii. An increase in projected spend on Catering Provisions of £16,000 since last Committee following a review of the projection. There remains an underspend of £9,000.

(d) Income

There is a projected £93,000 underrecovery of income, an increase in projected income of £22,000 since Period 9. This movement is mainly due to:

- i. An increase in Building Services income of £33,000, due to an increase in income from Central Repairs partially offset by a reduction in income from other services and tendered works. The Building Services budget is now projecting an overall underrecovery of £11,000 which is a positive movement of £33,000 since last Committee.
- ii. A reduction in Janitors recharge income of £14,000, in line with reduced employee costs, see 5.3(a)(ii) above.

**5.4 Environmental & Commercial Services - £72,000 Underspend**

The current projected out-turn for Environmental & Commercial Services is an underspend of £72,000; a reduction in spend of £91,000 since last period.

The main issues contributing to the current projected underspend 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 £71,000, a reduction in projected spend of £29,000 since Period 9. This movement is mainly due to:

- i. A reduction in Ground Maintenance costs of £30,000 due to delays in employing seasonal staff.
- ii. A further reduction in Street Cleaning costs of £17,000 due to delays in filling vacancies.
- iii. An increase in Refuse Collection costs of £27,000 due to higher than anticipated overtime, mainly relating to the festive period. This increase means that the Refuse Collection employee costs are projecting on budget.
- iv. A reduction in Roads Operational Account employee costs of £19,000, mainly relating to a reduction in overtime in light of the current workload.

(b) Property Costs

There is a projected underspend of £79,000 within Property Costs, an increase in spend of £1,000 since last Committee. This movement is due to a reduction in Waste Management costs of £15,000 offset by small increases in electricity of £8,000, heating oil of £4,000 and security of £4,000.

(c) Supplies & Services

There is a projected overspend of £1,328,000 within Supplies & Services; a reduction in spend of £208,000 since last Committee; mainly due to the following:

- i. An increase in Materials costs of £20,000 within Vehicle Maintenance. This is mainly due to the fact that some vehicles are no longer under warranty and require specialist maintenance;
- ii. A further reduction in spend within Waste Strategy bins and plastic sacks of £10,000. The total underspend is £47,000 and is due to use of external grant prior to spending core budget.
- iii. An increase in projected spend on Ground Maintenance Christmas decorations of £13,000 due to replacement of old lights that had been affixed to the Central Library, but which could no longer be used due to refurbishment of the building.
- iv. A reduction in spend on subcontractors and materials within Roads of £32,000 and £137,000 respectively. The reduction in materials is partially offset by a reduction in income and is a result of the current workload and the material requirements therein. The reduction in subcontractors costs is offset by an increase in external hires.
- v. A further reduction in Lighting Maintenance costs of £118,000. The current contractor has focussed on the unplanned maintenance which had not been completed by the previous contractor at the expense of the planned maintenance with a reduced requirement on the Scottish power costs.

(d) Transportation & Plant

There is a projected overspend of £374,000, an increase in spend of £129,000 since last Committee. This movement has arisen due to:

- i. An increase in non routine maintenance across the client services within the Committee of £65,000 – the major increases being Ground Maintenance £12,000, Waste Management £18,000 and Roads £21,000. These increases are offset by additional non routine maintenance income within Vehicle Maintenance - the associated cost increases on subcontractors and materials were reported at Period 9.
- ii. A further increase on tyres spend within Vehicle Maintenance of £10,000. This 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 costs within Roads of £56,000, partially offset by a decrease in subcontractors costs in Supplies & Services, see 5.4(c)(iv) above.

(e) Administration Costs

There is a projected overspend of £55,000; a reduction of £38,000 since Period 9; due mainly to virement as outlined in 7.1 and Appendix 4.

(f) Payments to Other Bodies

There is a projected overspend of £106,000 which is an increase in costs of £73,000 since last Committee. This increase is mainly due to spend of £80,000 on containers for the glass collection scheme, which is offset by additional grant income, per 5.4(g)(iv) below.

(g) Income

There is a projected overrecovery in income of £1,784,000, an increase in income of £18,000 since last Committee, mainly due to:

- i. Increase in Drivers recharge income of £20,000 offset by a reduction of £40,000 due to virement, as detailed in 7.1 and Appendix 4.
- ii. Reduction in projected income from Burial Grounds of £10,000 and Crematorium of £10,000 due to fewer than anticipated burials and cremations.
- iii. An increase in non routine maintenance income within Vehicle Maintenance of £81,000 which is partially offset by increased client spend on non routine maintenance, per 5.4(d)(i) above. The balance is the income recharged to services outwith this Committee.
- iv. Grant income from Zero Waste Scotland of £80,000 which is offset by expenditure on glass collection containers; see 5.4(f) above.
- v. Reduction in projected Roads Trading income of £101,000; mainly due to lower than anticipated income from winter maintenance of £49,000; a reduction in income from potholes of £61,000; a reduction in income from capital of £12,000; partially offset by increased external income of £10,000 and increased flooding income of £15,000.

## 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 £2,674,000 contribution to Earmarked Reserves in the current financial year. Spend to date is 63% of the phased budget, as outlined in Appendix 3. However, various projects have been reprofiled to future years since the original phasings were agreed.

## 7.0 VIREMENTS

- 7.1 Committee is asked to approve virement as detailed in Appendix 4. Where appropriate, the virement is reflected throughout the report. This virement is requested to address an overspend in Environmental Services agency costs from an overrecovery in Drivers' recharge income and is permanent in nature.

## 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 £215,000.

## 11.0 LIST OF BACKGROUND PAPERS

11.1 There are no background papers relating to this report.

ENVIRONMENT AND REGENERATION COMMITTEEREVENUE BUDGET MONITORING REPORTPERIOD 11: 1st April 2013 - 28th February 2014

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	18,042	17,766	(276)	(1.53)%
Property Costs	8,612	8,359	8,256	(103)	(1.23)%
Supplies & Services	5,377	5,717	7,069	1,352	23.65%
Transport Costs	3,503	3,405	3,775	370	10.87%
Administration Costs	459	517	579	62	11.97%
Payments to Other Bodies	5,977	6,270	6,387	117	1.87%
Income	(19,363)	(18,920)	(20,657)	(1,737)	(9.18)%
<b>TOTAL NET EXPENDITURE</b>	<b>22,733</b>	<b>23,390</b>	<b>23,175</b>	<b>(215)</b>	<b>(0.92)%</b>
Transfer to Earmarked Reserves *	0	(2,674)	(2,674)	0	0.00%
<b>TOTAL NET EXPENDITURE EXCLUDING EARMARKED RESERVES</b>	<b>22,733</b>	<b>20,716</b>	<b>20,501</b>	<b>(215)</b>	<b>(1.04)%</b>

Objective Heading	Approved Budget 2013/14	Revised Budget 2013/14	Projected Out-turn 2013/14	Projected Over/(Under) Spend	Percentage Variance %
Regeneration & Planning	4,809	4,967	4,865	(102)	(2.06)%
Property Assets & Facilities Management	3,467	3,857	3,818	(39)	(1.02)%
Environmental & Commercial Services	14,297	14,403	14,331	(72)	(0.50)%
Corporate Director	160	163	161	(2)	(1.29)%
<b>TOTAL NET EXPENDITURE</b>	<b>22,733</b>	<b>23,390</b>	<b>23,175</b>	<b>(215)</b>	<b>(0.92)%</b>
Transfer to Earmarked Reserves *	0	(2,674)	(2,674)	0	0.00%
<b>TOTAL NET EXPENDITURE EXCLUDING EARMARKED RESERVES</b>	<b>22,733</b>	<b>20,716</b>	<b>20,501</b>	<b>(215)</b>	<b>(1.04)%</b>

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



## ENVIRONMENT AND REGENERATION COMMITTEE

## REVENUE BUDGET MONITORING REPORT

## MATERIAL VARIANCES

PERIOD 11: 1st April 2013 - 28th February 2014

Out Turn 2012/13 £000	Budget Heading	Subjective Head	Budget 2013/14 £000	Proportion of Budget	Actual to 28-Feb-14 £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	134	88	100	(51)	(33.77)%
911	Economic Employee Costs	Employee Costs	737	642	636	727	(10)	(1.36)%
952	Planning Employee Costs	Employee Costs	964	826	790	918	(46)	(4.77)%
							<b>(107)</b>	
6	Building Control - Repairs & Maintenance	Property Costs	0	0	10	10	10	0.00%
0	Commercial & Industrial Security	Property Costs	20	19	0	0	(20)	(100.00)%
							<b>(10)</b>	
3	Economic Pay Other Bodies - Consultants	PTOB	0	0	23	23	23	0.00%
							<b>23</b>	
(114)	Economic Getting Ready for Work - Recoveries	Income	(162)	(95)	(75)	(98)	64	(39.51)%
(681)	Commercial & Industrial Income	Income	(640)	(482)	(498)	(665)	(25)	3.91%
(379)	Planning - Income	Income	(587)	(538)	(567)	(620)	(33)	5.62%
							<b>6</b>	
	<b>PROPERTY ASSETS &amp; FACILITIES MANAGEMENT</b>							
1,665	Cleaning - Employee Costs	Employee Costs	1,797	1,576	1,527	1,731	(66)	(3.67)%
1,813	Catering - Employee Costs	Employee Costs	1,860	1,627	1,600	1,821	(39)	(2.10)%
1,132	Janitorial - Employee Costs	Employee Costs	1,108	974	971	1,095	(13)	(1.17)%
1,232	Technical - Employee Costs	Employee Costs	1,271	1,084	1,074	1,252	(19)	(1.49)%
							<b>(137)</b>	
47	Catering - Cleaning Materials	Property Costs	40	37	50	54	14	35.00%
182	Physical Assets - Electricity	Property Costs	222	204	136	191	(31)	(13.96)%
44	Office Accommodation - Water	Property Costs	59	54	53	48	(11)	(18.64)%
25	Surplus Assets - Rates	Property Costs	5	5	25	29	24	480.00%
							<b>(18)</b>	
207	Building Services - Direct Purchases	Supplies & Services	164	150	148	189	25	15.24%
250	Building Services - Subcontractors	Supplies & Services	260	238	267	285	25	9.62%
							<b>50</b>	
0	Building Services - Agency Staff	Administration	0	0	6	12	12	0.00%
							<b>12</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)	(16)	0	0	17	(100.00)%
0	Physical Assets Income - Rent Shops	Income	(43)	(39)	(10)	(21)	23	(52.33)%
(104)	Office Accommodation Income - Rent Offices/Shops	Income	(106)	(97)	7	(86)	20	(18.87)%
(144)	Building Services Income - Internal Clients	Income	(171)	(157)	(46)	(83)	88	(32.16)%
(542)	Building Services Income - Work Won in Tender	Income	(463)	(424)	(222)	(488)	(25)	4.32%
(860)	Building Services Income - Central Repairs	Income	(900)	(824)	(760)	(1,039)	(139)	3.33%
(64)	Building Services Income - External	Income	(50)	(46)	(13)	(23)	27	(50.00)%
(25)	Building Services Income - PAT Testing	Income	(40)	(37)	(5)	(5)	35	(87.50)%
(1,121)	Janitorial - Income Recharges	Income	(1,109)	(966)	(965)	(1,095)	14	(1.26)%
(1,683)	Cleaning - Internal Income	Income	(1,651)	(1,513)	(1,498)	(1,634)	17	(1.03)%
							<b>77</b>	

## ENVIRONMENT AND REGENERATION COMMITTEE

## REVENUE BUDGET MONITORING REPORT

## MATERIAL VARIANCES

PERIOD 11: 1st April 2013 - 28th February 2014

Out Turn 2012/13 £000	Budget Heading	Subjective Head	Budget 2013/14 £000	Proportion of Budget	Actual to 28-Feb-14 £000	Projection 2013/14 £000	(Under)/Over Budget £000	Percentage Variance %
	<b>ENVIRONMENTAL &amp; COMMERCIAL SERVICES</b>							
526	Grounds - Seasonals	Employee Costs	183	175	150	156	(27)	(14.75)%
976	Street Cleaning - Employee Costs	Employee Costs	1,021	891	832	959	(62)	(6.07)%
775	Roads Trading Account - Employee Costs	Employee Costs	764	668	650	779	15	1.96%
							<b>(74)</b>	
2,440	Transfer Station - Waste Disposal Contract	Property Costs	2,459	2,252	2,233	2,377	(82)	(3.33)%
10	Roads Client - Water	Property Costs	12	12	0	(8)	(20)	(166.67)%
15	Roads Client - Electricity	Property Costs	16	12	24	36	20	125.00%
							<b>(62)</b>	
36	Grounds Maintenance - Christmas Decorations	Supplies & Services	34	34	51	51	17	50.00%
74	Vehicle Maintenance - Sub Contractors	Supplies & Services	59	54	136	145	86	145.76%
145	Vehicle Maintenance - Materials	Supplies & Services	131	120	172	185	54	41.22%
76	Waste Strategy - Purchase of Bins & Plastic Sacks	Supplies & Services	146	134	99	99	(47)	(32.19)%
351	Roads Client - Lighting Maintenance	Supplies & Services	499	457	269	381	(118)	(23.65)%
549	Roads Client - Street Lighting Electrical Power	Supplies & Services	539	494	432	528	(11)	(2.04)%
235	Roads Trading Account - Subcontractors	Supplies & Services	119	85	200	237	118	99.16%
1,612	Roads Trading Account - Materials	Supplies & Services	810	624	1,547	1,890	1,080	133.33%
							<b>1,179</b>	
108	Grounds Maintenance - Fuel Costs	Transport & Plant	96	91	69	73	(23)	(23.96)%
58	Street Cleaning - Fuel Costs	Transport & Plant	59	54	39	43	(16)	(27.12)%
239	Waste Management - Fuel	Transport & Plant	243	223	201	222	(21)	(8.64)%
79	Roads Trading Account - Fuel	Transport & Plant	85	78	57	72	(13)	(15.29)%
711	Vehicle Maintenance - Fuel	Transport & Plant	663	623	559	606	(57)	(8.60)%
37	Vehicle Maintenance - Road Fund	Transport & Plant	31	30	37	42	11	35.48%
227	Environmental Vehicles - non routine Maintenance	Transport & Plant	154	143	248	270	116	75.32%
101	Vehicle Maintenance - Tyres	Transport & Plant	57	48	84	95	38	0.00%
211	Roads Trading Account - External Hires	Transport & Plant	94	68	291	385	291	309.57%
45	Roads Trading Account - Non Routine Vehicle Maintenance	Transport & Plant	20	18	56	61	41	205.00%
							<b>367</b>	
38	Refuse Collection - Agency Staff	Administration	0	0	18	18	18	0.00%
29	Pottery Street Depot - Training & Telephones	Administration	17	15	30	32	15	88.24%
							<b>33</b>	
95	Waste Strategy - Other Expenditure	PTOB	100	92	93	120	20	20.00%
							<b>20</b>	
(30)	Ground Maintenance - Special Events Income	Income	(27)	(25)	(12)	(12)	15	(55.56)%
(33)	Ground Maintenance - Income	Income	(36)	(33)	(44)	(47)	(11)	30.56%
(210)	Burial Grounds Income	Income	(236)	(214)	(171)	(196)	40	(16.95)%
(711)	Vehicle Maintenance - Fuel Income	Income	(697)	(648)	(542)	(606)	91	(13.06)%
(318)	Vehicle Maintenance - Non Routine Maint. Income	Income	(215)	(197)	(357)	(385)	(170)	79.07%
(422)	Vehicle Maintenance - Drivers recoveries	Income	(389)	(354)	(397)	(431)	(42)	10.80%
(28)	Transfer Station - Scrap Metal Income	Income	(60)	(55)	(24)	(26)	34	(56.67)%
(121)	Roads Client - Sales, Fees and Charges	Income	(120)	(111)	(32)	(50)	70	(58.33)%
(121)	Roads Client - Advertising Income	Income	(112)	(84)	(93)	(124)	(12)	10.71%
(2,062)	Roads Trading Account - Income (Capital)	Income	(1,652)	(1,171)	(2,412)	(3,006)	(1,354)	81.96%
(1,159)	Roads Trading Account - Income (Revenue)	Income	(700)	(496)	(657)	(781)	(81)	11.57%
(203)	Roads Trading Account - Income (Non Client Involvement)	Income	0	0	(97)	(130)	(130)	0.00%
							<b>(1,550)</b>	
<b>Total Material Variances</b>							<b>(228)</b>	

EARMARKED RESERVES POSITION STATEMENT

COMMITTEE: Regeneration & Environment

<u>Project</u>	<u>Lead Officer</u>	<u>Total Funding</u> 2013/14	<u>Phased Budget</u> <u>To Period 11</u> 2013/14	<u>Actual</u> <u>To Period 11</u> 2013/14	<u>Projected</u> <u>Spend</u> 2013/14	<u>Amount to be</u> <u>Earmarked for</u> 2014/15 & Beyond	<u>Lead Officer Update</u>
		£000	£000	£000	£000	£000	
Riverside Inverclyde	AF	3,185	2,284	1,367	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 now taking place however some reductions in spend are anticipated relating mainly to Town Centre Regeneration (£0.538m).
Asset Management Plan - Office Rationalisation	AG	1,209	148	272	645	564	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 vired 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	33	19	40	1,142	The Civic Amenity Site has commenced on site and is due for completion in July 2014. Demolition of Nissen Huts/Temporary parking complete. Design progressing for Vehicle Maintenance building and this is programmed to be on site in September 2014. Design work on Kim Drive civic Amenity Site is progressing.
Youth Employment	SJ	1,140	375	278	433	707	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	323	183	238	224	Funding will be used to support 1 Business Development post for three 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 year. The Tender process for shop front improvements at Dubbs Road is now completed. 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	200	16	20	180	Planning consent approved January 2014. Contractor will be appointed April 2014.
Investment Fund for Council Owned Bowling Clubs	AG	159	152	94	94	65	Work completed for Wellington, Hillend and Gourock Park. Work on site at Parklea. Rankin Park no longer being sold so design now being progressed. Will not now 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

COMMITTEE: Regeneration & Environment

<u>Project</u>	<u>Lead Officer</u>	<u>Total Funding</u> 2013/14	<u>Phased Budget</u> <u>To Period 11</u> 2013/14	<u>Actual</u> <u>To Period 11</u> 2013/14	<u>Projected</u> <u>Spend</u> 2013/14	<u>Amount to be</u> <u>Earmarked for</u> 2014/15 & Beyond	<u>Lead Officer Update</u>
		£000	£000	£000	£000	£000	
Whinhill Golf Club	IM	183	183	13	33	150	Relates to 14 individual projects. Work is complete or in progress on most items. Two projects totalling £110k are being procured at present. These and 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	11	3	3	11	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 costs.
Winter Maintenance	IM	203	0	0	0	203	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, however, it is currently estimated at approximately £180k due to the mild winter.
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 incurred in the fifth year; 2013/14 being the final year.
Local Environment Improvement Fund	IM	115	115	71	90	25	Kelburn Park, Lady Alice Park and Papermill Rd projects are either in progress or will be started within a fortnight. Some other minor work re the painting of fences will re-start once the weather improves - materials are being provided in order for ICDT and Unpaid Work trainees to do the painterwork.

EARMARKED RESERVES POSITION STATEMENT

COMMITTEE: Regeneration & Environment

<u>Project</u>	<u>Lead Officer</u>	<u>Total Funding</u> 2013/14	<u>Phased Budget</u> <u>To Period 11</u> 2013/14	<u>Actual</u> <u>To Period 11</u> 2013/14	<u>Projected</u> <u>Spend</u> 2013/14	<u>Amount to be</u> <u>Earmarked for</u> 2014/15 & Beyond	<u>Lead Officer Update</u>
		£000	£000	£000	£000	£000	
Greenock Town Centre Parking Strategy	IM	110	96	23	26	84	Funding is for implementation of the Greenock Town Centre Parking Strategy and Decriminalised Parking Enforcement. The revised proposals including funding were 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. This employee resigned in early March and the Service are now reviewing the implications. As previously advised £14k was transferred from the Roads Assessment/Feasibility EMR for Reporters costs which are yet unknown but expected to be contained within budget. The Reporter has commenced their review of the scheme, however, it is anticipated this will not be completed until 2014/15. The Service now anticipate that the remaining spend will not be achieved until 2014/15 and that £84k be carried forward.
Utilities Spend to Save Fund	AG	231	126	64	80	151	Various small works underway for water saving measures. Water systems work completed in Greenock Municipal Buildings, awaiting meter install. 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. Tenders received for this but will not spend until next year.
Roads - Additional revenue investment	IM	126	63	21	54	72	£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. The additional drainage work is complete and at this stage it is anticipated that £60k of the pothole/patching funding will be carried forward to 2014/15. This is due to being unable to secure resources from the private sector to assist by the end of March. As previously reported 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	1,004	306	£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 £101k increasing the earmarked reserve available for carry forward to £306k. 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	70	0	34	34	36	Resources equivalent to two additional police officers are employed within Greenock Town Centre. Statistics received and an update on progress taking place with ward members on the 19th March.
Repopulating/Promoting Inverclyde	AP	1,000	0	45	112	888	Relocation Officer postholder now in place. Promotional campaign in progress and comprehensive update to March P&R Committee.

EARMARKED RESERVES POSITION STATEMENT

Appendix 3

COMMITTEE: Regeneration & Environment

<u>Project</u>	<u>Lead Officer</u>	<u>Total Funding</u> 2013/14	<u>Phased Budget</u> <u>To Period 11</u> 2013/14	<u>Actual</u> <u>To Period 11</u> 2013/14	<u>Projected</u> <u>Spend</u> 2013/14	<u>Amount to be</u> <u>Earmarked for</u> 2014/15 & Beyond	<u>Lead Officer Update</u>
		£000	£000	£000	£000	£000	
Increased Officer Capacity - External Funding Officer	SJ	125	22	22	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	550	0	0	25	525	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	Design work has now commenced.
Improvements in Parks & Cemeteries	IM	100	0	64	93	7	Most works now complete and awaiting recharging from Roads, the balance will be complete by the end of the financial year. It was originally estimated that £25k would be c/fwd to 2014/15 this has now been revised to £7k.
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.
Commonwealth Flotilla Event	SJ	250	0	0	0	250	This reserve is to fund the Commonwealth Flotilla event at James Watt Dock from 20th-25th July 2014. The cost includes the purchase of pontoons to provide a legacy for the area.
Roads Defects and Drainage works	IM	500	0	0	0	500	Budget approved at Policy & Resources on 20 February 2014 for increased expenditure on Roads Defects and Drainage works over the period 2014/16.
<b>Total</b>		12,713	4,200	2,656	5,028	7,685	

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

**ENVIRONMENT AND REGENERATION COMMITTEE****VIREMENT REQUESTS****PERIOD 11: 1st April 2013 - 28th February 2014**

<b>Budget Heading</b>		<b>Increase Budget</b>	<b>(Decrease) Budget</b>
		£	£
Environmental Services Agency Costs Environmental Services Overtime	1)	40,000	(40,000)
<b>Total</b>		<b>40,000</b>	<b>(40,000)</b>

Note

1) Create budget for Environmental Services Agency Costs from an underspend in Overtime.