

3.0 BACKGROUND AND CONTEXT

3.1 The revised 2022/23 budget for Environment and Regeneration, excluding earmarked reserves, is £21,457,270. This is an increase of £299,000 from the approved budget, prior to transfers to earmarked reserves. Appendix 1 gives details of this budget movement.

3.2 At Period 5 the Committee was projecting a £37,000 overspend and the Interim Director Environment and Regeneration was to consider action to bring projections back within budget.

3.3 2022/23 PROJECTED OUT-TURN (£132,000 Underspend - 0.62%)

The main variances contributing to the projected net overspend are listed below.

- a) £197,000 shortfall in Planning Income. This is a combination of historical trends and current staffing shortages. £110,000 was allocated as part of the 2022/23 Budget to reduce the income target but the shortfall in income remains in line with 2021/22. Budget pressure of £125k has been approved from 2023/24.
- b) £168,000 shortfall in Burials and Cremation Income. This is after the allocation of £50,000 to reduce the income target as part of the 2022/23 Budget. A further budget pressure of £125k has been approved from 2023/24.
- c) £60,000 shortfall in Trade Waste Income which is in line with previous years. Trade Waste is being reviewed as part of the Delivering Differently Programme with a report due from officers later in 2022/23.
- d) A projected underspend in the Workforce Development Fund of £58,000 due to the availability of external grants. Saving has been approved from 2023/24.
- e) £93,000 shortfall in Parking income and £34,000 shortfall PCN income due to less activity following reintroduction of charging.
- f) Projected over recoveries in waste across scrap metal and tipping charges £137,000.
- g) A projected underspend in Waste disposal of £145,000 due to a reduction in tonnages, partly offset by an over spend in waste recycling of £46,000.
- h) Projected overspend in Refuse Collection agency costs £135,000 partly offset by a reduction overtime.
- i) A projected over-recovery of £528,000 against the turn-over target due to delays in recruiting certain posts.

The above figures exclude the significant increase in utility costs which are being managed and reported in 2022/23 via the Policy & Resources Committee.

3.4 EARMARKED RESERVES

Appendix 4 gives an update on the operational Earmarked Reserves, ie excluding strategic funding models. Spend to date on these operational Earmarked Reserves is £1,250,000 (35.1% of projected spend). A comprehensive review of all earmarked reserves has been undertaken as part of the 2023/25 Budget, with a number of write backs approved in December 2022.

4.0 PROPOSALS

4.1 The above figures for 2022/23 exclude any financial implications which may arise from the Council's waste contract.

5.0 IMPLICATIONS

5.1 The table below shows whether risks and implications apply if the recommendations are agreed:

SUBJECT	YES	NO	N/A
Financial		X	
Legal/Risk		X	
Human Resources		X	
Strategic (LOIP/Corporate Plan)		X	
Equalities & Fairer Scotland Duty			X
Children & Young People's Rights & Wellbeing			X
Environmental & Sustainability			X
Data Protection			X

5.2 Finance

One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report	Virement From	Other Comments
N/A					

Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (If Applicable)	Other Comments
N/A					

5.3 Legal/Risk

There are no legal implications arising from this report.

5.4 Human Resources

There are no HR implications arising from this report.

5.5 Strategic

There are no Strategic implications arising from this report.

6.0 CONSULTATION

6.1 The figures in this report are based on the discussions with budget holders.

7.0 BACKGROUND PAPERS

7.1 None.

Environment & Regeneration Budget Movement - 2022/23**PERIOD 7: 1st April 2022 - 31st October 2022**

Service	Approved Budget	Movements			Revised Budget	
	2022/23 £000	Inflation £000	Virement £000	Supplementary Budgets £000	Transferred to EMR £000	2022/23 £000
Regeneration, Planning & Public Protection	6,602	4	1		(265)	6,342
Property Services	2,124	55	(34)			2,145
Roads & Environmental	12,543	271	3			12,817
Corporate Director	154		(1)			153
Totals	21,424	330	(31)	0	(265)	21,458

Movement Details

£000

External Resources

0

Inflation

Roads Client - external power

49,140

Roads

50,000

Property

50,000

Vehicle Maintenance - Fuel expenditure

200,000

Vehicle Maintenance - Fuel income

(200,000)

Fuel

181,430

330,570

Virements

AMP

(46,000)

CCTV Contract from AMP

6,000

Insurance

24,250

Rankin Park to Communities

(15,740)

(31,490)

Supplementary Budgets

0

299,080

ENVIRONMENT AND REGENERATION COMMITTEEREVENUE BUDGET MONITORING REPORTSUBJECTIVE ANALYSISPERIOD 7: 1st April 2022 - 31st October 2022

Subjective Heading	Approved Budget 2022/23 £000	Revised Budget 2022/23 £000	Projected Out- turn 2022/23 £000	Projected Over/(Under) Spend	Percentage Variance %
Employee Costs	16,945	16,838	16,296	(542)	-3.22%
Property Costs	3,801	3,824	3,845	21	0.55%
Supplies & Services	4,133	4,244	4,881	637	15.01%
Transport & Plant Costs	2,391	2,844	2,874	30	1.05%
Administration Costs	485	469	760	291	62.10%
Payments to Other Bodies	6,608	6,699	6,557	(142)	-2.12%
Other Expenditure	1,909	1,879	1,871	(8)	-0.43%
Income	(14,847)	(15,074)	(15,494)	(419)	2.78%
TOTAL NET EXPENDITURE	21,424	21,723	21,590	(132)	-0.61%
Transfer to Earmarked Reserves *	0	(265)	(265)	0	0.00%
TOTAL NET EXPENDITURE EXCLUDING EARMARKED RESERVES	21,424	21,458	21,325	(132)	-0.62%

ENVIRONMENT AND REGENERATION COMMITTEEREVENUE BUDGET MONITORING REPORTOBJECTIVE ANALYSISPERIOD 7: 1st April 2022 - 31st October 2022

Objective Heading	Approved Budget 2022/23 £000	Revised Budget 2022/23 £000	Projected Out- turn 2022/23 £000	Projected Over/(Under) Spend	Percentage Variance %
Regeneration, Planning & Public Protection	6,602	6,607	6,489	(117)	-1.78%
Property Services	2,124	2,145	2,032	(113)	-5.27%
Roads & Environmental	12,543	12,817	13,063	246	1.92%
Corporate Director	154	154	6	(148)	-96.01%
TOTAL NET EXPENDITURE	21,424	21,723	21,590	(132)	-0.61%
Transfer to Earmarked Reserves *	0	(265)	(265)	0	0.00%
TOTAL NET EXPENDITURE EXCLUDING EARMARKED RESERVES	21,424	21,458	21,325	(132)	-0.62%

ENVIRONMENT AND REGENERATION COMMITTEE

REVENUE BUDGET MONITORING REPORT

MATERIAL VARIANCES

PERIOD 7: 1st April 2022 - 31st October 2022

<u>Out Turn</u> <u>2021/22</u> <u>£000</u>	<u>Budget</u> <u>Heading</u>	<u>Subjective Head</u>	<u>Budget</u> <u>2022/23</u> <u>£000</u>	<u>Proportion</u> <u>of Budget</u> <u>£000</u>	<u>Actual to</u> <u>31-Oct-22</u> <u>£000</u>	<u>Projection</u> <u>2022/23</u> <u>£000</u>	<u>(Under)/Over</u> <u>Budget</u> <u>£000</u>	<u>Percentage</u> <u>Variance</u> <u>%</u>
	REGENERATION, PLANNING & PUBLIC PROTECTION							
905	Planning Overall	Employee Costs	946	505	364	722	(224)	(23.68)%
2,472	Public Protection Overall	Employee Costs	2,681	1,432	1,359	2,619	(62)	(2.31)%
							(286)	
82	Comm. Ind. & Misc. Properties	Property Costs	44	39	43	77	33	75.00%
							33	
0	RI Employee Core	PTOB	23	13	0	0	(23)	(100.00)%
58	Training	PTOB	73	43	0	15	(58)	(79.45)%
							(81)	
(422)	Planning sales, fees & charges	Income	(627)	(366)	(234)	(427)	200	(31.90)%
							200	
	PROPERTY SERVICES							
937	BSU	Employee Costs	988	528	465	928	(60)	(6.07)%
754	Technical Services	Employee Costs	913	489	389	777	(136)	(14.90)%
							(196)	
33	Office Accommodation - Water	Property Costs	61	61	17	38	(23)	(37.70)%
289	Office Accommodation - Rates	Property Costs	415	415	385	385	(30)	(7.23)%
							(53)	
114	Technical Services - Agency Costs	Administration Costs	0	0	55	87	87	
							87	
	ROADS & ENVIRONMENTAL							
1,425	Env Services - Street Cleaning	Employee Costs	1,480	798	777	1,441	(39)	(2.64)%
882	Env Services - Vehicle Maintenance	Employee Costs	1,010	553	513	936	(74)	(7.33)%
1,633	Env Services - Refuse Collection	Employee Costs	1,658	894	869	1,631	(27)	(1.63)%
1,474	Env Services - Management	Employee Costs	1,303	708	801	1,353	50	3.84%
222	Env Services - Civic Amenities	Employee Costs	180	99	112	209	29	16.11%
							(61)	

ENVIRONMENT AND REGENERATION COMMITTEE

REVENUE BUDGET MONITORING REPORT

MATERIAL VARIANCES

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<u>Out Turn</u> <u>2021/22</u> <u>£000</u>	<u>Budget</u> <u>Heading</u>	<u>Subjective Head</u>	<u>Budget</u> <u>2022/23</u> <u>£000</u>	<u>Proportion</u> <u>of Budget</u> <u>£000</u>	<u>Actual to</u> <u>31-Oct-22</u> <u>£000</u>	<u>Projection</u> <u>2022/23</u> <u>£000</u>	<u>(Under)/Over</u> <u>Budget</u> <u>£000</u>	<u>Percentage</u> <u>Variance</u> <u>%</u>
41	Roads Parking Electricity	Property Costs	8	4	16	42	34	425.00%
56	Env Services - Grounds Maintenance - Hire of Skips	Property Costs	74	37	19	52	(22)	(29.73)%
61	Env Services - Pottery Street - Security	Property Costs	35	20	25	57	22	62.86%
							34	
1,018	Roads Operations Unit - Materials	Supplies and Services	1,055	417	735	1,174	119	11.28%
285	Roads Operations Unit - Subcontractors	Supplies and Services	227	91	190	249	22	9.69%
124	Env Services - CGCV - Sub-Contractors	Supplies and Services	185	108	132	217	32	17.30%
43	Env Services - Crematorium - Technical Equip	Supplies and Services	26	15	16	52	26	100.00%
							199	
63	Roads Operations - Non - Routine	Transport	24	10	28	73	49	204.17%
525	Env Services - Overall - Fuel	Transport	673	343	488	643	(30)	(4.46)%
							19	
90	Env Services - Ref Coll - Agency Costs	Administration Costs	0	0	85	135	135	
							135	
454	Env Services - Waste Strategy - DMR	PTOB	463	270	215	515	52	11.23%
119	Env Services - Waste Strategy - Green Waste	PTOB	80	64	82	114	34	42.50%
27	Env Services - Waste Strategy - Food Waste	PTOB	53	34	7	13	(40)	(75.47)%
85	Env Services - Waste Strategy - Non Contract Waste Disposal	PTOB	68	40	44	92	24	35.29%
2,930	Env Services - Waste Strategy - Residual Waste Contact	PTOB	2,928	1,708	1,483	2,759	(169)	(5.77)%
							(99)	
(2,039)	Roads Operations Unit - Recharges at Schedule of Rates	Income	(2,256)	(916)	(1,167)	(2,425)	(169)	7.49%
(278)	Roads Parking - Income (PCNS)	Income	(231)	(135)	(72)	(197)	34	(14.72)%
(236)	Roads Parking - Sales, Fees and Charges	Income	(236)	(138)	0	(143)	93	(39.41)%
(7)	Roads Parking - Other Income	Income	(2)	(1)	(7)	(24)	(22)	1100.00%
(614)	Env Services - Crem - Cremations Income	Income	(743)	(364)	(349)	(605)	138	(18.57)%
(658)	Env Services - Refuse Collection- Trade Income	Income	(649)	(454)	(197)	(589)	60	(9.24)%
(23)	Env Services - Veh Main- Tyre Recharges	Income	0	0	(15)	(24)	(24)	0.00%
(69)	Env Services - RTS- Scrap Metal	Income	(31)	(18)	(36)	(89)	(58)	187.10%
(340)	Env Services - RTS- Tipping charges	Income	(298)	(174)	(193)	(377)	(79)	26.51%
(348)	Env Services - Waste Strategy Green Waste	Income	(370)	(370)	(348)	(348)	22	(5.95)%
(268)	Roads - Sales Fees and Charges	Income	(232)	(148)	(131)	(262)	(30)	12.93%
(525)	Env Services - Veh Main- Fuel Recharges	Income	(673)	(326)	(351)	(645)	28	(4.16)%
							(7)	

ENVIRONMENT AND REGENERATION COMMITTEEREVENUE BUDGET MONITORING REPORTMATERIAL VARIANCESPERIOD 7: 1st April 2022 - 31st October 2022

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0	CORPORATE DIRECTOR CORPORATE DIRECTOR	Employee Costs	148	79	0	0	(148)	(100.00)%
							(148)	
Total Material Variances							(224)	

EARMARKED RESERVES POSITION STATEMENT

Appendix 4

COMMITTEE: Environment & Regeneration

<u>Project</u>	<u>Total</u>	<u>Phased Budget</u>	<u>Actual</u>	<u>Projected</u>	<u>Amount to be</u>	<u>Lead Officer Update</u>
	<u>Funding</u>	<u>P7</u>	<u>P7</u>	<u>Spend</u>	<u>Earmarked for</u>	
	<u>2022/23</u>	<u>2022/23</u>	<u>2022/23</u>	<u>2022/23</u>	<u>2023/24</u>	
	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>& Beyond</u>	
					<u>£000</u>	
Renewal of Clune Park Area	2,417	0	81	120	2,297	Spend to date relates to legal support and security costs. Request for increased budget being considered.
Youth Employment	180	57	80	180	0	MA programme salaries and training programme ongoing. Full spend anticipated 22/23.
Repopulating/Promoting Inverclyde/ Group Action Plan	257	62	140	158	99	NRS £128k & Greenock Central Strategy £30k. Proposal to be developed for £99k balance.
Employability Initiatives	133	0	62	133	0	MA programme salaries and training programme ongoing. Full spend anticipated 22/23.
Climate Change	231	0	31	50	181	Report to ERR Jan 22 with commitments - £50k 22/23 for project development, balance towards net zero.
Roadside Trees	31	15	12	31	0	Ongoing programme of works.
COVID - Jobs Recovery	3,077	0	632	2,305	772	Existing MA, Kickstart, graduate, Future Jobs, part contribution to new MA programme and apprentice wage subsidy programme.
Roads Assessments due to parking prohibitions contained in the Transport Scotland Act 2019.	23	0	0	23	0	Planned programme this financial year.
Omicron Business Support Funding - Parking	170	170	170	170	0	Budget utilised to cover suspension of parking charges to 30/09/22.
Project Resource	150	0	0	50	100	Full spend anticipated. Some to be used to support the task force.
Omicron Business Support Funding - Business Support Initiatives	579	0	26	96	483	Business Support initiatives aimed at retaining employment, workforce development, business development, equipment and infrastructure investment approved at ER Aug 22
SG Employability Grant NOLB	1,035	0	16	145	890	MA programme salaries and training programme committed over more than 1 financial year.
Total Category C to E	8,283	304	1,250	3,461	4,723	