

# Appendix A7 – Environment & Sustainability Committee

# 2024/25 – P5 Budget Monitor Report

## Section A: Revenue Budget Monitor

	Revised Budget	Forecast Outturn	Outturn Variance
P05	£47.2m	£47.2m	£0.0m

May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb
0.0	(0.1)	0.0	(0.0)						
▼↓	▲↑	▼↓	▲↑						

## Position by Service

Quarter 2/ Period 5 Budget Monitoring - Summary	Approved Budget	Revised Budget	Forecast	Forecast variance at P3/P4	Movement in forecast variance at Q2/P5	Forecast variance at Q2/P5	Forecast variance at Q2/P5
	£'000	£'000	£'000	£'000	£'000	£'000	%
<b>Environment and Sustainability</b>							
311 - Waste	43,196	43,196	43,194	2	(3)	(1)	0.0%
511 - Sustainable City & Climate Change	743	742	742	0	0	0	0.0%
531 - Energy Programme Manager (Corporate)	3,614	3,254	3,245	(0)	(8)	(8)	-0.3%
<b>Total Environment and Sustainability</b>	<b>47,552</b>	<b>47,191</b>	<b>47,182</b>	<b>1</b>	<b>(11)</b>	<b>(10)</b>	<b>0.0%</b>

## Key Messages:

The Environment and Sustainability committee is reporting a breakeven position against its revised net expenditure budget of £47.2 million. While the current forecast in those budgets above, aligned to Environment and Sustainability, are projected in line with budget, at P5 there is an overall forecast a £4.7 million overspend for Growth and Regeneration, driven by the costs of providing accommodation to those experiencing homelessness. The budgets referred to above will be required to deliver more in order to achieve a balanced budget across the directorate cash limit.

## Savings Delivery

There are no savings within the remit of this committee.

## Section B: Risks and Opportunities

				<b>P5</b>		
				<b>TOTAL NET RISK / (OPPORTUNITY)</b>		<b>(317)</b>
<b>Division</b>	<b>Committee</b>	<b>Risk or Opportunity</b>	<b>Description</b>	<b>Risk / (Opportunity) £'000</b>	<b>Likelihood</b>	<b>Net Risk / Opportunity £'000</b>
Property, Assets and Infrastructure	<b>Environment and Sustainability</b>	Risk	Bristol Waste contract inflation.	989	High Likelihood - Risk is very likely to come to bear, mitigations are being reviewed but not yet clear)	742
Economy of Place	<b>Environment and Sustainability</b>	Risk	Reserve repurposed so not available	443	High Likelihood - Risk is very likely to come to bear, mitigations are being reviewed but not yet clear)	332
Property, Assets and Infrastructure	<b>Environment and Sustainability</b>	Risk	Bristol Waste contract inflation.	467	High Likelihood - Risk is very likely to come to bear, mitigations are being reviewed but not yet clear)	350
Property, Assets and Infrastructure	<b>Environment and Sustainability</b>	Risk	Power Purchase Agreement pressure.	156	High Likelihood - Risk is very likely to come to bear, mitigations are being reviewed but not yet clear)	117
Property, Assets and Infrastructure	<b>Environment and Sustainability</b>	Risk	Insurance and maintenance costs not funded within the budget.	159	High Likelihood - Risk is very likely to come to bear, mitigations are being reviewed but not yet clear)	119
Property, Assets and Infrastructure	<b>Environment and Sustainability</b>	Risk	Income deficit against enforcement team based on historic levels.	103	High Likelihood - Risk is very likely to come to bear, mitigations are being reviewed but not yet clear)	77
Property, Assets and Infrastructure	<b>Environment and Sustainability</b>	Risk	Income deficit following abolition of DIY waste charges by central government.	150	High Likelihood - Risk is very likely to come to bear, mitigations are being reviewed but not yet clear)	113
Property, Assets and Infrastructure	<b>Environment and Sustainability</b>	Risk	Car park cleansing recharge not funded.	137	High Likelihood - Risk is very likely to come to bear, mitigations are being reviewed but not yet clear)	103
Property, Assets and Infrastructure	<b>Environment and Sustainability</b>	Risk	Bristol Waste contract inflation.	80	High Likelihood - Risk is very likely to come to bear, mitigations are being reviewed but not yet clear)	60
Property, Assets and Infrastructure	<b>Environment and Sustainability</b>	Risk	Income deficit against 3GS litter enforcement target.	55	High Likelihood - Risk is very likely to come to bear, mitigations are being reviewed but not yet clear)	41
Property, Assets and Infrastructure	<b>Environment and Sustainability</b>	Opportunity	Bristol Waste contract inflation.	(29)	High Likelihood - Risk is very likely to come to bear, mitigations are being reviewed but not yet clear)	(22)
Property, Assets and Infrastructure	<b>Environment and Sustainability</b>	Opportunity	Energy Salix payment underspend	(170)	High Likelihood - Risk is very likely to come to bear, mitigations are being reviewed but not yet clear)	(128)
Property, Assets and Infrastructure	<b>Environment and Sustainability</b>	Opportunity	Potentially greater income following inflation on fees & charges.	(346)	High Likelihood - Risk is very likely to come to bear, mitigations are being reviewed but not yet clear)	(260)

Property, Assets and Infrastructure	<b>Environment and Sustainability</b>	Opportunity	Potential impact of summer gas rates and electricity levy refunds.	(1,134)	High Likelihood - Risk is very likely to come to bear, mitigations are being reviewed but not yet clear)	(851)
Property, Assets and Infrastructure	<b>Environment and Sustainability</b>	Opportunity	Expected additional funding to cover contract inflation in Bristol Waste contract.	(1,507)	High Likelihood - Risk is very likely to come to bear, mitigations are being reviewed but not yet clear)	(1,130)
Property, Assets and Infrastructure	<b>Environment and Sustainability</b>	Risk	Funding for Community Marshalls.	25	High Likelihood - Risk is very likely to come to bear, mitigations are being reviewed but not yet clear)	19

1.1. The largest revenue challenge within these teams is delivering increasing income targets. The Council Revenue and Capital budget for 2024/25 included policy that income targets would, in general, be increased by 6.7% (representing the 2023/24 rate of inflation). The Waste service, in particular, includes a number of income budgets and where possible the charges have been increased, in some cases above 6.7%, in order to contribute to these higher targets.

1.2. There is also risk within these budget areas relating to the higher cost of energy following the conflict in the Ukraine. However, as part of the budget setting for 2024/25, the Council increased the budget by £1.6 million to allow for these costs and at present the pressure is expected to be maintained within that budgetary uplift in 2024/25.

1.3. The Bristol Waste Contract has significantly high levels of inflation over the past two years, especially with the waste treatment contracts. In 2023/24, £1.3 million worth of service reductions were delivered by Bristol Waste through the Bristol Waste Contract alongside a £0.7 million increase in fees and charges.

## Section C: Capital

<b>Approved Budget</b>	<b>Revised Budget</b>	<b>Expenditure to Date</b>	<b>Forecast Outturn</b>	<b>Outturn Variance</b>
<b>£12.8m</b>	<b>£11.2m</b>	<b>£1.0m</b>	<b>£10.9m</b>	<b>(£0.3m)</b>
		9% of Budget	98% of Budget	

Gross Expenditure by Programme		Current Year (FY2024) - Period 5				Performance to budget	
Ref	Scheme	Budget	Expenditure to Date	Forecast	Variance	Expenditure to date	Forecast
Environment & Sustainability		£000s				%	

GR13	Decarbonisation Delivery Programme	7,155	483	7,299	144	7%	102%
NH04	Third Household Waste Recycling and Re-use Centre	5	5	5	0	100%	100%
PL18	Energy services - Renewable energy investment scheme	4,033	506	3,611	(423)	13%	90%
<b>Total Environment &amp; Sustainability</b>		<b>11,194</b>	<b>994</b>	<b>10,915</b>	<b>(279)</b>	<b>9%</b>	<b>98%</b>

The £0.4 million underspend on the Renewable Energy Investment Scheme relates to the requirement for match funding being lower than anticipated.