

**HERTFORDSHIRE COUNTY COUNCIL**

**COMMUNITY SERVICES  
SCRUTINY COMMITTEE**

**TUESDAY 2 NOVEMBER 2004 AT 10.00 A.M.**

Agenda Item No.

**10**

**BUDGET MONITOR TO AUGUST 2004**

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

Author: Andrew Nightingale, Assistant Finance Director  
[Tel: 01992 555331]

Executive Member: Iris Tarry

**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 2003 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.”*
- 2.3 A summary of the reports to the end of August 2004 produced by services within the Community Services portfolio is attached as an appendix to this report for consideration.

**3. Access to Service Implications**

There are no access to service implications arising from this report.

#### **4. Conclusion**

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**

The estimated outturn for 2004/05 based on the position to the end of August 2004 indicates an overall underspend of £410, 000 (0.7%) but with d requests for carry forwards of £30,000. The position within each of the services within the Community Services portfolio is summarised in Table 1 below. Requests for the use of the Crime Reduction Unit underspend of £420,000 are to be considered by cabinet.

**Table 1**

<b>COMMUNITY SERVICES REVENUE BUDGET MONITOR AS AT AUGUST 2004</b>							
<b>(all figures in £'000)</b>							
<b>SERVICE</b>	<b>Original Budget</b>	<b>Carry Forward from 2003/2004</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 2004/2005 Requested</b>
Fire & Rescue	34,097	0	37	34,134	34,174	40	
Libraries, HALS, Arts & Trading Standards	22,042	50	(47)	22,045	22,015	(30)	30
Coroners	813	0	0	813	813	0	
Registration	734	65	0	799	799	0	
Emergency Planning	296	62	0	358	358	0	
Crime Reduction Unit	2,354	0	0	2,390	1,970	(420)	
<b>Total</b>	<b>60,336</b>	<b>213</b>	<b>(10)</b>	<b>60,539</b>	<b>60,129</b>	<b>(410)</b>	<b>30</b>

The following explanations for material variances were reported in August 2004 monitoring reports

**Fire & Rescue****Housing rents****£40,000 income not achieved**

The estimated overspend relates to a reduction in income from Housing rent due to a delay in implementing the proposed rent increase on day manned properties because of a dispute with the Fire Brigades Union.

**Libraries, HALS, Arts & Trading Standards****Libraries Single Staffing**

A VAT refund backdated 3 years has been applied, as agreed in last year's budget-setting process, to cover one-off costs associated with the introduction of single-staffing in certain static and mobile libraries.

### **Sunday Opening Pilot - underspend of £30,000**

The current year budget includes a one-off provision of £30,000 to allow a pilot of Sunday opening at 4 libraries. The pilot is now scheduled to commence in April 2005, having been impacted by the implementation of single staffing, and so this budget will not be spent and will be carried forward into 2005/06.

### **Trading Standards Grant Income**

At the time of the June monitor there remained some uncertainty as to whether approximately £30,000 of DEFRA grant funding for Animal Health Work would be available this financial year. It has since been confirmed that the money will be available for 2004/05. The likelihood of funding ceasing to be available in future years is being flagged up as part of the 2005/06 budget-setting process.

### **Crime Reduction Unit - Planned Underspend £420,000**

The Crime Reduction Unit anticipates that there will be an underspend of £420,000 due to difficulties recruiting PCSO's. The Head of the unit has requested that cabinet consider virement of the underspend to three emerging areas of work within the Crime Reduction/Drug action team remit.

The projects concerned are:

#### **Anti-Social Behaviour Projects – approx spend £180,000**

This piece of work would comprise of 6 clearly defined projects focussing on reducing anti-social behaviour in the Cheshunt and South Oxhey areas.

#### **Data Management Team – approx spend £150,000**

This follows from a Home Office initiative where the council and its partners were accepted as part of a national pilot scheme. The 'partnership business model' promotes using data from various agencies to inform decision making, monitoring performance and achievement, and supports intelligence gathering. A data warehouse would be created using information supplied by organisations such as the council, probation service, and the police and would be managed by the council. The 10 Crime Partnerships would be able to extract information relevant to their local priorities. The council is currently taking a lead role in taking this project forward and this role would be strengthened if additional financial support were provided.

#### **Drug Action Team (DAT) – approx spend £20,000**

The government have required that crime partnerships identify how the work of the Drug Action Team can be more closely integrated into the work of the crime partnerships. In order to achieve the government's aim that Drug Action Teams and crime partnerships should work more closely together GOEAST have allocated Hertfordshire some consultancy support. A project team leader needs to be assigned for a period of 12-14 months. The £20,000 will cover 50% of the cost with the balance being funded from DAT budgets.

## **Capital Monitor**

Gross capital spending for all Community Services combined is forecast to be £1.23 million below the approved budget of £7.991m as a result of slippage on Bovingdon fire station scheme. The summary capital monitor position is shown in table 2 below.

## **Fire & Rescue**

### **St Albans & Watford Fire Station**

Following consideration of these self-financing schemes at cabinet in July, substantial progress on these schemes should now be possible within this financial year. The approved budget for 2004/05 has been adjusted to reflect the revised 2004/05 cash flows reported to cabinet in July.

### **Bovingdon Fire Station - £1.23m slippage**

Due to difficulties in locating a suitable site for the new Bovingdon Fire station this project is unlikely to start this financial year.

## **Libraries, HALS, Arts & Trading Standards**

### **Hertford Library Reprovision**

Negotiations with the other parties involved in the scheme are continuing and it is clear that work will not now begin until after the end of the financial year. Latest costs and timings of the project will be the subject of a revised capital bid for the 2005/06 capital budget setting process. In the meantime cabinet have approved the virement of the planned 2004/05 cash flow to cover pressures on the budget for land purchase, feasibility studies and rationalisation schemes that is used to support the delivery of the council's capital receipts.

**Table 2**

<b>COMMUNITY SERVICES CAPITAL BUDGET MONITOR AS AT AUGUST 2004</b>						
<b>SERVICE</b>	<b>Original Budget</b>	<b>Adjustments &amp; Virements (approved &amp; requested)</b>	<b>Previous Year Slippage</b>	<b>Latest Budget</b>	<b>Projected Spend at Year End</b>	<b>Projected Year End Variance</b>
	<b>2004/05</b>			<b>2004/05</b>		
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>County Funded</b>						
<i>Fire &amp; Rescue</i>						
Road traffic accident equipment	130			130	130	
Upgrading Bovington Fire station	750		488	1,238	8	(1,230)
Training centre development	150			150	150	
DDA Works	90		97	187	187	
Water working	48			48	48	
<i>Libraries, HALS, Arts &amp; Trading Standards</i>						
DDA compliance	100		207	307	307	
Minor works - maintenance	150		66	216	216	
HALS: new archive store	255		52	307	307	
Hertford library reprovision	390	(390)		0	0	
Public PC enhancement		(80)	80			
NOF Excellence Fund – HCC element		4		4	4	
<b>Externally Funded</b>						
<i>Libraries, HALS, Arts &amp; Trading Standards</i>						
ACL Accommodation Grant		20		20	20	
Planning Gain		1		1	1	
<b>Self Financing</b>						
<i>Fire &amp; Rescue</i>						
St Albans Fire Station	2,600	(900)		1,700	1,700	
Watford Fire Station	2,600	(350)		2,250	2,250	
<b>Annual Provisions</b>						
<i>Fire &amp; Rescue</i>	412		206	618	618	
<i>Libraries, HALS, Arts &amp; Trading Standards</i>	430	110	257	797	797	
<i>Registration</i>	18			18	18	
<b>Total</b>	<b>8,123</b>	<b>(1,585)</b>	<b>1,453</b>	<b>7,991</b>	<b>6,761</b>	<b>(1,230)</b>