

2021/22 Finance & Performance Monitor 2 Report

Summary

1. This report provides details of the 2021/22 forecast outturn position for both finance and performance across services within the Place Directorate. The paper incorporates data to Sept 2021 as reported to Executive on 18th November 2021.

Analysis - Finance

2. A summary of the services within Place, relevant to this scrutiny committee, is shown below:

	Budget £'000	Forecast Outturn £'000	Variance £'000
Place (extract)			
Transport	7,131	7,067	-64
Fleet	-272	-232	+40
Highways	3,301	3,301	0
Parking Operations	1,365	1,431	+66
Parking Income	-7,544	-7,679	-135
Waste	13,921	14,152	+231
Public Realm	3,106	3,055	-51
Emergency Planning	115	115	0
Development Management	-335	-178	+157
Forward Planning	413	413	0
Building Control & Land Charges	-415	-451	-36
Environmental Management	410	402	-8
Environmental Health & Licensing	700	699	-1
Asset and Property Management	-1,904	-2,226	-322
Economic Development	605	595	-10
Management and Support	497	577	+80
TOTAL	21,094	21,041	-53

Note: '+' indicates an increase in expenditure or shortfall in income
'-' indicates a reduction in expenditure or increase in income

3. The Directorate is currently forecasting an underspend totalling £53k (including commercial portfolio). Close monitoring will continue to ensure that this position is maintained through the remainder of the financial year.
4. There is a continued shortfall in commercial waste income as the service is still returning to normal operating levels. The government income compensation scheme has continued for the first quarter of 2021/22 which requires councils to fund the first 5% of shortfalls and then will split the balance 75% government funding and 25% council funded. This compensation is assumed within the forecast. For the remainder of the year income levels will continue to be monitored as it is uncertain to what level income will recover.
5. Whilst Transport is forecast to outturn broadly in line with budget there are a number of pressures across the service. These include staffing costs within highway regulation and IT costs relating to the implementation of the permitting system (£200k) along with higher CCTV monitoring and maintenance costs (£100k). There are forecast savings as Concessionary Fares payments are lower than budget as passenger numbers remain lower than budget assumptions.
6. There was a gross shortfall of £245k from quarter 1 on revenues from car parking. Income in April was 37% below budget as lockdown measures continued through the month. Income recovered from the middle of May and was 12% ahead of budget in June. The government income compensation scheme remains in place for quarter 1 and once compensation is considered the net cost to the council will be £136k. It is proposed that this is funded from the general covid grant. Income in quarter 2 has been 14% ahead of budget in particularly in August where revenues were 27% above budget. In total income was £290k above budget.
7. For the remainder of the year whilst income from off street parking is assumed to be broadly in line with budget there are anticipated shortfalls from season ticket revenues and penalty charge notices. Preliminary forecasts are a surplus of £69k after taking into account the Government compensation scheme.
8. There is a forecast shortfall in planning fees of c 10% (£157k) which have not fully recovered to budgeted levels.

9. Within Asset and Property Management the main forecast variance relates to the reimbursement of Business Rates paid for Alliance House (£530k). This underspend is offset by a forecast overspend on commissioning design and facilities management (£277k). The savings agreed as part of the budget are looking unlikely to be delivered and there remain pressures across the trading account. There is a forecast saving of £57k from staff vacancies across the rest of the directorate.

Analysis – Performance – Council Plan Outcomes

10. The Executive for the Council Plan (2019-23) agreed a core set of indicators to help monitor the council priorities and these provide the structure for performance updates. The detail on the core indicators relevant to this scrutiny committee is attached at Annex 1 and the 2021/22 scorecard is attached at Annex 2.
11. Some indicators are not measured on a quarterly basis. The DoT (Direction of Travel) is calculated on the latest three results whether they are annual or quarterly.

Implications

12. There are no financial, human resources, equalities, legal, crime & disorder, information technology, property or other implications associated with this report.

Risk Management

13. The report provides Members with updates on finance and service performance and therefore there are no significant risks in the content of the report.

Recommendations

14. As this report is for information only, there are no recommendations.

Reason: To update the scrutiny committee of the latest finance and performance position.

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Neil Ferris
Corporate Director of Place

**Report
Approved**



Date 13/12/21

Annex

Annex 1 – Place Core Indicators

Annex 2 – Scrutiny Performance Scorecard