

Committee(s)	Dated:
Port Health and Environmental Services	7 July 2015
Subject: Revenue Outturn 2014/15	Public
Report of: The Chamberlain Director of the Built Environment Director of Markets and Consumer Protection Director of Open Spaces	For Information

Summary

This report compares the revenue outturn for the services overseen by your Committee in 2014/15 with the final budget for the year. Overall total net expenditure for the year was £13.770M, whereas the total agreed budget was £14.775M, representing an underspend of (£1.005M) as set out below:

Summary Comparison of 2014/15 Revenue Outturn with Final Budget			
	Final Budget	Revenue Outturn	Variation Increase/ (Reduction)
	£000	£000	£000
Direct Net Expenditure			
Director of the Built Environment	6,931	6,777	(154)
Director of Markets and Consumer Protection	2,658	2,446	(212)
Director of Open Spaces	(1,440)	(1,929)	(489)
City Surveyor	780	796	16
Total Direct Net Expenditure	8,929	8,090	(839)
Capital and Support Services	5,846	5,680	(166)
Overall Total	14,775	13,770	(1,005)

Chief Officers have submitted requests to carry forward underspendings, and these will be considered by the Chamberlain in consultation with the Chairman and Deputy Chairman of the Resource Allocation Sub Committee.

Recommendation(s)

Members are asked to:

- Note the report and the proposed carry forward of underspendings to 2015/16.

Main Report

Revenue Outturn for 2014/15

1. Actual net expenditure for your Committee's services during 2014/15 totalled £13.770M, an underspend of (£1.005M) compared to the final budget of £14.775M. A summary comparison with the final budget for the year is tabulated below. In this and subsequent tables, figures in brackets indicated income or in-hand balances, increases in income or decreases in expenditure.

Summary Comparison of 2014/15 Revenue Outturn with Final Budget				
	Final Budget	Revenue Outturn	Variation Increase/ (Reduction)	Variation Increase/ (Reduction)
	£000	£000	£000	%
Local Risk				
Director of the Built Environment	6,931	6,777	(154)	(2)
Director of Markets and Consumer Protection	2,624	2,420	(204)	(8)
Director of Open Spaces	(1,424)	(1,913)	(489)	(34)
City Surveyor	780	796	16	2
Total Local Risk	8,911	8,080	(831)	(9)
Central Risk				
Director of Markets and Consumer Protection	34	26	(8)	(24)
Director of Open Spaces	(16)	(16)	0	0
Total Central Risk	18	10	(8)	(44)
Capital and Support Services	5,846	5,680	(166)	(3)
Overall Total	14,775	13,770	(1,005)	(7)

2. The main local risk variations comprise:

- Director of the Built Environment
 - a reduction of (£60,000) in employee costs mainly for agency staff at public conveniences due to the end of extended opening hours;
 - additional income of (£69,000) from public conveniences due to increase in barrier toilet usage;

- an increase of (£23,000) in the Walbrook Wharf management fee rebate from Cory resulting from reduced waste tonnage throughput.
 - Director of Markets and Consumer Protection
 - planned work to install and fit out a replacement Portakabin at the Heathrow Animal Reception Centre was unable to be completed (£46,000);
 - an increase in income at the Heathrow Animal Reception Centre from fish imports and the Passports for Pets scheme (£106,000);
 - the balance of the underspend is made up of small variances across a wide range of budgets.
 - Director of Open Spaces
 - a reduction of (£67,000) in employee costs due to posts held vacant;
 - an increase in income from cremations and memorial dedications (£420,000).
3. The (£166,000) underspend in capital and support services relates mainly to a reduction in IS recharges (£142,000) as a result of changes in the level and attribution of central costs.
 4. Appendix 1 provides a more detailed comparison of the local risk outturn against the final budget, including explanation of significant variations. Appendix 2 shows the gross local risk expenditure and income against budget for each service.
 5. Appendix 3 shows the movement from the 2014/15 original budget and the latest approved budget (as reported to your Committee in November 2014) to the final budget.

Local Risk Carry Forward to 2015/16

6. The Director of the Built Environment has a local risk underspending of (£154,000) on the activities overseen by your Committee. The Director also had local risk underspending totalling (£770,000) on activities overseen by other Committees. The Director is proposing that £499,000 of his total eligible underspend of £500,000 be carried forward, of which £380,000 relates to activities overseen by your Committee for the following purposes:
 - To offset an agreed reduction in royalty income in respect of commercial waste - £300,000
 - One-off costs of implementing agreed Service Based Review proposals for Public Conveniences, including renewal of signage, and removal of two Automated Public Conveniences and reinstatement of refurbished units - £80,000
7. The Director of Markets and Consumer Protection has a local risk underspending of (£204,000) on the activities overseen by your Committee. The Director also

had net local risk underspending totalling (£564,000) on activities overseen by other Committees. The Director is proposing that £407,000 of his total eligible underspend of £413,000 be carried forward, of which £213,000 relates to activities overseen by your Committee for the following purposes:

- IT hardware replacement and systems improvements – £55,000
 - Replacement and fitting out of portakabin at Heathrow Animal Reception Centre – £54,000
 - Replacement flooring at Heathrow Animal Reception Centre – £40,000
 - Employment of two apprentices – £24,000
 - Purchase and replacement of equipment for air quality, vibration and food safety monitoring – £13,000
 - Consultancy support to develop Design Guidance for developers on design and managing noise in public spaces / tranquil areas and a noise Supplementary Planning Document – £10,000
 - Refresher training for City Environmental Health staff affected by Service Based Review to ensure competency in all necessary skills - £6,000
 - Support for 'no idling engine action days' to train residents and the Transport and Sustainability Forum Members to engage with drivers across the City to reduce engine idling as a source of local air pollution – £5,000
 - Replacement forklift battery (Heathrow Animal Reception Centre) – £4,000
 - Production and marketing of Health and Safety video to highlight duties and best practice in building design in relation to facade and window cleaning – £2,000
8. The Director of Open Spaces has a local risk underspending of (£489,000) on the activities overseen by your Committee. The Director also had net local risk underspending totalling (£357,000) on activities overseen by other Committees. The Director is proposing that £437,000 of her total eligible underspend of £500,000 be carried forward, of which £35,000 relates to activities overseen by your Committee for the following purpose:
- Installation of heat exchange equipment to recycle waste heat from the cremation abatement process to provide heating for the modern crematorium, which will simultaneously generate savings on cooling and heating costs respectively.

Appendices

- Appendix 1 – Port Health and Environmental Services Committee Comparison of 2014/15 Revenue Outturn with Final Budget

- Appendix 2 – Port Health and Environmental Services Committee Analysis of Local Risk Revenue Outturn 2014/15 by Service
- Appendix 3 – Port Health and Environmental Services Committee Analysis of Movements 2014/15 Latest Approved Budget to Final Budget.

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