

APPENDIX 2a

FINANCIAL ESTIMATES 2023/24 - 2025/26**ENVIRONMENT AND CLIMATE CHANGE – REVENUE BUDGETS**

Cost Centre	Revised Estimate 2022/23 £	Base Budget 2023/24 £
Environmental Improvements	183,060	188,450
Head of Service (Asset Management & Dev't)	0*	0*
Environment Services - Management	0*	0*
Highway Maintenance (NCC)	23,400	35,600
Capital Works	197,670	221,300
Estates	0*	0*
Vehicles Cost – Recharged to Services	0*	0*
Mechanics - Kimberley Depot	0*	0*
Refuse Collection	1,585,690	2,058,300
Recycling	143,880	168,100
Public Conveniences	124,590	148,400
Grounds Maintenance - Kimberley	0	0*
Kimberley Admin Building	0	0*
Stapleford - C.A.S.	0	(1,350)
Street Cleansing	760,600	875,900
Abandoned Vehicles	750	750
Neighbourhood Wardens	110,160	142,250
Highways - Borough Services	131,820	139,300
Sign Shop	43,070	49,750
Open Space	211,550	233,480
Tree Management	376,110	446,350
Nottingham Canal	107,560	121,900
Parks & Recreation Grounds Management	121,760	139,350
Beeston Parks	213,710	246,650
Stapleford Parks	122,170	155,950
Eastwood Parks	51,760	60,650
Kimberley Depot	85,980	0
Kimberley Stores	(480)	0*
Cemeteries	103,970	140,250
Allotments Management	0	0*
Beeston Allotments	0	0*
Car Parks - Surface	181,540	212,550
	4,880,320	5,783,880

* These costs are fully recharged to the appropriate service/area cost centres.

Classification	Revised Estimate 2022/23 £	Base Budget 2023/24 £
Employees	5,078,790	5,660,150
Premises	599,770	657,000
Transport	958,890	1,349,100
Supplies & Services	1,351,170	1,482,900
Third Party Payments	1,150,590	1,299,650
Corporate Recharges	560,670	464,350
Capital Charges	486,800	607,900
Income	(5,306,360)	(5,737,170)
	4,880,320	5,783,880

The changes in the 2023/24 base budget for total net expenditure when compared with the 2022/23 revised estimate is primarily a consequence of the following items:

Service Area	Change (£)
Environmental Improvements – Small increase in cost of recharges along with a reduction in third party contributions.	5,390
Asset Management Strategy – Budget brought forward from 2021/22 to be utilised in 2022/23 not included in 2023/24 base.	(25,000)
Highway Maintenance (NCC) – The increase in budget is in relation to increases in Grounds Maintenance recharges, which is linked to pay and price inflation.	12,200
Capital Works – The increase in the establishment budget due to the impact of the pay awards, coupled with an increase in central support recharges, most notably from Asset Management and Estates, has been largely offset by an increase in the capital salaries recharge to the capital programme.	23,630
Recycling – The 2023/24 base budget contains an increase of £19,000 in relation to recharges (specifically from Environmental Services Management) due to increased costs in other areas. Publicity costs are also forecast to increase by around £4,000.	24,220
Grounds Maintenance (Kimberley) – All grounds maintenance costs are recharged in full to the applicable service/area cost centres.	-

Service Area	Change (£)
<p>Public Conveniences – The base budget for employee expenses in 2023/24 is higher than the original estimate for 2022/23 due to the higher than anticipated pay award in 2022/23 and an assumed 5% pay award in 2023/24. There is also a 1% increase in Pension Fund primary contributions in 2023/24. Other increases include the rise in utility and energy costs.</p>	23,810
<p>Refuse Collection –</p> <ul style="list-style-type: none"> • Total employee and agency costs for 2023/24 are £52,000 higher than the revised budget due to the anticipated pay awards, overtime costs and increases in agency costs. • An increase of £316,000 is budgeted in relation to recharges associated with mechanics and transport costs due to rising pay and materials costs associated with those areas. • A net increase of £70,000 for corporate central support recharges due to increased costs in other areas, linked to pay. • Depreciation charges will increase by £84,000 in 2023/24. • The income target for Garden Waste Collection subscriptions has been increased by £30,000 in 2023/24 (from the original 2022/23 budget) in line with the approved Business Strategy. • Trade Waste Collection income is also expected to increase in 2023/24 by £37,000 (from the original 2022/23 budget) based on current levels of activity and proposed price increases. • A net increase of £37,000 in relation to other costs, including increases in disposal charges for trade refuse, along with increases in protective clothing costs and publicity costs. 	492,610
<p>Street Cleansing – There has been a £66,000 increase in relation to salary costs, overtime and agency costs. Pay budgets have been increased to fully reflect the agreed pay award in 2022/23 for each SCP in 2022/23 along with an assumed 5% pay award in 2023/24. There is also a 1% increase in Pension Fund primary contributions in 2023/24.</p> <p>There has also been an increase of £55,000 in relation to corporate recharges, mainly as a result of increases in transport charges, environment charges and depot recharges. This is linked to pay and price inflation cost pressures.</p>	120,300

Service Area	Change (£)
<p>Neighbourhood Wardens – The base budget for employee expenses in 2023/24 is £23,000 higher than the original estimate for 2022/23 due to the higher than anticipated pay award in 2022/23 and assumed 5% pay inflation in 2023/24. There is also a 1% increase in Pension Fund primary contributions in 2023/24.</p> <p>There is also a small increase in support charges, mainly linked to pay inflation, along with increases in transport and protective clothing costs.</p>	32,090
<p>Open Space – There has been a £24,000 increase in corporate recharges, primarily relating to grounds maintenance and environment maintenance. This is partially offset by a small increase in income in relation to bedding sponsorship income.</p>	21,930
<p>Nottingham Canal – An increase in corporate recharges relating to grounds maintenance.</p>	14,340
<p>Parks and Recreation Grounds Management – The 2023/24 base budget includes an increase of £18,000 in central support recharges which reflects the increased costs in other areas of the Environment service.</p>	17,590
<p>Tree Management –</p> <ul style="list-style-type: none"> • The base budget for employee expenses in 2023/24 are higher than the original estimate for 2022/23 due to the higher than anticipated pay award in 2022/23 and an assumed 5% pay award in 2023/24. There is also a 1% increase in Pension Fund primary contributions in 2023/24. • A forecast £25,000 increase in the cost of contractors, mainly in relation to increased labour and fuel costs. • Other budget increases including direct utility and energy costs. • Capital depreciation charges increased by £11,000 in 2023/24. • Other corporate recharge increases of £24,000 mainly in relation to grounds maintenance and environment recharges. 	70,240
<p>Beeston Parks –</p> <ul style="list-style-type: none"> • The 2023/24 budget includes an additional £19,000 for Grounds Maintenance recharges. • Capital depreciation charges and other corporate recharges have increased by £13,000 in the 2023/24 budget. 	32,940

Service Area	Change (£)
Stapleford Parks – Increases in the cost of materials and utility bills equate to £13,000. Corporate and central support charges have also increased by £21,000, specifically insurance and Grounds Maintenance recharges.	33,780
Eastwood Parks – This increase is reflected in higher utility costs and an increase in central recharges, specifically from Grounds Maintenance, which is mainly linked to pay inflation.	8,890
Kimberley Depot – This cost centre is normally recharged to zero as the net cost is recharged to other Environmental services. The original budget for 2022/23 included a balance that had not been recharged (this has been resolved in 2023/24). A further development has since been included in 2022/23 in relation to the fleet transition to biofuel (£42,000). This has been included in the 2023/24 base budget. This cost centre will recharge to zero at outturn with additional costs included in actual recharges.	(85,980)
Cemeteries – There is an increase in central recharges, specifically from Grounds Maintenance and Environment Management. This is mainly linked to pay inflation. There are further increases in costs of materials. Additional income is forecasted to be generated from activity and proposed fee increases.	36,280
<p>Car Parks – The base budget for employee expenses in 2023/24 is £44,000 higher than the original estimate for 2022/23 due to the higher than anticipated pay award in 2022/23 and an assumed 5% pay award in 2023/24. There is also a 1% increase in Pension Fund primary contributions in 2023/24.</p> <p>Other cost variations include grounds maintenance, street cleansing and central support charges (£8,000). These costs are partially offset by anticipated £16,500 increase in car park income (ticket and permits sales) and an increased partnership contribution from Rushcliffe Borough Council (£9,500).</p>	31,010