

ANGUS COUNCIL

INFRASTRUCTURE SERVICES COMMITTEE – 24 NOVEMBER 2009
CORPORATE SERVICES COMMITTEE – 3 DECEMBER 2009

INFRASTRUCTURE SERVICES BUDGET MONITORING
FOR THE PERIOD ENDED 30 SEPTEMBER 2009

JOINT REPORT BY THE DIRECTOR OF INFRASTRUCTURE SERVICES
AND THE DIRECTOR OF CORPORATE SERVICES

Abstract:

This report appraises members of the actual expenditure compared with budget in respect of the Infrastructure Services department for the period 1 April 2009 to 30 September 2009, together with the anticipated year end position.

1 RECOMMENDATION

- 1.1 It is recommended that the Committee notes the contents of this report for their respective interests.

2 INTRODUCTION

- 2.1 The responsibilities of chief officers with regard to revenue monitoring are set out in Section 3 of the Council's Financial Regulations. To ensure that budgetary control is exercised in accordance with these regulations reports on budget monitoring covering revenue, capital and renewal and repair fund expenditure are presented to the Infrastructure Services and Corporate Services Committees at key points during the financial year.
- 2.2 This report sets out the actual net expenditure position for the period 1 April 2009 to 30 September 2009 (6 months) and the projected outturn for each division.

3 CAPITAL MONITORING

- 3.1 Table 1 below summarises the net capital position:-

Table 1 – Infrastructure Services Net Capital Budget

Table 1					
Capital Programme 2009/10 (per report 626/09)	Net Budget £000's	Actual to 30 Sept 09 £000's	Budget Balance at 30 Sept 09 £000's	Projected Outturn £000's	Projected Over / (Under) Spend £000's
IS Directorate	0	0	0	0	0
Economic Development and Environmental & Consumer Protection	1,005	67	(938)	1,025	20
Planning & Transport	393	75	(318)	393	0
Roads	7,328	1,837	(5,491)	7,266	(62)
Infrastructure Services Total	8,726	1,979	(6,747)	8,684	(42)

3.2 In overall terms, at 30 September there is actual spend of £1.979 million (22%) against a net budget of £8.726 million leaving a balance of £6.747 million in 2009/10. The department is projecting an underspend of £42,000 at the year end. A brief commentary on each division is set out below:-

3.3 Economic Development and Environmental & Consumer Protection Division

Economic Development and Environmental & Consumer Protection Division is currently showing an unspent balance of £938,000 compared with the net budget for 2009/10. However, there is circa £800,000 of outstanding capital expenditure in relation to Tourism projects, Orchardbank land acquisitions and Contaminated land works being undertaken in 2009/10 which should be fully spent by the year end. The overall projected outturn for the year is an overspend of £20,000 relating to Dowrie Works, Arbroath outturn costs.

3.4 Planning & Transport Division

There is annual budget of £191,000 for Cycling, Walking & Safer Streets the works for which are procured through the Roads division, consequently the charge for such works will not be shown until the second half of the financial year. The Division is projecting an "on-budget" position for the year.

3.5 Roads Division

Roads to date have spent 25% of their net 2009/10 net capital budget. There is circa £2.5 million unspent to date on carriage and footway reconstruction works, which is anticipated to be fully spent by the financial year end. There is circa £0.6 million unspent to date on lighting replacement / upgrade works, which is anticipated to be fully spent by the financial year end. In addition, there is circa £1.2 million of outstanding works relating to the Roads & Transport Renewal & Repairs Fund works programme, which is also anticipated to be fully spent by the financial year end. The remaining balance of the total 2009/10 net budget unspent to date is circa £1.2 million and is attributable to several different projects, which collectively are projected to be on budget by the year end. In summary it is anticipated, at this stage in the financial year that the Roads capital budget

of £7.328 million will underspend by £0.042 million. This is in respect of the Montrose Connectivity, A935 Route Action Plan and Brechin Flood Prevention works.

4 REVENUE MONITORING

- 4.1 Table 2 below summaries the net revenue expenditure position for the period ended 30 September 2009.

Table 2				Variance Profile v Actual Over (Under)	Outturn
Revenue Budget 2009/10 (excluding Central Support Recharge)	Net Vired Budget £000's	Profiled Monitoring Budget to 30 Sept 09 £000's	Actual to 30 Sept 09 £000's	/ £000's	£000's
IS Directorate	452	236	232	(4)	452
Economic Development	1,028	331	297	(34)	1,028
Environmental & Consumer Protection	2,533	1,378	1,407	29	2,533
Planning & Transport	3,870	1,997	1,640	(357)	3,870
Roads	15,003	6,050	6,279	229	15,003
Infrastructure Services Total	22,886	9,992	9,855	(137)	22,886

- 4.2 There is currently an underspend of £137,000 compared to the profiled monitoring budget at this stage in the year, however the year end outturn for the department is "on-budget", set out below is a brief commentary on each division.

4.3 Directorate

As at the end of September actual net expenditure is broadly in line with the profiled monitoring budget and the year end projected outturn is "on-budget" position.

4.4 Economic Development

The budget is showing an underspend of £34,000 at this point in the year. This is mainly due to savings arising from staff slippage (amendments to staffing structure) and increased industrial unit rental income. Overall Economic Development is projecting an "on-budget" position at the year end.

4.5 Environmental & Consumer Protection

It should be noted that the net vired budget figure shown in table 2 is after the agreed transfer of Waste Management budget to Neighbourhood Services.

- 4.6 There is an overspend of £29,000 on the profiled monitoring budget as at end September. This is mainly due to the timing of lease car contract payments, which will be offset by employee contributions over the remainder of the financial year. The projected outturn for the full financial year is an "on-budget" position.

4.7 Planning & Transport

There is an underspend of £357,000 on the profiled monitoring budget as at the end of September. The main reasons are as follows:-

- staff slippage (post are being held vacant to offset shortfall in budgeted income)
- timing lags on expenditure on the access to the countryside and legal fees budgets; and
- timing lags on payments for the former Bus Route Development Grant services and the tendered service's inflationary increase have not yet been processed.

The projected outturn for the full financial year is an "on-budget" position. However, this projection relies heavily on the income from planning applications and building warrants remaining constant and the present level of projected staff slippage being achieved.

4.8 Roads

There is an overspend of £229,000 on the profiled monitoring budget as at the end of September. This is primarily attributable to the phasing of rechargeable works costs which are fully recovered from third parties and the phasing of structural & cyclic maintenance works payments.

At this time the 2009/10 Roads budget outturn position is "on-budget" position. This is predicated on Winter Maintenance being on budget. Currently, the Head of Roads has a uncommitted sum of £222,000 (retained from the 2009/10 Fund contribution) held within the Roads & Transport Renewal & Repairs Fund to fund any potential overspend on the Roads revenue budget pertaining to Winter Maintenance.

5 **Roads & Transport Renewal and Repairs Fund 2009/10**

5.1 Table 3 below summaries the position on the Roads and Transport Renewal & Repair Fund as at 30 September 2009.

Table 3	£000's
Total R&R Fund as at 1 April 2009	2,048
Total expenditure to 30 Sept 2009	(396)
Total R&R Fund as at 30 Sept 2009	1,652
Total committed expenditure outstanding	(1,270)
Uncommitted Fund balance as at 30 Sept 2009	382
Less minimum Fund balance	(100)
Available Fund balance as at 30 Sept 2009	282

5.2 The Head of Roads has provisionally earmarked £222,000 from the 2009/10 Fund to contain any potential overspend within the Roads 2009/10 revenue account in relation to winter maintenance. The retained amount of £222,000 is contained within the £282,000 available balance.

6 FINANCIAL IMPLICATIONS

- 6.1 There are no financial implications arising directly as a result of the recommendations contained in this report.
- 6.2 Overall the department is projecting an “on budget” position at the year end for net revenue expenditure and a minor underspend of £42,000 on net capital expenditure. This position will continue to be closely monitored and any alterations will be reported as part of the regular revenue and capital monitoring reports presented to each cycle of the Corporate Services Committee.

7 HUMAN RIGHTS IMPLICATIONS

- 7.1 There are no Human Rights implications arising from this Report.

8 EQUALITIES IMPLICATIONS

- 8.1 The issues dealt with in this Report have been the subject of consideration from an equalities perspective (as required by legislation). An [equalities impact assessment](#) is not required.

9 CONSULTATION

- 9.1 The Chief Executive, Head of Finance and Head of Law & Administration have been consulted in the preparation of this report.

10 CONCLUSION

- 10.1 It will be noted from the information set out above that in the main expenditure is currently behind the phased budget. There are no particular concerns arising from these areas at present but the position will continue to be monitored closely during the course of the financial year.

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DIRECTOR OF CORPORATE SERVICES

NOTE

No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973, (other than any containing confidential or exempt information) were relied on to any material extent in preparing the above Report.

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