

**Economy &
Environment
2024/25 Revenue
Budget**

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2023/24 Context

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2024/25 Revenue Budget

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Economy & Environment 2023/24 Forecast

2023/24 Forecast Outturn at Q2: £0.6m overspend

(Management Action expected to reduce to balanced position by 31 March 2024)

Key variances from budget (> £250k) at Q2:

- £0.4m underspend in Energy costs representing £0.7m of reduced Electricity costs offset by £0.3m increase in Gas costs
- £0.4m net underspend in respect of Concessionary Travel
- £0.4m net underspend in respect of Employees and Consultants
- £0.2m additional income for Trade Waste
- £0.2m total underspends across various Directorate budgets
- £0.9m overspend representing Savings Targets 'At Risk'
- £1.3m reduced income for Development Planning and Building Control

Economy & Environment 2024/25 Budget £28.5m

The Directorate budget for 2024/25 implements increases in parking charges to recognise previously deferred savings targets. Investment in the Directorate will provide sufficient resource and capacity to support growth in the economy in 2024/25 and beyond with additional one-off funding allocated to ensure the Local Plan can be delivered in the next 12 months and to provide resources and expertise to support the Future Operating Model and contractual arrangements with BBLP.

The budget for 2024/25 includes:

- Directorate Pressures of **£5.8m**
- Identified Mitigations of **£2.0m**
- Proposed Savings of **£3.1m**

Directorate	23/24 Budget £'000	Pressures £'000	Mitigations £'000	Savings £'000	24/25 Budget £'000
Economy & Environment	27,735	5,811	(2,000)	(3,080)	28,466

Economy & Environment 2024-2025 Pressures £5.8m and Mitigations £2.0m

Ref	Detail	£'000
P1	Pay Award	806
P2	Inflation pressures (90% funded)	2,100
P3	Demand pressures	2,962
P4	Cross Directorate Virements	(57)
	Total Pressures	5,811
M1	Local Plan and FOM – one-off – Collection Fund	(1,200)
M2	Delivery of Deferred Parking Increases	(400)
M3	Concessionary Fares – Reduced costs	(400)
	Total Mitigations	(2,000)

Demand pressures of £2,962k include:

- £1,200k one-off funding to support the Local Plan and to provide resources and expertise to support the Future Operating Model and contractual arrangements with BBLP
- £718k in respect of the waste collection contract
- £458k deferred parking savings targets
- £186k for 3 additional posts in Economic Regeneration
- £400k growth (£100k Inward Investment Proposals + £300k Delivery of Employment Land)

2024/25 Environment & Economy Savings £3.1m

Saving Category	Ref	Name of Proposal	Description	Saving £'000
Reduce	S1	Delete vacant permanent posts not currently occupied	Removal of vacant posts that are no longer required	340
Reduce	S2	BBLP – Revision of Annual Plan works	Reduction in services provided as a part of the Annual Plan	450
Transform	S3	BBLP – Annual Efficiency Saving	Deliver the same services as a reduced cost	250
Reduce	S4	Reduced Energy Costs	As energy costs have reduced so the budget required has reduced	580
Transform	S5	Changes to School Enforcement team	Alignment of costs to income	40

2024/25 Environment & Economy Savings £3.1m

Saving Category	Ref	Name of Proposal	Description	Saving £'000
Increase	S6	Inflationary Increases in Fees and Charges	Increase in service charges in line with current levels of inflation	350
Transform	S7	Waste Collection Service	To deliver efficiencies for the operation of the waste collection service	800
Transform	S8	Transfer of functions from the Local Enterprise Partnership (LEP)	Following a government decision to transfer functions to Local Authorities, national guidance is expected in January 2024	250
Reduce	S9	Stop using Scoot Highways System	Removal of software for traffic signal operation	20
			Total Economy & Environment Savings	3,080

Delivery of Savings in 2024/25

The deliverability and status of the planned savings will be monitored as part of monthly budget monitoring arrangements, informed by planned and actual activity in the year to date, to determine a RAG rating for each identified savings targets. The table below notes the estimated delivery of savings in each quarter of the 2024/25 financial year.

Economy & Environment				Profiled Delivery				
Category	Ref	Name of Proposal	Proposed Saving £'000	Q1 £'000	Q2 £'000	Q3 £'000	Q4 £'000	TOTAL £'000
Reduce	S1	Delete vacant permanent posts not currently occupied	340	340	0	0	0	340
Reduce	S2	BBLP – Revision of Annual Plan works	450	450	0	0	0	450
Transform	S3	BBLP – Annual Efficiency Saving	250	250	0	0	0	250
Reduce	S4	Reduced Energy Costs	580	120	100	180	180	580
Transform	S5	Changes to School Enforcement team	40	0	0	40	0	40
Increase	S6	Inflationary Increases in Fees and Charges	350	88	87	88	87	350
Transform	S7	Waste Collection Service	800	0	0	400	400	800
Transform	S8	Transfer of functions from the Local Enterprise Partnership (LEP)	250	0	0	250	0	250
Reduce	S9	Stop using Scoot Highways System	20	20	0	0	0	20
TOTAL			3,080	1,268	187	958	667	3,080

Risks and Dependencies

- Revisions to annual plan require agreement prior to commencement of revised delivery in 2024/25
- Movement in energy prices in 2024/25; no protection from existing contractual arrangements
- Decrease in activity for services with increased fees and charges from 1 April 2024
- National guidance on transfer of functions from the Local Enterprise Partnership (LEP) expected in early 2024 may impact on activity planned to deliver identified savings
- Procurement activity to award the waste collection contract is ongoing and until the contract is awarded, revenue pressures and savings in respect of the new contract, and ancillary costs, remain estimates which are based on reasonable information in respect of future costs and activity