



To Executive Councillor for Environment and Waste

Report by Director of Environment and Head of Finance

Relevant Scrutiny Committee Environment

7 July 2015

## **2014/15 Revenue and Capital Outturn, Carry Forwards and Significant Variances – Environment and Waste Portfolio**

### **Key Decision**

#### **1. Executive summary**

- 1.1 This report presents a summary of the 2014/15 outturn position (actual income and expenditure) for services within the Environment and Waste Portfolio, compared to the final budget for the year. The position for revenue and capital is reported and variances from budgets are highlighted, together with explanations. Requests to carry forward funding arising from certain budget underspends into 2015/16 are identified.
- 1.2 It should be noted that outturn reports being presented in this Committee cycle reflect the reporting structures in place prior to the recent changes in Executive portfolios. In light of those changes (together with the requirement to report outturn on the basis of portfolios in place during 2014/15) members of this committee are asked to consider the proposals to carry forward budgets and make their views known to The Executive Councillor for Finance and Resources, for consideration at Strategy & Resources Scrutiny Committee prior to his recommendations to Council.

#### **2. Recommendations**

Members of the Scrutiny Committee are asked to consider and make known their views on the following proposals:

- a) To agree the carry forward requests totalling £96,400 as detailed in Appendix C, to be recommended to Council for approval.
- b) To seek approval from Council to carry forward capital resources to fund rephased net capital spending of £537,000 from 2014/15 into 2015/16, as detailed in Appendix D.

### 3. Background

#### Revenue Outturn

- 3.1 The outturn position for the Environment and Waste Portfolio, compared to final revenue budget, is presented in detail in Appendix A.
- 3.2 Appendix B to this report provides explanations of the main variances.
- 3.3 Appendix C sets out the final list of items, for this portfolio, for which approval is sought to carry forward unspent budget from 2014/15 to the next financial year, 2015/16.
- 3.4 The overall revenue budget outturn position for the Environment and Waste Portfolio is set out in the table below:

<b>Environment and Waste Portfolio 2014/15 Revenue Summary</b>	<b>£</b>
Final Budget	8,073,310
Outturn	7,776,373
Variation – (Under)/Overspend for the year	(296,937)
Carry Forward Requests:	96,400
<b>Net Variance</b>	<b>(200,537)</b>

The net variance represents 2.48% of the overall portfolio budget for 2014/15.

#### Capital Outturn

- 3.5 Appendix D shows the outturn position for schemes and programmes within the Environment and Waste Portfolio, with explanations of variances.
- 3.6 An overall net underspend of £537,000 has arisen which is due to slippage. Rephasing of items in the Capital Plan is required to transfer the budget into 2015/16.

### 4. Implications

- 4.1 The net variance from the final budget, after approvals to carry forward budget of £96,400 from 2014/15 to the next financial year, 2015/16, would result in a decreased use of General Fund reserves of £200,537.
- 4.2 In relation to anticipated requests to carry forward revenue budgets into 2015/16 the decisions made may have a number of implications. A decision not to approve a carry forward request will impact on officers' ability to deliver the service or scheme in question and this could have staffing, equality and poverty,

environmental, procurement, consultation and communication and/or community safety implications.

## 5. Background papers

These background papers were used in the preparation of this report:

- Closedown Working Files 2014/15
- Directors Variance Explanations - March 2015
- Capital Monitoring Reports - March 2015
- Budgetary Control Reports to 31 March 2015

## 6. Appendices

- Appendix A - Revenue Budget 2014/15 - Outturn
- Appendix B - Revenue Budget 2014/15 - Major Variances from Final Revenue Budgets
- Appendix C - Revenue Budget 2014/15 - Carry Forward Requests
- Appendix D - Capital Budget 2014/15 - Outturn

## 7. Inspection of papers

To inspect the background papers or if you have a query on the report please contact:

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## Environment &amp; Waste Portfolio / Environment Scrutiny Committee

## Revenue Budget 2014/15 - Outturn

Service Grouping	Original Budget £	Final Budget £	Outturn £	Variation Increase / (Decrease) £	Carry Forward Requests - see Appendix C £	Net Variance £
<b>Environment - Environmental Services</b>						
Control of Disease	68,860	115,860	115,769	(91)		(91)
Out of Hours	109,130	148,040	150,151	2,111		2,111
Small Projects	70,440	33,150	35,203	2,053		2,053
Scientific Team	290,740	406,420	390,705	(15,715)	8,000	(7,715)
Food and Occupational Safety	359,450	466,260	458,316	(7,944)		(7,944)
Enforcement	128,180	171,650	178,959	7,309		7,309
Residential Statutory Notice	0	68,350	66,444	(1,906)		(1,906)
Food & Occupation - Income Generation	0	(580)	(14,294)	(13,714)		(13,714)
	<b>1,026,800</b>	<b>1,409,150</b>	<b>1,381,253</b>	<b>(27,897)</b>	<b>8,000</b>	<b>(19,897)</b>
<b>Environment - Licensing</b>						
Liquor Licensing	(17,630)	(3,000)	(3,362)	(362)		(362)
Gambling Act	(8,220)	0	0	0		0
Miscellaneous Licensing	7,310	0	0	0		0
Private Hire Vehicles	0	0	0	0		0
Taxis	0	0	0	0		0
	<b>(18,540)</b>	<b>(3,000)</b>	<b>(3,362)</b>	<b>(362)</b>	<b>0</b>	<b>(362)</b>
<b>Environment - Streets and Open Spaces</b>						
Rangers	354,720	385,580	376,226	(9,354)		(9,354)
Abandoned Vehicles	25,330	50,430	40,094	(10,336)		(10,336)
Public Realm Enforcement	178,710	234,680	185,216	(49,464)		(49,464)
Control of Dogs	70,880	85,940	65,277	(20,663)	4,000	(16,663)
Conveniences	619,960	646,000	649,276	3,276		3,276
Street Cleansing	2,025,340	2,208,770	2,072,224	(136,546)	50,000	(86,546)
Grounds Maintenance	0	0	0	0		0
	<b>3,274,940</b>	<b>3,611,400</b>	<b>3,388,313</b>	<b>(223,087)</b>	<b>54,000</b>	<b>(169,087)</b>
<b>Environment - Waste &amp; Recycling</b>						
Green Waste Recycling	542,710	903,300	888,476	(14,824)		(14,824)
Domestic Refuse	823,390	867,800	878,218	10,418		10,418
Domestic Special Collections	0	12,080	16,622	4,542		4,542
Trade Refuse	(492,320)	(374,300)	(398,305)	(24,005)		(24,005)
Trade Waste Bulky Collections	0	66,710	52,934	(13,776)		(13,776)
Dry Recycling	612,260	625,020	618,730	(6,290)		(6,290)
Clinical Waste	(3,890)	(3,360)	(1,102)	2,258		2,258
College/Bring Bank Recycling	170,120	78,230	74,567	(3,663)		(3,663)
Bin Deliveries	42,840	50,990	59,097	8,107		8,107
Fleet Direct	0	0	0	0		0
Garage External Work	0	33,620	31,716	(1,904)		(1,904)
Recycling Strategy	(49,320)	(56,450)	(41,731)	14,719	34,400	49,119
Waste Development	171,790	251,440	235,134	(16,306)		(16,306)
	<b>1,817,580</b>	<b>2,455,080</b>	<b>2,414,356</b>	<b>(40,724)</b>	<b>34,400</b>	<b>(6,324)</b>
<b>Environment - Central Support &amp;</b>						
Recharges - Refuse & Environment	1,346,080	0	0	0		0
Recharges - Streets & Open Spaces	305,680	0	0	0		0
	<b>1,651,760</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Environment - Service &amp; Dept</b>						
Refuse & Environment Operational Support	694,910	600,680	595,813	(4,867)		(4,867)
Head of Streets and Open Spaces	0	0	0	0		0
	<b>694,910</b>	<b>600,680</b>	<b>595,813</b>	<b>(4,867)</b>	<b>0</b>	<b>(4,867)</b>
<b>Total Net Budget</b>	<b>8,447,450</b>	<b>8,073,310</b>	<b>7,776,373</b>	<b>(296,937)</b>	<b>96,400</b>	<b>(200,537)</b>

Changes between original and final budgets may be made to reflect:

- portfolio and departmental restructuring
- approved budget carry forwards from the previous financial year
- technical adjustments, including changes to the capital accounting regime

- virements approved under the Council's constitution
- additional external revenue funding not originally budgeted

and are detailed and approved:

- in the January committee cycle (as part of the Budget Setting Report)
- in the June/July committee cycle (outturn reporting and carry forward requ

- in September (as part of the Mid-Year Financial Review, MFR)
- via technical adjustments/virements throughout the year

## Environment & Waste Portfolio / Environment Scrutiny Committee

### Revenue Budget 2014/15 - Major Variances from Final Revenue Budgets

Cost Centre	Reason for Variance	Amount £	Contact
	<b>Environment - Streets and Open Spaces</b>		
Public Realm Enforcement	Delays in recruitment for new starters led to a one off underspend in wages during the end of 2014/15. The service is now absorbing full staffing costs for overtime.	(49,464)	Wendy Young
Control of Dogs	Two failed rounds of recruitment for part time dog warden has led to one off underspend in wages. Recruitment for the position is currently underway.	(20,663)	Wendy Young
Street Cleansing	Main underspend due to vacant posts being open during service restructure. A carry forward is requested to meet the first year costs of a contracts manager (agreed Exec Cllr May 2015)	(136,546)	Don Blair
	<b>Environment - Waste and Recycling</b>		
Trade Waste	Additional income has been received from ad-hoc University contract work.	(24,005)	Greg Hutton-Squire

## Environment & Waste Portfolio / Environment Scrutiny Committee

### Revenue Budget 2014/15 - Carry Forward Requests

Request to Carry Forward Budgets from 2014/15 into 2015/16

Item	Reason for Carry Forward Request	Amount £	Contact
	<b>Director of Environment</b>		
1	Scientific Team - Unspent Part IIa investigation funds will be subject to a carry forward request due to an ongoing Contaminated land liability, a carry forward request of £8,000 is proposed	8,000	Jo Dicks
2	Control of Dogs - Ongoing delivery of the Control of Dogs poster campaign	4,000	Wendy Young
3	Street Cleansing - A carry forward is requested meet the first year costs of a contracts manager (agreed Exec Cllr May 2015)	50,000	Don Blair
4	Recycling Strategy - Carry forward of Recycling Champions budget (PPF3292) and funds held for the administration of waste bins on new properties	34,400	Jen Robertson
<b>Total Carry Forward Requests for Environmental &amp; Waste Services Portfolio / Environment Scrutiny Committee</b>		<b>96,400</b>	

## Environment and Waste Portfolio / Environment Scrutiny Committee

## Capital Budget 2014/15 - Outturn

Capital Ref	Description	Lead Officer	Original Budget 2014/15 £000	Final Budget 2014/15 £000	Outturn £000	Variance - Outturn compared to Final Budget £000	Rephase Spend £000	Over / (Under) Spend £000	Variance Explanation / Comments
SC530	Street Cleaning Planning Software	Don Blair	15	15	0	(15)	15	0	Project delay due to other pressures - need to review the purpose of this project
SC567	Purchase of Street Cleansing Vehicles & Plant	Don Blair	28	28	28	0	0	0	Project complete
<b>Total Projects</b>			<b>43</b>	<b>43</b>	<b>28</b>	<b>(15)</b>	<b>15</b>	<b>0</b>	
PR016	Public Conveniences	Joel Carre	500	500	459	(41)	41	0	Refurbishment of Lion Yard toilets completed June 2015, though delays in reaching final cost settlement with designer and contractor and closing out ongoing defects. Target completion for this May 2015. Business case for improving Silver Street facilities under consideration.
<b>Total Provisions</b>			<b>500</b>	<b>500</b>	<b>459</b>	<b>(41)</b>	<b>41</b>	<b>0</b>	
PR017	Vehicle Replacement Programme	David Cox	639	639	209	(430)	430	0	Planned replacement of some vehicles/machines in 2014-15 were delayed/under review. £430k is asked to be rephased to 2015-16.
PR028	Litter Bin Replacement Programme	Don Blair	144	144	137	(7)	7	0	Litter bin replacement programme is on-going
PR035	Waste & Recycling Bins - New Developments (S106)	Jen Robertson	85	85	41	(44)	44	0	Budget set based on predicted build and development build out is behind schedule delayed so not ordered as development not completed yet
<b>Total Programmes</b>			<b>868</b>	<b>868</b>	<b>387</b>	<b>(481)</b>	<b>481</b>	<b>0</b>	
<b>Total for Environmental and Waste Services Portfolio</b>			<b>1,411</b>	<b>1,411</b>	<b>874</b>	<b>(537)</b>	<b>537</b>	<b>0</b>	

Changes between original and final budgets may be made in Appendix D to reflect:

## Environment and Waste Portfolio / Environment Scrutiny Committee

### Capital Budget 2014/15 - Outturn

Capital Ref	Description	Lead Officer	Original Budget 2014/15 £000	Final Budget 2014/15 £000	Outturn £000	Variance - Outturn compared to Final Budget £000	Rephase Spend £000	Over / (Under) Spend £000	Variance Explanation / Comments
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- rephased capital spend from the previous financial year
- rephased capital spend into future financial periods
- approval of new capital programmes and projects

and are detailed and approved:

- in the June/July committee cycle (outturn reporting and carry forward requests)
- in September (as part of the Mid-Year Financial Review, MFR)

- in the January committee cycle (as part of the Budget Setting Report, BSR)
- via technical adjustments/virements throughout the year