

ENVIRONMENT REVENUE BUDGET MONITORING

Report By: DIRECTOR OF ENVIRONMENT

Purpose

1. To advise Members of the budget monitoring position for the Environment Programme Area budgets for the period to 30th September 2005. 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 2005/06 Revenue Budget for Environment.

Considerations

3. The detailed report on Budget Monitoring is attached at Appendix 1 for Members' consideration.
4. The total Environment Budget for 2005/06 has increased from the amount reported to the last meeting of the Committee which was £23,892,000 to £24,093,980.
5. The Budget for 2005/06 incorporates net underspending of £491,000 brought forward from 2004/05 from Highways and Transportation (-£439,000), Environmental Health and Trading Standards (£170,000) and Planning (£760,000). This excludes any underspending or overspending on the Waste Management PFI contract which is transferred to reserves.

Highways and Transportation

6. This service area was previously known as Environment General. Budgets for Waste Management, Cemeteries, Crematorium and Travellers Sites have been transferred to Environmental Health and Trading Standards (previously known as Environment Regulatory).
7. It is anticipated that Winter Maintenance costs could exceed the budget by £200,000 in the event of a standard winter. This overspending together with expenditure incurred in relation to Emergency Maintenance of £150,000 will need to be met by Road Maintenance budget for 2005/06. These budgets are also experiencing significant pressures in the areas of verge and drainage maintenance which leaves expenditure on Roads Maintenance for 2005/06 very tight. Programmes are being reviewed to contain spending within the maintenance budgets.
8. The income budget for Car Parking looks likely to exceed its income target by £200,000 however there is a slight fall in the expected income from De-criminalised Parking of £30,000.
9. With forthcoming renegotiation of contracts in relation to Public Transport, an overspending of £35,000 is expected in 2005/06 rising to £250,000 in 2006/07. Some of these additional costs can be mitigated by the increase in Car Parking income.

10. It is anticipated that expenditure on Street Cleansing could exceed budget by £160,000 and on Public toilets by at least £50,000. This overspending will be contained within within the Highways and Transportation budgets.

Environmental Health and Trading Standards

11. This service area was previously known as Environment Regulatory. Budgets for Waste Management, Cemeteries, Crematorium and Travellers Sites have been transferred from Highways and Transportation.
12. The spending on these services looks very much in line with the budget at present. It is expected that expenditure will exceed budget by £50,000 on Licensing as income has not increased in line with running costs.
13. The Waste Disposal P.F.I contract budget is expected to break even after taking into account the virement to Homelessness in 2005/06. The position is worse than 2004/05 because of the increased proportion of the contract (i.e. up to 25.7% from 24.77%) being borne by the Council and a reduction in the amount received for P.F.I. credits because of a change in basis being used.

Planning

14. During the first six months, building control and development fee income is above budget by approximately £280,000. Whilst income continues to be buoyant, volumes of applications are falling and income targets are only expected to be exceeded by £200,000 for the year.
15. £304,000 of the 2004/05 Planning delivery grant has been brought forward into 2005/06.

RECOMMENDATION

THAT the Revenue Budget Monitoring Report for 2005/06 be noted subject to the comments which members may wish to make.

BACKGROUND PAPERS

- None identified.