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To Members of the
Local Service Delivery Committee
(Macclesfield)

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Dear Councillor

LOCAL SERVICE DELIVERY COMMITTEE (MACCLESFIELD)
FRIDAY 25TH NOVEMBER 2011

I am now able to enclose, for consideration at next Friday 25th November 2011 meeting of the Local Service Delivery Committee (Macclesfield), the following reports that were unavailable when the agenda was printed.

Item 5 - Local Service Delivery - Transfer and Devolution

A Summary of the 2012/13 budget for Macclesfield is attached, followed by individual Service budgets and a breakdown of Support Services charges

Yours sincerely

Julie North
Senior Democratic Services Officer

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LOCAL SERVICE DELIVERY COMMITTEE – MACCLESFIELD**BUDGET UPDATE**

The development of the budgets for 2012/13 has continued in the weeks since the last Committee meeting, with Service Managers assisting with refinement of figures, as appropriate.

The following budget tables reflect this work and main changes have been:

- Revision of Allotments budgets, following greater clarification on (i) employee costs which have been added and calculated based on time allocations provided by officers, (ii) a revised apportionment of costs not directly attributable to specific sites, that are held centrally and (iii) re-alignment of some expenditure headings to provide a more detailed cost analysis.
- Revision of Senior Citizens Hall and Weston Community Centre budgets with minimal overall financial effect, to reflect re-alignment of some expenditure headings to provide a more detailed cost analysis.
- Revision of Markets budgets, to show further analysis of the 2012-13 estimate between the Indoor and Outdoor markets. In addition, a further note has been added to show the income potential if the market was operating a full capacity.
- Inclusion of all “mobile” floral displays, in addition to hanging baskets, in line with the local service approach for other Towns
- Reduction in Support Services costs, principally relating to removal of depreciation charges from the previously estimated figures

A Summary of the 2012/13 budget for Macclesfield is attached, followed by individual Service budgets and a breakdown of Support Services charges.

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LOCAL SERVICE DELIVERY - Summary

Macclesfield		
NET OPERATING EXPENDITURE & INCOME		
	2011-12 Forecast £	2012-13 Estimate £
Allotments	956	46
Senior Citizens Hall	30,470	28,011
Weston Community Centre	14,862	25,221
Markets	(106,912)	(109,230)
Public Conveniences	46,553	47,028
Town Centre Management	43,921	43,921
Christmas Lights	20,000	20,000
Street Furniture	1,232	1,232
Floral Displays	5,027	5,153
Total	56,109	61,382
Service Management and Support		60,624
		122,006
Tax Base (2011-12 Band D equivalent)*		19053.79
Illustrative "Special Expense" Council Tax		£6.40

* The Tax Base for 2012-13 will be slightly different from this figure

Note:

Floral Displays - includes: baskets, troughs, planters/tubs and hay mangers (ie transportable features), they exclude: flower beds (flat or raised).

LOCAL SERVICE DELIVERY

Service	Allotments		
	2010-11 Actual £	2011-12 Forecast £	2012-13 Estimate £
Employees	2,600	2,600	2,682
Premises			
- Water + Sewerage Charges	393	564	564
- Repairs & Maintenance - General	272	914	400
- Grounds Maintenance General	-	500	500
Transport	-	-	-
Supplies			
- Grants & Subscriptions	-	-	-
- Materials	-	-	-
- Printing & Stationery	-	-	-
- Promotional Materials	-	-	-
- Hired & Contracted Services	-	-	-
TOTAL EXPENDITURE	3,265	4,578	4,146
Income			
- Rents	(3,981)	(3,622)	(4,100)
TOTAL INCOME	(3,981)	(3,622)	(4,100)
NET OPERATING EXPENDITURE / (INCOME)	(716)	956	46

Comments:

Site locations are as follows:

- Birtles Road, Brookfield Lane, Byron Street/Maple Avenue, Knowsley Road, Laburnum Road/Byrons Lane, Lyme View - Sutton, Park Grove - South Park, Springfield Road and Stamford Road

Employee costs have been calculated based on time allocations provided by officers and are recorded for information purposes. The primary roles carried out include: site inspections, allocation of plots, tenancy letters, maintenance of waiting lists, detailing maintenance records, raising invoices and subsequent queries.

The expenditure budgets above are calculated at 42.5% of the total costs incurred which is considered to be a fair apportionment for the unparished areas.

LOCAL SERVICE DELIVERY

Service	Senior Citizens Hall		
	2010-11 Actual £	2011-12 Forecast £	2012-13 Estimate £
Employees	8,650	8,697	8,697
Premises			
- Building Improvements & Maintenance	4,397	5,770	4,400
- Cleaning Materials	1,019	620	620
- Electricity	7,177	12,460	9,330
- Gas	3,360	3,320	4,368
- Water & Sewerage	1,033	1,810	1,100
- Business Rates	4,554	5,080	5,080
Transport			
- Employee Mileage	180	200	200
Supplies			
- Food & Provisions	-	44	44
- Clothing & Uniforms	-	44	44
- Furniture & Equipment	-	244	244
- General Equipment	-	44	44
- Grants to Other Organisations	3,200	3,200	3,200
- Telephone Rentals	25	600	360
- Hired & Contracted Services	200	200	200
- Refuse Collection	434	510	450
- General Licences & Fees	159	900	180
Insurance	-	-	1,150
TOTAL EXPENDITURE	34,388	43,743	39,711
Income			
- Room Hire Charges	(11,481)	(13,273)	(11,700)
TOTAL INCOME	(11,481)	(13,273)	(11,700)
NET OPERATING EXPENDITURE / (INCOME)	22,907	30,470	28,011

Comments:

2012-13 Employee budget is based upon actual costs incurred for April to September 2011.

Insurance is not charged to individual facilities within CEC. The figure provided is an estimate based on the former Macclesfield BC budgets: Fire £760, Third Party £210 and Engineering £180

"Grants to Other Organisations" reflects the element of free use that is currently offered within the Centre, this amount is also included within the income analysed above as "Room Hire Charges".

LOCAL SERVICE DELIVERY

Service

	Weston Community Centre		
	2010-11 Actual £	2011-12 Forecast £	2012-13 Estimate £
Employees	13,504	13,107	13,107
Premises			
- Building Improvements & Maintenance	43	2,870	500
- Cleaning & Domestic Supplies	137	550	550
- Electricity	446	1,060	500
- Gas	10,359	2,200	10,500
- Water & Sewerage	2,167	310	2,100
- Business Rates	2,111	2,360	2,360
Transport			
- Employee Mileage	200	200	200
Supplies			
- Clothing & Uniform	-	44	44
- Furniture & Equipment	-	84	84
- General Equipment	-	44	44
- Grants to Other Organisations	800	800	800
- Phones	23	120	120
- Hired & Contracted Services	200	200	200
- Refuse Collection	448	610	610
- General & Entertainment Licences	217	252	252
Third Party Payments	-	-	-
Insurance	-	-	650
TOTAL EXPENDITURE	30,655	24,811	32,621
Income			
- Budget General Fees & Charges (inc Casual Lettings)	(7,606)	(9,949)	(7,400)
TOTAL INCOME	(7,606)	(9,949)	(7,400)
NET OPERATING EXPENDITURE / (INCOME)	23,049	14,862	25,221

Comments:

Approx £280 per month is received as an internal recharge towards premises costs incurred in respect of the library which is in the same building.

Insurance is not charged to individual facilities within CEC. The figure provided is an estimate based on the former Macclesfield BC budgets: Fire £320, Third Party £260 and Engineering £70

"Grants to Other Organisations" reflects the element of free use that is currently offered within the Centre, this amount is also included within the income analysed above as "Room Hire Charges".

LOCAL SERVICE DELIVERY

Service	Markets			Analysis of 12-13 Estimate		
	2010-11 Actual £	2011-12 Forecast £	2012-13 Estimate £	Indoor Market £	Outdoor Market £	2012-13 Estimate £
Employees						
- Salaries & Wages	38,750	70,107	74,000	50,000	24,000	74,000
- Overtime	56,830	63,651	64,000	6,000	58,000	64,000
	95,580	133,758	138,000	56,000	82,000	138,000
Premises						
- Electricity	40,281	21,175	21,700	21,700		21,700
- Gas	4,083	4,100	4,200	4,200		4,200
- Service Charge	37,856	46,060	47,440	47,440		47,440
- Insurance	4,360	4,360	4,360	4,360	-	4,360
- Building Maintenance	13,070	13,070	13,070	13,070	-	13,070
- LA Rates	335	305	350	350		350
- Water + Sewerage Charges	4,775	5,045	5,170	5,170		5,170
- Repairs & Maintenance	2,454	-	-	-		-
- Waste Collection	10,050	10,000	10,250	10,250		10,250
- Cleaning Materials/ Contracts	14,740	12,555	12,870	12,870		12,870
	132,004	116,670	119,410	119,410	-	119,410
Transport						
- Internal Transport Recharges	-	3,000	3,000	200	2,800	3,000
- Employee Allowances	1,564	-	-			-
	1,564	3,000	3,000	200	2,800	3,000
Supplies						
- General Equipment & Maintenance	362	7,980	7,980	4,410	3,570	7,980
- Hired & Contracted Services	544	1,000	1,000	1,000		1,000
- Clothing & Uniforms	87	300	300	300		300
- Mobile Phones	546	480	480	480		480
- Printing & Stationery	-	280	280		280	280
- Advertising	678	1,620	1,620	700	920	1,620
- Miscellaneous	5	-	-			-
	2,222	11,660	11,660	6,890	4,770	11,660
TOTAL EXPENDITURE	231,370	265,088	272,070	182,500	89,570	272,070
Income						
- Rents / Service Charges	(296,436)	(356,000)	(364,900)	(308,120)	(56,780)	(364,900)
- Electricity Recharges	(15,587)	(16,000)	(16,400)	(16,400)	-	(16,400)
TOTAL INCOME	(312,023)	(372,000)	(381,300)	(324,520)	(56,780)	(381,300)
NET OPERATING EXPENDITURE / (INCOME)	(80,653)	(106,912)	(109,230)	(142,020)	32,790	(109,230)

Income:

The Estimate for 12-13 Indoor is based on total occupancy less forecast / Estimated void units (est 10%). The full occupancy position for 2012-13 is £342k and can be split between Rent & Service Charge as follows:

Rent	154,477
Service Chg	187,515
	<u>341,992</u>

Comments:

The figures above include both the Indoor & Outdoor Markets & 2012-13 Estimate has been split for information.

In 2011-12 more accurate coding of employee costs through the core payroll coding has enabled clearer analysis of costs.

In 2010-11, electricity costs reflected in the figures above appear somewhat higher than the 11-12 budget or forecast out-turn, this arose due to some energy costs relating to 09-10 being charged out to services in 10-11.

Service Charge - This reflects a proportion of the total service charge payable by CEC for the Grosvenor Centre, the total charge is allocated 2/3rds Markets (indoor), 1/3rd Car Parks. The Service Charge is included in the calculation of the service charge payable by occupiers of the indoor market, but not all the charge is included due to decision by the former Macclesfield B C to retain a % when the head lessor increased the charge significantly in 2008-09.

Insurance & Building Maintenance - CEC has centralised budgets/expenditure against these cost headings (ie they are not charged directly to services). The figures shown here reflect the budgets that were in place in the legacy account at Macclesfield.

Rents / Service Charges - The income here can be split between the lease rental which is reviewed every 3 years and the Service charge element which is reviewed annually.

In terms of the overall total costs of the Macclesfield Market (including Service Management and Support costs and Depreciation) the position is as follows, Net Operational Budget (£109,230) + SMSS £38,865 + Depreciation

LOCAL SERVICE DELIVERY

Service

	Public Conveniences		
	2010-11 Actual £	2011-12 Forecast £	2012-13 Estimate £
Employees			
- Salaries & Wages	23,588	23,088	23,080
- Overtime	5,876	5,922	5,920
	<u>29,464</u>	<u>29,010</u>	<u>29,000</u>
Premises			
- Electricity	472	4,748	4,880
- LA Rates	2,153	5,196	5,465
- Water + Sewerage Charges	2,952	1,926	2,010
	<u>5,577</u>	<u>11,870</u>	<u>12,355</u>
Transport			
	<u>-</u>	<u>-</u>	<u>-</u>
Supplies			
- General materials	45	-	-
- Hired & Contracted Services	648	650	650
- Miscellaneous			
	<u>693</u>	<u>650</u>	<u>650</u>
Third Party Payments	-	-	-
Insurance	952	952	952
Building Maintenance	2,006	2,006	2,006
Re-allocated costs from Pub Cons General	1,050	2,065	2,065
TOTAL EXPENDITURE	<u>39,742</u>	<u>46,553</u>	<u>47,028</u>
Income			
- Admission Charges	-	-	-
- Other	-	-	-
TOTAL INCOME	<u>-</u>	<u>-</u>	<u>-</u>
NET OPERATING EXPENDITURE / (INCOME)	<u>39,742</u>	<u>46,553</u>	<u>47,028</u>

Comments:

The above figures are based on the conveniences at Churchill Way & Park Green, Macclesfield only.

Employees - the figures above include cleaning costs plus an allocation of the Public Convenience Supervisor who operates across all sites and any overtime incurred re opening/closing facilities. The Supervisor allocation = £4,500.

Premises - Any cleaning material costs will be included in the allocation from the General Public Conveniences code. As will any assumed electricity costs

Insurance & Building Maintenance - CEC has centralised budgets/expenditure against these cost headings (ie they are not charged directly to services). The figures shown here reflect the budgets that were in place in the legacy account at Macclesfield. Re-allocated costs include cleaning materials and equipment not directly coded to specific sites.

LOCAL SERVICE DELIVERY

Service	Town Centre Management		
	2010-11 Actual £	2011-12 Forecast £	2012-13 Estimate £
Employees	*	35,628	35,628
Premises	*	-	-
Transport	*	1,667	1,667
Supplies			
- General Equipment & Maintenance			
- General Materials			
- Hire of Equipment			
- Hired & Contracted Services	*	2,500	2,500
- Artist/Performer fees	*	2,500	2,500
- Street Furniture (Directional Signs etc)	*	500	500
- Projects + Activities	*	626	626
- Grants to other Orgs	*	500	500
- Miscellaneous			
Third Party Payments	*	-	-
Insurance	*	-	-
Building Maintenance	*	-	-
TOTAL EXPENDITURE	-	43,921	43,921
Income			
- Other	*	-	-
TOTAL INCOME	-	-	-
NET OPERATING EXPENDITURE / (INCOME)	-	43,921	43,921

Comments:

* The 2010-11 data is not available in a format that analyses between towns

To provide a service to co-ordinate activity to promote the town centre to generate additional footfall through retail activity and events, thereby

- Developing and co-ordinating a programme of town centre events and activities throughout the year, but particularly over the Christmas period
- Close liaison with retailers and their representatives to provide advice and support where appropriate
- To identify operational and strategic issues/opportunities to officers of Cheshire East Council, Police, etc.
- Advice and support to organisations seeking to utilise the town centre environment for their own promotional purposes.

LOCAL SERVICE DELIVERY

Service	Christmas Lights		
	2010-11	2011-12	2012-13
	Actual £	Forecast £	Estimate- Unparished £
Employees	*	-	-
Premises	*	-	-
Transport	*	-	-
Supplies			
- Hired & Contracted Services	*	20,000	20,000
Third Party Payments	*	-	-
Insurance	*	-	-
Building Maintenance	*	-	-
TOTAL EXPENDITURE	-	20,000	20,000
Income			
- Other	*	-	-
TOTAL INCOME	-	-	-
NET OPERATING EXPENDITURE / (INCOME)	-	20,000	20,000

Comments:

* The 2010-11 data is not available in a format that analyses between towns

The CEC budget provision of £20k is for Christmas lights, tree, decorations etc.

It is understood that the Macclesfield Charter Trustees budget for 2011-12 (Dec 2011) is £16k and is for NEW lights, publicity and event support.

LOCAL SERVICE DELIVERY - MACCLESFIELD**SERVICE MANAGEMENT & SUPPORT SERVICES**

The following table shows main support services cost allocations, by type and by Service. Assets Service charges reflect the management support to operational premises used by Services, as well as an apportionment of costs of running/ maintaining corporate buildings.

The figures are lower than indicated in previous reports, mainly due to exclusion of depreciation charges.

Macclesfield	Community Centre/Halls £	Public Conveniences £	Markets £	Town Centre Management £	Christmas Lights/Trees £	TOTAL £
Finance / Finance Shared Services	1,499	114	3,103	637	301	5,654
Assets	4,170	279	28,109	1,258	-	33,816
HR	555	-	567	697	-	1,819
Legal & Democratic Services	824	94	1,343	1,618	-	3,879
Policy & Performance	652	63	1,961	3,004	-	5,680
ICT	1,967	126	-	3,489	-	5,582
Places Management & Admin	-	412	3,782	-	-	4,194
TOTAL	9,667	1,088	38,865	10,703	301	60,624

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