

Environment & Transport Select Committee

Budget Briefing

12 January 2010

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Hampshire
County Council

Revenue Budget Overview

- All pressures managed within budget
- Pay inflation of 1.5%
- Price inflation of 2.25%
- Efficiencies of 11% achieved (2008/09-2010/11).



Efficiency Plan (NI 179)

2008/09 – 2010/11

Year	Efficiencies Achieved £m	Efficiencies Achieved %	Efficiency Target %
2008/09	3.9	3.5	3.0
2009/10	6.3	5.5	3.0
2010/11	2.3	2.0	4.0
3-Year Total	12.5	11.0	10.0

- Efficiency targets are cumulative from 2008/09 and the Department is ahead of trajectory following significant waste contract efficiencies in 2009/10.

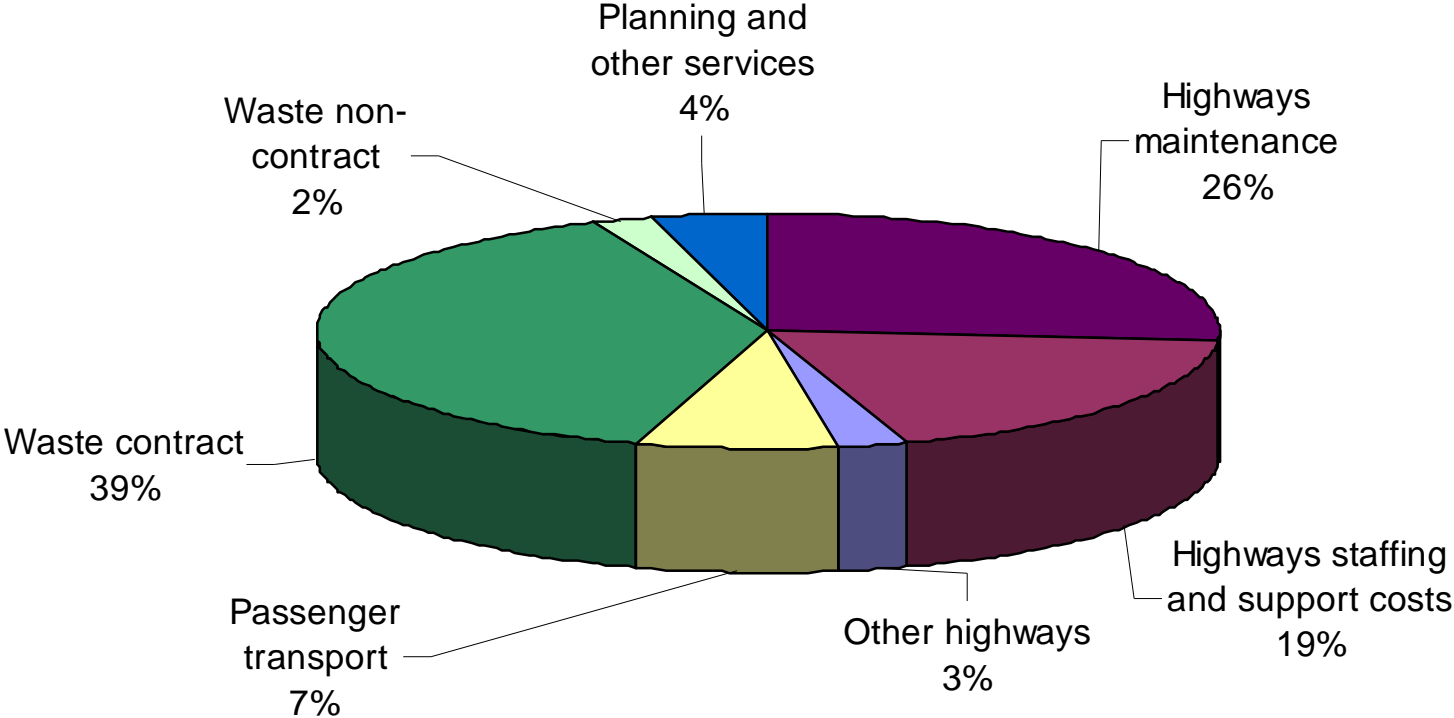
Revenue Budget

Service Area	2009/10 Revised £m	2010/11 Budget £m
Highways maintenance	29.4	31.9
Highways staffing and support costs	20.9	21.0
Other highways	2.8	3.3
Passenger transport	8.0	8.4
Waste contract	43.7	43.9
Waste non-contract	2.4	2.0
Planning and other services	4.7	4.6
Total	111.9	115.1



Budget Overview

Environment Department Budget 2009/10



Cash Limit Adjustments

Service Area	2010/11 Budget £m
Original budget 2009/10	112.6
Transfers between services	-1.5
Transfer from capital	0.6
Inflation allocation (excluding Waste contract)	1.4
Waste contract contingency (incl. inflation.)	1.1
Use of one-off carry forwards from 2009/10	1.0
Other changes	-0.1
Adjusted Cash Limit	115.1



Revised Budget Issues – 2009/10

- Call on **Waste contingency** is expected to be significantly less than budget of £2.9m.
- **Road Safety** - £751k transferred to capital to fund works arising from A&B Road Review.
- **Passenger Transport** - £0.1m from delayed area retenders c/fwd to 2010/11.
- **Street lighting** - £0.9m transitional saving on column replacements to be c/fwd to meet transitional costs of taking on new developments under s.38.
- **Highways maintenance** –impact of severe winter.



Budget Issues – 2010/11

- Immediate pressures will be met from savings
- Term highways contract – inflation relatively low
- Bus subsidies – retendering costs / potential de-registrations
- Waste contract – central contingency likely to be lower than in previous years
- Street lighting PFI – reduced energy consumption
- Street lighting – potential future energy price increases (2011/12)

Highway Maintenance (Base)

Revenue Spend (£m)		Capital Spend (£m)	
Routine repairs (e.g. patching)	7.0	Routine structural mtce	4.5
Environmental (e.g. grass)	5.0	Major maintenance schemes	1.8
Street lighting	8.6	Special mtce / resurfacing	9.5
Safety (e.g. signals, signs)	6.4	Surface dressing	2.7
Winter maintenance	3.2	Design and supervision	1.7
Technical surveys	0.5	Bridge maintenance	4.3
Income	-0.9	Other capital activity	2.0
		Reserves	0.5
TOTAL	29.8	TOTAL	27.0
		GRAND TOTAL	56.8



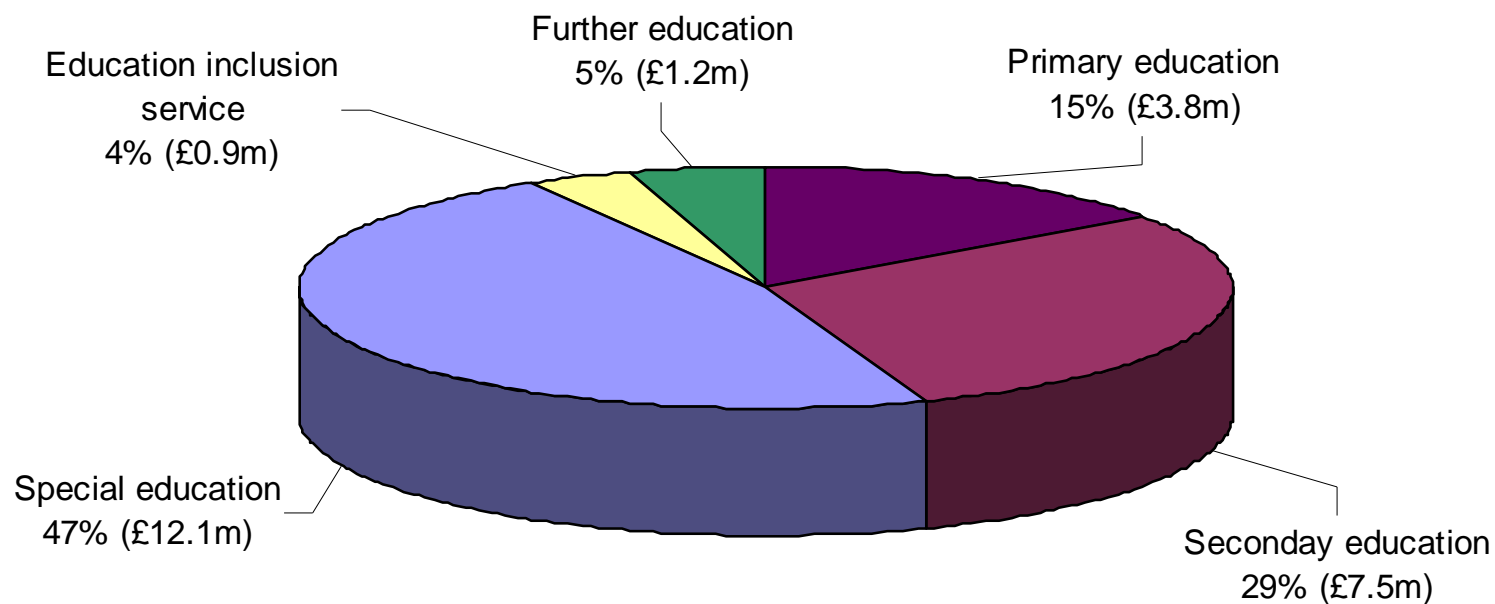
Home to School Transport

Service Area	2009/10 Forecast Outturn £m
School escorts	4.0
Contracts	20.6
Season tickets	1.3
Less income	-0.4
Total	25.5



Home to School Transport

Forecast Outturn 2009/10



Capital Programme – 2009/10

Programme	Current Approvals £m	Forecast Outturn £m	Forecast Carry fwd £m
Major schemes	29.0	11.3	17.7
Other transport schemes	21.7	19.0	2.7
Road maintenance	29.0	29.0	-
Bridge maintenance	4.5	3.9	0.6
Quality of place	2.7	0.6	2.1
Waste management	8.1	0.2	7.9
Total	95.0	64.0	31.0



Emerging Capital Issues

- Future resources under pressure
- 2011/12 - 2013/14 may see as much as 50% reduction in LTP allocation
- Rationing of resources / reprioritisation
- Continued protection of maintenance
- Potential capital liabilities

Capital Programme – New Resources 2010/11 – 2012/13

Programme	2010/11 £m	2011/12 Provisional £m	2012/13 Provisional £m
Local resources	5.8	5.9	5.8
LTP – “supported borrowing”	24.5	20.8	?
LTP – grant funding	6.9	5.1	?
External funding	7.8	8.4	?
Total	45.0	40.2	5.8

Note: 2011/12 assumes 15% reduction in LTP funds.

2012/13 LTP and external funding to be added when confirm.



Capital Programme – New Starts 2010/11 – 2012/13

Programme	2010/11 £m	2011/12 Provisional £m	2012/13 <i>Provisional</i> £m
Transport infrastructure	17.1	12.3	?
Highway maintenance	26.9	28.2	5.8
Waste management	0.8	-	-
Quality of place	-	-	-
Total	44.8	40.5	5.8

Note: 2012/13 LTP and external funding to be added when confirm.