

WIRRAL COUNCIL

COUNCIL EXCELLENCE OVERVIEW AND SCRUTINY COMMITTEE

26 MARCH 2012

SUBJECT:	TECHNICAL SERVICES INCOME
WARD/S AFFECTED:	ALL
REPORT OF:	DIRECTOR OF TECHNICAL SERVICES
RESPONSIBLE PORTFOLIO HOLDER:	COUNCILLOR JEFF GREEN
KEY DECISION?	NO

1.0 EXECUTIVE SUMMARY

- 1.1 Following a Member request concerning the Revenues, Income and Benefits report submitted to the 31 January meeting of this Committee, this report provides further information relating to the major Technical Services income streams which are unlikely to fully achieve the agreed budgetary targets in 2011-2012.

2.0 BACKGROUND AND KEY ISSUES

- 2.1 A separate report on this agenda details the financial position regarding Council Tax. National Non Domestic Rate, general debt and cash income collection and the payment of benefits. This report provides further financial information relating to the income budgets within Technical Services which are currently under pressure. These income streams include golf courses, burials and cremations, together with car parking income including the issue of fixed penalty notices.

INCOME STREAMS

- 2.2. Given below is the budgetary position of the relevant areas of operation for the current and previous financial year.

FINANCIAL YEAR 2010/11

	Budget £	Actual £	Variance £
Golf Courses	939,600	765,100	174,500
Burials and Cremations	2,502,000	2,414,900	87,100
Car Park (Pay and Display)	2,496,800	2,103,200	393,600
Car Park (Penalty Notices)	1,149,800	820,800	329,000

FINANCIAL YEAR 2011/12

	Budget £	Projected Actual £ I	Variance £
Golf Courses	967,800	733,500	234,300
Burials and Cremations	2,577,000	2,285,500	291,500
Car Park (Pay and Display)	1,885,600	1,593,000	292,600
Car Park (Penalty Notices)	922,300	769,000	153,300

2.3 Further explanation of the income collection performance is provided below:

- (i) **Golf Courses:** Although the total golf income received in 2011/12 is expected to exceed the running costs of the golf courses it will struggle to achieve the budgeted income target for the year. Poor weather during the summer has affected income this year and income is down compared to this time last year. This appears to be a national common trend and evidence suggests usage is linked to the economic position.
- (ii) **Burials and Cremations:** Whilst the income received from this function exceeds its running costs, the service is affected by seasonal trends and income is declining and has continued to do so for a number of years.
- (iii) **Car Park Income (Pay and Display Tickets):** Income has been declining for a number of years due to recessionary pressures and competition from other retail areas.
- (iv) **Car Park Income (Penalty Notices):** Income has been declining for a number of years due to the same pressures experienced by the pay and display operation. A further contributory factor is the greater level of compliance which was expected from the outset of the decriminalised enforcement which is now undertaken by the Council.

2.4 During regular budget monitoring meetings during 2011-2012 between the Director of Technical Services and operational managers, a strategy to manage the above variances has been developed. By use of one off compensatory savings and the application of reserves it is anticipated that overall net expenditure for the Department will be closely in line with the agreed budget at yearend. Whilst these areas are under-recovering Sports Centres and in particular the re-launched Invigor8 scheme are exceeding their income targets.

2.5 The overall neutral position has been reported in the financial monitoring statements circulated to Members on a monthly basis by the Deputy Chief Executive/Director of Finance.

3.0 RELEVANT RISKS

3.1 There are none arising directly from this report.

4.0 OTHER OPTIONS CONSIDERED

4.1 None.

5.0 CONSULTATION

5.1 None.

6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

6.1 There are none arising directly from this report.

7.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

7.1 There are none arising directly from this report.

8.0 LEGAL IMPLICATIONS

8.1 There are none arising directly from this report.

9.0 EQUALITIES IMPLICATIONS

9.1 There are none arising directly from this report.

10.0 CARBON REDUCTION IMPLICATIONS

10.1 There are none arising directly from this report.

11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

11.1 There are none arising directly from this report.

12.0 RECOMMENDATION

12.1 That Members' views are sought and the report be noted.

13.0 REASON FOR RECOMMENDATION

13.1 To update Members on the activity of the major income budgets within the Department of Technical Services as requested at the meeting on 31 January 2012.

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APPENDICES

Nil

REFERENCE MATERIAL

Information from relevant financial information systems

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Council Excellence Overview & Scrutiny Committee	31 January 2012