

## REVENUE BUDGET MONITORING 2008/09

**Report By: Director of Resources**

### Wards Affected

County-wide.

### Purpose

1. To advise Members of the financial position for the Community Services budgets for the period to 28 February 2009. The report lists the variances against budget at this stage in the year and a projected outturn for 2008/09.

### Financial Implications

2. The current position for Community Services is a projected underspend of £128,000. The Community Services Scrutiny Portfolio includes services within the Environment & Culture Directorate and the Regeneration Directorate. Projected underspends of £113,000 are within the Regeneration Directorate and £15,000 are within the Environment & Culture Directorate.

### Considerations

3. The detailed Budget Monitoring Report to 28<sup>th</sup> February 2009 is attached at Appendix I for Members' consideration.
4. The total Community Services budget for 2008/09 has increased to £10,057,926 from the amount reported to previous meeting, which was £9,953,992.
5. This increase of £103,934 results from the receipt of budget from The Area Based Grant of £181,934 within Community Safety and the reduction of budget of £78,000 to Leisure budgets. Leisure services have made a capital contribution to purchase Gym equipment, which was previously leased of £85,000 and have received an increase of £7,000 inflation on Job evaluation from central council budgets.

The summary position is set out in the table below.

2008/09	Budget	Projected Outturn	Overspend (Underspend)
<u>Service Area</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>
Community Leisure & HALO	1539	1764	225
Funding from General Reserves	-	<u>(200)</u>	<u>(200)</u>
<b>Sub-total Community Leisure &amp; HALO</b>		1564	25
Cultural Service	3939	3939	0
Parks, Countryside & PROW	2190	2150	(40)
Economic & Community Services	2139	2058	(81)
Management	251	219	(32)
<b>Community Services Total</b>	<b>10058</b>	<b>9930</b>	<b>(128)</b>

**Community Leisure & HALO**

6. Leisure expenditure is expected to exceed current budget by £200,000 in relation to the HALO Job evaluation payment issue. The Council has a legal requirement to meet in full the financial impact of increases in pay of transferred posts affected by the single status agreement. The original central budget was set based on assumptions that were reasonable at the time about pay grades. Over time funding has become insufficient as staff have progressed through pay grades. This shortfall in budget on job evaluation costs will be met at year end from general fund reserves. The treatment of the position in 2009/10 has been reviewed as part of the budget setting process
7. There is a further expected overspend of £25,000 on Community Leisure relating to the maintenance and running costs of the various leisure sites.

**Parks Countryside & PROW**

8. There is an expected overspend of £10,000 on PROW and this is mainly due to contract inflation on works carried out by Amey Wye Valley Ltd. There is an expected underspend of £50,000 on parks and countrysides in relation to works held back or funded from Commuted sums in order to manage budget pressures within the Environment & Culture Directorate.

**Economic and Community Services**

9. Economic Development are expected to underspend by £65,000, this being due to vacancy savings of £20,000 and the return of unspent grant from the Edgar Street Grid project of £45,000. Community Regeneration is forecasting to underspend by £16,000 due to savings on grant expenditure. Management is also expected to underspend by £32,000 due to a reduction in activity, in order to manage budget pressures within the regeneration directorate.
10. The Chief Executive gave clear instructions that Directorates are to deliver balanced budgets. As a result all directorates have put together budget recovery plans with the support of Financial Services. The projections for Community services form part of the plans for the respective Regeneration and Environment and Culture Directorates.

**RECOMMENDATION**

**THAT the report be noted.**

**BACKGROUND PAPERS**

- None identified

**APPENDIX**

Appendix 1 – Summary Revenue Budget Monitoring Report 2008/09 to 28<sup>th</sup> February 2009