

**TITLE: FINAL OUTTURN REPORT**

Committee: Operational Services Committee

Date: 20<sup>th</sup> July 2020

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[V35]

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1. ISSUE

- 1.1 This report provides Members with details of the yearend financial position for services under the Operational Services Committee.

2. RECOMMENDATION (S)

- 2.1 Members are requested to note that this Committee has ended the year with net expenditure of £5,394,350 an underspend of £122,421 when compared to its approved budget.
- 2.2 Members are further requested to note that the Committee has a capital programme expenditure of £1,053,610.

3. BACKGROUND/OPTIONS

- 3.1 Under Financial Regulations each policy committee is required to consider financial performance against both its revenue and capital budget on a quarterly basis.
- 3.2 This is the final outturn report for the 2019/20 financial year and details actual expenditure incurred and income earned as at year end 31<sup>st</sup> March 2020.
- 3.3 The revenue budget for each service that falls under the stewardship of this Committee has been reviewed with appendix 1 detailing the outturn position for each service line.
- 3.4 The net revenue expenditure for this Committee at yearend is £5,394,350 This reflects an under spend of £122,421 when compared to the approved budget (£5,516,770) Explanations for the yearend variances, which make up this balance, are detailed in the table on the following page:

Service	Variance £	Explanation
IT	(£39,920)	This is due to delays in both staff recruitment and the implementation of some IT system upgrades.
Community Projects & Grants	(£36,542)	Despite two campaigns for applications for Facility Improvement Grants, there was only a limited number of successful applicants in 2019/20. A review of the grant allocation criteria will be undertaken during 2020/21.
Customer Services	£45,881	Following the implementation of the pay review and changes to pay scales to reflect the increase in the minimum wage, staff costs within Customer Services have increased. A provision was made for this within the F&A Committee budget, which is now showing an underspend.
Licencing	(£22,949)	A number of taxi operators purchased new vehicles during 2019/20 which saw income growth for both vehicles and drivers. Due to new regulations dog breeding income appears high, but this is as a result of the introduction of new licences. The income in Animal welfare will level out over the next few years.
Community Safety	£13,770	This has been caused by the implementation of the pay review in 2019/20 – see note on Customer Services above.
Environment	£17,518	This has been caused by the implementation of the pay review in 2019/20 – see note on Customer Services above. However, this cost has been netted off to some extent by some staff being seconded and charged to South Cambridgeshire District Council between January and March.

Refuse Collection / Recycling	(£54,073)	A contingency amount was built into the 2019/20 budget in case the Council needed to absorb additional costs in relation to the MFR contract with Amey, in the end these costs did not come through in year and so the funding was not needed.
Street naming and renumbers	(£17,258)	There was a saving on staff costs due to post being vacant for much of the year. In addition, increased levels of new development across the district has resulted in an increased amount of income this year.
Planning	£16,978	Due to the volume and type of applications being received, and indeed vacancies within the team, two agency workers were employed over the past financial year to ensure the level of customer service continued and the target deadlines for dealing with applications and any subsequent appeals were achieved. However, the past three months have shown an increase in income, which has meant the forecast of £50,000 overspend has reduced to £17,000 at the end of the year.
Total Underspend	(£122,421)	

3.5 The revised capital budget for this Committee stands at £2,210,190; including £538,543 of slippage brought forward from 2018/19 and approved additions of £15,278.

3.6 Total Capital spend for the year is £1,053,610, resulting in a Committee underspend of £1,156,580.

Project	Variance £	Explanation
Depot	(£845,950)	Depot improvements continue to be delayed as further costings are obtained to ensure best value for money is achieved.

#### 4. FINANCIAL IMPLICATIONS/EQUALITY IMPACT ASSESSMENT

- 4.1 The final position for the Committee's net revenue expenditure is an underspend of £122,421 when compared to the approved budget.
- 4.2 Equality Impact Assessment (INRA) is not required.
- 4.3 Carbon Impact Assessment (CIA) is not required.

#### 5. APPENDICES

- 5.1 Appendix 1 – Revenue Outturn Report – 31<sup>st</sup> March 2020.  
Appendix 2 – Capital Outturn Report – 31<sup>st</sup> March 2020

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<u>Background Documents</u>	<u>Location</u>	<u>Contact Officer</u>
Budget Monitoring Report Preparation Documents	Room 104 The Grange Ely	Ian Smith Finance Manager Tel: (01353) 616470 E-mail: <a href="mailto:ian.smith@eastcambs.gov.uk">ian.smith@eastcambs.gov.uk</a>