

LEISURE & ENVIRONMENT COMMITTEE REVENUE BUDGET 2018/19

1.0 Purpose of Report

- 1.1 To inform the Committee of the budget and scales of fees & charges for those areas falling under the remit of the Leisure & Environment Committee for 2018/19.

2.0 Background Information

- 2.1 Business Managers and service budget officers have been working with officers from Financial Services to determine a first draft General Fund budget and Medium Term Financial Plan. The budgets have been prepared in line with the strategy agreed by Policy & Finance Committee on 21 September 2017.
- 2.2 As part of the budget strategy it was agreed that the functional Committees be requested to look at opportunities for savings in 2018/19 and also any investment potentials which would increase and support revenue income levels, in order to reduce the projected burdens in future years. Members of this Committee are asked to identify any 'spend to save' initiatives in order that these can be considered by the Policy & Finance Committee.
- 2.3 The Leisure & Environment Committee met on 14 November 2017 to scrutinise the budget and continue to look for ways to achieve further savings in 2018/19 and future years. The budget proposals attached at **Appendix A** have been developed following consideration by the Committee.
- 2.4 It was agreed that Business Managers should continue to work with officers from Financial Services to formulate a final budget for submission to Policy & Finance Committee on 25 February 2018. The current budget proposals are attached at **Appendix A**. A schedule of fees and charges pertaining to Leisure & Environment Committee are attached at **Appendix B**.

3.0 Revenue Budget Proposals

- 3.1 The current draft budget shows an increase in 2018/19. Direct service expenditure excluding deferred and capital charges, and all central services recharges currently shows an overall increase of £275,760 against 2017/18 budget. When central recharges and capital are included this becomes an increase of £540,160.
- 3.2 This budget figure includes an average of 2% inflation on expenditure and income, as approved by the Policy & Finance Committee at its meeting on 21 September 2017. It also assumes a 2.5% increase in salary and wages costs overall in 2018/19. Superannuation budgets include the increased percentage contribution announced by the actuary in February 2017.
- 3.3 Staffing costs of £3.08m account for approximately 58% of the gross service budget (excluding housing benefits, capital and central recharges) and significant budget savings cannot be achieved without affecting staffing levels.
- 3.4 Major variances between 2017/18 and 2018/19 are shown below:

- 3.4.1 Domestic Refuse Collection – The increase includes the costs of an additional refuse collection round (staffing & vehicles) in addition to the inflationary increases in employee costs referred to in 3.2 above. In 2018/19 it is proposed that a contribution from reserves will fund this round and the additional street sweeping round, but as new properties are developed the funding will come from additional council tax.
- 3.4.2 Public Conveniences – the saving has been achieved as part of the devolution agreement with Newark Town Council.
- 3.4.3 Street Sweeping – See 3.4.1 additional staff and vehicles for increased street sweeping.
- 3.4.4 Dog Control – the savings have been achieved as a result of the service being outsourced.
- 3.4.5 Environmental Health – car parks now fall within the remit of the Business Manager – Environmental therefore a proportion of his salary & associated costs are now charged directly to the parking services admin cost centre. This offsets the inflationary increases within the service.
- 3.4.6 Active4Today – the budget includes the costs of insuring the leisure centres which remain in the ownership of the District Council. Insurance costs have increased across all budgets this year, with both the premium increasing and insurance premium tax continuing to increase.

4.0 Fees and Charges

- 4.1 The level of fees and charges has been considered by officers within the framework set out in the Corporate Charging Policy. Proposals for increases in fees and charges are attached at **Appendix B** for consideration and recommendation to Policy & Finance Committee on 22 February 2018 and Council on 8 March 2018.

5.0 Conclusions

- 5.1 It is important that the Committee continues to scrutinise and review its budget in order to achieve additional savings in future years at a time when the Council is facing reducing government grants and other financial pressures.

6.0 RECOMMENDATIONS that:

- (a) the final Committee budget as shown at Appendix A be recommended to Policy & Finance Committee at its meeting on 22 February 2018 for inclusion in the overall council budget; and**
- (b) the scales of fees and charges as shown at Appendix B be recommended to Policy & Finance Committee at its meeting on 22 February 2018 and Council on 8 March 2018.**

Reason for Recommendations

To ensure that the final budget proposals and the level of fees and charges for 2018/19 are recommended to Policy & Finance Committee on 22 February 2018.

Background Papers

None

For further information please contact Nick Wilson on Extension 5317 or Amanda Wasilewski on Extension 5738.

Nick Wilson
Business Manager - Financial Services

BUDGET SUMMARY**APPENDIX A****LEISURE & ENVIRONMENT**

CODE	DESCRIPTION	2017/18 INITIAL BUDGET	2018/19 BASE BUDGET	MORE/(LESS)
A10701	UPKEEP OF DYKES	7,450	6,250	(1,200)
A11002	DOMESTIC REFUSE COLLECTION	1,578,570	1,746,810	168,240
A11101	PUBLIC CONVENIENCES	44,820	33,360	(11,460)
A11103	SEWERAGE WORKS	27,310	28,890	1,580
A11104	STREET SWEEPING	463,040	555,940	92,900
A11107	DOG CONTROL	61,820	44,510	(17,310)
A11110	NATIONAL ASSISTANCE ACT BURIAL	3,600	3,500	(100)
A11135	ENVIRONMENTAL HEALTH	650,900	674,900	24,000
A11137	BRUNEL DRIVE DEPOT ADMIN	51,710	54,210	2,500
A11201	LOWDHAM CEMETERY	(1,960)	0	1,960
A11305	SOUTHWELL LEISURE CENTRE	94,680	95,850	1,170
A11321	NEIGHBOURHOOD CENTRES	28,160	23,010	(5,150)
A11339	NEWARK SPORTS HUB	7,200	7,200	0
A11442	ARTS DEVELOPMENT	41,010	39,630	(1,380)
A11576	ACTIVE 4 TODAY	127,940	138,190	10,250
A11582	LIFE SAVING	0	0	0
A11583	COMMUNITY SPORTS & ARTS DEV	67,590	69,430	1,840
A11731	STREET NAMING	41,990	40,910	(1,080)
A12221	NEWARK LIVESTOCK MARKET	(218,000)	(200,000)	18,000
A15003	BRUNEL DRIVE DEPOT	106,320	103,960	(2,360)
A26901	VEHICLE POOL WORKSHOP	(80,160)	(86,670)	(6,510)
A26910	VEHICLE POOL NSH	(1,360)	(1,490)	(130)
	TOTAL	3,102,630	3,498,390	275,760
	Central Recharges	872,830	902,540	29,710
	Capital Charges	690,160	953,010	262,850
	Income from recharges	(282,400)	(310,560)	(28,160)
	TOTAL	4,383,220	4,923,380	540,160

BUDGET SUMMARY

LEISURE & ENVIRONMENT SUBJECTIVE SUMMARY

CODE	DESCRIPTION	2017/18 INITIAL BUDGET	2018/19 BASE BUDGET	MORE/(LESS)
111	SALARIES AND WAGES	2,406,290	2,495,030	88,740
113	NATIONAL INSURANCE	212,350	226,750	14,400
114	SUPERANNUATION	292,640	358,050	65,410
	EMPLOYEE SUB TOTAL	2,911,280	3,079,830	168,550
211	REPAIRS AND MAINTENANCE	43,100	45,970	2,870
212	ENERGY COSTS	40,830	39,600	(1,230)
213	RENT	1,200	1,200	0
214	RATES	47,560	46,540	(1,020)
215	WATER SERVICES	14,980	16,030	1,050
217	CLEANING AND DOMESTIC	800	1,000	200
219	CONTRIBUTION TO FUNDS	88,890	92,330	3,440
311	TRANSPORT	860,650	902,250	41,600
315	CAR ALLOWANCES	28,810	27,800	(1,010)
316	INSURANCE	57,020	64,240	7,220
411	EQUIPMENT AND FURNITURE	79,780	80,570	790
412	MATERIALS	16,920	16,320	(600)
421	CATERING	530	0	(530)
431	CLOTHING AND UNIFORMS	15,070	16,320	1,250
441	GENERAL OFFICE EXPENSES	6,220	4,890	(1,330)
451	CONTRACTUAL	361,290	381,840	20,550
452	OTHER SERVICES	56,970	67,170	10,200
461	COMMUNICATIONS AND COMPUTING	13,820	3,410	(10,410)
471	STAFF	1,780	1,230	(550)
481	GRANTS	17,540	16,770	(770)
491	INSURANCE	48,820	76,400	27,580
493	OTHER	363,320	357,400	(5,920)
711	ADMIN BUILDINGS	120,260	111,320	(8,940)
712	CENTRAL DEPARTMENT SUPPORT	655,090	694,180	39,090
713	CSS MONTHLY PERCENTAGE RECHGS	16,180	15,960	(220)
714	CENTRAL EXPENSES	40	0	(40)
715	DEPARTMENTAL ADMINISTRATION	81,260	81,080	(180)
821	CAPITAL CHARGE	690,160	953,010	262,850
	RUNNING EXPENSES SUB TOTAL	3,728,890	4,114,830	385,940

CODE	DESCRIPTION	2017/18 INITIAL BUDGET	2018/19 BASE BUDGET	MORE/(LESS)
922	Contributions From Other Las	(78,790)	0	78,790
928	Recharge Non Gf Accounts	(297,270)	(336,240)	(38,970)
931	Sales	(78,060)	(85,000)	(6,940)
932	Fees And Charges	(996,790)	(1,018,250)	(21,460)
933	Rents	(218,000)	(200,000)	18,000
938	Fees And Charges	(62,200)	(63,000)	(800)
939	Other Receipts	(214,660)	(229,420)	(14,760)
951	Recharge GF Rev Accounts	(282,400)	(310,560)	(28,160)
958	Recharges to car parks	(22,080)	(22,520)	(440)
958	Int Charge For Services (dog bins)	(6,700)	(6,290)	410
	INCOME SUB TOTAL	(2,256,950)	(2,271,280)	(14,330)
	COMMITTEE TOTAL	4,383,220	4,923,380	540,160