

MEETING:	COMMUNITY SERVICES SCRUTINY COMMITTEE
DATE:	28 JUNE 2010
TITLE OF REPORT:	REVENUE BUDGET MONITORING REPORT
REPORT BY:	DIRECTOR OF RESOURCES

CLASSIFICATION: Open

Wards Affected

County-wide

Purpose

To advise Members of the final revenue outturn position for Community Services for 2009/10 and to outline the agreed budget for 2010/11. The report also provides Members with information on the Capital budgets available for 2010/11.

Key Decision

This is not a key decision

Recommendations

THAT: the report be noted

Key Points Summary

- The final outturn position for Community Services for 2009/10 is an under spend of £155k.
- The budget for 2010/11 is £9,616k and is now all managed within the Sustainable Communities directorate.

Key Considerations

1. A detailed Final Outturn report for 2009/10 is attached at Appendix 1 for Member's consideration.
2. The summary position is set out in the table below.

2009/10	Final Outturn Variance Over/-under spend £'000
Cultural Services	28
Community Leisure and Halo	-43
Parks Countryside & Public Rights of way	-239
Community Safety	2
Social & Economic Regeneration	93
Head of Economic and Community Regeneration	4
Community Services Total	-155

Cultural Services

3. Sports Development under spent by £51k mainly due to staff vacancies.
4. The Libraries budget was overspent by £96k, which related to employee costs and the building running costs.
5. Cultural services staff under spent by £20k due to a staff vacancy.

HALO and Leisure Services

6. The under spend on HALO mainly relates to the provision of Free Swimming of £28k. Previous estimates assumed that the uptake of free swimming would require the provision of additional staffing to manage periods of more intensive use of the pool. Whilst take up has been high, it has been spread reasonably evenly meaning we have not had to call on this fund to cover Halo's extra staffing costs in 2009/10.

Parks, Countryside & Public Rights of Way

7. The outturn for Parks and Countryside is an under spend of £179k. Whilst there was an expected saving of £40k previously reported in relation to staff savings, the final outturn reflects £55k staff savings. There is also additional under spend on budgets managed by Amey Herefordshire, under new managing agent contract (MAC) arrangement, specifically £68k on play areas maintenance. However in the future the budget will be required to support the maintenance of developed play facilities currently being delivered through the Play Builders project, a government initiative funded by the department of Children, Schools & Families of £1.120m over two years, 2009/10 being year one of the project.
8. There was an under spend of £60k on Public Rights of Way as a result of the recruitment freeze leading up to the service delivery review and subsequent vacancy management.

Social & Economic Regeneration

9. The outturn for Tourism was an over spend of £79k. This was due to a number of factors including staffing costs. Added to this sales income levels from Tourist Information Centres were lower than anticipated in the final quarter of the year.
10. Economic Development overspent due to extra expenditure incurred on the Model Farm project in Ross- on- Wye, but this was mitigated by under spends within Community Regeneration and the Regeneration directorate as a whole.

Revenue Budget 2010/11

11. A breakdown of the budgets for 2010/11 is set out in Appendix 2. The Community Services portfolio of services all fall within the new Sustainable Communities directorate.
12. The Medium Term Financial Strategy approved by Council sets the broad framework for service revenue budgets for 2010/11 onwards. Inflation was added to employee pension costs and income targets for customer and client receipts were increased by 2%. This strategy also made assumptions in relation to council tax increases and levels of formula grant funding over the next 3 years, the impact of these assumptions translates into specific savings targets for the Directorates. The current 5% contribution to the 3 year savings plan is a saving of £433k which is included in the budget figures shown in appendix 2.
13. Following the general election the new coalition government has strongly indicated the scale of future reductions in public sector funding and the savings targets are certain to

increase following the upcoming budget announcement. The strategy for managing this is currently being considered by the Director of Resources.

14. The 2010/11 budget has also been reduced by £135.6k in relation to the revenue contributions to Capital projects.

Capital Budget 2010/11

15. Details of the capital budgets are set out below:

<u>CAPITAL BUDGETS 2010/11</u>	<u>£'000</u>
Cattle Market	4,800
Belmont Pools	105
Rural Enterprise Grant	1,667
Rotherwas Futures	500
Hereford Cathedral Close	75
Hereford Shop front scheme	2
Ross Library	1,000
Ledbury Library	2,339
Friar Street	156
Aylestone Park	72
Free swimming	54
PC self service	39
CCTV	18
Section 106	49
Golf Driving Range	347
Safer stronger communities	44
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	11,267

Financial Implications

17. These are contained in the body of the report.

Legal Implications

18. None

Risk Management

19. The risks are set out in the body of the report; in terms of the potential cuts in funding and pressures and the report notes the actions planned to address these.

Appendices

Appendix 1 – Final Revenue outturn report for 2009/10.

Appendix 2 - Revenue Budget for 2010/11

Background Papers

- None Identified.