

COMMUNITY/CULTURAL SERVICES REVENUE OUTTURN 2007/08

Report By: Director of Resources

Wards Affected

County-wide.

Purpose

1. To advise Members on the final revenue outturn position for Economic and Community/Cultural Services for 2007/08, the agreed budget for 2008/09, and the position at the end of period 2 and to highlight any known budget pressures.

Financial Implications

2. These are contained in the report.

Background

Final Outturn 2007/08

3. The total expenditure for the Economic and Community/Cultural Services was £12,997,494 against a budget of £12,653,479, resulting in an overspend for the year of £344,015. A summary of the final revenue outturn for 2007/08 is detailed in Appendix 1.
4. Cultural Services over spent by £138,264. The main reason for this was a Library Service overspend of £87,586 due to the IT SLA charge for public access computers in the county's libraries, where costs have increased over and above the original budget allocation.
5. The Tourism overspend of £103,019 included £40,000 related to The 'Flavours of Herefordshire' festival, where income targets were below anticipated budget and resulted in a £40,000 overspend. Planned savings of £28,500 from the relocation of the Ledbury Tourist Information Centre were not achieved.
6. These overspends were mitigated by underspends within Heritage of £20,448, and Leisure services of £32,160, where extra income above budgeted targets was achieved.
7. Economic Development under spent by £27,767. This was due to the unexpected receipt of rental income received at the end of the financial year and this income was then used to offset known overspends within other areas of Community Services. Similarly Community Regeneration under spent by £12,095, due to additional income at the year end from administering the Youth Opportunities fund and this money was also directed to offset overspends elsewhere within the services.
8. Community Leisure incurred an overspend of £247,860. The majority of this relates to the settlement of the Halo job evaluation, which was in excess of available budget.

2008/09 Budget

9. The 2008/09 full year budget and actual expenditure and profiled budget to the end of period 2 (May 2008) are set out in Appendix 2.
10. The combined service areas show an underspend of £544,693 at the end of period 2, against a budget of £2,140,545. It should be noted that this relates to a timing issue rather than being a projected outturn.
11. The largest element of the underspend at the end of period 2 is within Leisure and relates to the provision for the 2007/08 job evaluation settlement. The detailed costs have been recently received from Halo Leisure services and being reviewed for accuracy and approval for payment.
12. Other variances to budget for period 2 are explained in Appendix 3.
13. The main areas of budget pressure for 2008/09 continue to be that of the ICT provision to Libraries and the Halo job evaluation settlement. To address the ICT issue the Libraries service is currently in dialogue with the ICT division. The Halo budget was sufficient at the time of calculation in 2004, but the regrading of staff under job evaluation has meant that staff progress through the grade and it is this additional cost that is creating the shortfall. The staffing information has been thoroughly reviewed by Halo and Herefordshire Council to establish an accurate on-going cost. Halo has been requested to provide forecasts for 2008/09 and 2009/10 urgently so that the extent of this pressure can be fully established.

RECOMMENDATION

THAT the position be noted.

BACKGROUND PAPERS

- None identified.

APPENDICES

Appendix 1 – Summary of Final Revenue Outturn 2007/08.

Appendix 2 – Full Year Budget 2008/09 and Actual Expenditure and Profiled Budget to end of Period 2.

Appendix 3 – Other Variances to Budget for Period 2.