

Economy and Place Policy and Scrutiny Committee

26th April 2022

Report of the Corporate Director of Place.

2021/22 Finance & Performance Monitor 3 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 December 2021 as reported to Executive on 7th February 2022.

Recommendations

2. The Committee is asked to note the financial and performance management position across Economy and Place.

Reason: to ensure expenditure is kept within the approved budget and performance is effectively scrutinised.

Analysis - Finance

3. 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	7,183	7,296	+113
Fleet	-272	-237	+35
Highways	3,211	3,211	0
Parking Operations	1,365	1,411	+46
Parking Income	-7,544	-7,899	-355
Waste	13,921	14,108	+187
Public Realm	3,105	3,105	0
Emergency Planning	115	115	0
Development Management	-335	-178	+157
Forward Planning	413	413	0
Building Control & Land Charges	-415	-386	+29
Environmental Management	410	401	-9

Environmental Health & Licensing	713	676	-37
Asset and Property Management	-1,904	-2,323	-419
Economic Development	605	483	-122
Management and Support	510	544	+34
TOTAL	21,081	20,740	-341

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

4. The Directorate is currently forecasting an underspend totalling £341k (including commercial portfolio). Close monitoring will continue to ensure that this position is maintained through the remainder of the financial year.
5. There is a continued forecast shortfall in commercial waste income (£302k) 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.
6. Recyclate sales have been at levels at approximately 50% above budget due to high commodity prices and forecast to outturn £300k higher than budget. This is offset by additional costs from processing comingled waste £75k and recycling banks £45k.
7. Whilst Transport is forecast to outturn broadly in line with budget there are a number of pressures across the service. These include reduced income and increased staffing costs within highway regulation and IT costs relating to the implementation of the permitting system (£200k). There have been 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.
8. There was a shortfall of income in quarter 1 of £186k (-10%) due to lower revenues in April. This is being funded from a combination of Covid Grant and Sales Fees and Charges compensation. Parking levels recovered from mid-May as retail and hospitality venues reopened. Over the school summer holidays income was 30% above budget and has been approximately 20% above budget at other times. There has been

reduced income from contract parking as city centre workers have changing working patterns. There has also been lower than budgeted Respark income as the new IT system is implemented.

9. 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 £309k after taking into account the Government compensation scheme.
10. There is a forecast shortfall in planning fees of c 10% (£157k) which have not fully recovered to budgeted levels.
11. Within Housing, Economy & Regeneration 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 (£217k) which is a combination of additional costs and reduced income.

Analysis – Performance – Council Plan Outcomes

12. 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.
13. 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

14. The implications are:

Financial are contained throughout the main body of the report.

Human Resources (HR) There are no HR implications related to the recommendations

One Planet Council / Equalities Whilst there are no specific implications within this report, services undertaken by the council make due consideration of these implications as a matter of course.

Legal There are no legal implications related to the recommendations

Crime and Disorder There are no crime and disorder implications related to the recommendations

Information Technology (IT) There are no IT implications related to the recommendations

Property There are no property implications related to the recommendations

Other There are no other implications related to the recommendations

Risk Management

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

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Wards Affected: All				✓
For further information please contact the authors of the report				

Annex

Annex 1 – Place Core Indicators

Annex 2 – Scrutiny Performance Scorecard