

**Environment and Infrastructure Quarter 2 2022/23 Financial Position**

**Decisions Recommended;**

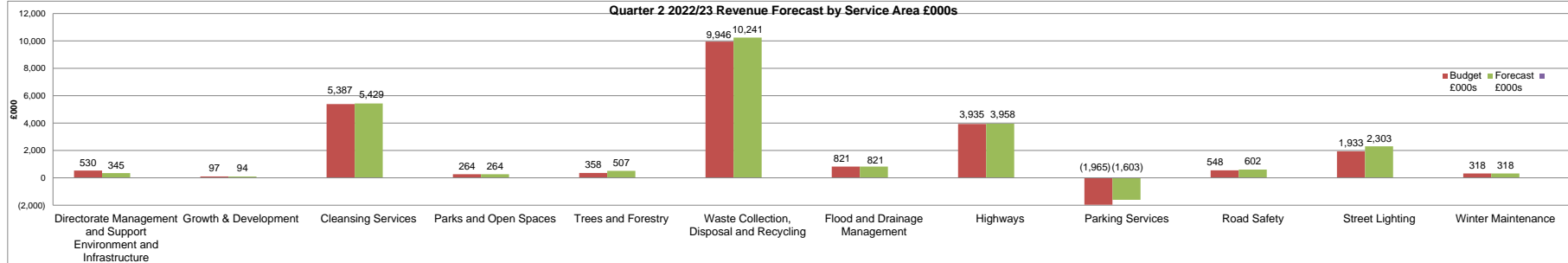
1. Note and endorse the financial position below

**Economy and Infrastructure Directorate Position**

The context of this Cabinet portfolio position is taken into account with the whole of the Economy and Infrastructure Directorate which is currently forecasting an adverse variance of £2.429million including £2.059million due to the impact of Covid-19 and £370,000 attributable to other factors.

**1. 2021/22 Revenue Position**

**Current Forecast £1.107 million Adverse Variance**



**2. Explanations for significant Revenue Variances**

Service Area	Budget £000s	Forecast £000s	Total Forecast Variance £000s	Comments
Directorate Management and Support Environment and Infrastructure	530	345	(185)	Portion of Economy and Infrastructure Directorate Management Variance relating to this portfolio. Variance mainly due to forecast contribution required from E&I general risks reserve to balance net Covid impact costs and normal service pressures.
Growth & Development	97	94	(3)	Minor favourable forecast as a result of projected income being slightly higher than budgeted.
Cleansing Services	5,387	5,429	41	Due to Strategic Environment Contract fuel and staffing cost increases being higher than budgeted.
Parks and Open Spaces	264	264	0	Nil variance forecast.
Trees and Forestry	358	507	150	Due to initial targeted contract saving not being deliverable at this stage due to impact of Strategic Environment Contract fuel and staffing cost increases being higher than budgeted as a result of confirmed 2022-23 costs.
Waste Collection, Disposal and Recycling	9,946	10,241	296	Mainly due to Strategic Environment Contract fuel and staffing cost increases being higher than budgeted as a result of confirmed 2022-23 costs and partly offset by lower forecast Dry Mixed Recycling costs than budgeted as a result of recent upturn seen in the materials commodity price markets.
Flood and Drainage Management	821	821	0	Nil variance forecast.
Highways	3,935	3,958	23	Due to lower forecast Highways Licences income from Pavement Café licences as a result of temporary lower licence fee arrangements being in place and activity still being below pre-covid pandemic levels.
Parking Services	(1,965)	(1,603)	362	Consisting of lower forecast Car Parking income with activity still significantly below pre-Covid pandemic levels with forecast variance of +£186k (after taking into account of £1.625million of Emergency Covid grant funding), +£134k forecast pressures on Car Parks expenditure running costs mainly relating to one-off remedial works required and +£42k as forecast pressure on Car Park electricity costs as a result of increased prices.
Road Safety	548	602	54	Due to forecast electricity cost pressures on the Urban Traffic Control infrastructure as a result of increased prices.
Street Lighting	1,933	2,303	370	Due to forecast electricity cost pressures on the Street Lighting infrastructure as a result of increased prices.
Winter Maintenance	318	318	0	Nil variance forecast.
<b>Total</b>	<b>22,173</b>	<b>23,280</b>	<b>1,107</b>	

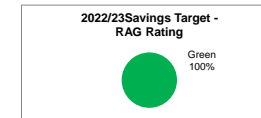
### 3. 2022/23 Capital Position

Schemes	On Site Status	Budget £000s	Forecast £000s	Variance £000s	Comments	Expected Completion
GROWTH PROGRAMMES MINOR SCHEMES	IN PROGRESS	81	75	(6)	Residual remaining funding to be allocated to other suitable projects.	On-going
KINGSHURST VILLAGE CENTRE CAPITAL	IN PROGRESS	2,955	6,264	3,309	This reflects delays to acquisitions being completed that were scheduled for 2021/22; additional costs which are to be funded from DLUHC Estates Regeneration funding; and potential accelerated expenditure to allow for the early works proposed as part of the Levelling Up funding (LUF) bid to be delivered. If the LUF bid is successful the budget will be updated to reflect this position.	Current (Acquisitions) Phase 2022/23 Project Delivery 2026/27
UGC HS2 NEC LONGABOUT	IN PROGRESS	1,097	2,616	1,519	Works to provide additional capacity to the Longabout to allow for aspirations for development around the HS2 hub to be realised. Adverse forecast variance due to increased cost estimates for the delivery of the scheme. A change request has been approved by the WMCA to unlock additional funding for the scheme however this includes a condition that funding could be clawed back if the proposals for the planned Multi Storey Car Park (MSCP) are not agreed and so the expectation is that the work will be delayed to remove this risk. Forecast has since been updated to reflect just the reduced expenditure required to bring the scheme to a safe pause in 2022/23.	2024/25
UGC HS2 NEC ROUNDABOUT OVER TRACE	IN PROGRESS	11,205	2,256	(8,949)	Works to provide additional capacity to the roundabout to allow for aspirations for development around the HS2 hub to be realised. Delivery of this project is wholly dependent on HS2 as it is part of their wider scheme. HS2 have advised of changes to the timescales for completion and planned profile of expenditure on this project.	2023/24
PLANTING FOR THE FUTURE & HEALING WOOD	IN PROGRESS	172	109	(63)	Consisting of; Planting for the Future Tree planting programme across the borough which is mainly funded from the Leaders Placemaking Fund with 2022-23 budget of £130k and the Healing Wood element with phase 1 in Shirley South Ward and funded from the Leaders Placemaking fund with £42k funding being carried forward from 2021-22. Costs committed and expected to be incurred in 2022-23 are £103k with remaining funding being required to be carried forward into 2023-24.	On-going
SUB REGIONAL MATERIAL RECYCLING FACILITY	IN PROGRESS	4,314	4,314	0	Element of SMBC Contribution to set up costs of new Sub-regional MRF at Sherbourne which is scheduled to open during 2023.	On-going
SHIRLEY SKATE PARK	IN PROGRESS	86	86	0	New scheme part funded from S106 contributions to be spent on the supply and installation of new skatepark equipment.	On-going
TUDOR GRANGE PARK LAYOUT	IN PROGRESS	50	50	0	Remaining balance on original scheme to be spent on the supply and installation of new skatepark equipment	2022/23
SEC AUTHORITY FINANCED VEHICLES AND EQUIPMENT	IN PROGRESS	10,483	10,487	4	Authority Financing element of new SEC contract vehicles and Equipment. Minor adverse forecast reflecting a minor net increase in overall projected costs since forecast position earlier in the year that informed the budgeted programme. Minor difference can be accommodated within overall approved funding amount over the course of the SEC contract.	2022/23
A45 BRIDGE	COMPLETE	233	233	0	Scheme complete - remaining funding for monitoring and legal fees including contingency for further Road Safety Audit follow up requirements.	Complete
BLYTHE VALLEY PARK CYCLE ROUTE	IN PROGRESS	750	300	(450)	Design and construction of the A34 Cycle Gateway and Cycle Link to Monkspath, and Cycle Link to Dorridge, through Blythe Valley. Although this scheme is progressing it is unlikely that it will be complete by the end of the financial year and so remaining funded to be rephased into next financial year.	2022/23
BLYTHE VALLEY ROUNDABOUT MONKSPATH HALL RD	IN PROGRESS	380	0	(380)	Although the Monkspath Hall / Stratford Road Roundabout scheme was originally scheduled to commence in 2022/23 this scheme will now take place from 2023/24 with budgeting funding to be rephased into next financial year.	2023/24
BRIDGE ASSESSMENTS	IN PROGRESS	807	233	(574)	Other Bridges and Structures Programme for 2022/23 with Fillongley Road being a separate scheme. Bridge schemes within this have been delayed due to the focus on Fillongley Road Bridge with re-prioritisation in this financial year enabling for £574k to be made available to fund the additional pressures identified on the Fillongley Road Bridge project for 2022-23. Budget movement of (£574k) approved at 4 October Cabinet Member meeting with budget updated from period 7 and will be reflected in next financial monitoring report.	2022/23
CAR PARKING DISPLACEMENT	IN PROGRESS	50	50	0	Funding for approved Car Parking Displacement programme in 2022-23.	2022/23
CARRIAGEWAY MAINTENANCE (INCLUDING CONTRACT MANAGEMENT/SUPERVISION FEE)	IN PROGRESS	3,106	3,106	0	Planned Highways Capital Maintenance Programme for 2021/22 including contract management and supervision fee.	2022/23
COMMUNITY LIVEABILITY	IN PROGRESS	276	276	0	Implementation of Community Liveability Schemes within the approved programme for 2022/23.	2022/23
GREENING THE GREY HIGHWAYS	COMPLETE	125	125	0	Highways - ERDF, Government, WMCA funded multi year programme to create green corridors across the borough. Shared cycle routes element of programme. Scheme complete with remaining budget as contingency to fund any requirements from Road Safety Audit and any other emerging post implementation items.	2022/23
GREENING THE GREY SMALL GRANTS	IN PROGRESS	691	523	(168)	GBSLEP (Greater Birmingham and Solihull Local Enterprise partnership) Habitats Grants Programme grants available to approved projects across the GBSLEP area to improve the habitat value of land and water for people and wildlife. Forecast variance reflecting a revised forecast profile of reimbursement of the agreed proportion of costs for the projects within the programme, with some projected reimbursement subsequently phased into 23-24 but this is subject to further updates as estimated timescales for reimbursement of projects becomes clearer.	By June 2023
FILLONGLEY RD BRIDGE	IN PROGRESS	2,549	3,123	574	Scheme to refurbish the Fillongley Road Bridge, funded from a combination of Local Highways Maintenance Challenge Fund grant and LTP/CRSTS. The original bridge has been demolished and construction of the new bridge is progressing well. The anticipated date for the new bridge to be open for use is November 2022. A forecast pressure of +£574k has been arisen due to increased costs. Additional funding has been identified from a (£574k) favourable forecast from the main bridges programme budget. Budget movement of +£574k approved at 4 October Cabinet Member meeting with budget updated from period 7 and will be reflected in next financial monitoring report.	2022/23
FLOOD MITIGATION SCHEMES AND RISK MODELLING	IN PROGRESS	1,880	1,880	0	Scheme for the delivery of measures to reduce the risk of future flooding at locations in Dorridge and Hockley Heath. Plus schemes in New Road and Park Avenue carried forward from 2021/22.	2022/23
HIGHWAY DRAINAGE CAPITAL	IN PROGRESS	166	166	0	Planned Capital Drainage works in 2022-23.	2022/23

HIGHWAYS MANAGEMENT	IN PROGRESS	463	463	0	Includes various Highways Management minor schemes such as Speed Limit Review, School Streets Project, Digital Speed Camera and other Traffic Calming Management projects.	2022/23
IMPROVED STREET LIGHTING	IN PROGRESS	504	504	0	Planned capital improvements to Street Lighting during 2022-23.	2022/23
TRAFFIC REGULATION ORDERS	IN PROGRESS	54	54	0	To fund Traffic Regulation Orders annual priorities programme.	2022/23
UTC DEVELOPMENT	IN PROGRESS	334	334	0	Planned upgrade of traffic management systems during 2022-23.	2022/23
WALKING AND CYCLING EATF TRANCHE2	IN PROGRESS	445	445	0	Programme of Cycling and Walking Measures funded from the Active Travel Fund grant and a match funding contribution	2022/23
STRATEGIC LAND FUND AND DICKENS HEATH INFRASTRUCTURE	IN PROGRESS	258	258	0	Strategic Land Funding and funding for Dickens Heath Infrastructure (in relation to road adoptions).	On-going
SMBC SMALL HABITATS GRANTS PROJECTS (BEES AND TREES, NEWTS AND SHOOTS, FROGS AND LOGS, HEDGES AND SEDGES, ALDERBROOK)	IN PROGRESS	569	897	328	The SMBC funded elements as part of the ERDF Small Habitats Grant nature improvements. Variance due to a reduction in forecast anticipated spend in 21-22 on Bees and Trees project reflecting revised forecast profile. Budgets have since been updated to reflect available funding for the Small Habitats Grants projects.	On-going
<b>Total</b>		<b>44,082</b>	<b>39,226</b>	<b>(4,856)</b>		

#### 4. 3 Year Savings Targets £000s

Description of Target	2022/23 £000s	2023/24 £000s	2024/25 £000s	Comments
Review of back office functions across the Directorate	(18)			Currently on track to deliver savings target.
<b>Total</b>	<b>(18)</b>	<b>0</b>	<b>0</b>	



#### 5. Reserves

	Balance as at 31st March 2022 £000's	Planned / Forecast (contribution)/use			Forecast Balance as at the end of 2024/25 £000's	Forecast / Planned (contribution) /use beyond £000's	Proposed as part of 2025/26 MTFS £000s	Forecast Remaining Balance £000s
		2022/23 £000's	2023/24 £000's	2024/25 £000's				
Reserve balance	(7,158)	1,414	1,433	949	(3,362)	3,362	0	0