

**JOINT MEETING - CABINET MEMBER FOR ECONOMIC DEVELOPMENT,
PLANNING AND TRANSPORTATION AND THE CABINET MEMBER FOR
STREETPRIDE SERVICES**

**Venue: 3rd Floor Training Room, Date: Monday, 27th July, 2009
Bailey House,
Rawmarsh Road,
ROTHERHAM.**

Time: 10.00 a.m.

A G E N D A

1. To determine if the following matters are to be considered under the categories suggested in accordance with Part 1 of Schedule 12A (as amended March 2006) to the Local Government Act 1972.
2. To determine any item which the Chairman is of the opinion should be considered later in the agenda as a matter of urgency.
3. Minutes of previous Joint meetings of the Cabinet Members
See Minutes to be presented to Council – 22nd July, 2009 – White Book.
- for signature
4. Revenue Budget Monitoring. (Report attached) (Pages 1 - 9)
Fiona Earl, Acting Finance Manager, to report.
- to report the current position.

ROTHERHAM METROPOLITAN BOROUGH COUNCIL REPORT TO MEMBERS

1.	Meeting:	Regeneration and Development Services and Streetpride Delegated Powers Meeting
2.	Date:	27 July 2009
3.	Title:	June Revenue Budget Monitoring Report
4.	Directorate:	Environment and Development Services

5. Summary

To report on performance against the revenue budget for the Environment and Development Services Directorate as at **the end of June 2009** and to provide a forecast outturn for the whole of the 2009/10 financial year.

6. Recommendations

- (1) That Members note the forecast outturn position of **an overspend of £262,000** for the Environment & Development Services Directorate based on expenditure and income as at June 2009.
- (2) That this report be referred to the Regeneration Scrutiny Panel for information.

7. Proposals and Details

Members are asked to receive and comment upon budget monitoring reports on a monthly basis from May onwards. This report reflects the position against budget for the period 1 April 2009 to 30 June 2009. The attached **appendices** give a summary of the projected 2009/10 revenue position for the Directorate;

Appendix A – E&DS Summary Report.

Appendix A1 to A5 – Service Level Summary Report.

Following the June cycle of budget monitoring the Directorate has identified that it is likely to incur an overspend of £262,000 against its total net revenue budget of £45,373,000. However, all possible actions to mitigate this will be taken.

The key pressures contributing to this position are:

- Consultancy work fee income
- Restructuring costs within Culture and Leisure
- Under recovery of income due to a reduced number of planning application fees
- Flood related costs (June 2009)
- Under recovery of income on the Parking Budget

Asset Management

The Service Director is reporting a balanced budget at this stage, however, there are two key areas of concern. The continued downturn in work loads is meaning it is unlikely that a full recovery of income (£420k) will be achieved, a more detailed review of this position is being undertaken. And further, it is unlikely recovery of income will be secured for School Crossing Patrol (£79k) included as part of the 2009/10 budget setting process. Progress on this will be included in future budget monitoring reports.

Business Unit (£60k-)

The Business Unit continues to offer further savings as vacant posts are not advertised, this is currently projected to save £60,000 in 2009/10.

Culture and Leisure (£27k+)

At this stage an approved saving within the Service £150,000 may not be deliverable and other means of achieving this saving are being worked through, to mitigate this pressure. The reported pressure relates to ongoing security costs at Ulley Reservoir, currently estimated to be £27,000. The Service is continuing to deliver the Bookability Service and is considering alternative means of delivery of similar services, to contain costs.

Planning and Regeneration (£180k+)

There is considerable financial pressure within this Service as there continues to be a decline in planning applications. The projected income under-

recovery is £250,000. This pressure is being partially offset by use of the Housing Planning Delivery Grant.

Streetpride (£115k+)

There are pressures being reported across Network Management (£125,000) which include a shortfall on income within Parking (£81,000) and further unbudgeted pressure on energy costs on Street Lighting (£49,000). Costs have been identified by Streetpride following the localised Floods on June 10, 2009, these are currently estimated at £50,000 and are unbudgeted. Some savings have been identified within Waste (£60,000-) due to new contractual arrangements, and further work is ongoing to identify whether there is scope for additional savings.

8. Finance

Please refer to the attached appendices for detailed financial analysis. The Directorate will continue to review its planned expenditure and identify and implement management actions to help mitigate the forecast overspend.

9. Risks and Uncertainties

The overall Directorate budget shows a projected overspend of £262,000. To date the reported position has reflected a combination of cost pressures partially being compensated for by savings/additional income being generated across the Service. The Strategic Director of Environment and Development Services and Cabinet Member have determined this is an acceptable way of balancing the budget in accordance with Financial Regulation Virement Note Section 11, without the need for implementing virement.

10. Policy and Performance Agenda Implications

Directorate budgets are aligned only to corporate priorities and spending within the agreed Directorate cash allocation is key to demonstrate the efficient Use of Resources.

11. Background Papers and Consultation

This is the second budget monitoring report for the Directorate for 2009/10 and reflects the position from April 2009 to June 2009. This report has been discussed with the Strategic Directors of Environment and Development Services and Finance.

Contact Name: Fiona Earl Acting Finance Manager EDS, Ext: 2083.
E-mail: Fiona.earl@rotherham.gov.uk

REASONS FOR VARIANCE FROM APPROVED BUDGET (Based on available information as at end June 2009)

Service	Under (-) / Over (+) Spending Projected to Year End £,000	Reasons/Implications	RAG Status	Actions Proposed	Impact of Actions	Revised RAG Status
Asset Management	0	Due to the downturns in workload, surpluses above the original trading targets are unlikely to be achieved, though Service are endeavouring to deliver on this.	A			G
Business Unit	-60	Identified savings due to freeze on recruitment	G			G
Culture & Leisure	27	This pressure relates to security costs at Ulley post June 2007 Floods.	G			G
Planning & Regeneration Service	180	The pressure within this Service Area is generally due to an under recovery of income due to a reduced number of application fees.	A			G
Streetpride	115	The key pressures within Streetpride are Flood Related costs, under recovery of income for Parking. There are other pressures within Drainage, Street Lighting and Grounds Maintenance which are being partially offset by savings within Waste.	A			G
TOTAL	262					G

REASONS FOR VARIANCE FROM APPROVED BUDGET (Based on available information as at end June 2009)

Asset Management	Under (-) / Over (+) Spending Projected to Year End £,000	Reasons/Implications	RAG Status	Actions Proposed	Impact of Actions	Revised RAG Status
Management	0	Nil variance at this stage in the financial year	G	No action required.		
Building Cleaning	0	Nil variance at this stage in the financial year	G	No action required.		
Public Conveniences (All Saints)	0	Nil variance at this stage in the financial year	G	No action required.		
Caretakers	0	Nil variance at this stage in the financial year	G	No action required.		
Bailey Suite	0	Nil variance at this stage in the financial year	G	No action required.		
School Crossing Patrol	0	Concern over deliverability of the proposed saving £78,700.	A			
Education Premises	0	Nil variance at this stage in the financial year	G	No action required.		
Office Accommodation	0	Nil variance at this stage in the financial year	G	No action required.		
Community Buildings	0	Nil variance at this stage in the financial year	G	No action required.		
Facilities Management	0	Nil variance at this stage in the financial year	G	No action required.		
Swinton District Heating	0	Nil variance at this stage in the financial year	G	No action required.		
Emergency and Safety	0	Nil variance at this stage in the financial year	G	No action required.		
Environmental Management	0	Nil variance at this stage in the financial year	G	No action required.		
Strategic Support Team	0	Nil variance at this stage in the financial year	G	No action required.		
Miscellaneous Properties	0	Nil variance at this stage in the financial year	G	No action required.		
Transport	0	Nil variance at this stage in the financial year	G	No action required.		
Misc. Fee Accounts	0	Nil variance at this stage in the financial year	G	No action required.		
Fee Billing - Consultancy Management	0	Potential shortfall to income target	A	A review of fee earning income is being undertaken to determine if the position can be improved		G
*Valuation Group (Fee Billing)	0	Nil variance at this stage in the financial year	G	No action required.		
*Commercial Properties	0	Nil variance at this stage in the financial year	G	No action required.		
TOTAL	0					

Note:

REVENUE BUDGET MONITORING REPORT 2009/10

Appendix A - 2

REASONS FOR VARIANCE FROM APPROVED BUDGET (Based on available information as at end June 2009)

Business Unit	Spending Projected to Year End £,000	Reasons/Implications	RAG Status	Actions Proposed	Impact of Actions	Revised RAG Status
Business Support and Central Admin	-60	Identified savings due to freeze on recruitment	G	No action required.		
Plan Printing	0	Nil variance at this stage in the financial year	G	No action required.		
Payments to RBT	0	Nil variance at this stage in the financial year.	G	No action required.		
Management	0	Nil variance at this stage in the financial year.	G	No action required.		
Corporate Account	0	Nil variance at this stage in the financial year	G	No action required.		
Performance & Quality	0	Savings due to moratorium on spend	G	No action required.		
Training	0	Nil variance at this stage in the financial year.	G	No action required.		
TOTAL	-60					

REASONS FOR VARIANCE FROM APPROVED BUDGET (Based on available information as at end June 2009)

Culture & Leisure Services	Under (-) / Over (+) Spending Projected to Year End £,000	Reasons/Implications	RAG Status	Actions Proposed	Impact of Actions	Revised RAG Status
Culture & Heritage	0	Nil variance at this stage in the financial year	G	No action required.		
Library Service	0	Bookability - potential issues over ageing vehicle	A	Alternative transport options being assessed within service		G
Recreation & Sport	0	Nil variance at this stage in the financial year	G	No action required.		
Tourism	0	Nil variance at this stage in the financial year	G	No action required.		
Service Management & Support	0	The proposed savings from a staffing restructure within this budget are unlikely to deliver a full year saving, due to higher than anticipated costs	A	Consideration of alternative ways to deliver this saving are being worked on. There is potential to reduce purchases from the Book Fund, but this may need Member Approval as this would go against previous decisions made		G
Post Flood work 2007	27	Actual costs for security Ulley (April - June) no funding available.	A	Consider under proposed Capital spend for reahabilitation of Ulley Reservoir, and absorb early year costs across the Service		G
TOTAL	27					

REASONS FOR VARIANCE FROM APPROVED BUDGET (Based on available information as at end June 2009)

	Under (-) / Over (+) Spending Projected to Year End £,000	Reasons/Implications	RAG Status	Actions Proposed	Impact of Actions	Revised RAG Status
Planning & Regeneration Service						
Business Development	0	Nil variance at this stage in the financial year	G	No action required.		
Development Promotion	0	Nil variance at this stage in the financial year	G	No action required.		
YES Project	0	Nil variance at this stage in the financial year	G	No action required.		
Strategy Development	0	Nil variance at this stage in the financial year	G	No action required.		
Work Implementation	0	Nil variance at this stage in the financial year	G	No action required.		
Managed Workspace (Business Centres)	0	Nil variance at this stage in the financial year	G	No action required.		
RERF	0	Nil variance at this stage in the financial year	G	No action required.		
Town Centre Mgt	0	Nil variance at this stage in the financial year	G	No action required.		
Markets	0	Nil variance at this stage in the financial year	G	No action required.		
Forward Planning	0	Nil variance at this stage in the financial year	G	No action required.		
Management	0	Nil variance at this stage in the financial year	G	No action required.		
Land Charges	60	Unable to implement charges for OS Mapping	R	To be offset with in year savings across the service		G
Development Control	250	Income shortfall due to reduced of applications	R	Further review required. Budget was realigned based on last years actuals, reduction in income target of £650k. However, the economic climate is indicating a continued downturn.		
Housing Planning Delivery Grant (HPDG)	-130	To offset OS Mapping shortfall and partially offset the under recovery of income in DC	G	To offset OS Mapping shortfall		G
Building Control (80% Trading)	0	Nil variance at this stage in the financial year	G	No action required.		
Building Control (20% Revenue)	0	Nil variance at this stage in the financial year	G	No action required.		
Transportation	0	Nil variance at this stage in the financial year	G	No action required.		
TOTAL	180					

REASONS FOR VARIANCE FROM APPROVED BUDGET (Based on available information as at end June 2009)

Streetpride	Under (-) / Over (+) Spending Projected to Year End £,000	Reasons/Implications	RAG Status	Actions Proposed	Impact of Actions	Revised RAG Status
Community Delivery Teams	0	Additional costs charged by Ringway	A	Review charging procedures to improve projections for 2009/10	That full year charges are containable within the 2009/10 budget	G
Network Management	125	The main pressures are being caused by under recovery of income within the Parking Budget £81k, and energy costs within Street Lighting	A	Further analysis of the income recovery for parking is being undertaken to assess the impact of the current economic climate, and the 'Free After 3' parking initiative.	Assess the outcomes and report to Cabinet Member and CMT.	G
Schemes & Partnerships	0	Nil variance at this stage in the financial year	G	No action required.	Nil variance	G
Waste disposal and collection	-60	Additional costs within Commercial Waste are being offset by additional savings secured within the Recycling budgets. Additional income is projected, and reduced costs due to the Blue Box collections coming back in house.	G	In due course a further assessment of the budgets will be undertaken, to realign budgets appropriately.	Nil variance	G
Corporate Accounts - Streetpride	50	These costs relate to the Floods June 2009.	A	It is unlikely that these costs can be claimed through the Bellwin Scheme, however, the costs are still been co-ordinated centrally.	There is no other identified funding source at this stage.	G
TOTAL	115					