
REPORT TO:	Organisational Improvement and Environment Commission
DATE:	18 January 2007
DEPARTMENT:	Community Services
REPORTING OFFICER:	Director of Community Services (<i>Peter Moore, Finance Manager</i>)
SUBJECT:	CULTURAL SERVICES AND PUBLIC PROTECTION & RURAL AFFAIRS (BEREAVEMENT SERVICES ONLY) – DRAFT GENERAL FUND REVENUE BUDGET 2007/08
WARDS AFFECTED:	N/A
FORWARD PLAN REF:	N/A

1.0 PURPOSE OF REPORT

- 1.1 The purpose of this report is to consider budget details as they relate to the Department of Community Services (Cultural Services and Public Protection & Rural Affairs) and DCPI (Cultural Services element only).
- 1.2 The Cabinet Members holding the Cultural Services and Public Protection & Rural Affairs Portfolios are, in conjunction with the Director of Community Services, required to make recommendations to Cabinet in January on the following:
- Revised Estimate for 2006/07
 - The draft revenue estimates for 2007/2008 (the proposed base budget)
 - The draft projections for 2008/2009 and 2009/10
 - Proposals for growth items for 2007/2008 not included in the base budget
- 1.3 The Director of Resources has been consulted during the preparation of this report.

2.0 RECOMMENDATIONS

That the Cabinet Members, in consultation with the Director of Community Services:

- 2.1 Request the Cabinet to note the latest position in the revised estimates 2006/07 (relating to items specific to their portfolios).
- 2.2 Recommend to Cabinet the original estimate for 2007/08 (relating to items specific to their portfolios).
- 2.3 Request the Cabinet to note the Draft General Fund Projections for 2008/09 and 2009/10 (relating to their specific portfolio).
- 2.4 Recommend to Cabinet the growth items listed in section 6 of this report are included in the 2007/2008 budget (relating to items specific to their portfolios).

3.0 RECOMMENDED REASON FOR DECISIONS

- 3.1 To assist in monitoring the current years financial position and in the setting of the overall Council Draft General Fund Revenue Estimates for 2007/08 and make the recommendations to the Cabinet meeting in January 2007.

4.0 ALTERNATIVE OPTION CONSIDERED AND RECOMMENDED FOR REJECTION

- 4.1 Not to approve the budget estimates or consider growth items and make no recommendations to the Cabinet Meeting in January 2007 – rejected as not in accordance with the Council's medium term financial strategy, or the legal framework which governs Local Authority accounting.

5.0 CONTENT OF THE REPORT

- 5.1 The information outlined in this report is as follows:

Main report – which includes specific information and comments on the main details of the 2007/08 budget.

Appendices A and B – contains a summary of the Draft Revenue Budget for the Cultural Services Portfolio, together with an analysis of variances, for the Cabinet Members consideration.

Appendix C – contains a summary of the Draft Revenue Budget for the Public Protection & Rural Affairs (DCS Bereavement) Portfolio, together with an analysis of variances, for the Cabinet Members consideration.

6.0 REPORT

- 6.1 This report incorporates the following areas.

- Cultural Services which includes Leisure, Museums, Arts and Parks which are the responsibility of DCS. It also includes the voluntary sector grants which falls within the remit of DCPI
- Bereavement services which falls within the Public Protection and Rural Affairs portfolio.

The reason for including the 3 together are.

- Voluntary sector grants have been transferred to the portfolio of Cultural Services.
- Although Bereavement is no longer part of the Cultural Services portfolio it does form part of the bottom line calculation for the rest of cultural services. The variance analysis is included in appendices A-C.

6.2 **Budget Changes Resulting from the new Statement of Recommended Practice (SORP) 2006**

The CIPFA Accounting Code of practice issued in 2006 has brought in a number of changes to the way that Local Authorities present their accounts from 2006/07.

In order to prepare for 2006/07 Final Accounts, we have introduced these changes from 2006/07 Revised Estimates. The changes affecting service budgets are:

6.2.1 **Capital Charges**

The main change is the removal of the notional interest element of the capital charge. The notional interest charge was 3.5% of the net book value of assets and its removal has resulted in a large reduction in the capital charges shown in the estimates. The remaining element is a charge for depreciations

The notional interest charges were charged to services, but reversed centrally. Their removal, therefore, has no impact on the General Fund bottom line, because the central reversal is also removed.

6.2.2 **Release of Grants Deferred**

'Release of Grants Deferred' relates to capital expenditure on fixed assets financed from grants. These grants are credited to the balance sheet and released to revenue over the life of the asset, to offset the depreciation charges to services.

Prior to 2006/07 the release of grants was a central credit to AMRA. From 2006/07, the release of grant is now shown as service income in the relevant service. This has resulted in a cost reduction to services, **but there is no impact on the General Fun bottom line, because credit is also removed.**

6.3 2006/2007 – The Revised Estimate Review

The Department is in its eighth year of operating a cash limited budget and will achieve its 2006/07 cash limit having maintained a high standard of service provision throughout the year. This has been achieved through good budget management at site/cost centre level whilst facing increased competition and reduced attendances in some areas of service. The alignment of the portfolio holders has resulted in the following changes to Cultural Services.

- Grants to voluntary organisations has been added and is included within this report. This element is excluded from the bottom line calculation.
- Bereavement Services – This has been transferred from the Culture portfolio to Public Protection and Rural Affairs. It has been included in this report as it still forms part of the bottom line calculation.

6.3.1 Leisure, Museums & Arts and Parks & Bereavement Business Units

Notable successes this financial year include:

- Following a review of Nidderdale some operational changes have been made that have resulted in a £74,000 reduction in the required subsidy.
- The Department's Parks Division has enjoyed another good year in maintaining the districts very high horticultural standards within budget and achieving silver gilt in the National Champion of Champions Competition for Harrogate and silver gilt for Starbeck in Bloom. It has also maintained its green flag for Ripon Spa Gardens.
- Income for Bereavement Services is predicted to be £49,000 higher than original estimate assuming the performance from the last 3 months of 2005/06 is repeated in this year.

There have been some disappointments for the department but wherever possible they have been addressed:

Income for membership at the Hydro has not met the tough targets set, although a number of initiatives are being introduced to address this and the financial implication are being effectively managed.

Despite the successes and disappointments, the 2006/07 Revised Estimate for these business units shows an underspend against the Restated Original Estimate of £739,090.

		£
Revised Estimate	2006/2007	6,496,040
Original Estimate	2006/2007	<u>7,235,130</u>
Underspend		739,090

The underspend is a result of items outside of the control of the Department and is made up of the following.

	£
Capital charges	(728,120)
Deferred charges	27,790
Business support	34,180
Grants deferred	(171,000)
Growth items*	64,720
Gas tariff	7,270
Jacob Smith Park Maintenance	(10,340)
Harrogate Festival (use of 05/06 underspends)	6,000
Flu pandemic (use of 05/06 underspends)	11,200
Increase in building management	17,590
Increase in admin buildings	1,120
Increase in GIS/mapping	500
	739,090

* The growth items include:

➤ Removal of Travellers	£10,720
➤ Mercer Gallery Security	£39,000
➤ Entante Floral - appropriation to reserve	£15,000

Within the control of cultural services there is anticipated to be an underspend of £77540 which will be transferred to reserves.

For a more detailed breakdown see Appendices A and C.

6.3.2 Voluntary Sector Grants

This function is the responsibility of DCPI. There are no changes between original estimates 2006/07 and revised estimates 2006/07.

6.4 2007/2008 Original Estimate Review

With regard to the draft estimate for 2007/2008 the following factors should be noted:

- An average increase of 5% has been applied where appropriate to existing fees and charges with due regard made to competition.
- The pay award increase of 2.5% from 1 April 2007.
- A further increase in the employer superannuation contribution of 1.1% taking it from 19.9% to 21%.

6.4.1 Leisure, Museums & Arts and Parks & Bereavement Business Unit

2007/08 will be the 9th year that the Department has operated within a cash limited budget. In a change to previous year the cultural services target budget was subjected to 2 different methods of calculation.

- i) The existing method of ½% increase on controllable expenditure
- ii) **Subject to the criteria applied to other Council budgets**

The two methods were evaluated and it was decided to work from second method as this produced a lower figure and is more aligned to the Council's objectives.

The actual draft estimate for these business units are as follows:

	£
Target original estimate for 2007/08	6,538,340
Proposed original estimate for 2007/08	<u>6,383,010</u>
Underspend	155,330

The underspend is a result of items outside of the control of the Department and is made up of the following.

	£
King George V Playing Fields	1,540
Capital charges	58,170
Business Support	(109,720)
Grants deferred income	(151,710)
Gas tariff	22,000
Decrease in Theatre insurance	(1,390)
Increased Mercer Gallery admissions	(20,000)
Starbeck Community Fund	2,690
Ripon LC grant	(17,100)
Commuted sums maintenance	(8,540)
Increase in Building Management (above 3%)	62,230
Increase in admin buildings (above 3%)	80
Increase in CTO charges (above 5%)	6,370
CCTV (above 3%)	<u>50</u>
	155,330

Within the control of cultural services there is anticipated to be an underspend of £19,430 which will be transferred to reserves.

6.4.2 Voluntary Sector Grants

The actual draft estimate for grants to voluntary sector for 2007/08 is £161,290. For 2007/08 the grants increased by the agreed rate of 2.5%, with the exception of the grant for Harlow Community Centre Association, which is a fixed grant to be reviewed in 2007.

7.0 DETAILS OF EFFICIENCY SAVINGS

7.1 Throughout the year there were the following non-cash efficiencies:

Parks Bereavement	£14,790	Savings on material and landfill costs by using recycled materials
Parks Bereavement	£2,420	Savings on sub-contractors by carrying out works in-house

Parks Bereavement	£3,360	Savings on landfill charges by sending clay to Flaxby to be used for screening
Parks Bereavement	£9,000	Savings on landfill charges by recycling green waste
LMA	£19,240	New work on Children and Young Peoples Act

8.0 GROWTH ITEMS

Cultural Services DCPI

- 8.1 Establish a fund for grants to the voluntary and community sector £50,000.

Cultural Services DCS

- 8.2 Floral Decorations - £5,200. Reinstatement of budget to provide floral decorations for Mayor Making.
- 8.3 Harrogate International Festival - £6,000.

Public Protection & Rural Affairs

- 8.4 Memorial - £50,000. This relates to the repairs to cemetery and parks walls as a part of a health and safety recommendation. There is also an element that has been set aside to address the headstones that remain laid down

9.0 FINANCIAL RISK MANAGEMENT

A key aspect of the Department's approach to setting its 2007/08 budget is a risk management assessment which is carried out throughout the budget process.

In the case of expenditure the budget for 2007/08 can be predicted with a reasonable degree of accuracy, but overspends can and do occur in the cases of employees through sickness, maternity and recruitment due to the relatively high turnover of staff.

The Department has forecast external income of £6.08m. Clearly increased competition in a number of areas (fitness) and declining swimming attendances nationally could impact upon the forecast figure.

The loss of key staff could impact on the Department's ability to deliver its bottom line budget.

10.0 PROJECTIONS 2008/09 AND 2009/10

We are now required, under the Government's new prudential code, and for the Comprehensive Performance Assessment, to produce projections for the next 3 years. These projections are only a broad indication of likely net expenditure levels and have been compiled in accordance with the guidance and parameters set.

11.0 SCRUTINY COMMITTEES

The report will be presented to the following scrutiny

- Public Protection and Rural Affairs (Bereavement services). This will go to the Organisational Improvement & Environment Commission on the 18 January 2007.
- Cultural Services. This will go to the Community & Partners Commission on the 22 January 2007.

Background Papers – None

OFFICER CONTACT: Please contact Peter Moore, Finance Manager, if you require any further information on the contents of this report. The officer can be contacted at the Department of Community Services, Springfield House, Kings Road, Harrogate, HG1 5NX, by telephone on 01423-556715 or by e-mail – peter.moore@harrogate.gov.uk

SUSTAINABILITY ASSESSMENT/CRIME AND DISORDER

		Implications are		
		Positive	Neutral	Negative
A	Economy			
B	Environment			
C	Social Equity			
i)	General			
ii)	Customer Care/People with Disabilities			
iii)	Health Implications			
D	Crime and Disorder			

If all comments lie within the shaded areas, the proposal is sustainable

**CULTURAL SERVICES PORTFOLIO
REVENUE BUDGET 2007/08**

APPENDIX A

SUMMARY

2005/06 Actual	2006/07 Original Estimate	2006/07 Revised Estimate	Cost Centre	2007/08 Original Estimate	2008/09 Projection	2009/10 Projection
£	£	£		£	£	£
2,155,977	2,368,890	2,099,050	Open Spaces	2,248,380	2,300,970	2,323,240
3,593,484	3,765,860	3,409,400	Recreation and Sport (Sport & Leisure)	3,348,570	3,297,510	3,261,930
617,546	632,210	586,480	Culture and Heritage (Museums)	479,480	485,210	491,790
205,477	262,880	271,390	Culture and Heritage (Arts)	331,110	329,120	334,780
6,572,484	7,029,840	6,366,320	GF Net Expenditure	6,407,540	6,412,810	6,411,740
			Subjective Analysis			
5,710,326	6,205,430	5,942,760	Employees	6,367,540	6,511,410	6,659,650
993,091	1,206,360	1,264,380	Premises	1,186,310	1,194,680	1,203,330
1,548,410	1,254,560	1,371,570	Supplies & Services	1,286,630	1,280,580	1,281,280
236,922	244,370	275,800	Transport	283,840	287,740	291,740
71,899	115,370	179,030	Appropriation to/from(-) Reserves	157,040	168,060	168,060
8,560,647	9,026,090	9,033,540	Total Controllable Expenditure	9,281,360	9,442,470	9,604,060
696,950	672,710	704,720	Premises - Building Management	764,520	787,460	811,060
1,114,258	1,270,260	1,327,650	Support Services	1,282,270	1,314,540	1,347,590
80,993	101,530	85,080	Service Management	36,480	37,380	38,310
1,388,614	1,297,040	688,660	Capital Charges	722,050	722,050	722,050
0	0	-32,000	Appropriation to/from(-) Reserves	0	0	0
3,280,814	3,341,540	2,774,110	Total Additional Expenditure	2,805,320	2,881,430	2,919,010
11,841,461	12,367,630	11,807,650	Total Expenditure	12,086,680	12,303,900	12,523,070
			Less Income			
0	0	171,000	Internal Capital recharges	151,710	133,770	113,960
497,384	486,320	502,740	Internal Recharges	511,020	553,080	597,920
4,497,941	4,566,610	4,507,930	Sales, Fees & Charges	4,738,830	4,921,530	5,111,390
273,652	274,860	259,660	Other Income	277,560	262,710	288,040
6,572,484	7,029,840	6,366,320	Net Expenditure	6,407,540	6,412,810	6,411,740

(1) Full Time Equivalents

The Employees cost relates to the following number of full time equivalent employees:
311.86 06/07 OE, 311.86 06/07 RE and 312.48 07/08 OE

CULTURAL SERVICES PORTFOLIO

Major variances between 2006/07 Revised and Original Estimates

	£	
Revised Estimate 2006/07	6,366,320	
Original Estimate 2006/07	7,029,840	
	Increase/Decrease(-) in Net Expenditure	
	-663,620	
Explained by:-		
	£'000	£'000
CONTROLLABLE EXPENDITURE		
Decrease in Employee Costs		
Nidderdale Recreation Centre - Staff Restructure / Reorganisation	-74	
Hydro - Staff Restructure / Reorganisation	-35	
(1) 'Go Bananas' project - not going ahead (2 FTEs)	-41	
Other decreases within Sport & Leisure	-112	
Other increases/decreases	-1	
Increase in Premises Costs		
Increase in gas tariff	7	
(3) Mercer Security Works (Frith Exhibition)	60	
Other small increases/decreases	-9	
Increase in Supplies & Services		
(2) Payments to Artists	29	
Museums Marketing	14	
Sport & Leisure CRB checks	17	
Other small increases/decreases	57	
Increase in Appropriations		
(3) Mercer Security Works (Frith Exhibition)	-10	
Museums Access & Learning Centre work	-10	
Entente Florale (from 05/06 underspends)	15	
Flooding on the Stray	-14	
Grounds Maintenance provision, Knares	5	
Contingency Provision	78	
Increase in Transport Costs		
Vehicle Fuel & Repairs	18	
Other increases	13	7
INCOME		
Increase in Income		
Grants Deferred Income - change in accounting policy	-171	
(1) 'Go Bananas' project - not going ahead	26	
(2) Commission from Sale of Paintings	-29	
Museums Sales/Fees/Contributions	-26	
Arboriculture	-12	
Decrease in Swimming Pools Income	123	
Other increases/decreases	-14	-103
ADDITIONAL EXPENDITURE		
(4) Increase in Building Management Charges (Ripon Leisure Centre Drainage)	32	
Increase in Admin Building Support Charges	1	
Increase in Support Services	4	
Increase in Community Services Business Support Charges	35	
Decrease in Appropriations		
(4) Ripon Leisure Centre Drainage Works (from Building Management Reserve)	-32	
Capital Charges - Interest	-620	
Capital Charges - other	-16	
Deferred Charge Write Downs - Nidderdale Pool	28	-568
		-664

CULTURAL SERVICES PORTFOLIO

Major variances between 2006/07 and 2007/08 Original Estimates

	£	
Original Estimate 2007/08	6,407,540	
Original Estimate 2006/07	7,029,840	
	Increase/Decrease(-) in Net Expenditure <u>-622,300</u>	
Explained by:-	£'000	£'000
CONTROLLABLE EXPENDITURE		
Increase in Employee Costs		
Increase in superannuation rate from 19.9% to 21.0%	40	
Pay award - 2.5%	151	
Parks Head of Service Charge (incr from 40% OE 06/07)	-7	
New Parks posts for Gardener & Apprentica	27	
(1) Go Bananas Project - not going ahead (2 FTEs)	-42	
Decreased Staffing in Sport & leisure (2.37 FTEs)	-68	
(5) Active Sports - grant/contribution funded	26	
Other increases/decreases incl increments	36	
Decrease in Premises Costs		
Increase in gas tariff	23	
(2) Grounds Maintenance provision, Knaresborough	-39	
NDR increases	2	
Play Equipment - decrease in Contractors costs	-10	
Other increases/decreases	5	
Increase in Supplies & Services		
(3) Entente Florale	15	
(4) Payments to Artists	10	
Swimming Development	9	
Hydro Catering Contract	-5	
(5) Active Sports - grant/contribution funded	4	
Other increases/decreases	-1	
Increase in Appropriations		
On-line booking system	15	
Contingency Provision	19	
(2) Grounds Maintenance provision, Knaresborough	22	
(3) Entente Florale	-15	
Increase in Transport Costs		
Increase in Central Transport Charges	18	
Fuel	12	
Other increases	9	256
INCOME		
Increase in Income		
3.9% increase - in line with Council Policy	-98	
Further 1.1% increase - fees increased by 5% as far as possible	-18	
Mercer Admissions (to fund Security Works for Frith Exhibition)	-20	
(4) Commission from Sale of Paintings	-10	
(1) Go Bananas' project - not going ahead	26	
(5) Active Sports - grant/contribution funded	-30	
Hydro Catering Contract	-11	
Grants deferred income - change in accounting policy	-152	
Other increases/decreases	-28	-341
ADDITIONAL EXPENDITURE		
Increase in Building Management Charges	92	
Decrease in Admin Building & Support Services Charges	5	
Decrease in Community Services Business Support Charges	-59	
Decrease in Capital Charges	-575	-537
		<u>-622</u>

CULTURAL SERVICES PORTFOLIO
DEPARTMENT OF CORPORATE POLICY & IMPROVEMENT

		2005/06		2006/07		2007/08	2008/09	2009/10	
code		ACTUAL	OE	RE	ACTUAL	OE	OE	OE	
		£	£	£	£	£	£	£	
Central Services:									
Central Services to the Public									
Grants to Voluntary Organisations									
Subscriptions To National & Provincial Bodies									
Yorkshire Rural Community Council	D203380	3801203	860.00	890	890	890	910	930	950
Grants To Voluntary Bodies ("Social Services" Related)									
Harrogate Citizens Advice Bureau	D206376	3761203	58,410.00	58,070	58,070	58,070	59,520	61,010	62,540
Ripon Citizens Advice Bureau	D207376	3761203	40,740.00	41,940	41,940	41,940	42,990	44,060	45,160
Harrogate District Community Transport	D220376	3761203	18,790.00	19,340	19,340	19,340	19,820	20,320	20,830
Council For Voluntary Service for Hgte & Area	D209376	3761203	15,960.00	16,430	16,430	16,430	16,840	17,260	17,690
Ripon Council For Voluntary Service	D210376	3761203	10,460.00	10,770	10,770	10,770	11,040	11,320	11,600
Keep Talking	D211376	3761203	1,150.00	1,180	1,180	1,180	1,210	1,240	1,270
Relate - Harrogate	D212376	3761203	2,130.00	2,190	2,190	2,190	2,240	2,300	2,360
Harrogate & District Victim Support Scheme	D213376	3761203	400.00	410	410	410	420	430	440
Harrogate Alcohol & Drugs Agency (East Parade Project)	D214376	3761203	880.00	910	910	910	930	950	970
Age Concern Knaresborough & District	D215376	3761203	1,320.00	1,360	1,360	1,360	1,390	1,420	1,460
Member Budgets	D208376	3761203	5,753.20	0	0	0	0	0	0
Harrogate & District Access Group	D217376	3761203	110.00	110	110	110	120	120	120
			154,103.20	152,710	152,710	152,710	156,520	160,430	164,440
Harlow Hill Community Centre Association	D216382	3821203	500.00	500	500	500	500	500	500
Total Grants			156,463.20	154,100	154,100	154,100	157,930	161,860	165,890
Accountancy	D228504	5041203	6,890.00	6,740	6,740	6,740	1,360	1,390	1,420
DCPI K Weaver							2,000	2,050	2,100
Service Management/Support Services			6,890.00	6,740	6,740	6,740	3,360	3,440	3,520
GF Net Expenditure			162,353.20	160,840	160,840	160,840	161,290	165,300	169,410
Appropriations (Member Budgets)	D208A15	A151203	-5,753.20	0	0	0	0	0	0
GF Net Expenditure			156,600.00	160,840	160,840	160,840	161,290	165,300	169,410

PUBLIC PROTECTION & RURAL AFFAIRS PORTFOLIO

Business Unit: Bereavement Services

2005/06 Actuals	2006/07 Original Estimate	2006/07 Revised Estimate	Cost Centre	2007/08 Original Estimate	2008/09 Projection	2009/10 Projection
£	£	£		£	£	£
			Cultural, Environmental & Planning Services:			
			Environmental Services:			
			Cemetery and Cremation Services			
-281,486	-402,090	-424,590	Crematorium	-540,880	-645,790	-766,700
14,788	9,720	26,010	Cemeteries - Burials	1,760	-480	-2,820
227,204	302,950	225,660	Cemeteries - Maintenance	119,290	118,700	118,040
-71,919	-82,910	-89,860	Trading Account	-94,820	-99,170	-103,670
9,094	9,870	10,000	Closed Churchyards	9,940	9,950	9,960
291,739	315,340	311,260	Administration	343,240	351,290	359,500
42,744	52,410	71,240	Appropriation to/from(-) Reserves	136,940	190,370	0
232,164	205,290	129,720	GF Net Expenditure	-24,530	-75,130	-385,690
			Subjective Analysis			
395,967	443,490	443,470	Employees	467,910	479,420	491,220
181,908	233,250	244,860	Premises	144,080	145,070	146,090
77,760	65,330	80,090	Supplies & Services	66,950	66,950	66,950
39,525	39,510	39,820	Transport	37,810	38,390	38,990
42,744	52,410	71,240	Appropriation to/from(-) Reserves	136,940	190,370	0
737,906	833,990	879,480	Total Controllable Expenditure	853,690	920,200	743,250
66,986	43,730	61,310	Premises - Building Management	35,640	36,710	37,810
88,769	106,160	105,050	Support Services	99,080	101,630	104,230
7,200	8,950	12,170	Service Management	4,560	4,670	4,800
111,084	117,610	25,660	Capital Charges	46,540	46,540	46,540
274,038	276,450	204,190	Total Additional Expenditure	185,820	189,550	193,380
1,011,944	1,110,440	1,083,670	Total Expenditure	1,039,510	1,109,750	936,630
			Less Income			
778,577	903,950	952,750	Sales, Fees & Charges	1,062,840	1,183,630	1,321,020
1,203	1,200	1,200	Other Income	1,200	1,250	1,300
232,164	205,290	129,720	Net Expenditure	-24,530	-75,130	-385,690

(1) Full Time Equivalents

The Employees cost relates to the following number of full time equivalent employees:
19.94 06/07 OE, 19.94 06/07 RE and 19.94 07/08 OE

PUBLIC PROTECTION & RURAL AFFAIRS PORTFOLIO

Major variances between 2006/07 Revised and Original Estimates

	£	
Revised Estimate 2006/07	129,720	
Original Estimate 2006/07	205,290	
Increase/Decrease(-) in Net Expenditure	<u>-75,570</u>	
Explained by:-		
	£'000	£'000
<u>CONTROLLABLE EXPENDITURE</u>		
Employee Costs		
Preparation for Flu Pandemic - training costs	7	
Other small increases/decreases	-7	
Increase in Premises Costs		
Increase in Utilities mainly large increase in gas tariff	10	
Other small increases/decreases	2	
Increase in Supplies & Services & Transport		
Preparation for Flu Pandemic costs	4	
Other increases/decreases	11	
Increase in Appropriations		
(1) Increase in cremation income to fund mercury works (above additional 10%)	<u>19</u>	46
<u>INCOME</u>		
Increases in Income		
(1) Increase in Cremation Income (see Increase in Appropriations)	-19	
Increase in Burials Income	-11	
Other increases	<u>-19</u>	-49
<u>ADDITIONAL EXPENDITURE</u>		
Increase in Building Management Charges	18	
Increase in Community Services Business Support Charges	1	
Capital Charges		
Interest (change in accounting policy)	-80	
Depreciation	<u>-12</u>	-73
		<u>-76</u>

PUBLIC PROTECTION & RURAL AFFAIRS PORTFOLIO

Major variances between 2006/07 and 2007/08 Original Estimates

	£	
Original Estimate 2007/08	-24,530	
Original Estimate 2006/07	205,290	
Increase/Decrease(-) in Net Expenditure	<u>-229,820</u>	
Explained by:-	£'000	£'000
<u>CONTROLLABLE EXPENDITURE</u>		
Increase in Employee Costs		
Increase in superannuation rate from 19.9% to 21.0%	4	
Pay award - 2.5%	11	
50% of Head of Service charge (Incr from 40% OE 06/07)	7	
other variations (incl increments, overtime etc)	2	
Decrease in Premises Costs		
Removal of Memorials Budget (06/07 is Final Year)	-100	
Increase in Gas Tariff	7	
Other increases/decreases incl NNDR	4	
(1) Appropriation to capital reserve - payback of mercury abatement works	85	
Increase in Income		
3.9% increase - in line with Council policy	-35	
(1) Additional 10% increase in cremation fees to fund mercury works	-63	
(1) Excess cremation fees income above additional 10% increase appropriated to reserves to fund mercury works	-22	
Further increases in income incl Burials	-40	
	<u>-140</u>	
Additional		
Decrease in Building Management Charge	-8	
Decrease in Community Services Business Support Costs	-11	
Decrease in Capital Charges		
Decrease in Interest (change in accounting policy)	-80	
Increase in Depreciation	9	
	<u>-90</u>	
		<u>-230</u>