



## **SPECIAL COMMUNITY SERVICES COMMITTEE**

13 FEBRUARY 2006

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Report of the Director of Central Resources

### **2006/07 DRAFT COMMUNITY SERVICES DEPARTMENT REVENUE AND CAPITAL BUDGET**

#### **purpose of report**

1. To inform Members of the draft departmental Revenue and Capital budgets for 2006/07 and to seek Member approval to progress the draft budgets to Policy and Strategic Development Committee for consideration.

#### **background**

2. Members will be aware of the Council's budget setting process that has developed in recent years. In particular, Members will be aware of:
  - (i) The need to invest in Council priorities as outlined in the Council Plan.
  - (ii) The need to create room for manoeuvre within existing departmental resources in order to fund priorities and service improvements. This has been achieved through exerting continued downward pressure on fixed and unit costs.
  - (iii) The need to invest in the capital infrastructure of both the Council and Wear Valley in pursuance of corporate objectives.
3. This report sets out the department's draft 2006/07 revenue and capital budgets including cost improvements and service development bids. Cost improvement and service development bids have been assessed by an inter-departmental group of officers who have followed an agreed scoring process. This process takes into account issues such as links to corporate objectives and corporate themes, degree of external funding, impact upon performance etc. The evaluation of capital schemes has followed a similar process.

#### **draft 2006/07 revenue budget**

4. The table below shows the draft departmental budget for 2006/07 prior to consideration of cost improvements and service development bids. It has been produced after taking into account the following:
  - (i) Known and anticipated pay awards, based on existing establishment levels.

- (ii) Increases in contractual payments where appropriate.
- (iii) Increases in fees and charges based on expected levels of service activity against expected charging levels.
- (iv) Known external funding.

<b>Cost Centre</b>	<b>Cost Centre Description</b>	<b>Estimate 2006/07 (£)</b>
2000	Arts Development and Support	48,272
2010	Bishop Auckland Town Hall	200,787
2020	Crook Civic Hall	9,926
2030	Stanhope Town Hall	21,150
2040	Wolsingham Town Hall	11,850
2050	Parks and Open Spaces	1,219,504
2051	Bishops Park	26,130
2100	Allotments	(15,513)
2110	Community Centres	19,211
2180	Leisure Services	200,739
2181	Special Events	29,480
2182	Sports Development	9,420
2183	Leisure Services - Wear Fit	1,500
2184	Leisure Services - Exercise on Prescription	(5,230)
2185	Leisure Services - Cardiac Rehabilitation	(6,900)
2200	Cemeteries and Closed Church Yards	142,495
2300	Environmental Health Services	321,698
2310	Licensing - General	(28,619)
2330	Pest Control	67,609
2340	Public Conveniences	164,766
2370	Land Drainage	9,600
2400	Household Waste Collection	94,767
2410	Recycling	50,456
2415	Refuse Collection Contract	1,352,835
2416	Recycling - Contract	211,219
2420	Waste Disposal - Abandoned Vehicles	5,000
2500	Highways	15,194
2510	Street Cleaning	668,751
2520	Car Parking	(179,129)
2530	Bus Shelters & Bus Station	88,438
2540	Street Lighting	6,600
2700	Markets	7,483
2950	Cafe Woodhouse Close Leisure Complex	13,600
2952	Glenholme Leisure Complex - Contract	553,727
2954	Spectrum Leisure Complex - Contract	71,810
2955	Vending - Spectrum Leisure Complex	(780)
2956	Vending - Woodhouse Close Leisure Complex	(12,480)
2958	Woodhouse Close Leisure Complex - Contract	887,972
2959	Vending - Glenholme Leisure Complex	(7,000)
	<b>Total</b>	<b>6,276,338</b>

## fees and charges

5. The proposed fees and charges for 2006/07 for the department are shown at Annex A. They have been constructed around the following principles:
- (i) A general increase of 5%.
  - (ii) Increases above this amount where it is considered appropriate in terms of maintaining service demand within the context of the "Price is Right" principles.
  - (iii) The need to generate increased income in order to maintain the efficiency of the service provided.
  - (iv) To use the pricing structures to achieve positive changes in areas of service pressures e.g. proposals regarding rights to burial charges.

## cost improvements

6. The following cost improvements are proposed as the departmental contribution to creating scope for priorities as well as improving the efficiency of the department. Each cost improvement is considered in turn.

<b>Scheme</b>	<b>£000</b>	<b>Commentary</b>
Alterations to CHP Unit – Woodhouse Close Leisure Complex	7	Thermostat to be fitted to the combined heat and power unit to reduce energy costs
Spectrum Leisure Complex	50	Transfer of running of centre to be effected by the end of the current financial year after which all management responsibilities and operating costs will pass to community enterprise
Crook Civic Hall	3	Building to be protected from vandalism. Expectation that building will be disposed of during 2006/07
Car Parking Charges	50	Review to be taken of charges with possible increase and expansion of scheme to Crook by 1 August 2006
Visions Memberships standing orders	5	These are currently managed by an outside organisation to which we pay commission. Saving can be made from carrying out this work in house
Public Conveniences – lease payments	60	Lease expires in 2006/07
Charges for treatment of mice	2.5	Introduction of a charge for treating mice in domestic properties. The Council is responsible for ensuring that the District is free from pests but

<b>Scheme</b>	<b>£000</b>	<b>Commentary</b>
		is not required to carry out the work. The proposal is to introduce a charge of £20 per treatment
Charges for treatment of rats	8	Introduction of a charge for treating rats in domestic properties. The Council is responsible for ensuring that the District is free from pests but is not required to carry out the work. The proposal is to introduce a charge of £20 per treatment
Litter bins	10	Reduction in costs. Remaining budget is £40,000
Public Conveniences – repairs and maintenance	10	Reduction in costs. Remaining budget is £15,000
Bishops Park – repairs budget	3	Reduction in costs. Remaining budget is £3,000
Elite Hall – running costs	2	Building to be protected from vandalism. Expectation that building will be disposed of during 2006/07
Miscellaneous budgets within department	5	Minor reductions in various budgets
Close Stanhope Town hall	10	Closure to take place during 2006/07
Grounds Maintenance Contract	30	Reduction in expenditure on parks and open spaces
Cemeteries and closed churchyards	10	Reduction in cemeteries costs
Street Lighting	2.5	Reduction in costs
Markets – fees and charges	10	Additional income generation
General reduction in leisure facility budgets centres	25	Reduction in leisure facility budgets
Bulky Uplifts	25	Introduction of charge
<b>Total</b>	<b>328</b>	

### service development bids

7. The following service development bids are proposed in order to improve the achievement of both departmental and corporate aims and objectives. Each service development bid is considered in turn.

<b>Scheme</b>	<b>£000</b>	<b>Commentary</b>
Assistant Community Physical Activity Co-ordinators	45	Over the 3 years 1 April 2005 – 31 March 2008 over £1.8m of external funding has been attracted to provide “outreach” activities with which to tackle issues related to health, physical activity, lifelong learning etc. deprivation issues. This money

<b>Scheme</b>	<b>£000</b>	<b>Commentary</b>
		includes the continued employment of a significant number of posts including a total of 4 Community Physical Activity Co-ordinators and 3 Assistant Community Physical Activity Co-ordinators. This £45,000 is a revenue contribution to the costs in 2006/07 to maintaining this largely externally funded portfolio of services.
Critical Tree Works	10	This bid supports departmental street-scene objectives which in turn supports environmental and community safety aspirations of the Council and will be specifically used to tackle those trees which are the responsibility of the Council which have been identified as requiring urgent removal/remedial works
Refuse Collection Alternate Week Collection	30	This compliments the capital scheme shown below and would provide the necessary resource to implement "twin-bin" refuse and recycling service as considered previously by Members of this Committee. This bid supports environmental objectives and will enable the Council to place itself in a position to meet current and anticipated future refuse recycling targets
<b>Total</b>	<b>85</b>	

### capital programme

8. The following table shows the proposed capital programme for the department for 2006/07.

<b>Scheme</b>	<b>£000</b>	<b>Commentary</b>
Street Cleansing Fleet Replacements	200	To replace approximately 50% of the existing fleet on a priority basis
Play Area Replacement	48	This resource will enable the Department to replace ageing, dangerous or out-dated items of equipment at the Council's stock of play areas
Bishop Auckland Town Recreation Ground Fence	7	This will principally enable the repair and improvement of the perimeter fence in order to combat the incidents of anti-social behaviour

<b>Scheme</b>	<b>£000</b>	<b>Commentary</b>
Lease of vehicle for the pest control/dog warden service	4	One of the 2 existing ford transit vans used by the service is 7 years old and has a very high mileage. The vehicle is approaching the end of its useful life in terms of its anticipated ongoing reliability and preventative maintenance
Neighbour noise monitoring system	6.59	To replace the existing defective DAT noise monitoring system currently used. The use of noise equipment allows the Council to deal with anti social complaints without the use of limited staff resources
Twin Bin Refuse and Recycling Service	280	This resource will provide 50% of the estimated capital cost (with the remaining 50% in 2007/08) with which to provide a second wheeled bin for every domestic property in Wear Valley. This will enable the separation of recyclable materials from that destined for disposal of landfill. This needs to be considered with the service development bid identified above. It is anticipated that this will also enable the Council to collect and contribute to the subsequent recycling of plastic materials
Refuse Collection – Office Accommodation	13	To replace the portakabin at the Railway Street depot from which the refuse collection service operates. The portakabin is in sufficient disrepair that continual utilisation would be contrary to health and safety regulations
Crook Car Park Start up costs	29	Provision of parking meters, tickets, signage and legal costs for the setting up of car parking charges in Crook. This assumes that the Market Place and Hope Street would be included in the order
Replacement ride on grass cutting mowers	13.5	2 small ride on grass cutting machines have now been operational for 4 years and are rapidly approaching the end of their useful life without significant investment in repairs and maintenance. It is best practice to replace these machines every 3 years
Computer replacement – Leisure Complexes	8	Due to the increasing use of technology to allow online bookings,

<b>Scheme</b>	<b>£000</b>	<b>Commentary</b>
		provide the Technogym system and remote access to the corporate accounting and ordering system, there is an increasing strain upon the hardware used at the leisure complexes. This hardware needs to be replaced on a rolling programme
<b>Total</b>	<b>609.09</b>	

## **conclusions**

9. The above proposals represent the Department's anticipated resources for 2006/07. They have been subject to scrutiny by a cross section of the Authority's officers and are considered adequate with which to deliver the Council's priorities. The cost improvements are considered achievable and the revenue and capital bids are considered deliverable.
10. The delivery of the above will be subject to regular monitoring at both Officer and Member level throughout 2006/07.

## **RECOMMENDED**

1. Members submit the fees and charges detailed in Annex A of the report to Policy and Strategic Development Committee for consideration.
2. Members submit the cost improvements, service development bids and capital programme proposals detailed within the report to Policy and Strategic Development Committee for consideration.

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