

MEETING:	COMMUNITY SERVICES SCRUTINY COMMITTEE
DATE:	7TH MARCH 2011
TITLE OF REPORT:	REVENUE AND CAPITAL BUDGET MONITORING REPORT
PORTFOLIO AREA:	ECONOMIC DEVELOPMENT AND COMMUNITY SERVICES

CLASSIFICATION: Open

Wards Affected

County-wide

Purpose

To advise the Committee of the revenue forecast outturn position for Community Services for the nine months to 31st December 2010 and the progress of the 2010/11 Capital Programme which falls within the portfolio for Community Services.

Key Decision

This is not a key decision.

Recommendation

THAT the report be noted.

Key Points Summary

- The current revenue forecast outturn position for Community Services for 2010/11 is an under spend of £74k.
- The Sustainable Communities Directorate is adhering to the Chief Executive's 'freeze on all discretionary spend' which is being monitored and reported.
- There is currently a saving of £74k identified by the Sustainable Communities Directorate in response to the Chief Executive's discretionary spend edict to help mitigate the council's overall budget overspend position in October. This is derived from various one off savings across the Directorate including £48k vacancy savings identified within Directorate Support and reported to committee in December 2010.
- The capital budget for Community Services is £9,567k and as at 31st December 2010 £5,173k has been spent.

Key Considerations

- 1 A detailed Revenue Budget Monitoring Report to 31st December 2010 is attached at Appendix 1 for Member's consideration.
- 2 The total Community Services Revenue budget for 2010/11 has increased by £670k to £10,162k from the amount reported to the previous meeting, which was £9,492k. This relates to:
 - A transfer of £375k from reserves in respect of the return of money to The Robert Owen Society held on account.
 - An increase of £262k being the allocation of Area Based Grant for the period to the end of October 2010. This relates to :
 - £212 k for Community safety
 - £49k for Economic Development
 - £1k for Community Regeneration.
 - An increase of £33k, being a transfer of budget from reserves to address the effects of the economic downturn.
 - 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	3,148	3,148	0
Communities	1,005	1,005	0
Economy and Culture	5,445	5,474	(29)
Directorate Management and Support	461	461	0
Savings	103	0	103
Community Services Total	10,162	10,088	74

Parks and Countryside and Leisure

- 3 There have been no major changes since the last committee report and the service continues to come in within budget.

Communities

- 4 Following the reduction in the area based grant confirmed in October, Safer Herefordshire has confirmed that it still expects to deliver within budget this year. All other services within this area expect to spend within budget.

Economy and culture

- 5 Economic Development is expected to overspend due to an anticipated contribution to the newly formed Local Enterprise Partnership, between Shropshire, Telford and Herefordshire Services of up to £20k. Library services are forecasting £9k overspend, but it is hoped that this may be eliminated before the financial year end following further reviews within the service.

Directorate Management and Support

- 6 Vacancy savings of £48k previously reported to the last committee have now formed part of the savings identified for the Sustainable Communities Directorate, The service now expects to spend on budget.

Capital Budget 2010/11

- 7 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 decreased to £9,567k from £13,845k, being the budget figure reported at 31st December 2010 and the relevant virements have been completed. This is a net decrease of £4,278k and relates to:

- The golf driving range capital scheme at Hereford leisure centre, which is a spend to save scheme fully funded by Halo, will not be completed this year resulting in £347k slippage into 2011-12.
- The forecast on Grange Court has slipped by £500k following cash flow revisions post scheme sign off.
- Since the December forecasts, as a result of a scheme redesign, Ross Library has now reduced the budget for 2010/11 by £592k.
- Ledbury Library continues to be under review and the budget for 2010/11 year has been reduced by £2,239k to £100k pending a decision on the site of the Library. The remaining budget will be transferred to 2012-13.
- A reduction on the Livestock Market budget following the transfer of £600k to the portfolio monitored by Environment Scrutiny, for the off site highway improvements associated with the new Livestock Market, funded by Growth Bid Capital Grant.

Financial Implications

- 8 These are contained in the body of the report.

Legal Implications

- 9 None.

Risk Management

- 10 The risks are set out in the body of the report.

Appendices

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

Background Papers

- None Identified.