

CABINET MEMBER FOR CULTURAL SERVICES AND SPORT

Venue: Eric Manns Building, 45 Date: Tuesday, 30th March, 2010
Moorgate Street,
Rotherham. S60 2RB

Time: 10.00 a.m.

A G E N D A

1. To determine if the following matters are to be considered under the categories suggested in accordance with the Local Government Act 1972.
2. To determine any item which the Chairman is of the opinion should be considered as a matter of urgency.
3. Minutes of the previous meeting held on 9th March, 2010 (Pages 1 - 4)
4. February Revenue Budget Monitoring Report (Pages 5 - 15)
 - Nichola Stretton, Finance Manager, to report.
5. Museums, Galleries and Heritage Service - Insurance Budget - Potential Savings (Pages 16 - 18)
 - Elenore Fisher, Cultural Services Manager, to report.

CABINET MEMBER FOR CULTURAL SERVICES AND SPORT
Tuesday, 9th March, 2010

Present:- Councillor St. John (in the Chair) and Councillor Falvey.

F75. MINUTES OF THE PREVIOUS MEETING HELD ON 23RD FEBRUARY, 2010

Resolved:- That the minutes of the meeting of the Cabinet Member held on 23rd February, 2010 be signed as a true record.

F76. JANUARY REVENUE BUDGET MONITORING REPORT

Consideration was given to a report presented by Steve Hallsworth, Acting Director of Culture and Leisure, which detailed the performance against the revenue budget for the Environment and Development Services Directorate as at the end of January, 2010 and provided a forecasted outturn for the whole of the 2009/10 financial year.

The report reflected the position against budget for the period 1st April, 2009 to 31st January, 2010 and a summary was provided of the projected 2009/10 revenue position for the Directorate.

The key pressures for Culture and Leisure Services contributing to this position of relevance were within Culture and Heritage relating to staffing costs in Theatres (£38k) and the payment for South Yorkshire Archives (£15k). These pressures were being offset by an underspend on staffing in Museums (£50k).

Pressures within Sports and Recreation included solicitor costs (£18k), operational costs at the Stadium (£35k), unrecovered debts (£64k), loss of income within Countryside budgets (£30k), but the delay in opening Clifton Park was partially offsetting these pressures (£59k-), as were savings in pay across the service area (£36k-).

The Service continued to work towards establishing the financial position of the Clifton Park Restoration Project. The Service was taking legal advice with regard to payments either due or from the Administrator dependant of the results of the assessment being carried out by the Quantity Surveyor. This was expected during March, 2010. However, additional costs have already been incurred for site security and fees as a result of UCS Civils leaving the site (£60k+).

Overall Libraries were forecasting an underspend (£51k-) and pressures within Libraries management were being offset by staff vacancies, materials fund savings and an expected reduction RBT charges (£39k-). The Service was continuing to work to achieve the savings offered in the 2009/10 budget.

Additionally, unbudgeted security costs at Ulley Reservoir (£27k) have been incurred.

A proposal had been made to offer part of the Museum Insurance monies post Floods 2007 to mitigate pressures within EDS Services (£100k-). A detailed report will be presented to Cabinet Member Cultural Services, outlining the risks of this proposal in due course.

Resolved:- (1) That the current forecast year end outturn position of an overspend of £259,000 for the Environment and Development Services Directorate based on expenditure and income as at January, 2010 be noted.

(2) That this report be referred to the Regeneration Scrutiny Panel for information.

F77. CULTURE AND LEISURE SERVICES: FEES AND CHARGES 2010/11

Consideration was given to a report presented by Marie Hayes, Events and Promotions Service Manager, which outlined the annual review of Culture and Leisure fees and charges for 2010/11. Where appropriate, charges were increased by at least 2%. Where charges remained the same this was because either increasing a price would incur additional costs (e.g. for changing ticket/photocopying machines) or where managers felt that an increase would affect customer levels. Several prices have also been reduced in order to attempt to arrest a decline in usage.

It should be noted that several core services still remained essentially free of charge, e.g. public library service, museum service, archives and local studies service and casual access to green spaces and children's play areas. Where there was a charge there was often a concessionary rate and, particularly related to leisure activities, a junior Rothercard rate. Concessionary customers were not restricted to access at off-peak times as was the case in many other local authorities.

The charges for allotments were for the financial year 2011/12. This was because allotment holders have to receive twelve months' statutory notice of any increase in line with Allotment Act Legislation. These charges were still well below comparable local authorities and it was the intention to increase them by 10% each year until a comparable rate was reached.

The proposed charges were with effect from 1st April, 2010 (25th March, 2010, for Country Parks and 1st September, 2010, for the Civic Theatre).

Attention was also drawn to an incorrect charge relating to the Community Library Intermediate Band Hire Per Week in the Libraries and Information Services Section as part of Videos and DVD's as being 25p when this should have been reported as £1.00 full price and 75p concessionary

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price and the Intermediate Band Overdue Per Day being reported as 85p when this was in fact 25p.

Reference was made to Leisure and Green Spaces Charges in relation to Herringthorpe Athletics Stadium and the categorisation of "Price on Application" in relation to arena hire and birthday parties. Whilst the reasoning behind this labelling was explained in full, it was suggested that the wording be amended accordingly to reflect the negotiations that could take place over specific booking requests.

Resolved:- That the fees and charges as set out in the report, with the correction above, be approved.

(THE CHAIRMAN AUTHORISED CONSIDERATION OF THE FOLLOWING ITEM IN ORDER TO EXPEDITE THE PROCESS OF THE MATTERS REFERRED TO.)

F78. EXCLUSION OF THE PRESS AND PUBLIC

Resolved:- That under Section 100A(4) of the Local Government Act, 1972, the press and public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act (information relates to finance and business affairs).

F79. APPROVAL OF TENDER FOR CLIFTON PARK BUILDINGS COMPLETION WORKS

Consideration was given to a report presented by Phil Gill, Green Spaces Manager, which set out details about the tenders received for the completion of the outstanding building works and the making good of a number of defects in the Garden Building, Walled Garden and Activity Buildings in Clifton Park. This work was necessary following the insolvency of the contractor appointed to carry out the original contract.

The report set out information contained with the tender documentation and the companies/amounts that submitted formal tenders.

Discussions ensued on the selection of the preferred contractor, negotiations that had taken place to ensure that the Council's position was safeguarded and the scope of works included in the tender documentation.

Resolved:- (1) That following the amended tender submitted dated 18th February, 2010, officers be authorised to pursue negotiations with the preferred contractor named in the report in order to arrive at an optimum contract sum in line with the project budget.

(2) That, subject to a satisfactory conclusion to these negotiations, the

Director of Asset Management be authorised to issue a Letter of Acceptance to the preferred contractor subject to a formal contract award.

ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS

1.	Meeting:	Cultural Services and Sport Delegated Powers Meeting
2.	Date:	30th March, 2010
3.	Title:	February Revenue Budget Monitoring Report
4.	Directorate:	Environment and Development Services

5. Summary

To report on performance against the revenue budget for the Environment and Development Services Directorate as at **the end of February 2010** and to provide a forecast outturn for the whole of the 2009/10 financial year.

6. Recommendations

That Members note the current forecast year end outturn position of **an overspend of £246,000** for the Environment & Development Services Directorate based on expenditure and income as at February 2010 and forecast expenditure and income to 31st March 2010.

That this report be referred to the Regeneration Scrutiny Panel for information.

7. Proposals and Details

Members are asked to receive and comment upon budget monitoring reports on a monthly basis from May onwards. This report reflects the position against budget for the period 1 April 2009 to 28 February 2010. The attached **appendices** give a summary of the projected 2009/10 revenue position for the Directorate;

Appendix A – E&DS Summary Report.

Appendix A1 to A5 – Service Level Summary Report.

Following the February cycle of budget monitoring the Directorate has identified that it is likely to incur an overspend of £246,000 (0.54%) against its total net revenue budget of £45,557,387. However, all possible actions to mitigate this are being taken.

The key pressures contributing to this position are:

- Under recovery of income due to a reduced number of planning applications
- Flood related costs (June 2009) and Winter maintenance
- Under recovery of income on the Parking Budget

Asset Management (£4k-)

The Service Director has worked to mitigate pressures within Asset Management by offering savings on repairs and maintenance by only undertaking essential works, plus savings across the rest of the Service generated by an imposed moratorium on non pay budgets (Appendix A). All costs currently charged to the Land and Property Bank are being absorbed within this Service. The costs are unbudgeted and would normally be funded by de minimis capital receipts, however, there have been no receipts in year to fund this expenditure. (Please refer to the section 9 for more details on this).

Business Unit (£117k-)

The Business Unit is effectively managing vacant posts (£90k- saving), but has a small overspend (£20k) within Performance and Quality and has imposed a moratorium on the uncommitted Training budget (£47k-).

Culture and Leisure (£41k-)

Pressures within Culture and Heritage include staffing costs in Theatres (£63k) and the payment for SY Archives (£18k) these pressures are being offset by an underspend on staffing in Museums (£55k-). Additional minor savings across the Service amount to £2k-.

Overall Library Services are forecasting an underspend (£54k-), which is due to effective budget management and as a result of the imposed moratorium.

Pressures within Sports and Recreation include solicitor costs (£18k), operational costs at the Stadium (£22k), unrecovered debts (£64k), and loss of income within Countryside budgets (£30k) but the delay in opening Clifton Park is partially offsetting these pressures (£59k-), as are savings in pay

across the service area (£42k-). Tourism projections are to overspend by £8k due to subscription costs.

Pressures within Libraries management are being offset by staff vacancies, materials fund savings and an expected reduction in RBT charges, therefore, reporting an underspend of (£64k-) The Service is continuing to work to achieve the savings offered in the 2009/10 budget. **Please note included in this figure is an underspend on Third Party Funding of £20k, which will be requested to be carried forward earmarked for the delivery of Service within the Area Assemblies.**

Unbudgeted security costs at Ulley Reservoir (£27k) have been incurred.

A report on the position of the Clifton Park Restoration Project is expected later this month. The Service is taking legal advice with regard to payments either due or from the Administrator dependant of the results of the assessment being carried out by the Quantity Surveyor. However, additional costs have already been incurred for site security and fees as a result of UCS Civils leaving the site (£60k+).

A proposal has been made to offer part of the Museum Insurance monies post Floods 2007 to mitigate pressures within EDS Services, this would be reduced if the out-turn position improves.. A detailed report will be presented to Cabinet Member Cultural Services, outlining the risks of this proposal.

Planning and Regeneration (£377k+)

The key pressure for this Service is the decline in planning applications from previous years. The projected income under-recovery is £490k. The Housing Planning Delivery Grant allocation has now been declared, and is lower than anticipated so is contributing (£96k-). Other pressures within the service exist, £72k relating to the Mapping Systems, these are being offset by non recruitment to some posts (£21k-), and increased activity resulting in additional fee income from the LTP (£61k-). There are other small savings been made across the Service as a result of the imposed moratorium (£7k-). Work is continuing on a restructure of this service, though any savings will not be deliverable until the next financial year.

Streetpride (£31k+)

There are some pressures being reported across Streetpride which include Parking Services (£83k+) which is mainly due to under recovery of income, although reduced expenditure is partially offsetting this pressure. Energy costs on Street Lighting are overspending (£49k+). Costs of £80k have been identified by Streetpride relating to the localised floods in June 2009, which are unbudgeted. The Highways maintenance budget is forecasting an overspend as a result of responding to the condition of the roads, following the prolonged spell of cold weather (£158k+)

Some (one-off) savings have been identified within Waste (£516k-) due to new contractual arrangements to help mitigate the pressures in this service. There are other savings within Network Management resulting from the moratorium (£83k-). Analysis is shown on Appendix A – 5.

As a result of the recent severe winter weather, the Streetpride Service are expecting that by the financial year end 89 gritting runs will have been delivered (compared to the expected 68), in addition to other ad hoc salting action. Current projections indicate expenditure of £980k, an overspend of £414k. The Cabinet Member has supported using the full amount of the Winter Maintenance Reserve (£154k-), as this Winter has been exceptional and would be classified as severe. The Reserve will be depleted and the base budget provision and replenishment of the reserve will need to be reviewed for future years.

Agency/consultancy costs

Members have requested details of Agency and Consultancy spend to be included in Budget Monitoring reports. These costs are included in the overall Directorate forecast outturn position.

Table 1 : EDS Agency Spend For the Period : April to February 2010

Month	On Contract	Off Contract	Total
	£	£	£
April	23,114	14,360	37,474
May	44,426	15,324	59,750
June	61,594	24,318	85,912
July	56,717	35,684	92,401
August	36,467	19,357	55,824
September	73,054	25,423	98,477
October	59,650	23,478	83,128
November	70,972	33,588	104,560
December	43,153	10,511	53,664
January	95,374	21,281	116,655
February	71,614	24,858	96,472
Total	636,135	248,180	884,315

Table 2 : EDS Agency Spend Analysed By Expenditure Type For The Period :April to February 2010

	On Contract	Off Contract	Total
	£	£	£
Capital	65,754	0	65,754
Revenue	252,650	2,340	254,990
Trading	317,731	245,840	563,571
Total	636,135	248,180	884,315

The details for Consultancy spend will be provided from 2010/11, as the new arrangements were started part year, so the current data does not provide meaningful comparisons.

8. Finance

Please refer to the attached appendices for detailed financial analysis. The Directorate will continue to review its planned expenditure, identify and implement management actions to help mitigate the forecast overspend. The Directorate is now operating with an imposed a moratorium on all uncommitted, non-essential non-pay budgets in addition to the strict vacancy management arrangements already in place.

Please note a request to carry forward an earmarked balance for Third Party Funding (approximately £20k), relating to Area Assemblies, is expected to be requested at the out-turn report.

9. Risks and Uncertainties

The overall Directorate budget currently shows a projected overspend of £246,000. The Service continues to work to mitigate known pressures around Office Accommodation and the Land and Property Bank, and work is continuing to determine the current position relating to Clifton Park, the findings were expected by the end of February, but an extension to this date has been requested.

The Winter Maintenance Reserve will be required in full (£154k) to partially offset the overspend resulting from the recent severe winter weather. A risk is also attached to the use of Insurance monies relating to the Museum, and report to Cabinet Member, Cultural Services will present these risks.

To date the reported position has reflected a combination of cost pressures partially being compensated for by savings/additional income being generated across the Service. The Strategic Director of Environment and Development Services and Cabinet Member have determined this is an acceptable way of balancing the budget in accordance with Financial Regulation Virement Note Section 11, without the need for implementing virement.

10. Policy and Performance Agenda Implications

Directorate budgets are aligned only to corporate priorities and spending within the agreed Directorate cash allocation is key to demonstrate the efficient Use of Resources.

11. Background Papers and Consultation

This is the tenth budget monitoring report for the Directorate for 2009/10 and reflects the position from April 2009 to February 2010. This report has been discussed with the Strategic Directors of Environment and Development Services and Finance.

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REASONS FOR VARIANCE FROM APPROVED BUDGET (Based on available information as at end February 2010)

Service	Under (-) / Over (+) Spending Projected to Year End £,000	Reasons/Implications	RAG Status	Actions Proposed	Impact of Actions	Revised RAG Status	Under (-) / Over (+) Spending Reported for April - January £,000	Reason for change in projection
Asset Management	-4	Current projections are that income recovery in year is achievable, and some savings have been generated as a result of the imposed moratorium. Costs which are charged to the Land and Property Bank for properties which are no longer occupied, and could realise a capital receipt, are currently unfunded, due to the non sale of assets, are being contained within th Asset Management budget.	G	A further report will be worked on outlining options for the future of the Land and Property Bank. Costs cannot continue to be absorbed within the mainstream revenue account for Asset Management.		G	-4	
Business Unit	-117	Identified savings due to freeze on recruitment and a moratorium on spend.	G			G	-117	
Culture & Leisure	-41	The key pressures are within Recreation and Sport (£33k) this relates to security costs at Ulley post June 2007 Floods and loss of income on TCP café due to refurbishment, these are being offset by savings made as a result of the imposed moratorium. Further anticipated savings have been identified from the Museum Insurance monies (subject to approval).	A	A report will be taken to Cabinet Member on the use of the Insurance monies. Additionally a request will be made at year end to earmark a carry forward budget for Third Party Funded projects £20k (this has been requested in previous years).		G	-21	The latest report now reflects an underspend of Third Party Funding £20k (further details on Appendix A - 3)
Planning & Regeneration Service	377	The pressure within this Service Area is generally due to an under recovery of income due to a reduced number of application fees.	A	This has been highlighted as a key pressure throughout 2009/10 and has been put forward for investment in 2010/11.		G	400	Further shortfall on Development Control income is being offset by additional fee recovery from LTP Schemes
Streetpride	31	The key pressures within Streetpride are Winter Maintenance costs, Flood Related costs, and under recovery of income for Parking. There are other pressures within Street Lighting and Grounds Maintenance which are being offset by savings within Waste, and use of the Winter Maintenance Reserve (£154k).	G	That the overspend on Winter Maintenance (£414k+) will require the full amount of the Winter Reserve to be drawn down, and the balance of the pressure is currently being contained within the Streetpride Budget.	There will be no balance left in the Reserve for future years, and a strategic decision on how this is addressed will need to be resolved urgently, a request to transfer from General Fund balances should be made.	A	0	The key reason for the variance is the impact of the winter weather, with costs increasing on Winter Maintenance and Highway Maintenance, these are being partially offset by an improved forecast on Waste Services.
TOTAL	246					A	259	

Notes

Please note the Culture and Lesiure figure contains £20k which will be requested as an earmarked balance to carry forward.

REASONS FOR VARIANCE FROM APPROVED BUDGET (Based on available information as at end February 2010)

Asset Management	Under (-) / Over (+) Spending Projected to Year End £,000	Reasons/Implications	RAG Status	Actions Proposed	Impact of Actions	Revised RAG Status	Under (-) / Over (+) Spending Reported for April - January £,000	Reason for change in projection
Management	81	Shortfall on achieving the vacancy factor	G	No action required.			81	
Building Cleaning	-20	Savings are being achieved as a result of the moratorium on spend.	G	No action required.			-20	
Public Conveniences (All Saints)	6	In the main this is due to an under recovery of income	G	No action required.			6	
Caretakers	-69	Work has been undertaken to expand the current services offered, and this has resulted in additional income being generated. Caretakers have been used to assist in various office moves, instead of using external contractors.	G	No action required.			-69	
Bailey Suite	2	Shortfall on income budgets, due to use of Bailey Suite for Members meetings	A	No action required.			2	
School Crossing Patrol	75	The proposed saving £78,700 is not deliverable. Potential to implement 2010/11.	R	No action available to reduce			75	
Education Premises	0	Nil variance at this stage in the financial year.	G	No action required.			0	
Office Accommodation	68	Reduced repairs and maintenance costs, work undertaken now essential work only.	G	No action required.			68	
Community Buildings	-2	The service is showing a small surplus due to effective management of the budget as a result of moratorium	G	No action required.			-2	
Facilities Management	-84	Increased income as a result of managing new premises for NAS.	G	No action required.			-84	
Swinton District Heating	6	Loss of the swimming pool at Swinton will result in an income shortfall, relating to the District Heating.	G	A review of the charges to the remaining premises is being undertaken.			6	
Emergency and Safety	0	Nil variance at this stage in the financial year	G	No action required.			0	
Environmental Management	0	Nil variance at this stage in the financial year	G	No action required.			0	
Strategic Property	-30	Savings as a result of the moratorium on spend and reduced legal charges.	G	No action required.			-30	
Miscellaneous Properties	0	Nil variance at this stage in the financial year	G	No action required.			0	
Transport	0	Nil variance at this stage in the financial year	G	No action required.			0	
Misc. Fee Accounts	0	Nil variance at this stage in the financial year	G	No action required.			0	
Fee Billing - Consultancy Management	0	Nil variance at this stage in the financial year	G	No action required.		G	0	
Land and Property Bank	120	Estimated costs of Land and Property Bank for 2009/10	A	Transfer deficit from Land and Property Bank resulting from insufficient receipts to fund expenditure.	A strategic review is required for future years, and for all new transfers to the Bank. Longer term this cannot be funded from within Asset Management, capital receipts, have declined in 2009/10 and the forecast for 2010/11 is not adequate to fund the number of properties currently in the Bank.		120	
*Valuation Group (Fee Billing)	-16	Projections are showing some savings on staff, and an expected over recovery of income in year.	G	No action required.			-16	
*Commercial Properties	-141	Savings as a result of the moratorium on spend and reduced legal charges.	G	No action required.			-141	
TOTAL	-4						-4	

Note:* **Now incorporates Commercial Properties and Valuation Group's budgets transferred from former RIDO Service**

REASONS FOR VARIANCE FROM APPROVED BUDGET (Based on available information as at end February 2010)

Business Unit	Under (-) / Over (+) Spending Projected to Year End £,000	Reasons/Implications	RAG Status	Actions Proposed	Impact of Actions	Revised RAG Status	Under (-) / Over (+) Spending Reported for April - January £,000	Reason for change in projection
Business Support and Central Admin	-90	Identified savings due to freeze on recruitment	G	No action required.			-90	
Plan Printing	0	Nil variance at this stage in the financial year	G	No action required.			0	
Payments to RBT	0	Nil variance at this stage in the financial year.	G	No action required.			0	
Management	0	Nil variance at this stage in the financial year.	G	No action required.			0	
Corporate Account	0	Nil variance at this stage in the financial year.	G	No action required.			0	
Performance & Quality	20	A delay in implementing the proposed staffing restructure has resulted in the overspend	R				20	
Training	-47	Savings asa result of moratorium on spend,	G	No action required.			-47	
TOTAL	-117						-117	

To be discussed with DD meeting to be rearranged.

REASONS FOR VARIANCE FROM APPROVED BUDGET (Based on available information as at end February 2010)

Culture & Leisure Services	Under (-) / Over (+) Spending Projected to Year End £,000	Reasons/Implications	RAG Status	Actions Proposed	Impact of Actions	Revised RAG Status	Under (-) / Over (+) Spending Reported for April - January £,000	Reason for change in projection
Culture & Heritage	24	There are pressure in Theatres due to staffing (£63K), and (£18k) for SY Archives which are being offset to some degree by an underspend in Museums due to staff vacancies (£55k).	G	No action required.			3	Further reduction in income relating to Arts Centre
Library Service	-54	This reflects a net underspend across Permanent Lending Libraries and Mobile Libraries	G	No action required.		G	-51	
Recreation & Sport	33	The key pressures are Halliwells re: sledging incident (£18k), Stadium (£22K), Enterprise (£64K), and loss of income within Countryside budgets (£30k) are being offset to some degree by underspend on Clifton Park delayed opening (£59K-) and savings on pay (£42k-)	A	Review of Grounds Maintenance charges, potential to reduce when service transfers from Ringway to RMBC.		A	52	Reduced costs on Stadium
Tourism	8	Subscription to Welcome to Yorkshire	A	No action required.		G	9	
Service Management & Support	-64	There are small pressures within these budgets due to the budget savings offered for 2009/10 which have not realised the full saving in year. These are being offset by savings made due to staff vacancies and within the Materials Fund. Third Party Funding is currently £10k underspent but projects are being worked on with NAS and the funding is required in 2010/11.	G	A report will need to be produced for delegated powers relating to the use of the Materials Fund. There will be a request to earmark this carry forward (£20k-)	£10k would be used for work in the Area Assemblies if the approval was agreed.	G	-20	Reduced spend on non pay budgets, due to imposed moratorium, plus, uncommitted amount of Third Party Funding included as an underspend.
Post Flood work 2007	27	Actual costs for security Ulley (April - June) no funding available.	A	Consider under proposed Capital spend for rehabilitation of Ulley Reservoir, and absorb early year costs across the Service		G	27	
Clifton Park Contract	60	Expected costs from UCS Civils re Clifton Park contract	A	Costs to be affirmed			60	
Museum Insurance Fund	-75	A proposal has been put forward to use part of the Insurance monies, and offer part as a saving to mitigate pressures within EDS Services.	A	A report will be taken to Cabinet member for Cultural Services and Sport in February seeking approval for this proposal		G	-100	Due to an improved position, it is proposed to reduce the amount to be used from the Insurance monies.
TOTAL	-41						-21	

This assumes spend of £20k by NAS on Third Party Funding, £10k underspend is forecast, this may rise to £30k and would need to be highlighted in the report.

REASONS FOR VARIANCE FROM APPROVED BUDGET (Based on available information as at end February 2010)

Planning & Regeneration Service	Under (-) / Over (+) Spending Projected to Year End £,000	Reasons/Implications	RAG Status	Actions Proposed	Impact of Actions	Revised RAG Status	Under (-) / Over (+) Spending Reported for April - January £,000	Reason for change in projection
Business Development	0	Nil variance	G	No action required.		G	0	
Development Promotion	0	Nil variance	G	No action required.		G	0	
YES Project	9	Fees relating to the YES Project	G	No action required.		G	0	
Economic Strategy	-25	Not currently recruiting to vacant posts	G	No action required.		G	-21	
Work Implementation	0	Nil variance	G	No action required.		G	0	
Managed Workspace (Business Centres)	0	Nil variance	G	No action required.		G	0	
RERF	0	Nil variance	G	No action required.		G	0	
Town Centre Mgt	-23	Savings as a result of the moratorium on spend .	G	No action required.		G	-23	
Markets	-18	Reduced Central Charges	G	No action required.		G	9	
Forward Planning	0	Nil variance	G	No action required.		G	0	
Management	46	The vacancy factor savings are now distributed across service area budgets .	G	No action required.		G	48	
Land Charges	72	Unable to implement charges for OS Mapping (£70k) and additional pressure due to a shortfall in income recovery	R	To be offset with in year savings across the service		G	80	
Development Control	490	Income shortfall due to reduced number of applications.	R	Further review required. Budget was realigned based on last years actuals, reduction in income target of £650k. However, the economic climate is indicating a continued downturn.		R	439	
Housing Planning Delivery Grant (HPDG)	-96	To offset OS Mapping shortfall and partially offset the under recovery of income in DC	G	To offset OS Mapping shortfall		G	-96	
Building Control	30	Income shortfall due to reduced number of applications	A	No action required.		G	25	
Transportation	-108	Increased fee income being generated from LTP schemes	G	No action required.			-61	Additional fee income (one year only).
TOTAL	377						400	0

REASONS FOR VARIANCE FROM APPROVED BUDGET (Based on available information as at end February 2010)

Streetpride	Under (-) / Over (+) Spending Projected to Year End £,000	Reasons/Implications	RAG Status	Actions Proposed	Impact of Actions	Revised RAG Status	Under (-) / Over (+) Spending Reported for April - January £,000	Reason for change in projection
Community Delivery Teams	191	The recent weather has caused additional costs to be charged to the Highways Maintenance Account and a £158k overspend is now projected, this is being managed through some savings elsewhere in Streetpride. Further funding to progress this essential work has been secured from RERF. Further key pressures are shown against Staffing Costs (£15k) and Grounds Maintenance (£16k).	A	Monitor spend against savings within Streetpride	Delivery of high profiled Service as required.	G	95	Increased charges resulting from Winter Maintenance costs.
Network Management	8	The main pressures remain within Parking which is largely due to under recovery of income but partially offset by reduced spend (£83k) and energy costs within Street Lighting (£49K+). Some savings have been made on non filling of vacant post, these total (£53k-). There are further savings been made as a result of the imposed moratorium, Emergency Maintenance Schemes (£35k-) and Steetworks (£33k-) and Street Lighting (10k-).	A	Analysis of the income recovery for parking suggests there has been minimum impact other than at the Civic/Norfolk site where people are taking opportunity of the 'free' parking. A half year review of Service may allow for budget transfer within Streetpride, to realign the budget to the pressures for 2009/10.	Assess the outcomes and report to Cabinet Member and CMT.	G	33	
Schemes & Partnerships	0	Nil variance at this stage in the financial year	G	No action required.	Nil variance	G	0	
Waste disposal and collection	-516	The key savings have been identified within Waste Treatment (£390k-). Multi Materials budget is showing a projected saving of £46k- due to transfer service to in house provider (part year). Commercial Waste are projecting savings (£43k-) and further savings of (£37k) are shown against Recycling.	G	In due course a further assessment of the budgets will be undertaken, to realign budgets appropriately. Savings made are being used to mitigate pressures in other areas within Streetpride.	Nil variance	G	-323	Identified savings within Green Waste (one of
Corporate Accounts - Streetpride	502	Some costs relate to the Floods 2009 (£80k) which are unbudgeted). A reduced level of work for the Landscaping Team is resulting in under recovery of fee income £25k. However, more significantly a pressure on Winter Maintenance of £414k is being reported as a result of the severe weather.	R	The current pressure on the Winter maintenance account is projected at £414k. This is based on the current position and forecasting based on current information and previous profiling. If the weather does not follow the expected pattern, this projection will be reviewed and refreshed as appropriate.	The total amount in the Winter Reserve will be used to offset the current pressure. A strategy will need to be worked on for replenishing these funds for future years usage.	R	349	Additional costs as a result of the weather associated with the Winter Maintenance budget.
Winter Maintenance	-154	A request to fully drawn down the balance on the Winter Maintenance Reserve has been submitted. The current available balance is £154k.	R	The current pressure on the Winter maintenance account is projected at £414k. This is based on the current position and forecasting based on current information and previous profiling. If the weather does not follow the expected pattern, this projection will be reviewed and refreshed as appropriate.	The total amount in the Winter Reserve will be used to offset the current pressure. A strategy will need to be worked on for replenishing these funds for future years usage.	R	-154	
TOTAL	31						0	

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ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS
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1.	Meeting:	Cabinet Member for Cultural Services and Sport
2.	Date:	30th March, 2010
3.	Title:	Museums, Galleries and Heritage Service - Insurance Budget - Potential Savings
4.	Programme Area:	Culture and Leisure

5. Summary

The main storage facility operated by the Museums, Galleries and Heritage Service was flooded by contaminated mains drainage water on Monday 25th June, 2007. The Service received a reasonable insurance settlement for the items damaged or destroyed by the waters. A report was submitted to members on 2nd June 2008 with an outline of the projects using the insurance funds, designed to allow the Service and associated collections to recover from the flood. This comprised three main sections; permanent collections conservation; permanent collections acquisitions; re-instatement of the school loans service. The Service has recently been asked to look for potential savings across this fund as a contribution to the overall Culture & Leisure outturn for 2009-10.

6. Recommendations

Cabinet Member is asked to approve the use of £60,000 of the insurance settlement to contribute towards the overall outturn of Culture and Leisure Services for 2009-10.

That the Museums service produces a report detailing the progress of recovery from the floods, including a re-profiled budget.

7. Proposals and Details

As a result of budget pressures within Economic & Development Services, the Museums, Galleries & Heritage Service have been asked to identify the impact of potential savings within the insurance settlement received as a result of the 2007 floods.

It is estimated that up to £60,000 could be saved as a result of some of the flood recovery tasks being supported by mainstream funding and exploring the possibility of an allocation of capital funding to support the fit out of a future Museums store. The total settlement figure received by the authority was £338,123.

There are three parts to the Flood Recovery Project (funded by the insurance settlement);

- Preservation of appropriate surviving collections (and associated disposal of remaining damaged collections)

- Acquisition of artefacts to replace disposed and damaged collections

- Re-instatement of school services, including replacement of disposed and damaged collections

It should be stressed that the savings identified do not put any of the permanent or handling collections at any further risk and prioritise the continued development of front line services.

The Authority's Risk and Insurance Section have been contacted regarding this proposal. They have replied that, having settled the insurance claim in accordance with the policy conditions, the insurance company have no further interest in the matter and it is for the Council to decide how it wishes to apply the proceeds of the claim.

8. Finance

The insurance settlement figure received by the authority was £338,123. It is estimated that up to £60,000 of this funding could be reallocated to support the outturn for Culture & Leisure, dependent upon the use of mainstream funding to support individual tasks and an allocation of capital funding to support the fit out of a future Museums store.

9. Risks and Uncertainties

Loss of Museum Accreditation

The Museums Galleries & Heritage Service run three Accredited venues across Rotherham: Clifton Park Museum: Rotherham Art Gallery: The York & Lancaster Regimental Museum. The Museum, Libraries & Archives Council Accreditation Scheme sets nationally agreed standards for UK Museums. To qualify, museums must meet clear basic requirements on how they care for and document their collections, how they are governed and managed, and on the information and services they offer to their users. Amongst other benefits, accredited status is taken

into account by grant-awarding bodies. Members received a report on Museum Accreditation in July 2006, and were recently asked to approve plans related to Accreditation on 6th October 2009.

The principals and values embodied in the Museums Association Code of Ethics underpin the Accreditation Scheme.

This code states:-

- ***Museums must apply any money received in compensation for the loss, damage or destruction of objects in the collection, solely and directly for the benefit of the museum's collection.***

The code also states:-

- ***Museums must only consider financially motivated disposal in exceptional circumstances, and only when it can be demonstrated that it is not to generate short-term revenue (for example to meet a budget deficit).***

Organisations which do not continue to meet the Accreditation requirements may be moved to a provisional status or removed from the Scheme altogether.

Whilst the re-allocation of the insurance budget does not directly impact on the collections held by the Museum's service, there is an acknowledged risk of the loss of Accreditation, with potential serious consequences for the service and authority, including the loss of ability to apply for relevant external funding, the requirement to return external funding already received and damage to the authority's reputation.

10. Policy and Performance Agenda Implications

The damage to collections and service delivery caused by the flood and the need to implement the flood recovery project to address these issues directly impacts on the Service's ability to perform against NI10 (% of residents who visited a museum in the last 12 months).

The ability of the Service to implement the flood recovery project impacts on its ability to retain its national Museum Accreditation for its three museums. The service is currently undergoing the Biennial Review for Accreditation (as reported to Cabinet on 6th October 2009); an analysis of the proposed budgets for 2009-10 and progress against the flood recovery project has formed part of that assessment .

11. Background Papers and Consultation

Cabinet report 2008: Flood recovery project

Museums, Libraries & Archives Council: Accreditation Standard 2004

Museums Association: Code of ethics for Museums

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