

**FINANCE AND PERFORMANCE REPORT – OCTOBER 2016**

*To:* **Highways and Community Infrastructure Committee**

*Meeting Date:* **7th December 2016**

*From:* **Executive Director, Economy, Transport and Environment  
Chief Finance Officer**

*Electoral division(s):* **All**

*Forward Plan ref:* **For key decisions**    *Key decision:*    **No**

*Purpose:* **To present to Highways and Community Infrastructure Committee the October 2016 Finance and Performance report for Economy, Transport and Environment (ETE).**

**The report is presented to provide Committee with an opportunity to comment on the projected financial and performance outturn position as at the end of October 2016.**

*Recommendations:* **The Committee is asked to:-**

- **review, note and comment on the report.**

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## 1. BACKGROUND

- 1.1 The report, attached as **Appendix A**, provides the financial position for the whole of the ETE Service, and as such, not all of the budgets contained within it are the responsibility of this Committee. To aid reading of the report, budget lines that relate to the Economy and Environment Committee have been shaded, and those that relate to the Highways and Community Infrastructure Committee are not shaded. Members are requested to restrict their questions to the lines for which this Committee is responsible.
- 1.2 The report only contains performance information in relation to indicators that this Committee has responsibility for.

## 2. MAIN ISSUES

- 2.1 The report attached as Appendix A is the ETE Finance and Performance report for October 2016.
- 2.2 **Revenue:** ETE is currently showing a £161K forecast underspend.

Since last month, the main change in forecast on H&CI budgets relates to Winter Maintenance which is now forecasting a £356K overspend. The Business Plan identified a savings target of £650K of which £294K has been achieved but £356K of the savings identified to be achieved through route optimisation and domain forecasting have not been achieved. It has been found the routes were already efficient due to expert local knowledge and there was therefore limited opportunity to achieve more savings, and domain forecasting also achieved limited savings as temperature differences across the county were less than expected. This forecast overspend is based on there being an “average” winter with an average number of runs. If it is a worse than average winter the over-spend will be greater than the current forecast, and if it is a milder than average winter the forecast will improve.

- 2.3 Committee should also be aware of the potential risks over the forecast position on Waste Disposal including PFI. Waste volumes have increased by almost 5% and the Mechanical Biological Treatment Plant performance remains erratic which could lead to increased levels of residual waste so there is a potential variance of up to plus or minus £500K.
- 2.4 **Capital:** The capital programme is forecast to be on target and £5.7m of the estimated £10.5m Capital Programme Variation has been met from schemes. The significant change since last month is the Archives centre / Ely Hub where the in-year forecast is now -£1.1m.
- 2.4 H&CI Committee has ten **performance indicators** reported to it in 2016-17. Of these ten, one is currently red, six are amber, and three are green. The indicator that is currently red is:
  - Classified road condition – gap between Fenland and the other areas of the County.

At year-end, the current forecast is that nine will be amber and one green.

### **3. ALIGNMENT WITH CORPORATE PRIORITIES**

#### **3.1 Developing the local economy for the benefit of all**

There are no significant implications for this priority.

#### **3.2 Helping people live healthy and independent lives**

There are no significant implications for this priority.

#### **3.3 Supporting and protecting vulnerable people**

There are no significant implications for this priority.

### **4. SIGNIFICANT IMPLICATIONS**

#### **4.1**

- Resource Implications –The resource implications are contained within the main body of this report.
- Statutory, Legal and Risk – There are no significant implications within this category.
- Equality and Diversity – There are no significant implications within this category.
- Engagement and Communications – There are no significant implications within this category.
- Localism and Local Member Involvement – There are no significant implications within this category.
- Public Health – There are no significant implications within this category.

<b>Source Documents</b>	<b>Location</b>
There are no source documents for this report	.