

**HERTFORDSHIRE COUNTY COUNCIL**

Agenda Item No

**9**

**COMMUNITY SERVICES SCRUTINY COMMITTEE**

**MONDAY 22 MARCH 2004 AT 10.00 AM**

**BUDGET MONITOR TO 31 DECEMBER 2003**

Report of the Chief Fire Officer, Director of Community Information, Head of Statutory Services & Head of Safety, Emergency and Risk Management

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**1. Purpose of Report**

To enable the Committee to identify if there are any issues arising from the budget monitor that they wish to scrutinise.

**2. Background**

- 2.1 Within each of the services forming the Community Services portfolio, each area of the budget is allocated to a named manager who has responsibility for ensuring that services are delivered within the available funds. At the end of each month from May onwards reports are prepared that set out any changes in the budget, predicted variances, virement and carry forward proposals and any other items of budgetary concern.
- 2.2 Services send their reports to group spokesmen and to corporate finance who produce periodic summary reports that are considered by Cabinet.
- 2.3 At their meeting on 12 May the Scrutiny Co-ordination Panel resolved:  
*“That the regular Budget Monitor and 'Traffic Light' Monitor reports be included on the agenda of Scrutiny Committees on the basis that the reports are for noting not for discussion and to enable the Committees to identify issues for scrutiny.”*
- 2.4 A summary of the reports to the end of December 2003 produced by services within the Community Services portfolio is attached as an appendix to this report for consideration.

**3. Access to Services Implications**

There are no direct access to services implications arising out of this report.

**4. Conclusions**

Members are asked to decide if there are any items arising out of the budget monitor report that they wish to consider for future scrutiny.

**Revenue Monitor**

All services within the Community Services portfolio except libraries, HALS and Trading Standards are currently projecting that their spend will be in line with their latest approved budget with no material variances to report as at December 2003, as illustrated in the table 1 below.

**Table 1**

<b>COMMUNITY SERVICES REVENUE BUDGET MONITOR AS AT DECEMBER 2003</b>							
<b>(all figures in £'000)</b>							
<b>SERVICE</b>	<b>Original Budget</b>	<b>Carry Forward from 2002/2003</b>	<b>Approved Virements &amp; Technical Adjustments</b>	<b>Latest Approved Budget</b>	<b>Projected Spend at Year End</b>	<b>Projected Variance</b>	<b>Carry Forwards 2003/2004 Requested</b>
Fire & Rescue	33,247		235	33,482	33,482	0	
Libraries, HALS, Arts & Trading Standards	21,150	90	299	21,589	21,452	(87)	87
Coroners	808	28	1	837	837	0	
Registration	720	18		738	738		
Emergency Planning	276	53		329	329	0	
<b>Total</b>	<b>56,201</b>	<b>189</b>	<b>535</b>	<b>56,925</b>	<b>56,838</b>	<b>(87)</b>	<b>87</b>

The following explanations for material variances within Libraries, HALS & Trading Standards were reported in the December 2003 monitoring report

**Schools Library Service - £38,000 overspend**

As previously reported, following poorer take-up of services by schools than last year, management action has been taken to restructure the Schools Library Service and reduce the on-going pressure this may put on the budget. The outturn now projected on this budget reflects the consequent redundancy costs.

**Libraries IT - £75,000 or 4.6% underspend**

As previously reported, the installation schedule for the new PCs in 2003/04 means that the Service has not been required to pay a full year's support charge for these machines. This leaves a projected net underspend of £75,000 on Libraries IT.

**Libraries Income - £95,000 or 6.2% overspend**

As previously reported, with the Best Value Review *not* raising fees and charges, this area has remained the focus of management attention. It is now anticipated that the shortfall in income will be £95,000.

**Libraries Staffing - £95,000 underspend**

As previously reported, due to restructuring as part of the central review, and difficulties recruiting staff, several posts were unfilled for much of the year. In addition a vacancy freeze

has been agreed with Unison pending the introduction of single staffing. As a result, it is expected that staff underspends will cover the shortfall in Libraries income.

It is not anticipated that this scale of underspend will be repeated next year once these vacancies are filled, and because, as the single largest budget within Community Information, this budget is likely to be reduced as CI is asked to meet its share of corporate initiatives such as the graduate trainee programme.

### **Trading Standards – Staffing - £90,000 virement**

At its December meeting, Cabinet approved a request to transfer £90,000 from Trading Standards staffing savings to purchase an off road vehicle to support animal health work, to commission two MORI and to purchase equipment.

The following potential carry forward requests were also signalled in the Libraries, HALS & Trading Standards December monitor

### **Libraries Repairs and Maintenance**

As previously reported, there is a very real risk that there will be a significant underspend on repairs and maintenance, as a result of delays by property service suppliers during the year in getting commissioned work underway. It is intended that a request will be made for all underspend at the year-end to be carried forward, in order to eliminate the associated backlog in essential works.

### **Libraries Single Staffing - intended carry forward £87,000**

As previously reported, it is currently intended that at the year-end approval will be sought to carry forward any net underspend total on Libraries, HALS, Arts & Trading Standards to assist with any one-off costs relating to the introduction of single staffing in mobile libraries and certain static libraries, including retirement and redundancy costs. As the introduction of single staffing is planned for 1<sup>st</sup> April, the costs will be clearer by the year-end.

### **Capital Monitor**

Gross capital spending for all Community Services combined is forecast to be £2.81 million below the approved budget of £5.692m as a result of slippage on fire station schemes at Bovington, Watford & St Albans, and an underspend on thermal imaging cameras. The summary capital monitor position is shown in table 2 below.

### **Watford and St Albans Fire Stations - slippage of £2.2m**

The delayed start, due to planning difficulties to the self financing schemes at Watford and St Albans means that these projects will now slip into 2004/05

### **Bovington Fire Station - slippage - £500,000**

Due to difficulties in locating a suitable site for the new Bovington Fire Station, this project is also expected to slip to the new financial year.

### **Thermal Imaging Cameras – saving £110,000**

As part of the new dimensions project the ODPM is to supply some Thermal Imaging cameras to Hertfordshire Fire & Rescue Service. This will result in a saving of £110,000.

**Table 2**

COMMUNITY SERVICES CAPITAL BUDGET MONITOR AS AT DECEMBER 2003						
SERVICE	Original Budget	Adjustments & Virements (approved & requested)	Previous Year Slippage	Latest Budget	Projected Spend at Year End	Projected Year End Variance
	2003/04			2003/04		
	£000	£000	£000	£000	£000	£000
<b>County Funded</b>						
<i>Fire &amp; Rescue</i>						
IT equipment for command & control	60		1	61	61	
IT upgrades	55		4	59	59	
Road traffic accident equipment	170			170	170	
Integrated command & control system replacement	125		125	250	250	
Information management systems	180			180	180	
Upgrading Bovington Fire station	500			500		(500)
Essential operational equipment	64			64	64	
Thermal imaging cameras	320			320	210	(110)
DDA Works			150	150	150	
<i>Libraries, HALS, Arts &amp; Trading Standards</i>						
HALS accommodation improvements	78			78	78	
DDA compliance	180		160	340	340	
Minor works - maintenance	100			100	100	
Public PC enhancement			202	202	202	
Borehamwood library refurbishment			1	1	1	
Internet service enhancement			1	1	1	
NOF Excellence Fund		10		10	10	
<b>Externally Funded</b>						
<i>Libraries, HALS, Arts &amp; Trading Standards</i>						
NOF Excellence Fund		47		47	47	
<b>Self Financing</b>						
<i>Fire &amp; Rescue</i>						
St Albans Fire Station	1,200			1,200	0	(1,200)
Watford Fire Station	1,000			1,000	0	(1,000)
<b>Annual Provisions</b>						
<i>Fire &amp; Rescue</i>	225		92	317	317	
<i>Libraries, HALS, Arts &amp; Trading Standards</i>	417	4	204	625	625	
<i>Registration</i>	17			17	17	
<b>Total</b>	<b>4,691</b>	<b>61</b>	<b>940</b>	<b>5,692</b>	<b>2,882</b>	<b>(2,810)</b>