

From: David Brazier, Cabinet Member for Environment & Transport  
Mike Austerberry, Corporate Director for Growth, Environment & Transport

To: Environment & Transport Cabinet Committee – 24 April 2014

Subject: Financial Monitoring 2013-14

Classification: Unrestricted

Past Pathway: Cabinet 24 March 2014

**Summary:** The Cabinet Committee is asked to note the third quarter's full budget monitoring report for 2013-14 reported to Cabinet on 24 March 2014.

**Recommendation(s):**

The Environment & Transport Cabinet Committee is asked to note the revenue and capital forecast variances from budget for 2013-14 that are within the remit of this Cabinet Committee, based on the third quarter's full monitoring to Cabinet.

## 1. Introduction

1.1 This is a regular report to this Committee on the forecast outturn.

## 2. Background

2.1 A detailed quarterly monitoring report is presented to Cabinet, usually in September, December and March and a draft final outturn report in either June or July. These reports outline the full financial position for each portfolio together with key activity indicators and will be reported to Cabinet Committees after they have been considered by Cabinet. These quarterly reports also include financial health indicators, prudential indicators, the impact on revenue reserves of the current monitoring position and staffing numbers by directorate. In the intervening months a mini report is made to Cabinet outlining the financial position for each portfolio. A link to the third quarter's monitoring report for 2013-14 is provided below:

<https://democracy.kent.gov.uk/documents/s45556/Item%207%20-%20Revenue%20Capital%20Q3%20monitoring.pdf>

(Please press down the control button and click on the link above, which will open the report)

2.2 Although the full Cabinet report is provided, this Cabinet Committee only needs to consider the items that are within its remit, as per Appendix 1 of Item 8 on the 27 March 2014 County Council agenda: Transformation – Cabinet Committee Reform. A link to this report is provided below:

<https://democracy.kent.gov.uk/documents/s45622/Transformation%20-%20Cabinet%20Committee%20reform.pdf>

(Please press down the control button and click on the link above, which will open the report)

2.3 As explained in the December Cabinet Committee report, the annexes to the Cabinet report are presented in the pre-election portfolio structure.

### **3. Variances**

3.1 For budgets that have transferred from the Environment Highways and Waste portfolio the 3<sup>rd</sup> quarter forecast monitoring report as presented to Cabinet on 24 March 2014 shows a net overspend of £1,170k. This net position is made up of many variances that are detailed in Annex 4 of the full Cabinet report see link in 2.1 above. Some of the larger variances are:

3.2 Highways and Transportation - a net overspend of +£3,408k including:

- +£376k overspend on adverse weather budget due to snow and cold weather in April 2013,
- +£4,137k find and fix repair of potholes in the first part of this year,
- +£761k emergency response to the storms and flooding in December 2013,
- -£479k staff saving on temporary staff and a revenue contribution to capital not required.
- +£605k streetlight energy, price increase and delay in introduction of part-night programme,
- -£464k traffic management additional income from permit scheme, recharge to capital and other minor variances,
- -£284k Tree maintenance, grass cutting & weed control - additional weed control costs offset by procurement savings on grass cutting, saving from bringing inspection service in house, and correction of duplicate orders raised in 2012-13 and other minor variances.
- -£617k concessionary fares, fewer replacement passes issued in 13-14 and fewer journeys undertaken.
- +£109k freedom pass higher than budgeted number of journeys travelled.
- -£603k subsidised bus routes, procurement savings and delayed start to Kick Start programme.

And other various under and over spends.

3.3 Waste Management - a net underspend of -£1,450k due to many variances, largely reduced waste tonnages, changes to the handling of recyclable materials, release of contingency no longer needed and reduced costs in managing hazardous waste.

3.4 Planning and Environment - a net underspend of -£225k made up of several variances each less than £100k.

- 3.5 Central directorate budgets - a net underspend of -£555k made up of a saving on contractor annual management charge, revenue contribution to capital not required and other minor variances.

#### **4. Recommendation(s)**

The Environment & Transport Cabinet Committee is asked to note the revenue and capital forecast variances from budget for 2013-14 that are within the remit of this Cabinet Committee based on the third quarter's full monitoring to Cabinet.

#### **5. Contact details**

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