

ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS

1	Meeting:	Cabinet Member and Advisers for Regeneration and Development Services
2	Date:	4 th March 2013
3	Title:	Environment and Development Services Revenue Budget Monitoring Report to 31 st January 2013
4	Directorate :	Environment and Development Services

5 Summary

To report on the performance against budget for the Environment and Development Services Directorate Revenue Accounts at **the end of January 2013** and to provide a forecast outturn for the whole of the 2012/13 financial year.

Members are asked to note the forecast outturn position of **an overspend of £272,000** for the Environment & Development Services Directorate based on expenditure and income as at January 2013.

6 Recommendations

That the Cabinet Member notes the latest financial projection against budget for the year based on actual income and expenditure to the end of January 2013, and that this report is referred to the Self Regulation Overview and Scrutiny Select Commission for information.

7 Proposals and Details

7.1.1 Cabinet Members receive and comment upon budget monitoring reports on a monthly basis. This report reflects the position against budget for the period 1 April 2012 to 31 January 2013.

7.1.2 The table below summarises the forecast outturn against approved budgets for each service division:

Division of Service	Net Budget	Forecast Outturn	Variation	Variation
	£000	£000	£000	%
Business Unit	611	573	-38	
Regeneration, Planning and Cultural Services	5,565	5,623	+58	
Streetpride	29,896	30,148	+252	
Total Environmental and Development Services	36,072	36,344	272	0.75

Following the January cycle of budget monitoring the Directorate has identified that it is likely to be overspent by **£272,000 (0.75%)** against its total net revenue budget of **£36,072,562**. All possible actions to mitigate this are being taken.

7.1.3 The details below offer explanations of the material variances by Division of Service.

Business Unit (-£38k)

The Business Unit is forecasting a small saving of **-£38k**, due to the moratorium on spend.

Regeneration, Planning and Cultural Services (+£58k)

Markets budgets are forecasting a pressure (**+£20k**) due to:-fewer traders renting stalls (+£10k) , an estimated requirement for repairs (+£25k), with both pressures partially mitigated by savings on overheads (-£15k). **The Local Development Framework** is also forecasting a pressure in respect of consultancy spend (**+£50k**).

Development Control estimate a pressure of **+£44k** due to revised income projections.

Service-wide pressures of +£89k across Planning and Regeneration services also exist

Savings of -£26k in respect of the Business Centres and **-£119k** within Cultural Services have been Identified which partially mitigate the pressures previously identified.

Streetpride (+£252k)

Network Management – reporting a **+£331k** over spend.

In the main this is due to a potential **+£306k** pressure on Winter Maintenance based on an average winter (this is the underfunded amount). There are some pressures across the Service which are due to unachievable income targets set for Parking **+£68k**. Some savings (predominantly staff savings) have been identified in Street lighting and Streetworks enforcement of **-£25k**, which help reduce other identified pressures. Further savings include over recovery of income on Section 38 income - **£18k**

Waste Management – reporting **-£7k** under spend, due to some savings from renegotiations of contracts and from changes to collection arrangements for Green Waste over the winter period. These are now more than offsetting some income pressures on waste collection.

There are other small pressures reported across the Service of **+£40k**, the Stores Account **+£25k** and a further unfunded pressure **+£29k** relating to the Eastwood initiative. These are being partially mitigated by a **-£45k** under spend on Transportation. There have also been revised income projections from the Corporate Transport Unit and Depot of **-£13k**, and Home to School Transport **-£65k**. Overall Leisure and Community Services has a small underspend **-£43k** where savings are mitigating some significant pressures on Allotments and Grounds Maintenance.

Summary

The Directorate is currently forecasting an overspend of **+£272k** largely due to pressures in Streetpride (**+£252k**). The forecast overspend in Streetpride includes a potential pressure of **£306k** for Winter Maintenance based on current spend for this winter, without this the projected out-turn would be **-£34k**.

Details have been requested for spend on Agency, Consultancy and Overtime:

Agency Costs

Total expenditure on Agency staff for Environment and Development Services for the period ending 31st January 2013 was £187,838 (all of which was on contract). This compares with an actual cost of £211,322 for the same period last year. The main costs were in respect of Waste Management.

Consultancy

For the period ending 31st January, 2013 the total spend on Consultancy was £34,330 within Regeneration and Planning. This compares to spend of £75,305 for the same period for financial year 2011/12.

Non contractual Overtime

Actual expenditure to the end of January 2013 on non-contractual overtime for Environment and Development Services is £379,969 compared with expenditure of £379,097 for the same period last year.

The actual costs of Agency, Consultancy and Overtime are included within the financial forecasts.

8. Finance

There are no other details to report this month.

9. Risks and Uncertainties

The overall Directorate budget shows an overspend of £272,000 which have been identified and explained above and in the appendices. The EDS reported pressures at April – January Monitoring shows an over spend forecast of £272k. If Winter Maintenance pressure were to be excluded (as in previous reports) this figure would reduce by £306k.

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 first budget monitoring report in this format for the Directorate for 2012/13 and reflects the position from April 2012 to January 2013. This report has been discussed with the Strategic Directors for Environment and Development Services and the Chief Finance Officer.

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