

Committee: Development Control

Agenda Item

Date: 12 January 2011

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Title: 2011/12 Budget

**Author: Stephen Joyce
Assistant Chief Executive – Finance
Tel. 01799 510628**

Item for decision

Summary

1. The Committee is requested to approve its 2011/12 revenue budget, which shall be subject to final determination by the Council on 24 February.
2. All committees' budgets will be collated and reviewed by the Finance & Administration Committee on 8 February ahead of final determination.
3. Care has been taken to ensure that budgets reflect contractual commitments to staff, suppliers and service users. The budget includes realistic estimates of non-contractual expenditure required to deliver existing levels of service. Income budgets have been based upon realistic estimates of activity levels and the fees & charges considered earlier by this Committee.
4. Significant matters specific to this Committee's budget are detailed below.

Recommendations

5. The Committee is recommended to approve, for recommendation to the Finance & Administration Committee on 8 February, its 2011/12 revenue budget as set out in Appendix A.

Financial Implications

6. The budget proposed for the Committee is affordable within the context of the Council's General Fund budget as a whole and the Medium Term Financial Strategy.

Background Papers

7. The following papers were referred to by the author in the preparation of this report and are available for inspection from the author of the report.

[Medium Term Financial Strategy](#) approved by Full Council 18 February 2010

[MTFS update report](#) to Finance & Administration Committee 16 September 2010

[2011/12 Budget Strategy report](#) to Finance & Administration Committee 16 September 2010

Budget Working Papers

Impact

Communication/Consultation	Public consultation was carried out in the Autumn. With regard to "Planning", responses showed support for maintaining the existing level of service. For "Planning Management and Administration", there was a majority of responses in favour of reducing the budget, however, this has been interpreted as a comment on perceived bureaucracy in general rather than any specific dissatisfaction with the service and therefore no reduction in service is proposed.
Community Safety	No specific implications.
Equalities	No specific implications.
Health and Safety	No specific implications.
Human Rights/Legal Implications	No specific implications.
Sustainability	No specific implications.
Ward-specific impacts	No specific implications.
Workforce/Workplace	No specific implications.

Development Control Committee budget – specific issues

Development Control

8. The service budget is increasing from a net surplus of £41,000 in the 2010/11 Original Budget to a net expenditure of £15,000 in 2011/12, an increase of £56,000.
9. The main reason for the increase is that the £100,000 income budget for the Housing & Planning Delivery Grant scheme has been deleted, due to the abolition of the Scheme.
10. This is partially offset by a transfer of £41,000 of staffing costs to the budget for the Customer Service Centre, to reflect the transfer of work from Development Control into the CSC. A budget of £10,000 for compensation has been removed due to there being very little spend in recent years. In the event of compensation becoming payable this can be met from reserves or favourable variances arising elsewhere in the budget.

11. Despite troubled economic times planning fee income has remained reasonably stable and no adjustment to the budgeted level of £566,000 is proposed. However, during the year a new local scheme of fees & charges is likely to be introduced which could affect the level of income. A report will be brought to Members when officers are in a position to bring forward proposals.
12. The Planning Development Reserve is forecasted to begin the financial year with a balance of £230,000 of which £50,000 is earmarked for specialist analysis and expert advice in connection with major applications, and £30,000 earmarked for temporary post(s)/agency staff. The remaining balance of £150,000 is earmarked as a contingency fund for future Stansted Airport related work.

Planning Management & Administration

13. The service budget is increasing from £320,000 in the 2010/11 Original Budget to £345,000 in 2011/12, an increase of £25,000.
14. The 2011/12 budget includes net growth in salary costs of £20,000 relating to the new Head of Planning & Building Control, partially offset by a saving arising from the deletion of an administrative post from the establishment.

Risk Analysis

Risk	Likelihood	Impact	Mitigating actions
In general, actual events may differ from the assumptions and estimates used to produce the draft budget, which will lead to variances from the budget.	2 (some risk that variances will occur requiring action to be taken)	3 (potential impact which could adversely affect the council's financial position if not managed)	Budget monitoring and corrective action taken as necessary.
There are risks to the level of planning fee income. It is assumed that planning applications will continue to come in at the current rate. There is a risk that activity will slow down due to the recession. The Government is consulting on a new system of setting fees to recover costs. A separate costing exercise will need to be done to ensure costs are	2 (some risk that variances will occur requiring action to be taken)	3 (potential impact which could adversely affect the council's financial position if not managed)	Budget monitoring and corrective action taken as necessary. Costing exercise and new scale of fees to be implemented from October 2011.

Risk	Likelihood	Impact	Mitigating actions
recovered.			
There is a risk of appeals costs falling upon the Council.	2 (raised likelihood due to the large applications currently and soon to be determined)	3 (amounts involved potentially significant)	Take care to ensure due process followed. Maintain reserves at a safe contingency level.

- 1 = Little or no risk or impact
- 2 = Some risk or impact – action may be necessary.
- 3 = Significant risk or impact – action required
- 4 = Near certainty of risk occurring, catastrophic effect or failure of project.

DEVELOPMENT CONTROL COMMITTEE	2009/10 Actual £000	2010/11 Original Budget £000	2010/11 Current Budget £000	2010/11 Forecast Outturn £000	2011/12 Original Budget £000
Development Control					
Expenditure					
Employees	459	480	540	551	453
Transport	10	10	10	10	10
Supplies and Services	153	165	260	241	152
Total	622	655	810	802	615
Income					
HPDG	(429)	(100)	0	0	0
Fee Income	(620)	(566)	(566)	(566)	(566)
Pre-Application Charges	(26)	(24)	(24)	(28)	(32)
Footpath Diversion	(9)	(6)	(6)	(7)	(2)
Total	(1,084)	(696)	(596)	(601)	(600)
Net Total	(462)	(41)	214	201	15
Planning Mgt. & Admin.					
Expenditure					
Employees	284	305	305	306	325
Supplies and Services	29	22	22	26	22
Total	313	327	327	332	347
Income					
External Charges	(7)	(7)	(7)	(6)	(2)
Net Total	306	320	320	326	345
Committee Net Total	(156)	279	534	527	360