

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO PLANNING AND DEVELOPMENT COMMITTEE

DECISION

Agenda Item No 8

meeting date: 16 JANUARY 2014
 title: REVISED REVENUE BUDGET 2013/14
 submitted by: DIRECTOR OF RESOURCES
 principal author: TRUDY HOLDERNESS

1 PURPOSE

1.1 To agree a revised revenue budget for 2013/14 for consideration at Special Policy and Finance Committee.

2 BACKGROUND

2.1 The original estimate for this current financial year was set in March 2013. As members will be aware, there can be numerous variations to the budget that come to our attention as the year progresses, particularly through the budget monitoring process.

2.2 At this time of year we take the opportunity to revise the estimates for the current financial year in order to better assess the level of movement anticipated within our earmarked reserves and balances, and to allow us to better forecast for the coming financial year.

2.3 The 2013/14 budget included provision for price increases of 2.5% and a pay increase of 1%.

3 RESTATING OF ORIGINAL ESTIMATE

3.1 The original estimate that was approved in March 2013, and which is shown in the budget book, does not show the detailed estimates for the core strategy which were submitted to this committee In July 2013.

3.2 To allow a better comparison of the budget to the revised estimate within this report, the budget that was originally approved in March has been restated, to include the estimate for the core strategy and any virements between budget heads approved by the Director of Resources, details of which are as follows:-

DETAIL OF VIREMENT	AMOUNT £
Planning Control & Enforcement - increase in support cost from Community Services Department to take into account the work carried out by the planning officer	21,080
Planning Control & Enforcement - increase in planning application fees to cover the cost of the planning officer	-21,080
Core Strategy – Increase in various supplies & services costs as detailed in report submitted to this committee in July 2013.	160,100
Core Strategy Earmarked Reserve – Increase in contribution from reserves to fund the cost of the Core Strategy	-160,100

3.3 Overall the total net budget for the council has not changed, but at a committee level this has the impact of increasing or decreasing the budget levels on a number of service cost centres, which for this committee results in no change in budget, after allowing for transfers to and from earmarked reserves.

3.4 The impact of this restatement has been summarised in the table below:

Service Area	Original Estimate £	Restated Original Estimate £
Planning	381,370	541,470
Building Control	50,020	50,020
Environmental Enhancements	91,430	91,430
Conservation	9,720	9,720
Grants & Subscriptions	15,660	15,660
Public Transport	7,060	7,060
NET COST OF SERVICES	555,260	715,360
Earmarked Reserves	4,170	-155,930
Net Expenditure	559,430	559,430

4 REVISED REVENUE BUDGET 2013/14

4.1 The revised budget is £184,210 higher than the original estimate. This is decreased to £40,000 higher than the original estimate after allowing for transfers to and from earmarked reserves. A comparison between the restated original and revised budgets for each cost centre is shown below.

Cost Centre	Cost Centre Name	Restated Original Estimate 2013/14 £	Movement in Expenditure £	Movement in Income £	Movement in Support Services £	Revised Estimate 2013/14 £
PLANG	Planning Control & Enforcement	192,350	141,020	30	41,910	375,310
PLANP	Planning Policy	189,020	0	-4,900	5,920	190,040
CORES	Core Strategy	160,100	0	0	0	160,100
BCSAP	Building Control SAP Fees	-1,420	830	-1,280	-10	-1,880
BLDGC	Building Control	51,440	-1,130	6,440	-8,350	48,400
AONBS	Area of Outstanding Natural Beauty	11,130	0	0	2,320	13,450
COMMG	Community Groups	22,270	-50	0	-120	22,100
COUNT	Countryside Management	49,510	6,250	-7,820	70	48,010
FORBW	Forest of Bowland Bridleways	0	5,000	0	0	5,000
FPATH	Footpaths & Bridleways	6,350	0	0	-780	5,570
HIGHH	High Hedges	2,170	0	0	-30	2,140
PENDU	Pendle Hill Users	0	0	-190	0	-190
CONSV	Conservation Areas	9,720	0	0	-120	9,600
PLSUB	Grants and Subscriptions	15,660	-780	0	710	15,590
CINTR	Clitheroe Integrated Transport Scheme	7,060	-150	20	-600	6,330
NET COST OF SERVICES		715,360	150,990	-7,700	40,920	899,570

Cost Centre	Cost Centre Name	Restated Original Estimate 2013/14 £	Movement in Expenditure £	Movement in Income £	Movement in Support Services £	Revised Estimate 2013/14 £
PLBAL H336	Planning Reserve	0	0	-141,910	0	-141,910
PLBAL H358	Core Strategy Reserve	-160,100	0	0	0	-160,100
PLBAL H234	Building Control Reserve Fund	4,170	2,510	0	0	6,680
PLBAL H274	Forest of Bowland Bridleways	0	0	-5,000	0	-5,000
PLBAL H273	Pendle Hill Users	0	190	0	0	190
NET BALANCES AND RESERVES		-155,930	2,700	-146,910	0	-300,140
NET EXPENDITURE		559,430	153,690	-154,610	40,920	599,430

- 4.2 **The level of planning inspection fee income that has been allowed for in the above budget is based on the original estimate for 2013/14 (which included income to fund 2 new planning posts) plus further income to cover the cost of an additional planning officer that was appointed during the year. At this point in time it is anticipated that this income level will not be achieved, and will be £50k below this estimate. Should the estimate not be achieved by the 31 March 2014, any shortfall will be met from the Planning Earmarked Reserve.**
- 4.3 The difference between the revised and restated original estimate is an estimated increase in net spending of £90,080 after allowing for transfers to or from earmarked reserves. The main reasons for this are shown at Annex 1. However, a summary of the main variances is given below:

Description	Variances from restated original estimate to revised estimate £
PLANG: Planning Control & Enforcement Planning consultants fees on planning appeals and associated costs are anticipated to reach £151k in the financial year, which is £141,910 above the current budget. This additional cost is to be met from the earmarked reserve created for this purpose.	141,910
Increase in support service costs from legal services and Chief Executives department due to an increase in involvement with Planning appeals.	41,910
PLANP: Planning Policy Additional income received from Department of Communities and Local Government for Longridge neighbourhood plan	-5,000
Increase in support costs mainly from Chief Executives offset by a reduction from Community Services due to changes in cost allocations from these services. The increase is mainly from staff working on the core strategy and the reduction mainly from staff working on planning appeals	5,920

Description	Variances from restated original estimate to revised estimate £
BLDGC: Building Control Reduced expenditure on tuition fees due to no staff currently undertaking professional training also reduced support costs from Computer, Financial services and Chief Executives due to changes in cost allocations from these services.	-9,350
Reduction in income from building regulation fees due to current economic climate and also some organisations using private competitors. The net effect of these variations is an increase in the contribution to the reserve fund.	6,760
COUNT: Countryside Management There has been an increase in emergency tree work mainly from felling a dangerous Willow tree at Ribchester and pollarding work at the Cemetery, the cost of which has been recharged to other service areas of the Council	6,250
The recharge to other service areas of the council has increased based on previous years trends	-7,820
FORBW: Forest of Bowland Bridleways Contribution to the repair of Hasgill bridge on the Stocks reservoir circular walk. This is funded from an earmarked reserve.	5,000

5 CONCLUSION

5.1 The difference between the revised and restated original estimate is an estimated increase in net expenditure of £90,980 after allowing for transfers to and from earmarked reserves.

6 RISK ASSESSMENT

6.1 The approval of this report may have the following implications

- Resources – approval of the revised estimate would see an increase in net expenditure of £184,210, or £40,000 after allowing for transfers to and from earmarked reserves.
- Technical, Environmental and Legal – none identified
- Political – none identified.
- Reputation – sound financial planning safeguard the reputation of the council.
- Equality and Diversity – equality and diversity issues are considered in the provision of all council services.

6 RECOMMENDED THAT COMMITTEE

6.1 Approve the revised budget for 2013/14 and submit this to the Special Policy and Finance Committee subject to any further consideration by the Budget Working Group.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

PD2-14/TH/AC

16 December 2013

For further background information please ask for Trudy Holderness extension 4436.

BACKGROUND PAPERS – None

2-14pd

PLANNING AND DEVELOPMENT COMMITTEE
VARIANCES FROM RESTATED ORIGINAL ESTIMATE TO REVISED ESTIMATE 2013/14

	MOVEMENT IN EXPENDITURE £	MOVEMENT IN INCOME £	MOVEMENT IN SUPPORT £	TOTAL MOVEMENT £
Planning Control & Enforcement				
The GIS service has been transferred to One Connect at a reduced cost	-810			-810
Planning consultants fees on planning appeals and associated costs are anticipated to reach £151k in the financial year, which is £141,910 above the current budget provision. This additional cost is to be met from the planning earmarked reserve which was set up to meet such costs.	141,910			141,910
A decrease in income from decision notices has mainly been offset by an increase in pre-application advice		30		30
Increase in support service costs from legal services and Chief Executives department due to an increase in involvement with Planning appeals.			41,910	41,980
Planning Policy				
Increase in support costs mainly from Chief Executives offset by a reduction from Community Services due to changes in cost allocations from these services. The increase is mainly from staff working on the core strategy and the reduction mainly from staff working on planning appeals			5,920	5,920
Additional income received from Department of Communities and Local Government in respect of the Longridge Neighbourhood Plan		-5,000		-5,000
Building Control SAP Fees				
Increase in staffing costs due to increased workload, offset by additional income	660	-1,280		-620
Building Control				
Reduction in tuition fees as no staff currently undertaking a professional qualification	-1,000			-1,000

**PLANNING AND DEVELOPMENT COMMITTEE
VARIANCES FROM RESTATED ORIGINAL ESTIMATE TO REVISED ESTIMATE 2013/14**

	MOVEMENT IN EXPENDITURE £	MOVEMENT IN INCOME £	MOVEMENT IN SUPPORT £	TOTAL MOVEMENT £
Reduction in support costs mainly from Chief Executives, Financial and Computer Services due to changes in cost allocations from these services.			-8,350	-8,350
Reduced Income from building regulations fees. This is mainly due to the current economic climate and also due to some organisations using private competitors.		6,760		6,760
Area of Outstanding Natural Beauty				
Increase in support cost from Community Services due to changes in cost allocations from this service			2,320	2,320
Countryside Management				
Increase in emergency tree work mainly from felling a dangerous tree at Ribchester and pollarding work on the oak trees at the cemetery.	6,250			6,250
The increase in expenditure on emergency tree work is reflected in an increase in the recharge to other services		-7,820		-7,820
Forest of Bowland Bridleways				
Contribution to Hasgill bridge repairs over Hasgill beck on the Stocks reservoir circular walk. This is funded from an earmarked reserve fund.	5,000			5,000
Footpath & Bridleways				
Reduction in support costs mainly from Legal Services due to changes in cost allocations from these services			-780	-780
Pendle Hill Users				
Contributions received during year(to be added to earmarked reserve fund to meet future expenditure)		-190		-190
Planning Subscriptions				
Reduction in the provision for the subscription to the Lancashire and Cumbria archaeological service based on previous year actuals, plus a provision for inflation	-780			-780
Other	-240	-200	-100	-540
Sub-Total	150,990	-7,700	40,920	184,210

**PLANNING AND DEVELOPMENT COMMITTEE
VARIANCES FROM RESTATED ORIGINAL ESTIMATE TO REVISED ESTIMATE 2013/14**

	MOVEMENT IN EXPENDITURE £	MOVEMENT IN INCOME £	MOVEMENT IN SUPPORT £	TOTAL MOVEMENT £
MOVEMENT IN EARMARKED RESERVES				
Planning Reserve - increase in contribution from reserve fund to meet appeal costs		-141,910		-141,910
Building Control Reserve - increase in contribution to reserve due to the reduction in expenditure, partly offset by reduced income	2,510			2,510
Forest of Bowland Bridleway reserve - contribution from reserve to fund expenditure		-5,000		-5,000
Pendle Hill Users Reserve - contribution to the reserve from donations received during the year.	190			190
Total Movement	153,690	-154,610	40,920	40,000