

ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS

1	Meeting:	Cabinet Member for Regeneration and Development Services
2	Date:	Friday 5 th April 2013
3	Title:	Environment and Development Services Revenue Budget Monitoring Report to 28th February 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 February 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 £225,000** for the Environment & Development Services Directorate based on expenditure and income as at February 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 February 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 28 February 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	583	534	-49	
Regeneration, Planning and Cultural Services	5,565	5,474	-91	
Streetpride	29,447	29,812	+365	
Total Environmental and Development Services	35,595	35,820	225	0.63%

Following the February cycle of budget monitoring the Directorate has identified that it is likely to be overspent by **£225,000 (0.63%)** against its total net revenue budget of **£35,594,919**. 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 (-£49k)

The Business Unit is forecasting an under spend of **-£49k**, due to a reduced spend resulting from the spending moratorium.

Regeneration, Planning and Cultural Services (-£91k)

Markets budgets are forecasting a pressure (**+£24k**) due to: fewer traders renting stalls (+£10k), an estimated requirement for repairs (+£25k), with both pressures partially mitigated by savings on overheads (-£11k). **Development Control** estimate a pressure of **+£64k** due to lower than expected income being received in recent months.

Service-wide pressures of **+£160k** across Planning and Regeneration services also exist. These are being offset by **savings** across the service of **£96k-** and **£224k-**

within Cultural Services, this includes £59k from Heritage Services and £13k from Theatres, with the balance being saved with Libraries due to the review, and savings due to vacancies and reduced spend due to the imposed moratorium. The **Local Development Framework** is forecasting an improved position (**-£19k**).

Streetpride (+£365k)

Network Management – reporting a **+£459k** over spend.

In the main this is due to a potential **+£434k** 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 **+£79k**. Some savings (predominantly staff savings) have been identified in Street Lighting and Streetworks enforcement of **-£40k**, which help reduce other identified pressures. Further savings include over recovery of Section 38 income **-£20k**.

Waste Management – reporting **-£53k** under spend, due to some savings from renegotiations of contracts and from changes to collection arrangements for Green Waste over the winter period. These continue to more than offset some income pressures on waste collection.

Transportation - reporting an over spend of **+£35k** and there are other small pressures reported across the Service of **+£40k**. There have also been revised income projections from the **Corporate Transport Unit and Depot** of **-£18k**, and Home to School Transport **-£66k**. Overall **Leisure and Community Services** has a small underspend **-£33k** where savings are mitigating some significant pressures on Allotments and Grounds Maintenance.

Summary

The Directorate is currently forecasting an overspend of **+£225k** largely due to pressures in Streetpride (**+£365k**). The forecast overspend in Streetpride includes a potential pressure of **+£434k** for Winter Maintenance based on current spend for this winter, without this the projected out-turn would be **-£209k**.

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 28th February 2013 was £204,755 (all of which was on contract). This compares with an actual cost of £261,471 for the same period last year. The main costs were in respect of Waste Management.

Consultancy

For the period ending February 2013 the total spend on Consultancy was £62,050 within Regeneration and Planning. This compares to spend of £94,495 for the same period for financial year 2012/13.

Non contractual Overtime

Actual expenditure to the end of February 2013 on non-contractual overtime for Environment and Development Services is £423,038 whilst the same period to February 2012 spent £407,389, some of these costs are due to the changing services now within EDS.

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 £225,000 which have been identified and explained above and in the appendices. The EDS reported pressures at April – February Monitoring shows an over spend forecast of £225k. If Winter Maintenance pressure were to be excluded (as in previous reports) this figure would reduce by £434k.

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

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