

# FAREHAM

## BOROUGH COUNCIL

### Report to Planning Committee

**Date**                    **25 January 2017**

**Report of:**            **Director of Finance and Resources**

**Subject:**              **SPENDING PLANS 2017/18**

#### **SUMMARY**

This report sets out the overall level of revenue spending on this Committee's services and seeks agreement for the revised revenue budget for 2016/17 and the base budget for 2017/18 before being recommended to Full Council for approval.

#### **RECOMMENDATION**

That the Planning Committee agrees the revised budget for 2016/17 and the base budget for 2017/18, notes the fees and charges for 2017/18 and recommends the budget to Full Council for approval.

## **INTRODUCTION**

1. The Council has a co-ordinated strategic service and financial planning process and this report allows the committee to consider in detail these plans for the provision of the Planning Committee services during the next financial year.
2. This report and the revenue budgets have been prepared in accordance with the Medium Term Finance Strategy that was approved by the Executive on 10 October 2016 and will cover the capital programme, fees and charges and the revenue budget.

## **CAPITAL PROGRAMME**

3. For this committee there are no capital projects planned.

## **FEES AND CHARGES**

4. The Planning Committee charges that are shown in the budget figures are mainly statutory and therefore not under the control of the committee. The Government has to yet to indicate if Local Authorities will be allowed to increase these charges for 2017/18. The budget has been prepared with the assumption that there will be no increase in the statutory fees. The Medium Term Finance Strategy highlights the need to explore all avenues of possible charging to keep down Council Tax increases.
5. The pre-planning application advice fees are currently being reviewed to take into account a new charging mechanism. A report will be brought back to this committee once all of the relevant details are finalised.

## **REVENUE BUDGET**

6. Appendix A analyses the overall budget total for the individual Planning Committee services and by the different types of expenditure and income.

## **BASE BUDGET 2016/17**

7. The base budgets for 2016/17 were considered by this committee in November 2015 and were confirmed by Full Council on 19 February 2016. The base budget for 2016/17 amounted to £672,900

## **REVISED BUDGET 2016/17**

8. The revised budget for 2016/17 is £599,200 a decrease of £73,700 or 11.0% from the base budget.

## **BASE BUDGET 2017/18**

9. The revised budget for 2017/18 is £622,100 a decrease of £50,800 or 7.6% from the base budget.
10. Appendix A of this report shows the analysis of expenditure and income for individual services and the following paragraphs of this report set out issues affecting individual services that have arisen in the current year in order to explain the variations between base and 2016/17 and base budgets and the

2017/18 base budget.

### **SERVICE ISSUES**

11. In preparing the budget there have been changes to the way the employee budgets have been calculated. In addition to this there have been changes to the employers costs of National Insurance and pensions.
12. These changes are reflected in the figures in this report and therefore have resulted in some variances across this committee.
13. Support Services costs provided for this committee include ICT, Personnel, Finance, Customer Services and accommodation recharges. In addition the recharges from various partnerships which support the committee include Southampton Legal Partnership, Environmental Health Partnership and Building Control Partnership are shown under third party payments.

### **PLANNING ADVICE**

14. There has been an overall increase in the 2017/18 base budget for this service of £17,400. This is mainly due to the changes in the way the employee budget has been calculated as mentioned above.

### **ENFORCEMENT OF PLANNING CONTROL**

15. There has been an overall decrease in the 2017/18 base budget for this service of £5,300. This is mainly due to the changes in the way the employee budget has been calculated.

### **APPEALS**

16. There has been a small increase in the 2017/18 base budget for this service of £1,700. This is mainly due to the changes in the way the employee budget has been calculated.

### **PROCESSING APPLICATIONS**

17. There has been an overall decrease in the 2017/18 base budget for this service of £64,600. This is mainly due to the increase in the employee and other service related expenditure budgets (£5,400).
18. The above increase in expenditure has been offset against an increase in the planning fee budget of £70,000 which has been adjusted to reflect the increase in fee income over the past couple of years.

### **RISK ASSESMENT**

19. There are no significant risk considerations in relation to this report.

### **CONCLUSION**

20. A number of Planning Committee services are partly funded from fees and charges and other types of income. After taking service income into account, the following sources of income reduce the overall cost of services to be met by

council tax payers:

- Investment income
- General government grant; and
- The Council's share of business rate income

21. These sources of income are generally outside the Council's control and do not reflect the changes in the overall level of spending on local services. With these sources of income effectively "fixed", members need to be aware that, unless it can be matched by increased service income, additional spending on services has to be fully funded by council tax payers.
22. It follows that Members must give full weight of the Council's overall position and future council tax levels when the revenue budgets for 2017/18 are considered.
23. The Committee is asked to:
  - (a) review and agree the revised budgets for 2016/17
  - (b) review and agree the base budgets for 2017/18; and
  - (c) recommend the budget to Full Council for approval.

#### **Appendix A – Revenue Budget 2016/17 revised and 2017/18 Base Budget.**

**Background Papers: None**

#### **Enquiries:**

For further information on this report please contact Neil Wood. (Ext 4506).

PLANNING COMMITTEEESTIMATE OF EXPENDITURE AND INCOME FOR THE COUNCIL TAX 2017/18

	<b>Actuals</b>	<b>Base</b>	<b>Revised</b>	<b>Base</b>
	<b>2015/16</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
PLANNING ADVICE	239,753	231,500	230,900	248,900
PLANNING ENFORCEMENT	116,617	115,100	113,500	109,800
APPEALS	49,697	49,600	46,300	51,300
PROCESSING APPLICATIONS	178,936	276,700	208,500	212,100
	<b>585,003</b>	<b>672,900</b>	<b>599,200</b>	<b>622,100</b>

SUBJECTIVE ANALYSIS

	<b>Actuals</b>	<b>Base</b>	<b>Revised</b>	<b>Base</b>
	<b>2015/16</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
EMPLOYEES	722,355	722,800	712,000	742,800
TRANSPORT EXPENDITURE	13,388	12,600	12,300	12,300
SUPPLIES AND SERVICES	92,346	60,800	60,800	60,800
THIRD PARTY PAYMENTS	92,478	97,000	92,500	93,800
INTERNAL RECHARGES	163,518	154,000	155,900	156,700
<b>GROSS EXPENDITURE</b>	<b>1,084,085</b>	<b>1,047,200</b>	<b>1,033,500</b>	<b>1,066,400</b>
OTHER INCOME	-4,831	-4,600	-4,600	-4,600
FEEES AND CHARGES	-494,251	-369,700	-429,700	-439,700
<b>GROSS INCOME</b>	<b>-499,082</b>	<b>-374,300</b>	<b>-434,300</b>	<b>-444,300</b>
<b>NET EXPENDITURE</b>	<b>585,003</b>	<b>672,900</b>	<b>599,200</b>	<b>622,100</b>

	<b>Actuals</b>	<b>Base Estimate</b>	<b>Revised Estimate</b>	<b>Base Estimate</b>
<b><u>PLANNING ADVICE</u></b>	<b>2015/16</b>	<b>2016/17</b>	<b>2016/17</b>	<b>2017/18</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
EMPLOYEES	201,736	194,100	193,500	211,300
TRANSPORT EXPENDITURE	1,880	2,600	2,100	2,100
SUPPLIES AND SERVICES	2,145	2,000	2,000	2,000
THIRD PARTY PAYMENTS	10,102	12,200	12,200	12,200
INTERNAL RECHARGES	37,347	35,300	35,800	36,000
<b>GROSS EXPENDITURE</b>	<b>253,210</b>	<b>246,200</b>	<b>245,600</b>	<b>263,600</b>
FEES AND CHARGES	-13,457	-14,700	-14,700	-14,700
<b>GROSS INCOME</b>	<b>-13,457</b>	<b>-14,700</b>	<b>-14,700</b>	<b>-14,700</b>
<b>NET EXPENDITURE</b>	<b>239,753</b>	<b>231,500</b>	<b>230,900</b>	<b>248,900</b>

	<b>Actuals</b>	<b>Base Estimate</b>	<b>Revised Estimate</b>	<b>Base Estimate</b>
<b><u>PLANNING ENFORCEMENT</u></b>	<b>2015/16</b>	<b>2016/17</b>	<b>2016/17</b>	<b>2017/18</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
EMPLOYEES	90,167	87,800	86,100	82,300
TRANSPORT EXPENDITURE	2,666	2,500	2,500	2,500
SUPPLIES AND SERVICES	2,043	3,000	3,000	3,000
THIRD PARTY PAYMENTS	4,107	5,100	5,100	5,100
INTERNAL RECHARGES	17,628	16,700	16,800	16,900
<b>GROSS EXPENDITURE</b>	<b>116,611</b>	<b>115,100</b>	<b>113,500</b>	<b>109,800</b>
FEES AND CHARGES	6	0	0	0
<b>GROSS INCOME</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>NET EXPENDITURE</b>	<b>116,617</b>	<b>115,100</b>	<b>113,500</b>	<b>109,800</b>

	<b>Actuals</b>	<b>Base Estimate</b>	<b>Revised Estimate</b>	<b>Base Estimate</b>
<b><u>APPEALS</u></b>	<b>2015/16</b>	<b>2016/17</b>	<b>2016/17</b>	<b>2017/18</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
EMPLOYEES	28,799	22,100	18,800	23,800
TRANSPORT EXPENDITURE	55	100	0	0
SUPPLIES AND SERVICES	15,951	22,900	22,900	22,900
INTERNAL RECHARGES	4,892	4,500	4,600	4,600
<b>GROSS EXPENDITURE</b>	<b>49,697</b>	<b>49,600</b>	<b>46,300</b>	<b>51,300</b>
<b>NET EXPENDITURE</b>	<b>49,697</b>	<b>49,600</b>	<b>46,300</b>	<b>51,300</b>

	<b>Actuals</b>	<b>Base</b>	<b>Revised</b>	<b>Base</b>
	<b>2015/16</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>
<b><u>PROCESSING APPLICATIONS</u></b>				
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
EMPLOYEES	401,653	418,800	413,600	425,400
TRANSPORT EXPENDITURE	8,786	7,400	7,700	7,700
SUPPLIES AND SERVICES	72,208	32,900	32,900	32,900
THIRD PARTY PAYMENTS	78,270	79,700	75,200	76,500
INTERNAL RECHARGES	103,651	97,500	98,700	99,200
<b>GROSS EXPENDITURE</b>	<b>664,568</b>	<b>636,300</b>	<b>628,100</b>	<b>641,700</b>
OTHER INCOME	-4,831	-4,600	-4,600	-4,600
FEEES AND CHARGES	-480,801	-355,000	-415,000	-425,000
<b>GROSS INCOME</b>	<b>-485,632</b>	<b>-359,600</b>	<b>-419,600</b>	<b>-429,600</b>
<b>NET EXPENDITURE</b>	<b>178,936</b>	<b>276,700</b>	<b>208,500</b>	<b>212,100</b>
<b>PLANNING COMMITTEE</b>				
<b>NET EXPENDITURE</b>	<b>585,003</b>	<b>672,900</b>	<b>599,200</b>	<b>622,100</b>