

## ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS

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|---|----------------------|---|
| 1 | <b>Meeting:</b>      | <b>Cabinet Member and Advisers for Business Growth and Regeneration</b>                                       |
| 2 | <b>Date:</b>         | <b>Monday 2nd February 2015</b>   |
| 3 | <b>Title:</b>        | <b>Environment and Development Services Revenue Budget Monitoring Report to 31<sup>st</sup> December 2014</b> |
| 4 | <b>Directorate :</b> | <b>Environment and Development Services</b>   |

### 5 Summary

To report on the performance against budget for the Environment and Development Services Directorate Revenue Accounts at **the end of December 2014** and to provide a forecast outturn for the whole of the 2014/15 financial year.

Members are asked to note the forecast outturn position of an under-spend of -£455k for the Environment and Development Services Directorate based on expenditure and income as at December 2014.

### 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 December 2014. 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 2014 to 31 December 2014.

**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        | %             |
| Asset Management, Audit and Insurance               | 8,313         | 8,085            | -228        |               |
| Business Unit                                       | 644           | 569              | -75         |               |
| Communications                                      | 844           | 899              | +55         |               |
| Regeneration, Planning and Cultural Services        | 6,999         | 6,763            | -236        |               |
| Streetpride   | 28,958        | 28,987           | +29         |               |
|   |               |                  |             |               |
| <b>Total Environmental and Development Services</b> | <b>45,758</b> | <b>45,303</b>    | <b>-455</b> | <b>-0.99%</b> |

Following the December cycle of budget monitoring the Directorate has identified that it is likely to be underspent by **-£455k (-0.99%)** against its total net revenue budget of **£45,758k**.

**7.1.3** The details below have previously been offered in a Briefing Note, but a revised template has now been created and is circulated with this report, referenced **7.1.4**.

### **Summary**

**The EDS reported pressures at April – December Monitoring shows an under spend forecast of -£455k.**

As noted in earlier months, and still valid, there are some areas within EDS which could be over budget by the end of the financial year, but these are not currently being reported in the figures:

**Winter Service** has historically overspent by around (+£450k), a review of previous years data has updated the current estimate to year end as a £418k pressure, but this could fluctuate depending on the severity of the weather.

**Planning** income was under recovered last year (+£93k), at this stage it is too early to predict whether this financial year will outturn the same, as early months have seen some significant planning applications.

**Riverside Café** could potentially show an under recovery of income due to this service having to increase the price to customers to cover the increase on food prices. This could potentially mean the café may have fewer customers in the future

Details have been requested on the following types of spend:

## **Agency Costs**

Total expenditure on Agency staff for Environment and Development Services for the period ending 31st December 2014 was £548,775. This was £493,179 for the same period 2013.

## **Consultancy**

The data for the period up to December 2014 is currently under review, for the same period 2013 the spend was £124,649.

## **Non contractual Overtime**

Actual expenditure to the end of December, 2014 on non-contractual overtime for Environment and Development Services is £326,982 whilst the same period to December 2013 spend was £399,493 Please note that the data for 2013/14 did not include Asset Management for the full year.

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

*Currently ICT is reported via Resources staff*

## **8. Finance**

There are no other details to report this month.

## **9. Risks and Uncertainties**

The overall Directorate budget shows an under-spend of -£455k which has been identified and explained above and in the appendices. Winter Service, Planning Income and Riverside Café have been identified as areas that could potentially report a pressure by year end.

## **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 seventh budget monitoring report for the Directorate for 2014/15 and reflects the position from April 2014 to December 2014. This report has been discussed with the Strategic Directors for Environment and Development Services and the Chief Finance Officer.

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