

# FAREHAM

## BOROUGH COUNCIL

### Report to Planning Committee

**Date**                    **18 November 2015**

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

**Subject:**              **SPENDING PLANS 2016/17**

#### **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 2015/16 and the base budget for 2016/17 before being recommended to Full Council for approval.

#### **RECOMMENDATION**

That the Planning Committee agrees the revised budget for 2015/16, the fees and charges for 2016/17 and the base budget for 2016/17 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 12 October 2015 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 yet to indicate if Local Authorities will be allowed to increase these charges for 2016/17. 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 schedule of charges for pre-application advice are based on the nature and scale of the application. The charge does not recover the full costs of the work involved and it is proposed to increase the charge by 5% in line with other fees and charges. This will increase the income potential without adversely affecting the pre-application dialogue on applications.

## **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 2015/16**

7. The base budgets for 2015/16 were considered by this committee in January 2015 and were confirmed by the Full Council on 20 February 2015. The base budget for 2015/16 amounted to £753,000.

## **REVISED BUDGET 2015/16**

8. The revised budget for 2015/16 is £671,100 a decrease of £81,900 or 12.2% from the base budget.

## **BASE BUDGET 2016/17**

9. The base budget 2016/17 is £676,300 a decrease of £76,700 or 10.2% decrease from the base budget for 2015/16.

## REVENUE BUDGET COMPARISONS

10. The major variations in the individual service budgets are summarised in the table below:

	<b>Revised Budget 2015/16</b>	<b>Base Budget 2016/17</b>
	<b>£</b>	<b>£</b>
Base Budget	753,000	753,000
Planning Advice	-80,300	-75,200
Enforcement of Planning Control	-17,300	-16,100
Appeals	-18,800	-19,300
Processing Applications	34,500	33,900
<b>TOTAL</b>	<b>671,100</b>	<b>676,300</b>

11. 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 2015/16 revised budgets and the 2016/17 base budget.

### SERVICE ISSUES

12. The employee budgets are calculated by estimating the time that will be spent by employees in each service area. During the year the service went through a restructure and the revised budgets for 2015/16 and base budgets for 2016/17 reflect these changes.

13. Support services costs provided for this committee include ICT, Personnel, Finance, Customer Services and accommodation recharges. During the year there has been a review of how these charges are allocated along with recharges from the legal partnership with Southampton City Council and these changes are reflected in the figures in this report.

### PLANNING ADVICE

14. There has been an overall decrease in the 2016/17 base budget for this service of £75,200. This is due to the reduction of £31,200 in the employees budget due to the departmental restructure, a reduction in the legal recharge of £38,200 and a reduction in support service charges of £5,800.

15. The 2015/16 revised budget has also decreased by £80,300, due to the same reasons mentioned above.

### ENFORCEMENT OF PLANNING CONTROL

16. There has been an overall decrease of £16,100 in the base budget for 2016/17 for this service. There is a reduction in the employees budget of £10,300 due to the departmental restructure a reduction in the legal recharge of £2,900 and a reduction in support service charges of £2,800 and a slight reduction of £100 in the supplies and

services budget.

17. The 2015/16 revised budget has also decreased by £17,300 due to the reasons mentioned above.

### **APPEALS**

18. There has been an overall decrease of £19,300 in the base budget for 2016/17 for this service. There is a reduction in the employees budget of £13,200 due to the departmental restructure, a reduction in the legal recharge of £2,700 and a reduction in support service charges of £3,400.

19. The 2015/16 revised budget has also decreased by £18,800 due to the same reasons mentioned above.

### **PROCESSING APPLICATIONS**

20. There has been an increase in the expenditure base budget for 2016/17 for this service of £33,900. This is due to an increase in the employees budget from the departmental restructure of £29,000, an increase in the legal recharge of £11,700 and an increase in support service charges of £3,700. There has been a slight reduction in the supplies and services budget of £500.

21. This has been partly offset against an increase in the planning fee budget of £10,000 which has been adjusted to reflect the increase in fee income over the past year.

22. The 2015/16 revised budget has also increased by £34,500 due to the same reasons mentioned above.

### **RISK ASSESSMENT**

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

### **CONCLUSION**

24. 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 the services to be met by council tax payers.

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

25. 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.

26. It follows that Members must give full weight of the Council's overall position and future

council tax levels when the revenue budgets for 2016/17 are considered.

27. The Committee is asked to review the revised budgets for 2015/16 and the base budgets for 2016/17 and consider whether it wishes to submit comments for consideration by Full Council.

## **APPENDIX A – Revenue Budget 2015/16 Revised & 2016/17 Base**

**Background Papers:** None

**Reference Papers:** Report of the Director of Finance and Resources to the Executive on 12 October 2015 'Annual Review of the Council's Finance Strategy'.

**Enquiries:**

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

## APPENDIX A

### PLANNING ADVICE

	Actuals 2014/15	Base Budget 2015/16	Revised Budget 2015/16	Base Budget 2016/17
	£	£	£	£
EMPLOYEES	209,517	225,300	189,200	194,100
TRANSPORT-RELATED EXPENDITURE	1,991	2,600	2,600	2,600
SUPPLIES AND SERVICES	2,320	2,000	2,000	2,000
THIRD PARTY PAYMENTS	35,922	50,400	12,200	12,200
SUPPORT SERVICES	38,649	41,800	35,800	36,000
<b>GROSS EXPENDITURE</b>	<b>288,399</b>	<b>322,100</b>	<b>241,800</b>	<b>246,900</b>
FEES AND CHARGES	-15,999	-14,700	-14,700	-14,700
<b>GROSS INCOME</b>	<b>-15,999</b>	<b>-14,700</b>	<b>-14,700</b>	<b>-14,700</b>
<b>NET EXPENDITURE</b>	<b>272,400</b>	<b>307,400</b>	<b>227,100</b>	<b>232,200</b>

### ENFORCEMENT OF PLANNING CONTROL

	Actuals 2014/15	Base Budget 2015/16	Revised Budget 2015/16	Base Budget 2016/17
	£	£	£	£
EMPLOYEES	103,415	98,100	86,800	87,800
TRANSPORT-RELATED EXPENDITURE	2,613	2,500	2,500	2,500
SUPPLIES AND SERVICES	3,595	3,100	3,000	3,000
THIRD PARTY PAYMENTS	14,478	8,000	5,100	5,100
SUPPORT SERVICES	18,001	19,900	16,900	17,100
<b>GROSS EXPENDITURE</b>	<b>142,102</b>	<b>131,600</b>	<b>114,300</b>	<b>115,500</b>
FEES AND CHARGES	-100	0	0	0
<b>GROSS INCOME</b>	<b>-100</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>NET EXPENDITURE</b>	<b>142,002</b>	<b>131,600</b>	<b>114,300</b>	<b>115,500</b>

### APPEALS

	Actuals 2014/15	Base Budget 2015/16	Revised Budget 2015/16	Base Budget 2016/17
	£	£	£	£
EMPLOYEES	33,474	35,300	22,500	22,100
TRANSPORT-RELATED EXPENDITURE	75	100	100	100
SUPPLIES AND SERVICES	59,864	22,900	22,900	22,900

THIRD PARTY PAYMENTS	1,759	2,700	0	0
SUPPORT SERVICES	7,202	8,000	4,700	4,600
<b>GROSS EXPENDITURE</b>	<b>102,374</b>	<b>69,000</b>	<b>50,200</b>	<b>49,700</b>

<b>NET EXPENDITURE</b>	<b>102,374</b>	<b>69,000</b>	<b>50,200</b>	<b>49,700</b>
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**PROCESSING APPLICATIONS**

	<b>Actuals</b>	<b>Base</b>	<b>Revised</b>	<b>Base</b>
	<b>2014/15</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>
	<b>2014/15</b>	<b>2015/16</b>	<b>2015/16</b>	<b>2016/17</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
EMPLOYEES	360,381	389,800	408,100	418,800
TRANSPORT-RELATED EXPENDITURE	10,278	7,400	7,400	7,400
SUPPLIES AND SERVICES	98,776	33,400	32,900	32,900
THIRD PARTY PAYMENTS	61,964	68,000	81,100	79,700
SUPPORT SERVICES	87,669	96,000	99,600	99,700
<b>GROSS EXPENDITURE</b>	<b>619,068</b>	<b>594,600</b>	<b>629,100</b>	<b>638,500</b>

OTHER INCOME	-572	-2,600	-2,600	-2,600
FEEES AND CHARGES	-365,275	-347,000	-347,000	-357,000
<b>GROSS INCOME</b>	<b>-365,847</b>	<b>-349,600</b>	<b>-349,600</b>	<b>-359,600</b>

<b>NET EXPENDITURE</b>	<b>253,221</b>	<b>245,000</b>	<b>279,500</b>	<b>271,900</b>
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**PLANNING COMMITTEE**

<b>NET EXPENDITURE</b>	<b>769,997</b>	<b>753,000</b>	<b>671,100</b>	<b>676,300</b>
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