

ENVIRONMENT DIRECTORATE POSITION AS AT MONTH 4:

Revenue:

	Month 4 forecast £000
CORPORATE DIRECTOR - ENV	0
HIGHWAYS & TRANSPORT	47
PLANNING & COUNTRYSIDE	267
PROPERTY & PUBLIC PROTECTION	-6
Total	308

Corporate Director's summary:

Overview

- 1.1 The forecast revenue over spend for the Environment Directorate as a whole is £308,000 against the budget of £30.1 million.
- 1.2 No variance is expected in the Corporate Director's budget.
- 1.3 Highways and Transport is forecasting an overall pressure of £47,000. Despite a reduction in income target in 2011/12, income from parking during the first four months is below the expected level resulting in a forecast year end shortfall of £150,000. This is going to be managed by a reduction in other budget areas. There is a new pressure arising from renewal of bus contracts following withdrawal by Newbury Buses. In conjunction with the Portfolio Holder, it was decided to renew the contract, which has led to a pressure of £47,000.
- 1.4 The Planning and Countryside service is forecasting an over spend of £267,000. The delay in the introduction of legislation surrounding the setting of Development Control planning fees will mean that the new fee structure cannot be implemented until January 2012 at the earliest. This will result in a pressure against the income target. Income from Development Control in the first quarter has been good and, if this continues, would reduce the above pressure. Building Control income levels are consistently below budget.
- 1.5 The Property and Public Protection budget is expected to be under spent by £6,000.

Pressures on the 2011-12 budget

- 1.6 In Highways and Transport, despite a £220,000 reduction in income target in 2011/12, income from parking during the first four months is below the expected level. There is expected to be a shortfall of £75,000 in car park income and £75,000 in fixed penalty income. It is known

that car park income is down across the UK. £70,000 of the MVF target has been identified but £56,000 remains a pressure. There is a £47,000 pressure following the withdrawal of Newbury Buses from the Newbury/Tesco and Newbury/Wash Common services and subsequent re-tendering of the contracts.

- 1.7 The Planning and Countryside service is forecasting an over spend of £267,000. The delay of legislation surrounding the setting of Development Control planning fees is expected to result in a pressure of £210,000 against the income target. Income from Development Control in the first quarter has been good and, if this continues, would reduce the pressure to £150,000. Building Control income is forecasting a year end pressure of £91,500; income is consistently below budget due to the economic climate, competition, loss of domestic market and some major contracts.
- 1.8 There are pressures in Property and Public Protection of £27,000 in rental income together with a shortfall in fair funding income of £38,000.

Management action taken to address emerging pressures

- 1.9 The main pressure forecast by the Highways and Transport Service of £150,000 is due to declining parking income during the first four months and £56,000 MVF pressure.
- 1.10 In Planning, until the legislation relating to planning fees is brought in the income will continue to suffer. Expenditure in Planning and Building Control will be reviewed with a view to addressing the shortfall in income. It is unlikely that the shortfall will be recovered in this financial year.
- 1.11 The pressures in Property and Public Protection will be reduced through freezing of vacancies. £31,000 of the £38,000 shortfall in fair funding income will be met from savings within the service.

Risks identified

Potential risks include:

- Further pressure on car park income, planning and building control income due to the impact of changes in demand
- Severe weather would put pressure on winter maintenance budgets
- An unforeseen Property maintenance issue would put pressure on the reactive maintenance budget
- Increased expenditure on the Local Development Framework following the suspension of the Examination in Public

- The Berkshire joint arrangement to prepare a minerals and waste planning policy document has ended. This has resulted in a need to prepare a local policy document. The programme and associated costs are currently being prepared.
- Further delays to the Planning fees legislation.