

ENHANCING THE REVENUE BUDGET DEVELOPMENT PROCESS

1. Reason for Report

The purpose of this report is to ask Members to consider a discussion paper on enhancements to the budget development process and to specifically agree to introduce Activity Based Budgeting to support the development of the Council's 2011/12 to 2013/14 revenue financial plans.

2. Recommendations

Members are asked to consider this report and the attached Discussion Paper and:

2.1 note the high level estimate of the projected reduction in government support over the financial planning period 2011/12 to 2013/14;

2.2 agree to implement activity based budgeting in accordance with the draft timetable shown in **Annex 2** of the Discussion Paper; and

2.3 note and comment on the other 3 key issues being considered to enhance the budget development process, namely prioritising service provision, public engagement and budget setting and agree that these issues should be given further and more detailed consideration once the governance arrangements are determined by Members.

3. Plan Links and Contribution

This report contributes to the corporate plan values of achieving continuous improvement and sound financial management.

4. Resources/Value for Money Assessment

The primary purpose of this report is to bring forward suggested improvements to the Council's budget development process which will ensure Members are provided with enhanced budget, performance and outcome information. The enhanced information will facilitate greater scrutiny of how resources are currently consumed and afford Members the opportunity to reprioritise and realign resources to ensure delivery of Council priorities.

5. Risk Assessment

The projected reduction in Government Support over the 3 year financial planning period 2011/12 to 2013/14 will require the Council to reprioritise, realign and reduce expenditure. There is a risk that without appropriate information to scrutinise current expenditure and service outputs Members will not be in a position to take informed budget and service provision decisions. The introduction of activity based budgeting will help mitigate this risk.

6. Consultation

The Corporate Management Team and Operations Manager Accountancy were consulted during the preparation of the discussion paper and any comments received incorporated into the paper.

7. Background

7.1 At Full Council on 11 February 2010 Members were advised of the following:-

“13.2 It is recognised that the budget information currently made available to Members is insufficient to facilitate the scrutiny and analysis that will be required to address the projected savings requirements over the upcoming period. It is essential that improved information is made available to allow Members to:-

- prioritise spend;
- identify areas for further efficiencies
- identify areas for Shared Services;
- identify areas for increased income generation; and
- identify areas for reductions in spend

13.3 A draft briefing paper is being prepared on a proposed methodology that will provide further analysis of existing budgets and services. It is intended that the briefing paper will be submitted to political groups for discussion and comment before the end of this month. Thereafter the paper will be presented to Finance Sub Committee for consideration and implementation.”

7.2 Similarly, Finance Sub Committee had previously requested a review of the budget process.

7.3 While the initial focus of the request from Members was to improve budget information to facilitate more detailed scrutiny of current spend, in bringing forward the briefing/discussion paper the opportunity has been taken to discuss a number of other activities that will enhance the budget development process.

8. Discussion

8.1 The attached Discussion Paper, **Appendix 1**, brings forward a number of suggestions that will enhance the Council’s Revenue Budget development process.

8.2 The suggested areas of enhancement evolved from comments received from Members and Officers.

8.3 While it is fully appreciated that Members have for some time been requesting more detailed budget information to facilitate greater scrutiny of spend, the primary driver for the Discussion Paper is against the backdrop of projected significant reductions in government support over the spending review period 2011/12 to 2013/14 and beyond. Similarly, the projected change in Dumfries & Galloway’s demographics provides further incentive to review and enhance the Council’s budget development process.

8.4 In terms of financial projections the Discussion Paper provides a high level estimate of the projected reduction in government support over the spending review period 2011/12 to 2013/14.

8.5 The estimate and assumptions contained in the Discussion Paper are replicated below:

The under noted provides a high level estimate of the projected reduction in Government Support to this Council over the spending review period 2011/12 to 2013/14. The projection based on the under noted assumptions would require the Council to achieve savings in excess of £13m per annum for each of the years 2011/12 to 2013/14 as shown in the table below.

Assumptions

- 12% real terms reduction in Government Support over the three year spending review period 2011/12 to 2013/14. This 12% planning assumption is supported by Cifpa Directors of Finance in Scotland, CPPR, Solace and Cosla;
- Annual up-rating of Council's general fund budget by approx £8.8m;
- Based on Government Revenue Support in 2010/11 of £323m;
- Linear reduction in Government support.

Projected Reduction in Government Support	£'000
2011/12	13,097
2012/13	26,193
2013/14	39,290

8.6 To enhance the current budget development process the Discussion Paper identifies 4 key issues that should be considered and addressed, namely:-

- (1) Activity based budgeting;
- (2) Prioritising service provision;
- (3) Public engagement; and
- (4) Budget setting

8.7 The paper also focuses on the governance arrangements for providing Member guidance, direction and input to take forward the budget process and suggests that a Member/Officer Working Group/Scrutiny Panel is set up to take the process forward.

8.8 The paper also indicates that, in terms of the immediate priority which is primarily determined by timescales, the implementation of activity based budgeting must be commenced immediately if the deadline of providing Members with more detailed budget and outcome information by the Summer recess is to be achieved. The draft timetable (**Annex 2**) which is attached to the Discussion Paper considers the initial actions that must be commenced to ensure that Members are provided with activity based budget information prior to the Summer recess. The timetable to take forward the other 3 key areas, namely prioritising service provision, public engagement and budget setting, will be given further and more detailed consideration once the governance arrangements are determined by Members.

<p>Date of Report: 15 March 2010</p> <p>File Ref: enhancingrevbudproc-finsub230310</p> <p>APPENDIX - 1</p>	<p>Gordon Lawson Director of Support Services Community & Support Services Carruthers House English Street DUMFRIES DG1 2HP</p>
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**DISCUSSION PAPER:
GENERAL FUND BUDGET DEVELOPMENT
2011/12 TO 2013/14 ONWARDS**

Objective

To introduce a managed process that will facilitate greater Member input into the establishment of a budget that will deliver Council priorities, facilitate greater scrutiny of current resource consumption and support the reprioritisation, realignment and reduction of expenditure in line with short, medium and longer term financial and demographic projections.

Outcome

That the Council has an annual balanced general fund budget which reflects the Council's policy and service delivery priorities, retains a prudent general fund balance and is based on short and medium term financial plans that address the projected reduction in financial resources and projected change in demographics.

Drivers for Cost Reduction, Resource Realignment and Income Generation

While there are potentially many drivers directing the need to review the Council's budget development process the under noted are considered to be the key drivers:-

- General overall economic climate and projected reduction in Government support to Local Authorities;
- Current and projected changes in demographics;
- Current and projected changes in Customer expectations;
- Current and projected changes in Local / national priorities;
- Current and projected changes in organisational demands.

While all of the above need to be considered it is important at the outset to provide a clear indication of the financial challenge that this Council must address. Other Councils have already set indicative budgets for the period 2011/12 to 2013/14 and have faced major financial challenges.

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Assumptions

- 12% real terms reduction in Government Support over the three year spending review period 2011/12 to 2013/14. This 12% planning assumption is supported by Cipfa Directors of Finance in Scotland, CPPR, Solace and Cosla;
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Projected Reduction in Government Support	£'000
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Budget Development Proposal

In taking forward the budget development process 4 key issues must be considered and addressed:-

1. **Financial and Performance information (Activity Based Budgeting – ABB)**: Members and Managers require detailed cost and performance information that will facilitate an evidence led approach to the prioritisation, realignment and reduction of expenditure. The introduction of ABB will also support and be complementary to the actions required to take forward the Council's commissioning and delivery framework as agreed at Corporate Policy on 2 March 2010;
2. **Prioritising Service provision**: An agreed methodology is required to provide a clear consistent approach to prioritising service delivery within a backcloth of reducing resources and changing Demographics. For information **Annex 1** provides a summary of the GROS (General Register Office for Scotland) projection of the changing demographic facing Dumfries and Galloway. The GROS full report covering the whole of Scotland is also available as a PDF file;
3. **Public Engagement**: The challenges facing the Council are significant and will require difficult decisions to be made. Engagement with our Communities, Customers and Partners will help inform Members in prioritising, realigning and reducing expenditure and services. It will also identify areas for possible reductions in service. Building on the 2010/11 budget consultation exercise, early consideration must be
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4. given to the public engagement process which will support the development of the 2011/12 to 2013/14 revenue budget. It must be recognised that no solution will meet the expectations of all stakeholders and strong political leadership will be required to achieve an annual balanced general fund budget.
5. **Budget Setting:** While the above 3 issues will assist and improve in the budget development process it has become clear that there is a need to formalise the procedural arrangements surrounding the budget setting process itself, with particular reference to the lead up to budget setting day. This is clearly a matter for Members and will be the subject of further discussion with political groups/groupings.

Governance Arrangements

It is fully appreciated that all Members will have a keen interest in taking forward the budget process. However timescales are short and it is important that officers receive consistent input and guidance from Members within a governance structure that is flexible and minimises bureaucracy. It is therefore suggested that due to the importance of this project consideration should be given to setting up a Member Officer working group / scrutiny panel to oversee the project and facilitate Member input and guidance. A maximum of 2 Members from each Political Grouping is suggested. The Chief Executive will be the sponsor with the Director of Support Services, being the senior responsible officer. Additional support will be provided by CMT and the Operations Manager Accountancy as appropriate. It is proposed that the process will involve peer challenge and contact has already been made with key players in activity based budgeting/costing in Scotland.

Draft Outline Timetable

Annex 2 shows a draft timetable. The timetable considers the initial actions that must be commenced to ensure that Members are provided with ABB information prior to the deadline of the Summer recess. The timetable to take forward the other 3 key areas, namely prioritising service provision, public engagement and budget setting, will be given further and more detailed consideration once the governance arrangements are determined by Members.

The remainder of this discussion paper will focus on taking forward Activity Based Budgeting.

Activity Based Budgeting

Fundamentally, Members and Managers are requesting an appropriate level of financial and performance information that will support scrutiny of current budget allocations which will aid reprioritisation, realignment and reduction of Council's spend in line with current, medium and longer term financial and demographic projections.

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It is suggested that what is required is a detailed breakdown of the information contained in the Revenue Budget Book supported with information from other sources ie the financial ledger. Based on supporting evidence and officer knowledge of the Service, officers will provide an initial more detailed analysis of the services, activities and projects provided by the current budget allocation. Officers will also be expected to provide detail on what outcomes are achieved together with appropriate benchmark and performance information, where available.

Outline Methodology

The 2010/11 Revenue Budget Book will be analysed over services, activities, and projects with an initial de minimis level of £100k. Activities below the de minimis level will continue to be identified although no further analysis will be provided unless required by Members.

The Revenue Budget Book provides a Service level breakdown of budgets analysed over subjective cost-centres determined by ACOP (Accounting Code of Practice), ie staff costs, property costs, transport costs, etc.

The allocation of cost centres to services, activities and or projects, will be based on available information. For example staff costs allocation could be based on time sheets, or the Manager's or officer's best estimate of time allocation. A similar approach will be taken with other cost centres.

The output from this process will identify how Council resources are currently being consumed. This will allow Members to review, prioritise and then, if necessary, request further detail on the areas of activity for which they would wish to consider for reduction in spend, further investment and or income generation. It will also be necessary to identify service connectivities in order to ensure that there are no unintended consequences of reductions in spending in one service as against another.

In order to undertake this process the following areas must be considered:-

- 1 Identification of activities;
- 2 Drivers for activities;
- 3 Cost of the activities;
- 4 Customer base;
- 5 Outcomes generated by the activities;
- 6 Benchmarking;
- 7 Service Connectivities.

1 Identification of Activities

This part of the process is crucial and will require significant input from Service Managers and Finance Officers. The intention would be to agree a de minimis level say £100k and for each page of the Revenue Budget Book. Managers would analyse that budget over the services, activities and projects delivered by that budget. While the analysis will be based on the Revenue Budget Book, supporting information can be provided from the financial ledger and the diagnostic stage of the Delivering Excellence programme.

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2 Drivers for Activities

The identification of appropriate drivers is essential to support subsequent prioritisation of spend. It is suggested that drivers are allocated from one or a combination of the following classifications:-

- (a) Statutory;
- (b) Discretionary;
- (c) Local, political priority;
- (d) Geographical;
- (e) Not known;

Further guidance will be issued regarding the definition of the above.

3 Cost of Activities

For each section of the Budget Book Managers, supported by Finance Officers, will be expected to allocate the budgets across the activities. The allocation of the budget across services, activities and projects will, in the majority of instances, be a subjective view of Service Managers based on their operational experience. It will be essential for Service Managers to give considerable commitment and attention to this aspect of the project to ensure allocations are reflective of how resources are actually consumed.

4 Customer Base

For Members' information, Managers will also be expected to identify the customer base that benefits from the budget provision. A calculation of cost per user will provide additional information to support the prioritisation process.

5 Outcomes

Service Managers will be expected to identify the outcomes actually delivered by the budget spend and to make connections with other spends. This information will assist Members in the prioritisation process in terms of whether the outcomes support SOA, Corporate Plan and/or Members' priorities.

6 Benchmarking

For each activity Service Managers will also be asked to identify if there is any appropriate benchmark information and performance indicators either external or internal, that would facilitate a relative comparison of the effectiveness of the delivery of the Service or activity, either in terms of outcomes and/or Value for Money.

7 Service Connectivities

It will also be necessary to identify service connectivities in order to ensure that there are no unintended consequences of reductions in spending in one service as against another.

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Resources

The key resource requirement to deliver this phase of the project is knowledge and understanding of the Council's operations and what current budgeted spend actually delivers by way of outcomes and achievement of Council objectives. Because of general capacity issues within the Council there is concern that there is insufficient resource available to support this project. However as the knowledge and understanding is held by the Council's own staff it is impractical to consider external support. Consequently for this project to succeed Service Managers and Finance Officers must commit the appropriate time to the extent that they will undoubtedly be required to prioritise their existing workloads. This will result in other work being deferred which will be controlled, co-ordinated and authorised by CMT.

In short, Service managers and the appropriate finance officers must be given the time to support this project.

Example of Output from ABB

Annex 3 provides an example of the output that can be expected from the ABB process. The example based on Environmental Standards is illustrative only and does not reflect the actual position within this Service. The purpose of the example is to illustrate the potential layout of the output from the ABB process and to seek comments on how the layout and information provided accords with expectations.

Gordon Lawson
Director of Support Services

16 March 2010

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Annexes - 3

GENERAL FUND BUDGET DEVELOPMENT PROCESS 2011/12 TO 2013/14: DRAFT INITIAL ACTIONS TIMETABLE

DATE	ACTION	LEAD RESPONSIBILITY
w/b 22 February 2010	Prepare draft budget development discussion paper and present to CMT: Seek invites to political groups to discuss paper.	Director Support Services/ CES Service Manager
w/b 8 March 2010	Issue draft discussion paper to Political Groups	Director Support Services
23 March 2010	Present report to Finance Sub to consider process and governance arrangements.	Director Support Services
5 April 2010	Commence consideration of public engagement process	Director Community and Customer Services
7 April 2010	CMT to commence consideration of changing demographics and impact on Services	TBA
9 April 2010	Prepare and issue ABB guidance to Services	Operations Manager Accountancy
10 April onwards	Service consider guidance and commence extracting appropriate information ie identification of activities, outputs etc	All Directorates
4 May to 11 June 2010	Service managers and Finance officers meet with OM Accountancy to discuss and progress ABB ie budget analysis, performance information etc etc.	Operations Manager Accountancy
14 June to 2 July 2010	Prepare ABB output documents	Director Support Services/ Operations Manager Accountancy
12 July 2010	Issue ABB info to Members	

SUBJECTIVE BUDGET ANALYSIS Environmental Standards	Budget 2009/10 £	Outturn 2009/10 £	Budget Estimates 2010/11 £	Budget Estimates 2011/12 £	Budget Estimates 2012/13 £
EXPENDITURE					
Staff Costs					
Salaries	1,612,620	1,683,990	1,601,830	1,641,850	1,683,660
National Insurance	130,610	117,150	132,800	136,120	139,520
Superannuation	317,390	305,240	333,020	349,890	367,420
Overtime	5,000	110	5,130	5,260	5,390
Other Employee Expenses	3,200	1,630	1,460	1,460	1,460
	2,068,820	2,108,120	2,074,240	2,134,580	2,197,450
Property Costs					
Repairs and Maintenance	2,500	4,110	1,060	1,080	1,100
Property Insurance	920	920	920	920	920
Shared Admin Premises	75,860	75,860	75,860	75,860	75,860
	79,280	80,890	77,840	77,860	77,880
Supplies and Services					
Equipment and Supplies	306,200	254,730	342,990	353,230	363,730
Abandoned Vehicles	19,140	2,530	15,910	16,150	16,390
PC Refresh	22,920	22,970	22,970	23,310	23,660
Computer Maintenance	17,550	16,980	11,990	12,170	12,350
	365,810	297,210	393,860	404,860	416,130
Transport Costs					
Car allowances	93,650	100,390	98,590	100,060	101,560
Vehicle Hire	9,400	9,980	9,200	9,340	9,480
Vehicle Maintenance Costs	7,530	3,890	3,900	3,960	4,020
Vehicle Fuel Costs	7,460	6,480	3,540	3,600	3,660
Vehicle Insurance	1,320	1,320	1,320	1,320	1,320
	119,360	122,060	116,550	118,280	120,040
Administrative Costs					
Printing	15,920	15,110	4,910	4,990	5,070
Postage	3,880	6,220	3,940	4,000	4,060
Stationery	7,430	5,680	5,350	5,430	5,520
Advertising	2,810	2,700	2,240	2,270	2,300
Telephones	9,160	18,820	15,550	15,800	16,050
Training	22,690	18,350	17,820	18,090	18,360
Subsistence	4,210	3,450	4,100	4,160	4,220
Conferences	1,500	450	1,500	1,520	1,540
Insurances	13,020	13,020	13,020	13,020	13,020
Central Support Charges	318,540	318,540	318,540	318,540	318,540
	399,160	402,340	386,970	387,820	388,680
Payments to Other Bodies					
Private Water Supplies Grants	126,210	126,210	0	0	0
	126,210	126,210	0	0	0
Capital Charges	12,610	12,610	12,610	12,610	12,610
TOTAL EXPENDITURE	3,171,250	3,149,440	3,062,070	3,136,010	3,212,790
INCOME					
Government Grants	197,050	253,790	212,430	217,520	222,720
Fees & Charges	375,360	338,630	183,920	188,530	193,230
Other Income	115,510	139,890	68,060	68,930	69,810
	687,920	732,310	464,410	474,980	485,760
NET EXPENDITURE	2,483,330	2,417,130	2,597,660	2,661,030	2,727,030

Apportionment of Budget to Activities Environmental Standards	Budget Estimates 2010/11 £	Food Safety		Animal Health	Consumer Protection			Anti-Social Behaviour		Removal of Aband. Vehicles	Other/ De-Minimis
		Hygiene Inspections 2010/11 £	Specific Investig. 2010/11 £	Inspections/ Checks 2010/11 £	Shop Checks 2010/11 £	Cigarettes/ Alcohol Checks 2010/11 £	Market Visits 2010/11 £	Domestic Noise 2010/11 £	Non- Domestic Noise 2010/11 £	2010/11 £	2010/11 £
EXPENDITURE											
Staff Costs											
Salaries	1,601,830	320500	133600	192220	299500	225200	148000	95000	74200	64300	49310
National Insurance	132,800	26570	11080	15900	24830	18670	12270	7880	6150	5330	4120
Superannuation	333,020	66630	27780	39960	62270	46820	30770	19750	15450	13370	10220
Overtime	5,130	2700			2430						
Other Employee Expenses	1,460	1000			460						
	2,074,240	417,400	172,460	248,080	389,490	290,690	191,040	122,630	95,800	83,000	63,650
Property Costs											
Repairs and Maintenance	1,060	210	90	130	190	150	100	65	50	45	30
Property Insurance	920	180	75	110	170	130	85	55	45	40	30
Shared Admin Premises											
	1,980	390	165	240	360	280	185	120	95	85	60
Supplies and Services											
Equipment and Supplies	342,990	111221	46539	33274	37275	31834	23209	34163	13208	2165	10102
Abandoned Vehicles	15,910									15910	
PC Refresh	22,970	4600	1920	2760	4290	3230	2120	1360	1060	920	710
Computer Maintenance	11,990	2400	1000	1440	2240	1685	1105	710	560	480	370
	393,860	118,221	49,459	37,474	43,805	36,749	26,434	36,233	14,828	19,475	11,182
Transport Costs											
Car allowances	98,590	21000	9730	17850	16200	10900	5350	6500	5150	3950	1960
Vehicle Hire	9,200	2400	1300	1700	1350	1000	350	450	240	240	170
Vehicle Maintenance Costs	3,900	1000	460	700	550	300	150	250	190	170	130
Vehicle Fuel Costs	3,540	900	410	630	525	285	135	215	175	150	115
Vehicle Insurance	1,320	325	190	230	190	95	55	75	65	55	40
	116,550	25,625	12,090	21,110	18,815	12,580	6,040	7,490	5,820	4,565	2,415
Administrative Costs											
Printing	4,910	980	410	590	920	690	450	290	230	200	150
Postage	3,940	790	330	470	740	550	360	235	185	160	120
Stationery	5,350	1070	445	640	1000	750	495	320	250	215	165
Advertising	2,240	450	185	270	420	315	205	130	105	90	70
Telephones	15,550	3110	1295	1870	2910	2180	1440	920	720	625	480
Training	17,820	3565	1485	2145	3330	2500	1650	1055	825	715	550
Subsistence	4,100	820	340	490	765	575	380	240	190	165	135
Conferences	1,500	300	125	180	280	210	140	90	70	60	45
Insurances	13,020	2610	1090	1565	2435	1830	1200	770	600	520	400
Central Support Charges											
	68,430	13,695	5,705	8,220	12,800	9,600	6,320	4,050	3,175	2,750	2,115
TOTAL EXPENDITURE	2,655,060	575,331	239,879	315,124	465,270	349,899	230,019	170,523	119,718	109,875	79,422
INCOME											
Government Grants	212,430	83000	37830	43250	13680	24355	10315				
Fees & Charges	183,920	68030	22500	29000	15300	12778	25997			10315	
Other Income	68,060	24200	14647	3573	16540	9100					
	464,410	175,230	74,977	75,823	45,520	46,233	36,312	0	0	10,315	0
NET EXPENDITURE	2,190,650	400,101	164,902	239,301	419,750	303,666	193,707	170,523	119,718	99,560	79,422

PLANNING & ENVIRONMENT SERVICES ENVIRONMENTAL STANDARDS

EXAMPLE

What is this Service/Activity?
Environmental Standards serves the communities and people of Dumfries & Galloway through protecting public health, the environment and the economic interests and safety of consumers and traders. Key services within Environmental Standards include Consumer Protection, the enforcement of food safety and health & safety legislation, pest control, animal health and the enforcement of noise and smoking regulations.

Why does the Council provide this Service/Activity?
<p>Much of the work of Environmental Standards is determined by statutory requirements with the main pieces of legislation being as follows:-</p> <ul style="list-style-type: none"> - Animal Health and Welfare (Scotland) Act 2006 - Antisocial Behaviour Etc (Scotland) Act 2004 - Consumer Protection Act 1987 - Environmental Protection Act 1990 - Food Safety Act 1990 - Health and Safety At Work Act 1974 - Prevention of Damage by Pests Act 1949 - Prices Acts 1974 and 1975 - Smoking, Health and Social Care (Scotland) Act 2005 - The Water (Scotland) Act 1980 - Trade Marks Act 1994 - Weights and Measure Acts 1976 and 1985 <p>In addition to meeting statutory requirements, Environmental Standards also contributes to the Council's corporate objectives through helping to create a safe, healthy, secure and equitable environment (<i>probably need to be more specific here</i>). It may also be appropriate/necessary to identify the specific legislation applicable to each identified activity.</p>

What are the Key Outputs From This Service/Activity?								
<p>All Based on the year to 31 March 2009:-</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%;">225 Food Safety Hygiene Inspections</td> <td style="width: 50%;">79 Animal Health Checks</td> </tr> <tr> <td>29 Inspections of Trading Premises</td> <td>108 Consumer Protection Shop Checks</td> </tr> <tr> <td>81 Domestic Noise Complaints Settled</td> <td>39 Consumer Protection Market Visits</td> </tr> <tr> <td>13 Non-Domestic Noise Complaints Settled</td> <td>88 Abandoned Vehicles Removed</td> </tr> </table>	225 Food Safety Hygiene Inspections	79 Animal Health Checks	29 Inspections of Trading Premises	108 Consumer Protection Shop Checks	81 Domestic Noise Complaints Settled	39 Consumer Protection Market Visits	13 Non-Domestic Noise Complaints Settled	88 Abandoned Vehicles Removed
225 Food Safety Hygiene Inspections	79 Animal Health Checks							
29 Inspections of Trading Premises	108 Consumer Protection Shop Checks							
81 Domestic Noise Complaints Settled	39 Consumer Protection Market Visits							
13 Non-Domestic Noise Complaints Settled	88 Abandoned Vehicles Removed							

How is This Service Delivered?
Environmental Standards employs 70 staff and the significant majority of it's work is undertaken by the Service's own staff. However, services are commissioned from other providers (both through DGFirst and through external providers) for specific activities including Egg & Nest Removal Services and external specialists are engaged to undertake specific pieces of work such as analysis of Air Quality data.

What are the Key Indicators of Performance for this Service/Activity?	2006/07	2007/08	2008/09
Hygiene Inspections			
a) Approved premises - establishments requiring inspection in the year	27	27	25
b) Percentage actually inspected within time (Inspections undertaken during 2008/09: 51)	58.9%	94.7%	92.7%
c) Percentage actually inspected within target of 6 months (Inspections undertaken during 2008/09:)	87.5%	90.0%	84.6%
d) Percentage actually inspected within target of 1 year (Inspections undertaken during 2008/09: 194)	93.0%	96.4%	92.4%
e) % actually inspected within target of more than 1 year (Inspections undertaken during 2008/09: 65)	91.2%	96.9%	82.7%
Noise Complaints	2005/06	2006/07	2007/08
Domestic Noise Complaints			
Total number of noise complaints received during the year:			
i) Settled without the need for attendance on site	N/A	93	31
ii) Requiring attendance on site	N/A	7	2
iii) Dealt with under Part V of the Antisocial Behaviour (Scotland) Act 2004	N/A	841	622
Non-Domestic noise complaints			
Total number of noise complaints received during the year:			
Settled without the need for formal action	N/A	83	58
Requiring formal action	N/A	1	2
For those requiring formal action, the average time (calendar days) to institute formal action	N/A	121 days	34 days
Abandoned Vehicles	2005/06	2006/07	2007/08
Proportion of abandoned vehicles removed within 14 days	N/A	91.5%	71.4%
Number of vehicles that required removal within 14 days	N/A	94	35
Trading Standards: Inspection of Trading Premises	2005/06	2006/07	2007/08
High risk: Target visit frequency 12 months			
a) % target visits achieved on time (Target number of visits for 2007/08: 77)	54.7%	89.0%	87.5%
Medium risk: Target visit frequency 24 months			
b) % target visits achieved on time (Target number of visits for 2007/08: 923)	60.2%	85.0%	86.5%

Chief Officers	Tony Fitzpatrick, Service Director Economic Regeneration Alistair Speedie, Service Director Sustainable Development
Budget Holder	Derek Collins, Operations Manager - Environmental Standards

Activity/Output Based Budget 2010/11
Environmental Standards

		Expenditure 2010/11 £	Income 2010/11 £	Net Cost 2010/11 £
Food Safety	Hygiene Inspections	575331	175230	400101
	Specific Investigations	239879	74977	164902
Animal Health	Inspections/Checks	315124	75823	239301
Consumer Protection	Shop Checks	465270	45520	419750
	Cigarettes/Alcohol Selling	349899	46233	303666
	Market Visits	230019	36312	193707
Anti-Social Behaviour	Settlement of Domestic Noise Complaints	170523	0	170523
	Settlement of Non-Domestic Noise Complaints	119718	0	119718
Removal of Abandoned Vehicles		109875	10315	99560
Other Services Below De-Minimis Level*		79422	0	79422
		2655060	464410	2190650
Centrally Allocated Costs (Capital Charges & Central Support)				407010
Budget Estimates				2597660

* Other services below de-minimis level includes Removal of Abandoned Vehicles, Air Quality Monitoring, Inspection of Water Supplies

Output Based Costing and Benchmarking Information

The net cost of the Environmental Standards Service is regularly benchmarked against comparable services within other Scottish Councils. The most recent benchmarking exercise (as at 30 June 2009) indicated the following:-

	DGC	Scotland
Cost per Food Safety Hygiene Inspection	£1,777	£1,590
Cost per Domestic Noise Complaint Settled	£2,098	£2,700
Cost per Animal Health Check	£3,038	£2,987
Cost per Abandoned Vehicle Removed	£1,136	£2,105
Cost per Non - Domestic Noise Complaint Settled	£4,300	Not Available
Cost per Market Visit	£1,727	Not Available

Comparable/reliable benchmarking information is not currently available for several of Environmental Standards Services and this is currently being sought/developed.

In addition to the above, Cipa's Rating Review 2008/09 indicates that Dumfries & Galloway spends 0.74% of net expenditure on Environmental Standards Services with the national average being 0.79%. The same document indicates that Dumfries & Galloway spends £17.39 per head of population on Environmental Standards Services with the national average being £18.10.

Staffing Details		Property/Asset Details	
	FTEs		
Chief Officers	0	No. of Premises Used	3
Operations Managers	1	No. of Workstations	61
Band 13 and above	6		
Band 10 - 12	12		
Band 5 - 9	39		
Band 1-4	12		
Total	70		