

**FINANCE AND PERFORMANCE REPORT – JULY 2015**

**To:** Economy and Environment Committee

**Meeting Date:** 8<sup>th</sup> September 2015

**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 Economy and Environment Committee the July 2015 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 July 2015.

**Recommendations:** The Committee is asked to review, note and comment upon the report  
The Committee is asked to support the rephrasing of the City Deal Department for Communities and Local Government grant as detailed in this report, and refer it to General Purposes Committee for approval.

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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 Members reading of the report, budget lines that relate to the Economy and Environment (E&E) Committee have been 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 are the responsibility of this Committee.

## 2. MAIN ISSUES

- 2.1 The report attached as **appendix A**, is the ETE Finance and Performance report for July 2015.
- 2.2 At the end of July, ETE is forecasting a year-end overspend on revenue of £427,000. The cost centres under the stewardship of the E&E Committee are forecasting a year-end overspend of £207,000.

A review of the more flexible budgets will take place, to consider delaying expenditure in certain cases to ensure that the Service is able to break-even.

- 2.3 In relation to the budgets under the stewardship of this Committee, there is one significant forecast outturn variance being reported. This in relation to the Park and Ride parking fee income, where an overspend of £260,000 is being forecast as a result of reduced income levels, which is a consequence of usage of the sites being lower than the projected level following the introduction of a parking fee.
- 2.4 At the end of July, ETE is forecasting underspend on capital of £17.336 m.
- 2.5 In relation to the budgets under the stewardship of this Committee, there are a number of areas of underspend:
  - Cycling schemes – Funded by Cycling City Ambition grant and S106 developer contributions. Although there is an element of minor delay in some cycling projects for a variety of reasons including quite extensive and protracted consultations on some schemes, the main reason for the apparent underspend is that the budget figures that have been quoted for 2015/16 are the figures for the total budget, rather than the proposed spend for this year. These budgets will be re-profiled for next year to give a more accurate picture.
  - Huntingdon – West of Town Centre Link Road. – Scheme complete, remaining budget is for land payments, which are subject to negotiation.
  - Ely Crossing –Procurement regulation change and limited consultancy resources, resulting in greater contract preparation time than originally anticipated.
  - Guided Busway - The variance on this scheme relates to retention payments which have been withheld from the Contractor to meet defect

rectification costs.

- King's Dyke – spend on this scheme has been delayed due to the planning application taking longer than expected.

Although the County Council has already received £20m worth of grant funding for the City Deal, the nature of the schemes will mean that the majority of the expenditure will take place in the latter years of the initial five year period. On this basis, the budget has been re-profiled over the five years based on estimated planned spend, and £2.5m is retained in 2015/16.

- 2.6 E&E Committee will have twelve performance indicators reported to it during 2015-16, although at this early stage of the year, data is only available for nine of these. Of these one is currently red, none amber and eight green. The indicator that is currently red is in relation to the number of local bus passenger journeys originating in the authority area.
- 2.7 At year-end, the current forecast is that none of these indicators will be red, three will be amber and six 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**

This report sets out details of the overall financial position of the ETE Service / this Committee.

#### **4.2 Statutory, Risk and Legal Implications**

There are no significant implications within this category.

#### **4.3 Equality and Diversity Implications**

There are no significant implications within this category.

#### **4.4 Engagement and Consultation Implications**

There are no significant implications within this category.

#### **4.5 Localism and Local Member Involvement**

There are no significant implications within this category.

#### **4.6 Public Health Implications**

There are no significant implications within this category.

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