

COMMUNITY SERVICES SCRUTINY COMMITTEE – 24 JANUARY 2005

**JOINT REPORT OF THE DIRECTOR OF COMMUNITY SERVICES
AND DIRECTOR OF RESOURCES**

**REVENUE BUDGET 2005/06 AND CAPITAL PROGRAMME 2005/06 –
2007/08**

Purpose of Report

1. The report provides information on the proposed Revenue Budget for 2005/06 and Capital Programme for 2005/06 to 2007/08.

Background

2. Cabinet approved the proposed revenue budget and capital programme for consultation on 13th January 2005.
3. Reports setting out the proposed 2005/06 budget and capital programme are being presented to the relevant Scrutiny Committees and to the Scrutiny Commission. Cabinet will consider the results of the Scrutiny process before recommending a budget and capital programme to the County Council on 23rd February 2005.

Proposed Revenue Budget 2005/06

4. The following table sets out the proposed 2005/06 budget:

Table One - Summary Proposed Budget 2005/06

	Total
2004/05 Updated Original Budget	£17,258,000
Inflation to outturn	£674,000
Other changes (Budget transfers and previous years growth and savings.).	-£273,000
Subtotal	£17,659,000
Add proposed Growth (App. B)	£1,194,000
Less Proposed Savings (App. B)	-£893,000
2005/06 Proposed Budget at Outturn Prices	£17,960,000

5. The 2005/06 budget includes inflation of:
 - Pay (includes 2.95% for 2005/06 pay award and 0.25% for 2004/05 shortfall) 3.2%
 - Superannuation actuarial increase 10.5%
 - Running Costs 2.5%
6. These are the standard inflation provisions. Where costs are increasing at a higher rate specific growth is included within the budget.
7. 'Other Changes' reflect a small number of transfers to and from other Departments, and the full-year effect of 2004/05 growth and savings.
8. Appendix B shows the breakdown of growth totalling £1,194,000 for 2005/06 and savings of £893,000.

9. **THE MAIN GROWTH ITEMS ARE AS FOLLOWS:**

Service Improvements

- Library Improvement Programme £247,000

Revenue consequences of the Library building replacement capital programme that will see 10 new/refurbished libraries between 2004 - 2008 (£ 37,000).

The provision of additional pc's to meet the DCMS standards and public demand for the provision of electronic access to the internet and learning. Increased revenue for the replacement of existing pc's that are part of the Peoples Network, which gives free public access to the internet and learning (£ 105,000).

Increased revenue to support repair and maintenance/refurbishment of buildings, allowing for an increase in the frequency of refurbishments to make the buildings more attractive and accessible (£ 50,000).

Increased opening hours to improve access and make opening hours more convenient for users (£25,000).

An increase in the marketing and promotion of services to improve awareness of, and participation in, them (£ 30,000).

- A one-off contribution of £100,000 to the Leicestershire Regiment Museum appeal.

Unavoidable Cost Increases

- Increased staffing costs of £569,000 in 2005/06 relating to employee increments net of turnover.

- Growth of £70,000 is required to provide a realistic budget for Mortuary Charges associated with the Coroner's Service.
- Operational Cost increases amounting to £128,000 incorporates a number of small, unavoidable, cost increases mainly relating to premises costs.

Reduced Income

- Reduced Income of £80,000 consists principally of the loss of the Planning Service Trading Agreement £28,000, and the cessation of the Prison Library Service Joint Arrangement £32,000, both previously with Rutland County Council. These were terminated in accordance with the terms of agreement, and reflect Rutland County Council's desire to provide these services in an alternative manner.

10. SAVINGS OF £893,000 ARE PROPOSED FOR 2005/06 AS FOLLOWS:-

Efficiency Savings

- Efficiency savings of £200,000, relates to the previous restructuring. Further efficiency savings totalling £236,000 will be made across many operational budgets.

Other Savings

11. In addition to the above efficiency savings operational and staffing budgets have been reviewed to identify further savings.
 - Staffing budget reductions of some 3.5 full time equivalent posts total £105,000. These posts are currently vacant and comprise of 2 posts within Environment and Heritage Services and 1.5 posts within Regulatory Services.
 - A saving of £292,000 will be achieved on operational budgets. This is a combination of non allocation of inflation and applying an overall reduction.

Increased Income

- Additional Income of £30,000 is to be generated by the extension of children's video collections to more Library Service Points. Additional funded income (staff time) is associated with the administration of Aggregates Grants and amounts to £30,000.

CAPITAL

12. A summary of the proposed capital programme is set out in Table Two below. The detailed programme over the three years is shown in Appendices C1, C2 and C3.

Table Two – Summary/Capital Programme

Project	2005/06 £'000	2006/07 £'000	2007/08 £'000
Libraries	1369	1105	830
Environment and Heritage	* 1068	300	570
Other Services	95	105	210
TOTAL	2,532	1,510	1,610

** This figure indicates the gross cost of projects, External Funding in the region of £800,000 is included.*

13. Key schemes within the Capital Programme are as follows:-

- The Libraries improvement programme includes the ongoing replacement of library buildings with 3 new starts in 2005/06 which will improve facilities in Braunstone, Kirby Muxloe, and Oadby.

In addition resources have been made available for refurbishments to take place on a programmed basis at all major market town and shopping centre libraries. Priorities include Wigston, Birstall, Hinckley and Ashby de la Zouch

- Bosworth Battlefield Visitor Centre will, if HLF funding is approved, be open by spring 2006 and will include improvements to access, interpretation facilities and learning space. This, combined with the soon to be completed Buttery, will make the Battlefield a major contributor to the tourist attractions in Leicestershire.
- The Environment and Heritage projects in 2005/6 are continuations of previous year projects. The amounts shown are generally a contribution towards schemes with much larger capital costs.
- Environment and Heritage projects in 2006/7 to 2007/8 include contributions to the continuation of the project to extend the Ashby Canal, the refurbishment of Harborough Museum, a visitor centre at Watermead Country Park, the development of an improved gallery space at Hinckley Library and restoration of colliery buildings at Snibston Discovery Park.

External Funding

14. External funding of £1,255,000 have been secured by the Department of which the vast majority of resources are for Environment and Heritage projects. Details are shown in Appendix D.

15. The main projects are :

- ExtraOrdinary £477,630 for which the Millenium Commission is the primary funding partner. The project will refurbish the 'Science Alive' gallery at Snibston Discovery Park, due to open in late Autumn 2005, and will contain

a number of new and exciting interactive exhibits based around the theme of the science of everyday life.

- The Arts Partnership is a joint venture between Leicestershire County Council, District Councils and Arts Council England worth £275,000 over the period 2005 to 2007 (£137,500 2005/06). The aim of the project is to identify and deliver support for contemporary arts based creative businesses in the region.
- Community Heritage Initiative funding of £600,000 over 5 years (£124,190 2005/06, year 2) is aimed to increase local community awareness of environmental issues and natural history collections.
- Renaissance in the Regions £120,630 aims to increase education provision, collections management and access to the Open Museum.
- A grant of £115,000 received from the Department of Culture, Media and Sport will improve access at Donington-le-Heath Manor House. The refurbishment will upgrade the current exhibition space, address the issue of access to the first floor under DDA regulations by providing a video link, and improve both physical and intellectual access throughout the building.

Recommendation

16. Members are asked to consider the report and any response they may wish to make to the Scrutiny Commission.

Equal Opportunities Implications

17. All capital projects whether County Council or externally funded, undergo appropriate planning to ensure that the needs of all users are taken into account. This will include intellectual as well as physical access and cover both services provided as well as the buildings they are provided from.

Background Papers

Revenue budget 2004/05 report to Cabinet on 13th January 2005.

Members Advised Under Sensitive Issues Procedure

None.

Officers to Contact

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COMMUNITY SERVICES DEPARTMENT
SUMMARY PROPOSED BUDGET 2005/06

	LIBRARY SERVICES £	ENVIRONMENT & HERITAGE SERVICES £	REGULATORY SERVICES £	COMMERCIAL & SUPPORT SERVICES £	TOTAL £
2004/05 UPDATED ORIGINAL BUDGET	6,288,000	5,782,000	2,271,000	2,917,000	17,258,000
INFLATION TO OUTTURN	247,000	207,000	90,000	130,000	674,000
FULL YEAR EFFECT OF PREVIOUS YEARS GROWTH & SAVINGS	16,000	-190,000	0	0	-174,000
OTHER CHANGES	-290,000	28,000	3,000	160,000	-99,000
SUBTOTAL	6,261,000	5,827,000	2,364,000	3,207,000	17,659,000
ADD PROPOSED GROWTH (APPENDIX B)	591,000	475,000	107,000	21,000	1,194,000
LESS PROPOSED SAVINGS (APPENDIX B)	-144,000	-496,000	-90,000	-163,000	-893,000
2005/06 PROPOSED BUDGET AT OUTTURN PRICES	6,708,000	5,806,000	2,381,000	3,065,000	17,960,000

NOTE Commercial and Support Services budget includes all significant operational budgets for the Department which are held centrally e.g. ICT £281,000, Repairs & Maintenance £170,000, Operational Leasing £164,000, Transport £105,000, Marketing £78,000.

APPENDIX A1

COMMUNITY SERVICES BUDGET 2005/06

Description	Employees £	Running Expenses £	External Income £	Internal Income £	Net Total £
LIBRARIES & INFORMATION					
Public Service Network					
6 Level A libraries (Large)	2,250,590	746,820	-884,760		2,112,650
9 Level B Libraries (Medium)	1,028,850	227,300	-206,450		1,049,700
37 Level C Libraries (Small)	1,350,370	519,520	-82,580		1,787,310
8 Mobile Libraries	385,820	129,880	-5,900		509,800
Bookfund		1,314,920			1,314,920
LSE Recharge	0	0		-66,810	-66,810
TOTAL LIBRARIES AND INFORMATION	5,015,630	2,938,440	-1,179,690	-66,810	6,707,570
ENVIRONMENT & HERITAGE					
Environmental Management	1,088,700	747,530	-196,900	-79,780	1,559,550
Planning Group	519,060	52,970	-135,560	0	436,470
Regeneration & Community Development	677,080	418,030	-89,810	0	1,005,300
Head of Service	80,510	68,950	-3,220	0	146,240
Country Parks	617,480	483,280	-347,420	0	753,340
Arts	117,470	293,170	-240,820	0	169,820
Open Museum	381,150	479,120	-459,610	-93,350	307,310
Curatorial	714,970	472,180	-265,340	0	921,810
Record Office	459,820	110,080	-284,490	0	285,410
Sites	36,640	85,650		0	122,290
Bradgate	0	99,000	0	0	99,000
TOTAL ENVIRONMENT & HERITAGE	4,692,880	3,309,960	-2,023,170	-173,130	5,806,540
REGULATORY SERVICES					
Trading Standards	1,469,220	298,170	-170,110		1,597,280
Scientific Service	344,050	134,170	-154,930		323,290
Coroners	32,150	306,630	-15,670		323,110
Registrars	507,070	61,060	-430,590		137,540
TOTAL REGULATORY SERVICES	2,352,490	800,030	-771,300	0	2,381,220
COMMERCIAL & SUPPORT SERVICES					
	1,878,220	1,488,230	-301,780	0	3,064,670
TOTAL COMMUNITY SERVICES	13,939,220	8,536,660	-4,275,940	-239,940	17,960,000

2005/06 REVENUE BUDGET - GROWTH

APPENDIX B

COMMUNITY SERVICES

	2005/06 £000	2006/07 £000	2007/08 £000
Service Improvements			
Library Improvement Programme Including PC Replacement, Increased Opening Hours and Minor Refurbishments	247	247	247
Contribution to Leicestershire Regiment Museum	100	0	0
Demand & cost increases			
Employee Increments (net of turnover)	569	569	569
Mortuary Cost Increases	70	70	70
Operational Costs	128	128	128
Reduced Income			
Planning Services	28	28	28
Prison Library Services	32	32	32
Other	20	20	20
Total	1,194	1,094	1,094

2005/06 REVENUE BUDGET - SAVINGS

COMMUNITY SERVICES

	2005/06 £000	2006/07 £000	2007/08 £000
Efficiency Savings (including full year effects of 2004-05 efficiency savings)			
Staffing	-200	-200	-200
Operational budgets	-236	-236	-236
	-436	-436	-436
Other Savings			
Operational Budgets - non allocation of inflation and savings	-292	-292	-292
Staffing			
Environment and Heritage	-57	-87	-87
Regulatory	-48	-48	-48
Increased Income			
Video Hire (Libraries)	-30	-30	-30
Other	-30	0	0
Total	-893	-893	-893

Schedule amended by the removal of growth for equalities post and compensating reduction in operational savings.

APPENDIX C1

COMMUNITY SERVICES 2005/06 - 2007/08 CAPITAL PROGRAMME

SCHEME DETAILS		2005/06	2006/07	2007/08	TOTAL
		£000	£000	£000	£000
Commitments from Earlier Years					
Libraries					
Replace Markfield Library (Total cost £450k)		390			390
Replace Ratby Library (Total cost £325k)		265			265
Env & Heritage					
Ashby Canal		10			10
Delivery Van		25			25
All Services					
Grant to Samworth Community Centre		25	25		50
		715	25		740
2005/06 NEW STARTS					
Libraries					
Replace Braunstone Welcombe Avenue Library		390			390
Libraries - major refurbishment		120			120
Replace Kirby Muxloe library		100	390		490
Replace Oadby library		50	540	660	1,250
Minor Works		44			44
Barrow Library - Feasibility		10			10
All Services					
Fire Risk assessment		50			50
Advanced Design		20			20
Environment & Heritage					
Bosworth Battelfield Visitors Centre (Total cost £0.997k) (Subject to HLF bid)		858			858
Market Towns Developments					
Shire Village Hall Grants		80			80
Land Reclamation		40			40
Improvements to County Towns & Rural Centres		30			30
		25			25
		2,532	955	660	4,147

COMMUNITY SERVICES 2005/06 - 2007/08 CAPITAL PROGRAMME

APPENDIX C2

SCHEME DETAILS		2005/06	2006/07	2007/08	TOTAL
		£000	£000	£000	£000
Commitments from Earlier Years			955	660	1,615
2006/07 NEW STARTS					
Libraries					
Major Refurbishments			120		120
Minor Works			55		55
All Services					
Fire Risk assessment			40		40
Relocate Rothley Store			20	120	140
Advanced Design			20		20
Environment & Heritage					
Ashby Canal - Snaresstone to Measham (Gross Cost circa £10m+)			100	200	300
Harborough Museum Refurbishment (Contribution)			50	50	100
Market Towns Developments			70		70
Land Reclamation			30		30
Improvements to County Towns & Rural Centres			25		25
Watermead Visitor Centre-Contribution (Gross Cost £1m+)			25	25	50
			1,510	1,055	2,565

APPENDIX C3

COMMUNITY SERVICES 2005/06 - 2007/08 CAPITAL PROGRAMME

SCHEME DETAILS	2005/06	2006/07	2007/08	TOTAL
	£000	£000	£000	£000
Commitments from Earlier Years			1,055	1,055
2007/08 NEW STARTS				
Libraries				
Major Refurbishments			120	120
Hinckley Library - Contribution to Gallery Development			50	50
All Services				
Fire Risk assessment			40	40
Minor Works			10	10
Switchboard Replacement			20	20
Advanced Design			20	20
Environment & Heritage				
Country Parks Access/Rights of Way			55	55
Environmental Strategy Implementation Programme			15	15
Market Towns Developments			70	70
Land Reclamation			30	30
Improvements to County Towns & Rural Centres			25	25
Snibston Colliery Buildings - Contribution			100	100
			1,610	1,610

COMMUNITY SERVICESEXTERNAL FUNDING 2005/06

Service / Details	£s
Grants Included in Service Estimates	
Environment & Heritage Services	
ExtraOrdinary	477,630
Arts Partnership	137,500
Community Heritage Initiative	124,190
Renaissance in the Regions	120,630
Donnington le Heath Improvement Scheme	115,000
Centre Stage	112,630
Fashion Gallery	44,240
Historic Buildings and Monuments	40,000
Portable Antiquities	28,290
Young Promoters	20,000
English Nature	10,000
Centre Cinema	9,760
Countryside Stewardship Grant	6,500
Leicestershire Rural Communities Officer	4,560
Woodland Grant Scheme	4,000
TOTAL COMMUNITY SERVICES	<u>1,254,930</u>