

MEETING:	COMMUNITY SERVICES SCRUTINY COMMITTEE
DATE:	8 OCTOBER 2010
TITLE OF REPORT:	REVENUE AND CAPITAL BUDGET MONITORING REPORT
PORTFOLIO AREA:	ECONOMIC DEVELOPMENT AND COMMUNITY SERVICES

Wards Affected

County-wide

Purpose

To provide an update on the revenue forecast outturn position for the Sustainable Communities Directorate as at 31 July 2010 and the progress of the 2010/11 Capital programme for the Directorate.

Recommendation

THAT the report be noted.

Key Points Summary

- The current revenue forecast position for Community Services for 2010/11 is an under spend of £40k.
- The capital budget for Community Services is £13,977k and as at 31st July £249k has been spent.

Reasons for Recommendations

- 1 To enable the Committee to carry out its function in relation to the Community Services revenue budget for 2010/11.
- 2 A detailed Budget Monitoring Report to 31st July 2010 is attached at Appendix 1 for Members' consideration.
- 3 The total Community Services Revenue budget for 2010/11 has decreased by £84k to £9,532k from the amount reported to the previous meeting, which was £9,616k. This relates to:
 - An increase of £35k, due to a transfer from central reserves, held specifically to assist with the effects of the economic downturn. This was in respect of a one off payment to Marches Credit Union.

- There is also a net reduction of £24k within Parks and Countryside. This relates to the allocation of savings and inflation budgets. which are managed within the Amey contract, but fall within the remit of Community Services Scrutiny.
- A reduction of £95k in Directorate Management and support. This is due in the main to a transfer of £66k savings delivered through the Connects Programme following the introduction of the performance plus system. There were a number of smaller reductions within the Sustainable Communities directorate management budgets that now fall within Highways and Transportation and within the remit of Environment Scrutiny.

4 The summary position is set out in the table below and included in full in Appendix 1.

2010/11	Annual Budget	Projected Outturn	Under/-Over spend
<u>Service Area</u>	£000	£000	£000
Parks, Countryside and Leisure	3,203	3,163	40
Communities	787	787	0
Economy and Culture	5,018	5,018	0
Directorate Management and Support	524	524	0
Community Services Total	9,532	9,492	40

Parks and Countryside and Leisure

5 Parks and Countryside are forecasting an under spend of £40k due to staff vacancy savings.

Communities

6 Communities expect to come in within budget this year. Community safety and safer roads partnership funding is heavily reliant upon Area Based Grant funding. Any significant reduction in this funding could result in potential redundancies and a reduction in support to partner organisations. The funding has not yet been confirmed and more clarity on this funding is expected in October.

Economy and Culture

7 Services within Economy and Culture are all forecasting to spend within budget.

8 Library services reported an over spend on budget of £96k last year, which related in the main to employee and building running costs. To address these issues and bring spending within budget, the service is undergoing a remodelling exercise; resulting in a reduction to the numbers of posts within its establishment. The service has also successfully renegotiated its cleaning contract which is expected to save approx £6k per year.

Recovery Plans

9 The savings forecast within Parks and Countryside, will be used to mitigate overspends within other services that form part of the Sustainable Communities Directorate.

Capital Budget 2010/11

10 The Capital budgets for Community Services for 2010/11 are shown in appendix 2, on an individual scheme basis with funding arrangements indicated in overall terms. The total of the Capital Programme has increased to £13,977k from £11,267k, being the budget figure reported at the previous meeting and the relevant virements have been completed. This is a net increase of £2,710k and relates to:

- An increase of £1m to the Livestock Market development, which also includes associated sustainable transport improvements. Following the hold on the Hereford Park and Ride scheme (within the remit of Environment Scrutiny) £600k from the Growth Point Grant, (which is available to support infrastructure provision to support the development of Hereford), has been re-allocated to the Livestock development. This will enable the delivery of the necessary sustainable transport improvements, to provide for pedestrians and cyclists within the vicinity of the livestock development. £400k previously profiled to be funded from 2011/12 capital receipts reserve has also been re-profiled to fund expenditure in 2010/11.
- An allocation of £1.5m to Grange Court. This expenditure on the scheme is being funded by the Big Lottery Community Assets fund and The Rural Development Programme for England grant scheme. The total cost of the project is expected to be approximately £2.8m.
- A reduction of £22k in respect of Safer Stronger Communities resulting from a recently announced reduction in the grant receivable from the Home Office.
- An addition of £14k in relation to CCTV, being funded from section 106 monies.
- An increase of £218k in respect of Rotherwas Futures. This is in respect of work on the North Magazine that will be necessary to prepare that land for future development This increased expenditure is being funded from an AWM grant for £205k and prudential borrowing of £13k.

Financial Implications

11 These are contained in the body of the report.

Legal Implications

12 None.

Risk Management

13 The risks are set out in the body of the report.

Appendices

14 Appendix 1 – Summary Community Services Revenue Budget 2010/11

15 Appendix 2 – Summary Community Services Capital Programme Budget 2010/11

Background Papers

- None Identified.