

ENVIRONMENTAL AND DEVELOPMENT SERVICES COMMITTEE (SPECIAL)

5th January 2010

PRESENT:-

Conservative Group

Councillor Bladen (Chairman), Councillor Stanton (Vice-Chairman) and Councillors Ford, Mrs. Patten, Timms, Watson and Mrs. Wheeler (substitute for Councillor Bale).

Labour Group

Councillors Mrs. Lane, Rhind, Taylor and Tilley.

Independent/Non-Grouped Members

Councillors Mrs. Brown and Pabla.

In Attendance

Councillors Atkin, Mrs. Farrington and Jones (Conservative Group).

EDS/35. **APOLOGIES**

Apologies for absence from the Meeting were received from Councillor Bale (Conservative Group).

MATTER DELEGATED TO COMMITTEE

EDS/36. **SERVICE BASE BUDGETS 2010/11**

A report was submitted informing Members of the Committee's proposed base budget for 2010/11. This included an overview of the Committee's main spending areas and some of the main cost pressures facing its services. It was proposed that the estimated income and expenditure was included in the consolidated budget of the Council for 2010/11, subject to the Council's overall medium-term financial position. The report also set out proposals for the levels of fees and charges under the responsibility of this Committee for the next financial year and a summary was included of the Committee's existing capital investment programme.

The Committee was responsible for services where substantial amounts of income were generated for the Council. These included, licensing, building regulations, land charges and planning, with combined income from these areas of approximately £1.1M. Income streams would have a big impact on the Council's overall financial position, were difficult to predict, and were also subject to external factors. Previous budget and management reports over the last 18 months had highlighted that the current economic downturn had had a negative impact on these major income streams and this had a significant effect on the Council's overall financial position. The budgets proposed in the report continued to show a downward trend, especially for Building Regulations and Land Charges.

There were some large developments to be completed in the District, and other sites (subject to any inquiries) were due to be released in future years. However, it was likely that the Council's Local Development Framework would be subject to an inquiry, in which case additional costs would be incurred, therefore limiting increased income in the medium-term. There was also ongoing uncertainty around what local authorities could charge for local land charges.

Full details were given on the Housing and Planning Delivery Grant (HPDG). This grant consisted of two elements, the housing element and planning. The overall HPDG pot was split on a 55:45 basis between the 2 elements respectively. Further details were provided on how the grant was currently used. The Council's allocation for 2009/10 was £458,000. This was above the estimate of £200,000 contained in the financial plan. Therefore, it provided some additional resources against uncertainly and risks concerning inquiry costs, reduced income and a possible reduction in HPDG from 2011/12. The proposal was to hold this in the planning reserve to mitigate financial risks in this area. However, it would ultimately depend on the Council's overall financial position and any key decisions taken on this by the Finance and Management Committee.

It was expected that the Council's overall situation would tighten further in 2010/11 with knock-on effects over the life of the Medium-Term Financial Plan (MTFP) to 2015. In addition, 2011/12 had already been identified as a critical year financially to the Council, as the current budget deficit would push the level of general reserves below the safe minimum level if not addressed during 2010/11.

Details of the Committee's overall net revenue expenditure were provided with the Committee's expenditure estimated to increase between 2009/10 and 2010/11 by £27,313. An analysis of these variances was detailed across services. Further details were also provided on Land Charges, waste collection, fuel and maintenance costs and the parish councils' Lengthsman scheme.

The proposed base budget for 2010/11 did not allow for inflation. Some base costs would be subject to inflation during the year and in some cases it would be unavoidable. Allowances for inflation based on various assumptions regarding price increases etc., would be calculated across the main spending heads and in total, held as a central contingency.

Further details were given of the Council's approved Capital Investment Programme.

An Appendix was provided within the report showing a schedule of the proposed levels of fees and charges that would operate from 1st April 2010, together with a comparison to the existing charge. Charges had been amended to reflect the recent change in the VAT rate from 17.5% to 15% for the period December 2008 to December 2009. Further details on the following fees and charges were also included within the report:-

- Pest Control.
- Licensing.

- Other Environmental Health Recharges.
- Fees for Land Charges.
- Planning and Building Regulation Fees.
- Trade Waste Charges.

RESOLVED:-

- (1) That the proposed income and expenditure for 2010/11 for the Committee's Services be referred to the Finance and Management Committee for approval.***
- (2) That Finance and Management Committee considers retaining the accumulated balance of the Housing and Planning Delivery Grant to mitigate the risks associated with the Planning Service.***
- (3) That Finance and Management Committee reviews the assumptions regarding projected income levels for Land Charges used in the 5-year financial plan and reduce them down in line with current levels.***
- (4) That the proposed fees and charges as detailed in Appendix 3 of the report for 2010/11 be approved.***

J. BLADEN

CHAIRMAN

The Meeting terminated at 6.35 p.m.