

EXETER CITY COUNCIL

SCRUTINY COMMITTEE - COMMUNITY

27 FEBRUARY 2007

COMMUNITY SERVICES STEWARDSHIP TO 31 DECEMBER 2006

1. PURPOSE OF REPORT

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

2. STEWARDSHIP TO 31 DECEMBER 2006

- 2.1 Changes introduced by the 2006 Statement of Recommended Practice (published in July 2006) have resulted in the removal of notional interest from the Capital Charges in the 2006/07 accounts. In overall terms there has been a saving of £1,492,000 to this Scrutiny Committee; however this saving is a 'book entry' only, does not represent a reduction in real cost and therefore has no impact on the level of Council Tax requirement. The annual budget has now been adjusted to remove these items so that the variances reported below exclude this movement.
- 2.2 The current forecast suggests that net expenditure, after adjusting for movements to and from reserves, budgets to be carried forward and revenue contributions to capital for this committee will increase from the revised budget by a total of £127,440, which represents a variation of 0.94% from the revised budget.
- 2.3 The main variations by management unit are detailed below:

	£
2006-2007 REVISED ESTIMATE	13,512,170

1A1 ENVIRONMENTAL PROTECTION	1,040
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A delay in recruiting litter enforcement officers will lead to the budget being underspent in 2006/07. In addition, fines have been collected as a result of their work. A budget will be provided in 2007/08 to enable the service to operate for the full twelve month period originally funded.

An approved overspend will arise in respect of maintaining and moving CCTV cameras.

Maintenance costs for the community patrollers' vehicles are expected to exceed the original estimate.

Expenditure on disposing of abandoned cars is expected to fall below the budget.

Additional expenditure has arisen as a result of the campaign to raise awareness of the problems of dog fouling.

1A2	CLEANSING SERVICES	(53,810)
	Notional depreciation charges are less than the budgets as a result of a delay in buying two refuse collection vehicles.	
	Income from Trade Refuse is expected to be less than the budget due to increased competition, but savings elsewhere in the operational accounts offset this (see separate account attached).	
	Expenditure on utility costs in public conveniences is expected to be less than the budget.	
1A3	LICENCING, FOOD, HEALTH & SAFETY	(88,820)
	Employee costs are less than the budget as a result of the approved restructure, maternity leave and staff vacancies.	
	Additional income will arise from gaming licences and taxi licences.	
1A4	TECHNICAL AND AGENDA 21	(16,050)
	A vacant post has resulted in savings in pay costs. Additional income will be derived from the contract for managing an air quality monitoring station on behalf of the government following the extension of the contract.	
1A5	WATERWAYS & COUNTRYSIDE	12,800
	Additional income will arise from canal licences, but there have been additional costs incurred as a result of the activities of illegal campers and travellers.	
	A vacant post within the management unit has resulted in a saving on employment costs.	
	Additional funding has been authorised in respect of the new harbour authority (Executive 28 March 2006), which has increased the outturn forecast expenditure for this unit. Part of this will be funded by a transfer from the earmarked reserve.	

1A6	GROUNDS MAINTENANCE There have been additional costs incurred as a result of the activities of illegal campers and travellers. The cost of water throughout the service has exceeded the budget as a result of the dry summer. Relocation costs have arisen as a result of the appointment of the arboricultural officer.	62,480
1A7	MUSEUMS SERVICE Costs arising from the relocation of staff and storage facilities have exceeded the budgets. This is partially offset by a reduction in AIM expenditure, which will be carried forward to 2007/08.	11,690
1A8	CONTRACTED SPORTS FACILITIES Additional costs have arisen in respect of NNDR (National Non-Domestic Rates) and trade refuse.	13,930
1A9	NON-CONTRACTED SPORTS FACILITIES There has been a saving on NNDR due to a reduction in the rateable value at one of the properties, this has been partially offset by a shortfall of rental income at one of the sites.	(3,740)
1B2	CEMETERIES & CREMATORIUM Part of the work programmed under AIM will be carried forward to 2007/08, leading to an underspend in the current year. Additional costs have arisen in respect of notional depreciation and NNDR, and also the cost of refurbishing the Lodge at Topsham cemetery. Income from burials is currently below levels normally received and a shortfall has been forecast for the year. A loss is expected to arise in the operational accounts due to sickness levels (see separate account attached).	(39,360)
1B3	PROPERTIES Expenditure on utilities is expected to exceed the budget, and this is partially offset by additional income.	2,780
1B4	DUAL USE SPORTS FACILITIES The transfer of Westex took place in early October, and it is anticipated that savings will arise.	(6,520)
1B5	COMMUNITY OUTREACH Income from LeisureCard is expected to fall short of the	11,910

budgeted amount. The net cost of the Splash Scheme is expected to exceed the amount budgeted and this will be funded from reserves. Costs in respect of licensing public spaces have been incurred.

These additional costs have been partially offset by reduced expenditure as a result of staff vacancies.

1B6 RECYCLING (2,580)

Additional employment costs have arisen due to difficulties in recruitment leading to market supplement being agreed. This has been offset by a reduction in some staff expenses.

Additional material sales income in the trading account will be offset by additional staffing costs (see separate account attached).

1B9 ADMINISTRATION SERVICE 2,460

Additional costs have arisen in the replacement of IT equipment for the Graphic Design service. High levels of sickness are expected to lead to additional employment costs

1C1 HOME AID (48,320)

Following the outsourcing of this service, a saving has arisen as a result of the underperformance of the contractors. A revenue contribution to capital will be made from this saving to supplement the Disabled Facility Grants.

1C2 ADVISORY SERVICES 140,300

Home Choice staffing costs are expected to exceed the budget. A saving on temporary accommodation costs is expected due to the termination of a contract, and this is offset by additional costs for Bed & Breakfast.

Expenditure on Private Sector Leased properties repairs and handbacks are expected to exceed the budget

1C3 HOUSING PARTNERSHIP (15,290)

A staff vacancy is expected to result in a saving.

Employment costs in respect of the Empty Homes Initiative are expected to exceed the budget, however additional income will be received to offset this overspend. The balance will be funded from the Empty Homes reserve.

A saving is anticipated due to the responsibility of the Social Inclusion function now falling to another department.

1C4 PRIVATE SECTOR HOUSING 2,880

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

offset this.

1C6 CONTRACT & BUILDING SERVICES	0
A surplus is expected to arise on the Building and Electrical Service Team (BEST) trading account, and this will be refunded to the areas that have used the service at the end of the year. No variance will therefore arise in this Committee.	
1C7 DIRECTOR – COMMUNITY & ENVIRONMENT	
Maternity cover for the Director’s PA is expected to lead to additional costs.	6,130
2006-2007 EXPECTED FINAL OUTTURN	13,506,080
EXPECTED TRANSFERS FROM RESERVES	(20,290)
AIM BUDGETS TO BE CARRIED FORWARD	105,500
EXPECTED REVENUE CONTRIBUTIONS TO CAPITAL	48,320
EXPECTED TOTAL NET EXPENDITURE	<u>13,639,610</u>

3. RECOMMENDED:

- 1) that the Scrutiny Committee – Community note this report.

DIRECTOR OF COMMUNITY
AND ENVIRONMENT

HEAD OF TREASURY SERVICES

1 S:PA/LP/Committee/207SCC20
5 February 2007

COMMUNITY AND ENVIRONMENT DIRECTORATE
CORPORATE SERVICES DIRECTORATE

Local Government (Access to Information) Act 1985 (as amended)
Background papers used in compiling this report
None