
Report To:	Safe, Sustainable Communities Committee	Date:	09 March 2010
Report By:	Chief Financial Officer and Corporate Director Environment & Community Protection	Report No:	FIN/17/10/LB/GJ
Contact Officer:	Lesley Bairden	Contact No:	01475 712257
Subject:	Safe, Sustainable Communities 2009/10 Revenue Budget Period 9 to 31 December 2009		

1.0 PURPOSE

1.1 To advise Committee of the position of the 2009/10 Revenue Budget at Period 9 to 31 December 2009.

2.0 SUMMARY

2.1 The 2009/10 budget, excluding the statutory trading accounts and earmarked reserves, is £17,680,010 with a further £2,530,000 brought forward as earmarked reserves.

2.2 The current projection is an underspend of £28,000 which is an increase in projected costs of £59,000 since last report to Committee. The predominant reasons being:

- £119,000 increase in Planning & Housing costs predominantly due to a decrease in Planning income as a result of the economic downturn.
- £99,000 net increase in Roads Client expenditure due to the adverse winter conditions.
- £47,000 increase in Environmental Services income predominantly due to River Clyde Homes requesting additional grounds maintenance work.
- £103,000 decrease in Safer Communities costs primarily due to reductions in Employee costs and Food sampling costs along with additional Income.

3.0 RECOMMENDATIONS

3.1 The Committee note the current projected underspend of £28,000 as at 31 December 2009.

3.2 Committee are asked to approve virement as detailed in Appendix 4.

Alan Puckrin
Chief Financial Officer

Neil Graham
Corporate Director Environment & Community Protection

4.0 BACKGROUND

- 4.1 The purpose of the report is to advise Committee of the current position of the 2009/10 revenue budget and to highlight the main variances projected at Period 9, to 31 December 2009.
- 4.2 The revised budget reflects an increase of £625,250 from last Committee. This is predominantly due to:
- £200,000 increase in budget for pot hole repairs as agreed at the Policy and Resources Committee held on 2nd February 2010.
 - £677,000 decrease in budget due to the same amount being earmarked for Landfill tax penalties.
 - £91,720 decrease in budget due to Insurance Savings.
 - £58,000 decrease in budget due to Vehicle Reserve being transferred to Loans Fund as agreed per vehicle replacement programme.

5.0 2009/10 PROJECTION

The main issues to highlight in relation to the projected underspends are:

- 5.1 Planning & Housing: The current projected overspend is £109,000 which is an increase in projected overspend of £119,000 since last report to Committee. This is primarily due to:

Income: £133,000 decrease in planning application, building warrant and deed plan fees income which is a direct result of the downturn in the current economic climate. This was not previously projected as it was anticipated that there would be an increase in income during the latter half of the year which has not materialised.

Payments to Other Bodies: £17,000 increase in costs since last reported to Committee primarily due to a £17,000 one off increase in contribution to Lower Clyde Greenspace.

Other Expenditure: £15,000 underspend is projected due to the Service reducing costs within Cleaner and Greener to partly offset the shortfall in planning income.

Employee Costs: £25,000 underspend is projected, a further underspend of £17,000 since last reported mainly due to the Service being unable to fill the vacancy for the Carbon Management Officer's post within the Green Charter. This post will not be filled this financial year.

- 5.2 Environmental Services: An underspend of £37,000 was reported to Committee in period 7. The current projected overspend is £6,000 which represents £43,000 decrease in costs due to:

Employee costs: £39,000 underspend is projected, a reduction in costs of £10,000 since last reported mainly due to the Service delaying the employment of seasonal manual posts within Grounds Maintenance.

Property Costs: £99,000 underspend is projected which is a further underspend of £17,000 since last reported to Committee. This is due to River Clyde Homes estimating the cost for Stairlighting Electricity to be £14,080 for the period December 2007 to March 2009. The accrual of electricity costs for this period was £47,240, resulting in a projected underspend of £33,160. This remains subject to receipt of final invoice from River Clyde Homes. Since last Committee there has been a decrease in projected underspend for Landfill Tax and Waste Disposal of £16,000. This is primarily due to an estimated 3% increase in disposal costs expected to be backdated from November 2009 onwards.

Transport Costs: £62,000 increase in spend within Waste Strategy repairs costs, Grounds Maintenance external hires and Roads Client external hires which is an increase of £48,000 since last reported to Committee. The increase in Waste Strategy of £16,000 is due to the age profile of the vehicles and the increase in Grounds Maintenance external hires is due to an increase in work done for River Clyde Homes and has resulted in an increase in income, the net position being an underspend of £145,000 for Grounds Maintenance. The increase in Roads Client external hires is due to additional costs incurred due to the adverse winter conditions.

Supplies & Services: Projected overspend is £93,000 which is an increase in projected spend of £103,000 since last reported to Committee, primarily due to a £89,000 increase in Winter Maintenance materials spend, directly related to the adverse winter conditions faced by the Service, as advised at last Committee.

Other Expenditure: Projected underspend is £34,000 due to a delay in starting the Zero Waste fund project.

Income: Projected under-recovery is £15,000 which is a increase in income of £47,000 since last reported to Committee. This is predominantly due to an increase in income received from River Clyde homes from increased grounds maintenance work requested both to date and projected to year end.

- 5.3 Safer Communities: The current projected underspend is £155,000 and is a further underspend of £103,000 since last report to Committee, of which £17,000 will be requested to be earmarked for spend in 2010/11. This is predominantly due to:

Employee costs: £56,000 underspend projected, which is an increase in underspend of £31,000 since last reported to Committee. This is due to a permanent virement from the Other Expenditure budget to the Employee budget increasing it by £36,000. This virement is to correct the ongoing base position whilst the projected underspend is in this year only.

Supplies & Services: £13,000 underspend is projected which is a further decrease in spend of £8,000 since last reported to Committee. This is due to the Service projecting minor underspends over various budget lines such as Calibration, Tools & Equipment, Software Maintenance and Clothing and Uniforms none of which are significant when reviewed in isolation.

Administration Costs: £34,000 underspend is projected, a further reduction in costs of £8,000 since last reported to Committee due to minor underspends for Training and Printing and Stationery.

Other Expenditure: £38,000 overspend is projected which is an increase in cost of £38,000 since last reported to Committee. This increase is predominantly due to £61,000 increase in spend for various grant funded projects for which additional income has been received and a decrease in costs of £25,000 predominantly for food samples testing.

Income: £91,000 over-recovery of Income, an increase of £98,000 since last reported to Committee. £78,000 of this increase is due to grant funding received for various projects such as Youth Intervention, Violence Reduction, Safer Streets, Young Persons Alcohol Project and Domestic Abuse, offsetting costs above with £17,000 of this over-recovery of income is to be earmarked for spend in 2010/11.

- 5.4 Corporate Director: The current projected overspend stands at £12,000 which was previously reported to Committee.

6.0 VIREMENT

- 6.1 Committee are asked to approve virement as detailed in Appendix 4. Where appropriate, the virement is reflected throughout the report.

7.0 FINANCIAL IMPLICATIONS

7.1 The current projected out-turn per Service is:

Service	Approved Budget 2009/10 £'000	Revised Budget 2009/10 £'000	Projected Out-turn 2009/10 £'000	Projected over/(under) spend £'000	Percentage Variance %
Planning, Transportation & Other Housing	1,171	1,171	1,280	109	9
Environmental Services	13,071	13,099	13,105	6	0.05
Safer Communities	3,958	3,933	3,778	(155)	(3.95)
Corporate Director	154	154	166	12	7.77
Total	18,354	18,357	18,329	(28)	(0.15)
Earmarked Reserves		(677)	(677)	0	
NET UNDERSPEND EXCLUDING EARMARKED RESERVES	18,354	17,680	17,652	(28)	(0.16)

8.0 EARMARKED RESERVES

8.1 A detailed breakdown of the current earmarked reserves position is included as Appendix 3. Spend to date is 43% of projected spend. All phasings have been confirmed by appropriate lead officers.

9.0 EQUALITIES

9.1 This report has no impact on the Council's Equality Agenda.

10.0 CONSULTATIONS

10.1 The report has been jointly prepared by the Corporate Director Environment & Community Protection and Chief Financial Officer.

SAFE, SUSTAINABLE COMMUNITIES COMMITTEE**REVENUE BUDGET MONITORING REPORT****MATERIAL VARIANCES****Period 9: 1st April 2009 - 31st December 2009**

<u>Out Turn</u> <u>2008/09</u> <u>£000</u>	<u>Budget</u> <u>Heading</u>	<u>Budget</u> <u>2009/10</u> <u>£000</u>	<u>Proportion</u> <u>of Budget</u>	<u>Actual to</u> <u>31-Dec-09</u> <u>£000</u>	<u>Projection</u> <u>2009/10</u> <u>£000</u>	<u>(Under)/Over</u> <u>Budget</u> <u>£000</u>	<u>Percentage</u> <u>Variance</u> <u>%</u>
	ENVIRONMENTAL SERVICES						
2,473	APT&C Employee Costs	2,663	1,948	1,892	2,585	(78)	(2.93)
191	APT&C Overtime Travel Etc	71	51	113	158	87	122.54
6,208	Manual Employee Costs	6,373	4,591	4,527	6,306	(67)	(1.05)
1,633	Landfill Tax & Waste Disposal	2,073	1,554	1,434	1,989	(84)	(4.05)
	Stairlighting - Electricity	47	35	0	14	(33)	(70.02)
70	Roads Client - Winter Maintenance Materials	40	30	0	129	89	222.50
29	Roads Client - External Hires	9	7	4	19	10	222.50
311	Roads Client - Payments to Lighting Contractos	315	237	259	338	23	7.30
68	Grounds Maintenance - External Hires	60	45	61	81	21	35.00
258	Refuse Collection - Vehicle & Plant Allocations	182	136	160	213	31	17.03
	Waste Strategy - Zero Waste Fund	318	239	8	281	(37)	11.64
(354)	Crematorium - Cremations	(362)	(272)	(237)	(317)	45	12.43
(665)	Refuse Collection - Trade Waste	(705)	(529)	(484)	(675)	30	4.26
(164)	Roads Client - Recharge to Capital	(186)	(140)	(43)	(93)	93	50.00
(118)	Roads Client - Recoveries	0	0	(9)	(25)	(25)	100.00
(136)	Refuse Transfer Station - Sales Fees & Charges	(183)	(137)	(156)	(170)	13	100.00
(672)	Grounds Maintenance - Income	(676)	(507)	(697)	(829)	(153)	(22.63)
(73)	Registrars	(82)	(62)	(52)	(67)	15	18.29
	SAFER COMMUNITIES						
2,499	APT&C Employee Costs	2,701	1,976	1,939	2,655	(46)	(1.70)
128	APT&C Overtime Travel Etc	108	79	60	94	(14)	(12.96)
0	Evaluation	20	12	0	0	(20)	(100.00)
-13	Income - Sales, Fees & Charges	(5)	(4)	(14)	(15)	(10)	200.00
-82	Income - Grant	(30)	(23)	(19)	(96)	(66)	220.00
(34)	Income - Rodent & Wasp Infestation Fees	(32)	(8)	(4)	(21)	11	34.38
	PLANNING						
1,165	Planning - APT&C Employee Costs	1,242	867	860	1,231	(11)	0.89
(778)	Planning - Income	(650)	(487)	(381)	(517)	133	20.46
144	Planning - Payment to Other Bodies / Other Exp	136	102	143	160	24	(17.65)
48	Cleaner Greener - APT&C Employee Costs	51	37	29	41	(10)	19.61
10	Cleaner Greener - Other Expenditure	35	26	5	10	(25)	71.43
	CORPORATE DIRECTOR						
148	APT&C Employee Costs	142	59	65	154	12	(8.45)
Total Material Variances						(42)	

SAFE, SUSTAINABLE COMMUNITIES COMMITTEE**REVENUE BUDGET MONITORING REPORT****SUBJECTIVE ANALYSIS****PERIOD 9: 1st April 2009 - 31st December 2009**

Subjective Heading	Approved Budget 2009/10 £000	Revised Budget 2009/10 £000	Projected Out-turn 2009/10 £000	Projected Over/(Under) Spend £000	Percentage Variance %
Employee Costs	12,289	12,164	12,056	(108)	(0.89)
Property Costs	3,974	3,737	3,635	(102)	(2.73)
Supplies & Services	2,400	2,483	2,767	274	11.04
Transport & Plant Costs	1,177	1,605	1,457	(138)	(8.61)
Administration Costs	518	423	397	(26)	(6.15)
Payments to Other Bodies	1,660	1,614	1,628	15	0.90
Income	(3,664)	(3,669)	(3,611)	58	(1.59)
TOTAL NET EXPENDITURE	18,354	18,357	18,329	(28)	(0.15)
Earmarked Reserves		(677)	(677)	0	0.00
TOTAL NET EXPENDITURE EXCLUDING EARMARKED RESERVES	18,354	17,680	17,652	(28)	(0.16)

EARMARKED RESERVES POSITION STATEMENT
COMMITTEE: Safe Sustainable Communities

<u>Project</u>	<u>Lead Officer/ Responsible Manager</u>	<u>c/f Funding 2008/09</u> £000	<u>New Funding 2009/10</u> £000	<u>Total Funding 2009/10</u> £000	<u>Actual To Period 09 2009/10</u> £000	<u>Projected Spend 2009/10</u> £000	<u>Amount to be Earmarked for 2010/11 & Beyond</u> £000	<u>Lead Officer Update</u>
Community Investment Fund	Neil Graham	328	328	328	124	148	180	Due to potential delay in agreeing a lease deal with Ardgowan estates, £180k is set aside for the project at Lunderston Bay for 2010/11 (£155k agreed and £25k uncommitted balance).
Maintenance of Trunk Road Network	Alan Barnes	59	59	59	0	0	59	Awaiting diversion of North Bound A78 trunk road traffic which is to be completed by Transport Scotland. Work is being held up due to objections to Traffic Regulation orders.
Strategic Housing Fund	Neil Graham	782	627	1,409	4	4	1,405	The total funding is earmarked for Strategic Housing functions, especially Contaminated Land costs. Previously estimated £100k spend for 2009/10 for Private Sector House condition survey is now projected to be spend in early 2010/11. There is a potential Employment Tribunal case involving former Sheltered Housing Warden/s, the outcome of which would need to be funded from this fund. New funding includes £68k for invoices raised for refurbishment work prior to stock transfer.
National Accommodation Strategy for Sex Offenders	Fraser Williamson	33	33	33	24	33	0	Employee in post. Full spend projected by year end.
Private Sector Housing Grant	Fraser Williamson	447	1,178	1,625	801	1,423	202	It is projected that the proposed regeneration enabling budget of £186k will not be able to be utilised in 2009/10. Confirmation has been received from the Scottish Government that underspend can be carried forward. Earmarked reserves c/fwd from 2008/09 includes an overclaim of £50k which potentially has to be returned back to the Scottish Government and £16k to be written back to General Reserves.
Antisocial Behaviour Funding	John Arthur	30	30	30	22	30	0	Employee in post. Full spend projected by year end.
Food Waste Trial	Alan Barnes	104	104	104	85	104	0	Full spend projected by year end - trial expected to finish in January 2010.

COMMITTEE: Safe Sustainable Communities

<u>Project</u>	<u>Lead Officer/ Responsible Manager</u>	<u>c/f Funding 2008/09</u> £000	<u>New Funding 2009/10</u> £000	<u>Total Funding 2009/10</u> £000	<u>Actual To Period 09 2009/10</u> £000	<u>Projected Spend 2009/10</u> £000	<u>Amount to be Earmarked for 2010/11 & Beyond</u> £000	<u>Lead Officer Update</u>
Support for Owners (Right to Buy Receipts)	Fraser Williamson	437	1,634	2,071	65	869	1,182	There is a underspend of £1,182k. Clarification received from Scottish Government that underspends cannot be carried forward. River Clyde Homes identified a maximum of £889k of spend based on their investment programme to 31/03/2010. At present the Council has to repay the Scottish Government the full £1,634k of new funding and then reclaim £452k, which along with the c/w/d funding of £437k will constitute the total spend of £889k. Committee has agreed to form a cross party group which will meet with the Scottish Government to discuss potential of retaining underspend for spend in 2010/11.
Play Areas	Neil Graham	0	250	250	118	157	93	This earmarked reserve has been set aside as funding for play areas. This work is currently being reported through Capital Programme as CF-CR. A Play Area Strategy is being developed and this will dictate where spend should take place. Spend of £81k incurred for Overton Play Area and Quarriers Play Area and £37k incurred for Area Renewal. Note that £76k of the projected total spend relates to Area Renewal within the Capital Programme.
Implementation of Green Charter	Neil Graham	0	50	50	0	0	50	It is anticipated that the Green Charter reserve will be underspent by the full amount as the new post for Carbon Management Development Officer did not attract any suitable candidate. As a result it has not been possible to progress the Green Charter project works in 2009/10. The budget will be required in 2010/11 to meet the Carbon Reduction Commitment Energy Efficiency Scheme and the recently-approved Climate Change (Scotland) Act 2009.
Traffic Study - George Rd/Larkfield Rd	Neil Graham	0	25	25	0	25	0	The traffic study has been completed and Service expects spend to be incurred from February onwards. Full spend expected by year end.
Landfill Penalty Scheme	Neil Graham	676	677	1,353	0	0	1,353	Spend is subject to Scottish Government deciding to levy the penalties.
Affordable HRA (Council Tax 2nd Home Discount)	Fraser Williamson	81	90	171	0	81	90	New funding for 2009/10 is subject to variation. Service is in consultation with the Scottish Government Housing Investment Division to finalise distribution of budget. Full spend expected by Feb 2010.

REVENUE BUDGET MONITORING REPORT**VIREMENT REQUEST****Period 9: 1st April 2009 - 31st December 2009**

Budget Heading		Increase Budget	(Decrease) Budget
		£	£
Safer Communities - Other Expenditure	1		(36,000)
Safer Communities - APT&C Employee Costs		36,000	
Environmental Services - Rates			(24,000)
Environmental Services - Other property Costs			(24,000)
Environmental Services - Management Allocation			(3,000)
Environmental Services - Repairs & Maintenance			(8,000)
Environmental Services - Unmetered Water			(24,000)
Environmental Services - Rents & Feu Duties		14,000	
Environmental Services - Heating Oil		26,000	
Environmental Services - Metered Water		43,000	
Total		119,000	(119,000)

1) Reallocation of budget to correct ongoing base budget position for employee costs. Underspend for Safer Communities employee cost is for this year only.

2) Reallocation of property cost budgets within Environmental Services to reflect current and historical spend patterns.

