

## ENVIRONMENT REVENUE BUDGET MONITORING

**Report By: DIRECTOR OF ENVIRONMENT**

### Purpose

1. To advise members of Budget Monitoring the position for the Environment Programme Area budgets for the period to 31st July 2004. The report lists the variations against budget at this stage in the year.

### Financial Implications

2. It is expected that all budget variances will be contained within the overall 2004/05 revenue budget for Environment. Some pressure areas have been identified below but where necessary, management action will be taken to contain these pressures.

### Considerations

3. The report on Budget Monitoring is attached at Appendix 1 for Members' consideration.
4. The total Environment Budget for 2004/05 is the amount reported to the last meeting of the Committee which was £23,369,485 plus the carry forward of £371,000 from 2003/04 and a further transfer to the Property Programme Area of £39,880 following the reallocation of staff costs arising out of the improving the service exercise. The total Environment Budget is therefore £23,700,605.
5. The Budget carry forward from 2003/04 has been allocated as follows;-

|  | <b>£000</b> |
|--|-------------|
| Planning                               |             |
| Development Grant                      | 165         |
| Document Management System             | 78          |
| Scanning Back Histories to 1977        | 25          |
| Scanning Equipment                     | 15          |
| Developing Website                     | 10          |
| UDP Enquiry Costs                      | 60          |
| Local Biological Records Centre        | 22          |
| Hereford Urban Archaeological Database | 18          |
| Buildings at Risk Survey               | 18          |
| Other Planning issues                  | 26          |
| Environment Regularity                 | 31          |
| Highways and Transportation            | <u>-97</u>  |

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6. At this very early stage in the year an underspending of £830,000 is predicted for 2004/05. The three main elements for this underspending are the Waste PFI contract and planning fee income and staff savings.

## Environment General

7. No particular budget issues have been identified so far, with the exception of Waste Disposal.
8. The Waste Disposal P.F.I contract budget is expected to be underspent by around £500,000 largely due to the sums included for additional costs following renegotiation not being required until 2005/06 and 2006/07. In addition the costs for the existing contract are anticipated as being lower than the budget assuming existing volumes are maintained. Any underspending will be transferred to the Council's General Reserves in line with current policy.

## Environment Regulatory

9. The spending on these services looks very much in line with the budget at present. It is expected that staff vacancies will generate underspendings of at least £30,000 during the year.

## Environment Planning

10. We continued during the first four months of the year to receive income in excess of the budget. Additional Building control income (£50,000) and Development Fee income (£110,000) was received in this period. The level of staff vacancies suggest significant staff savings during 2004/05.
11. Even if the fee income is not as buoyant in the remainder of the year, a net underspending of at least £300,000 is likely for 2004/05.
12. The amount carried forward from the 2003/04 Planning Delivery Grant of £164,000.

## RECOMMENDATION

**THAT the Revenue Budget Monitoring Report for 2004/05 be noted subject to the comments which members may wish to make.**

## BACKGROUND PAPERS

- None identified.