

ENVIRONMENT DIRECTORATE POSTION AS AT MONTH 5

Corporate Director's summary:

Overview

- 1.1 The forecast revenue over spend for the Environment Directorate as a whole is £26,000 against the budget of £31.6 million. This is an increase of £2,000 in the forecast overspend at month 4.
- 1.2 The Corporate Director's budget is expected to be under spent by £9,000 because he is no longer required to make a contribution to the cost of the Director of Public Health.
- 1.3 The Highways and Transport budget is expected to be over spent by £104,000. There are significant pressures in car park income, street lighting and winter maintenance as detailed below which are being partly offset by savings from concessionary fares and highways maintenance.
- 1.4 The Planning and Countryside service expects to achieve savings of £117,000 from reductions in spend on minerals and waste and urban design and additional vacancy savings because of the recruitment freeze. Development Control and Building Control income are both still expected to be on target.
- 1.5 The Property and Public Protection budget is expected to be over spent by £48,000. There are pressures in the running costs of West Street House and West Point and a shortfall in commercial property income. These pressures are being partly offset by planned reductions in expenditure and through managed vacancy savings.

Pressures on the 2010-11 budget

- 1.6 In Highways and Transport, the forecast shortfall in car park income has reduced slightly to £220,000 while the estimated pressure on energy costs for street lighting is now £110,000. The winter maintenance budget is still forecast to be £134,000 overspent because of the cost of rebuilding salt stocks to the prudent recommended level.
- 1.7 In Property and Public Protection, the estimated budget pressures on the running costs of West Street House and West Point have decreased to £134,000 for the current year as a result of management action, but the forecast shortfall in commercial property income has increased to £30,000.

Progress against the recruitment freeze

- 1.8 Because of the freeze in staff recruitment, the managed vacancy factor (MVF) for the directorate has been increased by £98,500. This additional MVF is expected to be fully achieved. In addition, a further £73,000 vacancy savings in excess of the MVF target, are expected to

be achieved across the directorate as a whole, helping to offset the overall net pressure on the Environment budget.

Management action taken to address emerging pressures

- 1.9 The pressures in Highways and Transport will be partly offset by savings from reduced demand for concessionary fares and a planned reduction in highways maintenance.
- 1.10 The Head of Property and Public Protection is aiming to offset £84,000 of pressures by reducing spending on reactive maintenance, office cleaning and supplies and services and aiming to offset a further £32,000 of pressures from vacancy savings over and above the MVF and recruitment freeze targets across property services and public protection.

Risks identified

Potential risks include:

- Further pressure on car park income and planning income due to the effects of the recession
- A severe winter would put pressure on winter maintenance budgets
- An unforeseen maintenance issue would put pressure on the reactive maintenance budget