

ENVIRONMENT REVENUE BUDGET 2004/05 AND OUTURN 2003/04

Report By: Director of Environment

Wards Affected

County-wide

Purpose

1. To inform members of the latest position with regard to the Environment Budget for 2004/05 following the formal approval of the Council's budget.

Considerations

Outturn 2003/04

2. Although the outturn figures for 2003/04 are not yet finalised, an underspending of approximately £371,000 is expected to be brought forward. Decisions will be taken on the allocation of this sum between services when the carry forward is confirmed.

Further brief comments on the 2003/04 outturn are as follows; -

Environment

- (a) The anticipated out-turn for the Environment Programme area overall shows an underspending of £851,000. However, as the underspending on the Waste PFI contract of £480,000 is transferred to balances, the carry-forward into 2004/05 is reduced to £371,000. The Waste PFI underspending was partly because volumes were lower than expected (£180,000) and because £300,000 provided for the costs of the contract following re-negotiation was not needed.
- (b) Environment General, including highways, shows a net overspending of £97,000 after excluding the underspending on the Waste PFI. The main variations are the increased income from new roads and street work fees (£78,000), and the increased cost of public rights of way (£21,000), street lighting (£23,000) and public conveniences (£61,000). The road maintenance budgets were approximately £67,000 overspent.
- (c) Further underspendings have occurred in crematorium (£62,000) and cemeteries (£62,000), due largely to increased income, and street cleansing (£23,000).
- (d) Environment Regularity shows an underspending of £31,000.

Further information on the subject of this report is available from David Keetch on (01432) 260227

Underspendings on most services were offset by spending on street trading. When this budget was transferred from Economic Development, only the income budget was transferred.

- (e) Planning Services underspent by £437,000 largely owing to additional fee income (£206,000) and Building Control staff savings (£82,000). In addition, a proportion of the Planning Development Grant for 2003/04 will be carried forward into 2004/05 (£165,000).

A full report on the Council's outturn position will go to Cabinet in July.

Budget 2004/05

3. The Council approved a budget of £23,369,485 for the Environment Programme Area, including allocations of £1,154,000 for Central Support Services. This total is increased by £314,250 by a transfer from the Property Programme Area following the reallocation of staff costs arising out the improving the service exercise. The total budget therefore becomes £23,683,485.
5. In addition to the effects of inflation, the following adjustments were made to the 2004/5 Environment budget: approved by the Council

	£000
Addition for the increase in property related insurance costs	21
Waste Management PFI Contract (including £300,000 to meet additional costs following renegotiation)	830
One-off use of reserves for highways maintenance in 2003/04 not available for 2004/5	-100
TOTAL ADDITION TO THE BUDGET	<u>751</u>

RECOMMENDATION

THAT the report confirming the Environment 2004/05 budget be noted.

BACKGROUND PAPERS

None identified.