

Appendix E: Place Directorate

2019/20 Quarter Two Revenue Financial Performance

1. Summary

			Forecast (under)/over spend				Change to Service Forecast from Last Quarter
			Quarter One	Quarter Two	Provided for in Reserves	Year End Forecast	
Place	Current Net Budget	Net Forecast	Service Forecast	Service Forecast			
	£000	£000	£000	£000	£000	£000	£000
Corporate Director	186	179		(7)	0	(7)	(7)
Development & Planning	2,910	2,945	(30)	35	0	35	65
Public Protection & Culture	3,833	3,971	52	138	(11)	127	86
Transport & Countryside	23,077	22,983	10	(94)	0	(94)	(104)
Total	30,006	30,078	32	72	(11)	61	40

- 1.1 The Directorate forecast at Quarter Two is £72k overspent of which £11k is available in reserves to partially fund this pressure. If this funding is utilised the overspend reduces to £61k being 0.2% of the net budget of £30m.

2. Development and Planning

2.1 Explanation for over or under spend

Staff cost underspends of £30k identified last quarter, are forecast to continue. Additional net pressures detailed below amount to £65k giving a net outturn forecast of £35k overspend.

2.2 Explanation of changes from last quarter

Pressures in housing have now been evaluated. The pressure in this service is forecast at £80k. Temporary staff have been brought in to address the additional workload arising from the Homelessness Reduction Act and to cover vacant posts. Demand for temporary accommodation remains high. Extended use of B&B accommodation is expected to cost an additional £50k above budget – partially mitigated by increased temporary accommodation contributions of £30k above budget.

A reduction in income in development control is expected to be mitigated by staff cost savings. An overall underspend in the DC budget of £15k is now forecast at year-end.

2.3 Remedial action being taken

None required at this stage

2.4 Implications for next year's budget

Ongoing pressures in housing have been put forward as pressure bids for consideration in the budget build 2020/21. Digital planning projects seek to deliver

a £15k saving in 2020/21. This has also been captured as part of the 2020/21 budget build process.

3. Public Protection & Culture

3.1 Explanation for over or under spend

Overspends in the service include a £40k pressure identified at Quarter One (£30k savings target and an overspend associated with the Wedding Planner of £10k), along with additional net pressures of £98k, the main items of which are detailed below.

3.2 Explanation of changes from last quarter

Libraries – increased corporate cleaning costs of £28k

Shaw House, income targets were increased in 2019/20 to fund a Visitor Support Officer post. This increase is now unlikely to be achieved causing a pressure of £28k

Above budget costs of the Berkshire Archive £7k, these costs are recharged from Reading BC.

Building control, reduced contributions from Wokingham this year as a result of re-location of the team. The pressure is £24k. There is a reserves balance of £11k that could be used to mitigate this.

3.3 Remedial action being taken

Libraries - ongoing negotiation with Commissioning over the central cleaning contract, related inflationary pressures and performance issues.

Some capitalisation of HoS against projects is being considered and some potential income from Emergency Planning due to off-site planning events.

Building Control - ongoing discussion with Wokingham about income profile, marketing and market share.

3.4 Implications for next year's budget

Head of Service - a review of the intended outcomes from digitisation should establish the ability to make savings in 2020/21. At this stage it is likely this will continue as a pressure and a pressure bid has been submitted for £23k to be considered as part of the budget build 2020/21.

Building Control - a pressure bid has been submitted for 2020/21 recognising the ongoing nature of this cost - £24k.

There is a pressure on Libraries budgets which is ongoing and includes increased cleaning costs, reduced income for example from DVD hire and staffing pressures. This is an ongoing issue and there is also concern over the long term commitments of parishes and town councils to support the service financially.

4. Transport and Countryside

4.1 Explanation for over or under spend

See section below, variance at last quarter was not significant.

4.2 Explanation of changes from last quarter

Car Parking – expected outturn pressure of £200k as a result of reduced parking income and PCN activity. This follows on from the trend seen last year and the continued difficulty of recruiting CEO's.

Streetworks income is up £200k against budget which is testament to the efforts of the team in this area. Much of this additional income is due to a one off settlement from Gigaclear for S74 over-run charges.

Waste contract – lower landfill tonnage than projected and higher green waste sales have combined to produce an anticipated saving against budget of £125k this year.

There is a £30k anticipated pressure relating to above anticipated increases in electricity charges.

4.3 Remedial action being taken

Recruitment and retention relating to CEO's has been discussed with HR and a report circulated with the intention that improved employment conditions will help to resolve this recruitment issue within the parking service.

4.4 Implications for next year's budget

Increased streetworks and green waste income has been identified as part of the budget build process 2020/21.

5. 2018/19 Savings and Income Generation Programme - RAG

5.1 The Place Directorate savings and income generation programme is summarised below with explanation for unmet savings in the service tables.

Place	Red	Amber	Green	Total	Achieved
	£k	£k	£k	£k	
Development & Planning	0	0	155	155	100%
Public Protection & Culture	30	0	414	444	93%
Transport & Countryside	5	5	1,018	1,028	99%
Total	35	5	1,587	1,627	98%

2019/20 Quarter Two Revenue Financial Performance

Service	Description of Saving/Income	£k	£k	£k	Total £k	Comments
D&P	DC Pre-applications charges			10	10	
D&P	Introduce Planning Policy pre-application charges			10	10	
D&P	Review CIL Admin charges			50	50	
D&P	Capitalise tansport policy post			45	45	
D&P	Charge for self build register			5	5	
D&P	DC reduced application numbers and so less Planner resource is required and so can be frozen.			35	35	
D&P		-	-	155	155	

Service	Description of Saving/Income	£k	£k	£k	Total £k	Comments
PP&C	Corn Exchange - cease grant			174	174	
PP&C	Partnership Business Plan '5% plan'			58	58	
PP&C	Leisure R&M			18	18	
PP&C	Marriage income			20	20	
PP&C	Capitalise Library Book Stock			94	94	
PP&C	Museum income			3	3	
PP&C	Business Continuity contract for West Berks			8	8	
PP&C	Energy – estate management phase 2			39	39	
PP&C	Efficiencies	30			30	Unmet savings target, in year mitigation being sought from slow down savings
PP&C		30	-	414	444	

Service	Description of Saving/Income	£k	£k	£k	Total £k	Comments
T&C	Capitalising spend - Hand Patching			100	100	
T&C	Capitalising spend - Drainage, Sign and Road Markings, Hand Patching			200	200	
T&C	Garden waste charging			200	200	
T&C	Street Lighting - staffing reduction following LED project			30	30	
T&C	Countryside review			20	20	
T&C	Car washing	5	5	-	10	Taken longer than anticipated to agree changes to the lease with the Kennet Centre owners.
T&C	Review of TRO charges			55	55	
T&C	Part capitalise Traffic Services Manager post			24	24	
T&C	Delete Senior Highways DC post			49	49	
T&C	Transition to a new delivery model for passenger transport			150	150	
T&C	Reduce training budgets			5	5	
T&C	Further reduce car park cleaning			10	10	
T&C	Reduce bus station cleaning			5	5	
T&C	Streetworks Permit charges			100	100	
T&C	Highways TMC rate review			40	40	
T&C	Routeguard App			5	5	
T&C	BBOWT reduction in payment			25	25	
T&C		5	5	1,018	1,028	