

MEETING:	COMMUNITY SERVICES SCRUTINY COMMITTEE
DATE:	12 APRIL 2010
TITLE OF REPORT:	REVENUE BUDGET MONITORING REPORT 2009/10
PORTFOLIO AREA:	ECONOMIC DEVELOPMENT AND COMMUNITY SERVICES

CLASSIFICATION: Open

Wards Affected

County-wide

Purpose

To advise members of the committee of the financial position for Community Services revenue budgets for the period to 31st January 2010. The report lists the variations against budget at this stage in the year and a projected outturn for the year.

Key Decision

This is not a key decision

Recommendations

THAT the report be noted

Reasons for Recommendations

1. To enable Scrutiny Committee to carry out its function in relation to the Community Services revenue budget for 2009/10.

Key Considerations

- 2 A detailed Budget Monitoring Report to 31st January 2010 is attached at Appendix 1 for Members' consideration.
- 3 The total Community Services budget has increased from £9,723k as reported at the last meeting to £10,058k. This net increase of £335k relates to the following:
 - The agreed 1% pay award was less than the 2% budgeted and resulted in a saving for £32k which has been transferred from staff budgets across the directorates to central budgets and assist the overall council deficit position.
 - A transfer of £35k was received from reserves designated for addressing the effects of the economic downturn. This was used on a review and additional marketing work within Tourism.
 - £332k allocation received from the Area Based Grant. £326k in relation to Community Safety , £1k to Cultural services and £5k to Economic Development.

4 The summary position is set out in the table below.

2009/10	Annual Budget	Projected Outturn	Over/-Under spend
<u>Service Area</u>	£000	£000	£000
Cultural Services	3,395	3,485	90
HALO & Leisure Centres	1,894	1,894	0
Parks, Countryside & Public Rights of Way	2,110	2,050	-60
Head of Culture & Leisure	98	98	0
Community Safety	443	443	0
Social & Economic Regeneration (including Tourism)	1,959	2,019	60
Head of Economic & Community Regeneration	159	159	0
Community Services Total	10,058	10,148	90

Cultural Services

5 Cultural Services is expected to overspend by £90k in 2009/10.

6 Staff savings of £40k are projected; these mainly reflect the vacancy in the Sports Development Team in relation to the post of Exercise Referral Development Officer and vacancies in the Cultural Services team.

7 The Libraries budget is expected to overspend by £130k. This mainly relates to employee costs and the cost of running the Broad Street building. Library visitors have fallen by 4% in the ten month period to January compared with the previous year, a further 1% drop since last reported at the end of September 2009. This however may be related to the recent spell of bad weather. The number of visitors will impact upon the levels of income that are generated within the libraries such as the rental of music CD's, DVD's and computer games.

8 Parks, Countryside & Public Rights of Way

9 There are savings of £40k on Parks and Countryside and £20k on Public Rights of Way mainly due to vacant posts prior to the Service Delivery Review with Amey Herefordshire.

Tourism

10 Following the transfer of the service from Environment and Culture Directorate there has been a restructure of the staff which resulted in a one off reorganisation cost of £11k. Pressure still remains on the staffing budget and the service is expected to overspend by £30k for the year.

Economic and Community Regeneration

11 Economic Development is forecast to overspend by £30k due to planning fees and costs in respect of Model Farm in Ross-on-Wye that are expected to be due for payment in late March.

- 12 Services within the Community Services portfolio have been very successful in securing external funding. The major grants which are currently operational are shown in the table below. (These exclude any grants in respect of Edgar Street Grid)

Externally funded Grants

Name	Source	Service Area	Value £ million
Rotherwas Futures	Advantage West Midlands	Eco. Dev.	9.50
Rural Enterprise Grant	Rural Development Programme for England	Eco. Dev	5.00
Redundant Buildings Grant	Advantage West Midlands	Eco. Dev	3.35
Leader Vital	Rural Development Programme for England	Comm. Regen.	2.55
Grange Court	Big Lottery	Comm. Regen.	1.00
Grange Court	Rural Development Programme for England	Comm. Regen.	0.75
Grange Court	Community Builders via LARC	Comm. Regen.	0.55
Rural Enterprise Grant	Advantage West Midlands	Eco. Dev Comm. Regen	0.50
Future Jobs fund	Department for Work and pensions		0.46
Herefordshire Connections	Advantage West Midlands	Comm. Regen	0.26
Welcome to the countryside	Rural Development Programme for England	Tourism	0.15

Recovery Plans

- 13 The predicted overspend on Libraries is being managed within the Environment & Culture Directorate budget for 2009/10 where savings in other areas outside the Community Services Portfolio are forecast to underspend and mitigate these pressures.
- 14 The Libraries Service is currently looking at implementing a PC Booking system early in the next financial year, which it hopes will improve efficiency by leaving staff free to serve customers, stop queues and enable a seamless self service. Charging for this and other areas within Libraries is being reviewed to enable the service to spend within budget next year.
- 15 Some recovery has already been made on Tourism budgets since last reported, through a staff restructure, reducing TIC opening times and transfers from other budgets within the division. A review into remodelling the TIC'S is currently taking place to achieve further savings and efficiencies to enable the service to spend within budget next year.
- 16 The overspend on planning fees for Economic Development will be managed by the offset of the receipt of these fees within the planning service. Both services are managed as part of the Regeneration directorate. (Planning forms part of the environment scrutiny portfolio).

Financial Implications

- 17 These are contained in the body of the report. The projected outturn is based upon results to the end of January 2010.

Legal Implications

18 None

Risk Management

19 The risks are set out in the body of the report; in terms of the potential overspend. The report notes the actions planned to address this potential overspend.

Consultees

20 Not applicable

Appendices

21 Appendix 1 – Revenue Budget Monitoring Report for 2009/10 Period to 31st January 2010.