

# EXETER CITY COUNCIL

## SCRUTINY COMMITTEE - COMMUNITY 4 SEPTEMBER 2007

### COMMUNITY SERVICES STEWARDSHIP TO 30 JUNE 2007

#### 1. PURPOSE OF REPORT

- 1.1 This report advises Members of any major differences by management unit to the revised budget.

#### 2. STEWARDSHIP TO 30 JUNE 2007

- 2.1 Following changes in the revenue accounting requirements for fixed assets, the Chartered Institute of Public Finance and Accountancy (CIPFA) have specified that 'deferred contributions' must be released to service revenue accounts. Deferred contributions are government grants and external contributions received in respect of fixed assets. In order that this adjustment does not impact on the level of Council Tax, it is required that the value of deferred contributions released to revenue accounts are reversed out when accounting for total service cost.
- 2.2 The current forecast suggests, after adjusting for approved additional expenditure of £122,550, deferred contributions of £147,749, AIM slippage of £36,000, net movements to reserves of £11,653, and Revenue Contributions to Capital of £20,000, that net expenditure for this committee will increase from the revised budget by a total of £13,752, which represents a variation of 0.09% from the revised budget.
- 2.3 The main variations by management unit are detailed below:

	£
<b>2007-2008 REVISED ESTIMATE</b>	14,521,110

<b>1A1 ENVIRONMENTAL PROTECTION</b>	(71,070)
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Expenditure on abandoned cars is expected to be less than the budget. Additional income in respect of litter fines and funding from the Department of Health offset the cost of extending the contracts of the three litter enforcement officers for the whole of the financial year. Recruitment costs have been incurred, partially offset by savings from staff vacancies in the Community Patrollers service. NNDR (National Non-Domestic Rates) for the CCTV Control Room are expected to be less than the budget.

AIM costs are expected to be £5,000 less than budgeted, and this will be carried forward to 2008/09.

A deferred contribution of £54,499 has been released to this Unit (see 2 above).

**1A2 CLEANSING SERVICES** (37,020)

Income from the Garden waste service has exceeded the budget. The cost of utilities in Public Conveniences is expected to be less than the budget as a result of energy and water saving improvements made.

Part of the resulting saving will be used to make a revenue contribution to capital in respect of the refurbishment of a public convenience.

**1A3 LICENCING, FOOD, HEALTH & SAFETY** (23,700)

Income from premises licences is expected to be less than the budget; this is offset by savings from staff vacancies. Income from taxi licensing is expected to exceed the budget, and this will be placed in an earmarked reserve at the end of the year.

**1A4 TECHNICAL AND AGENDA 21** 2,900

No material variances to report.

**1A5 WATERWAYS & COUNTRYSIDE** 31,900

Expenditure on the purchase of a new buoy will mean the budget will be exceeded; a need to cover long-term sickness has resulted in staffing costs.

Costs have arisen as a result of the new harbour authority; these costs will be funded from reserves as approved by Executive in June 2003.

Fleet costs are expected to exceed the budget as a result of an accident.

**Action Plan**

- If possible, savings will be made elsewhere in the service to cover the cost of the new buoy. The position will be reviewed before the September 2007 stewardship and the outcome will be reported to Scrutiny Committee – Community on 6<sup>th</sup> November 2007.

**1A6 GROUNDS MAINTENANCE** (19,630)

There have been additional costs incurred as a result of the activities of illegal campers.

Additional costs are expected to arise as a result of vandalism in play areas.

A deferred contribution of £54,097 has been released to this Unit (see 2 above).

## Action Plan

- The cost of dealing with illegal camping escalated in 2006/07 and a review was undertaken of the management of the problem. The new procedures have led to a reduction in cost in 2007/08, but the estimated budget has proved insufficient. Prior to the setting of the budget for 2008/09, an assessment of the current procedures will be undertaken, and, if necessary, an increased budget will be set.

### **1A7 MUSEUMS SERVICE** (47,880)

Utility costs are anticipated to exceed the budget due to increased tariffs, as is NNDR. Additional expenditure incurred on supplies and services which will be grant funded.

AIM costs are expected to be £31,000 less than budgeted, and this will be carried forward to 2008/09.

A deferred contribution of £26,477 has been released to this Unit (see 2 above).

### **1A8 CONTRACTED SPORTS FACILITIES** 2,310

Additional costs have arisen in respect of NNDR.

### **1A9 NON-CONTRACTED SPORTS FACILITIES** 37,940

Rental income in respect of Clifton Hill Golf driving range is expected to exceed the budget.

The replacement of the bowls carpet at the ISCA centre has resulted in additional expenditure; however these costs will be funded from an earmarked reserve.

### **1B2 CEMETERIES & CREMATORIUM** 12,500

Expenditure on NNDR and burial expenses is expected to exceed the budget.

## Action Plan

- An appeal against the increased rateable value is under consideration.
- The burial expenses arise as a result of undertaking a statutory duty and the nature of the service makes it difficult to set an accurate budget. Efforts will be made to recover costs wherever possible, and the budget for 2008/09 will be reviewed if necessary.

### **1B3 PROPERTIES** 12,550

Essential repairs at one of the properties have resulted in additional expenditure. This has been approved under delegated powers.

<b>1B5</b>	<b>COMMUNITY OUTREACH</b> Executive approved on 19 June 2007 to spend up to £90,000 in respect of the Winter Ice Rink.  Income from LeisureCards is expected to exceed the budget.  The Splash Scheme is expected to exceed the budget, however this overspend will be funded from an earmarked reserve.	87,340
<b>1B6</b>	<b>RECYCLING</b> Income from the sale of materials and associated recycling credits is expected to exceed the budget due to increased throughput and the current high level of prices available from merchants. Additional expenditure on staff partially offsets this.  A deferred contribution of £11,608 has been released to this Unit (see 2 above).	(116,320)
<b>1C2</b>	<b>ADVISORY SERVICES</b> Repair costs in respect of Private Sector Leased properties handbacks are expected to exceed the budget, staffing costs are also expected to exceed the budget due to the need to cover long term sickness.  Savings are anticipated on contracted temporary accommodation costs.  The forecast overspend represents approximately 6% of the expenditure budget.  <b>Action Plan</b> <ul style="list-style-type: none"> <li>• Undertake monthly budget monitoring meetings to improve overall control and identify any potential overspend early.</li> <li>• Take management action to reduce overspent where possible</li> <li>• Reduce the number of Private Sector Leased property handbacks.</li> </ul>	69,390
<b>1C3</b>	<b>HOUSING PARTNERSHIP</b> Income will exceed the budget due to the recovery of Private Sector Renewal grants; however this additional income will be transferred to an earmarked reserve at year-end.  Other costs in respect of Extralet are anticipated to exceed the budget.  £33,566 will be transferred into an earmarked reserve.	(28,740)
<b>1C4</b>	<b>PRIVATE SECTOR HOUSING</b>	6,400

A shortfall in income from the licensing of houses in multiple occupation is anticipated. Savings on staffing costs partially offset this.

**1C7 DIRECTOR – COMMUNITY & ENVIRONMENT** 2,030

No material variances to report.

<b>2007-2008 EXPECTED FINAL OUTTURN</b>	<b>14,442,010</b>
	<b>11,653</b>
	<b>36,000</b>
<b>EXPECTED TRANSFERS TO / FROM RESERVES</b>	
<b>AIM BUDGETS TO BE CARRIED FORWARD</b>	<b>20,000</b>
<b>EXPECTED REVENUE CONTRIBUTIONS TO CAPITAL</b>	<b><u>14,509,663</u></b>
<b>EXPECTED TOTAL NET EXPENDITURE</b>	

**3. RECOMMENDED**

That Scrutiny Committee – Community note this report.

DIRECTOR OF COMMUNITY  
AND ENVIRONMENT

HEAD OF TREASURY SERVICES

S:LP/Committee/907SCC16  
23.8.07

**COMMUNITY AND ENVIRONMENT DIRECTORATE  
CORPORATE SERVICES DIRECTORATE**

Local Government (Access to Information) Act 1985 (as amended)  
Background papers used in compiling this report

None