
REVISED BUDGETARY ESTIMATES FOR 2011/12

1 SUMMARY

- 1.1 This report seeks approval for the revised budgetary estimates for the current financial year 2011/12 and setting of the 2012/13 budget for Grants to Voluntary Organisations.

2 REVISED ESTIMATES

- 2.1 The total revised estimate for net expenditure of £10.22m is the same as the original estimate for the year which was approved by Council at its meeting on 25 January 2011. As the revised estimates include savings and additional income and expenditure that have been identified since the estimates were set, the Council is effectively approving a series of individual virements between budgets.

- 2.2 The main changes to the revised estimates are:-

- Off St Parking is forecasted to see a drop in income from Permits/Season tickets and Penalty Charge Notices of £40,000.
- Land Charges is forecast to be £88,000 above original budget.
- The cost of the ICT contract is forecast to reduce by an additional £33,000 which has been achieved by bringing certain items in house.
- A one off grant payment of £159,000 has been received for Green Waste Recycling.
- Contract payments have been higher than anticipated because the retail price index (RPI) was 5.7% at the time of the annual reviews, which was above the 3% estimate included in estimates. This equates to additional expenditure of approximately £125,000. The higher RPI also resulted in additional NNDR expenditure of £22,000.
- The cost of providing temporary housing accommodation has increased by approximately £215,000 compared to 2010/11 as a result of rising demand and the cost of private rented accommodation.
- In line with the Council's normal practice, the New Homes Bonus was not included in the budgetary estimates as the amount for 2011/12 was not confirmed until March 2011.
- Grants to Voluntary Organisations: where voluntary organisations occupy Council Office Space, the amount recharged has increased by £27,500 to more accurately reflect the costs of providing the accommodation. This is an internal recharge that has matching income

in the budget book, and therefore there is no overall impact on the total budget.

- 2.3 Overall, there is a slightly improved position which means that the contribution from General Fund balances has been reduced from £302,962 to £278,525.
- 2.4 Attached at appendix 1 to this report is the summary version of the budget book showing the original and revised estimates for 2011/12. The summary budget book also shows the variation between original and revised estimates for those over £500.
- 2.5 The summary version is used as Members have found this presentation particularly useful in focusing on the expenditure and income of the Authority without the complication of internal recharges for overheads and support services.
- 2.6 Members are reminded that it is the normal practice of the Council that questions of detail relating to the enclosed information should be raised in advance of the meeting. Questions should be addressed to the Senior Accountant, whose contact details are at the end of this report. The last day for questions to be raised is Friday 9 December 2011.
- 2.7 The estimates for 2012/13 will be presented to Council on 31 January 2012.

3 BUDGET GAP

- 3.1 At the start of the current financial year, the financial challenge was to reduce a perceived gap of £1.4m. £1.2m worth of savings and additional income were identified and agreed in January 2011 and these were included in the original budgetary estimates. This left a budget gap £186,000 to be found during the year. As part of the revised estimate process, the budget gap has reduced to £103,000 which will be covered by underspends identified during the rest of the year.

4 GRANTS TO VOLUNTARY ORGANISATIONS

- 4.1 The Grants to Voluntary Organisations are distributed across Rayleigh, Rochford & District Association for Voluntary Services, Citizens' Advice Bureau and as small grants to local voluntary organisations.
- 4.2 In September, the Government published its Best Value Guidance on "Creating Strong, Safe and Prosperous Communities". The Guidance provides an expectation for voluntary and community organisations in their relationships with local authorities. The implications of the Guidance on the process for deciding on the allocation of the voluntary grants pot were reported to the Executive on 21 September 2011.
- 4.3 The Guidance says that authorities should seek to avoid passing on disproportionate cuts, i.e. not cut funding by more than their own reduction in Government funding and an authority intending to reduce or end funding or

other support that will materially threaten the viability of the organisation or the service it provides should give at least three months notice to both the organisation involved and the public/service user.

- 4.4 The Executive agreed that, in order to comply with the Guidance, the total grant allocation budget for 2012/13 would be agreed by the Council. Once the budget for 2012/13 has been agreed, an Advisory Group comprising the Leader of the Council, the Portfolio Holder for Finance and Resources, the Leader of the main opposition Party and three additional Members will consider the applications.
- 4.5 Applications for grant funding are open to all voluntary groups operating in the District. The Citizens Advice Bureau and the Rayleigh, Rochford and District Association for Voluntary Services will receive top sliced funding from the same pot based on the previous year's performance in relation to their Service Level Agreements.
- 4.6 The Government grant funding for 2012/13 has not yet been formally announced but it is expected to be broadly in line with the provisional settlement figure provided by Government in January 2011. The Council received £3.65m in 2011/12, and the provisional figure for 2012/13 is £3.25m
- 4.7 Despite the reduction in the Council's Government funding, the total revenue budget for grants to voluntary organisations is recommended to remain the same as last year's allocation of £90,000 for 2012/13. In addition, a small capital provision of £15,000 is also proposed.

5 RESOURCE IMPLICATIONS

- 5.1 Although there have been a number of changes to individual budgets, overall revised estimates are within the original budget and there will be no additional drawdown of General Fund balance for 2011/12.

6 RISK IMPLICATIONS

- 6.1 Approval of the revised estimates earlier than January reduces the risk of delays in projects and expenditure.

7 RECOMMENDATION

- 7.1 It is proposed that Council **RESOLVES** to agree:-
- (1) The revised estimates for 2011/12 as set out in the Appendix to this report.
 - (2) That, the revenue budget for Grants to Voluntary Organisations be set at £90,000 for 2012/13, together with a capital provision of £15,000.

Yvonne Woodward

Head of Finance

Background Papers:-

None.

For further information please contact Matthew Petley (Senior Accountant) on:-

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If you would like this report in large print, Braille or another language please contact 01702 318111.

2010/11 ACTUAL	BUILDING CONTROL - CLIENT ACCOUNT	CODE	ESTIMATES 2011/2012		ESTIMATE TO ESTIMATE % CHANGE
			ORIGINAL	REVISED	
£	Head of Service: S Scrutton		£	£	
Employee Costs					
229,126	Salaries	13 126 1000	220,900	218,000	-1.3%
1,939	Insurance	13 126 1140	2,100	2,700	28.6%
231,065			223,000	220,700	
Transport Related					
14,054	Car Allowances	13 126 1120	15,600	14,200	-9.0%
14,054			15,600	14,200	
Supplies & Services					
154	Expenses	13 126 xxxxa	100	200	
4,281	Equipment, Tools & Materials	13 126 xxxxb	3,700	3,900	
4,435			3,800	4,100	
Contracted Services					
200	Consultants	13 126 1015	1,000	700	
200			1,000	700	

2010/2011 ACTUAL	BUILDING CONTROL - FEE ACCOUNT	CODE	ESTIMATES 2011/2012		ESTIMATE TO ESTIMATE % CHANGE
			ORIGINAL	REVISED	
£	Head of Service: S Scrutton		£	£	
Fees & Charges					
(57,151)	Deposit of Plans	13 127 825x	(84,000)	(84,300)	
(160,107)	First Inspection	13 127 82xx	(216,000)	(191,000)	
-	Partnership Income	13 127 8264	-	(25,000)	100.0%
(217,257)			(300,000)	(300,300)	

2010/2011 ACTUAL £	DEVELOPMENT MANAGEMENT Head of Service: S Scrutton	CODE	ESTIMATES 2011/2012		ESTIMATE TO ESTIMATE % CHANGE
			ORIGINAL £	REVISED £	
	Employee Costs				
344,382	Salaries	13 124 1000	397,500	336,500	-15.3%
98	Telephone Allowances	13 124 1200	100	100	
4,351	Insurance	13 124 1140	4,600	4,100	
<u>348,832</u>			<u>402,200</u>	<u>340,700</u>	
	Transport Related				
13,084	Car Allowances	13 124 1120	13,800	12,400	-10.1%
591	Staff Parking	13 124 1160	4,400	-	-100.0%
<u>13,675</u>			<u>18,200</u>	<u>12,400</u>	
	Supplies & Services				
575	Expenses	13 124 113x	600	600	
1,150	Equipment, Tools & Materials	13 124 1100	1,600	2,100	
11,118	Advertising	13 124 1013	14,500	12,500	-13.8%
300	Planning Portal	13 124 4667	300	300	
48,334	Planning Appeals	13 124 4665	20,000	20,000	
62,090	Planning Delivery	13 124 4671	-	-	
<u>123,567</u>			<u>37,000</u>	<u>35,500</u>	
	Contracted Services				
230	Consultancy Advice	13 124 4660	2,500	2,000	
15,512	Specialist Planning Advice (ECC)	13 124 4669	16,300	16,300	
<u>15,742</u>			<u>18,800</u>	<u>18,300</u>	
	Fees & Charges				
(211,580)	Planning Fees	13 124 8239	(264,000)	(264,000)	
(4,333)	Miscellaneous Income	13 124 82xx	(5,000)	(5,500)	
<u>(215,913)</u>			<u>(269,000)</u>	<u>(269,500)</u>	

2010/2011 ACTUAL £	PLANNING POLICY Head of Service: S Scrutton	CODE	ESTIMATES 2011/2012		ESTIMATE TO ESTIMATE % CHANGE
			ORIGINAL £	REVISED £	
Employee Costs					
273,571	Salaries	13 131 1000	266,400	256,100	-3.9%
306	Professional Fees	13 131 1006	400	400	
98	Telephone Allowances	13 131 1200	100	100	
1,655	Training	13 131 1005	5,700	5,700	
2,714	Insurance	13 131 1140	2,800	3,100	
<u>278,345</u>			<u>275,400</u>	<u>265,400</u>	
Transport Related					
7,481	Car Allowances	13 131 1120	8,000	6,500	-18.8%
<u>7,481</u>			<u>8,000</u>	<u>6,500</u>	
Supplies & Services					
805	Expenses	13 131 113x	1,100	1,100	
60	Equipment, Tools & Materials	13 131 1100	200	200	
200	Research & Publicity	13 131 1013	600	400	
<u>1,065</u>			<u>1,900</u>	<u>1,700</u>	
Fees & Charges					
(16,835)	Habitats Directive	13 131 8285	-	(16,800)	100.0%
<u>(16,837)</u>			<u>-</u>	<u>(16,800)</u>	

2010/2011 ACTUAL £	PLANNING & BUILDING CONTROL ADMINISTRATION Head of Service: S Scrutton	CODE	ESTIMATES 2011/2012		ESTIMATE TO ESTIMATE % CHANGE
			ORIGINAL £	REVISED £	
Employee Costs					
120,615	Salaries	13 125 1000	123,700	111,000	-10.3%
2,714	Insurance	13 125 1140	2,800	2,700	
<u>123,330</u>			<u>126,500</u>	<u>113,700</u>	
Supplies & Services					
2,354	Equipment, Tools & Materials	13 125 1100	3,000	2,500	
<u>2,354</u>			<u>3,000</u>	<u>2,500</u>	

2010/2011 ACTUAL £	HACKNEY CARRIAGE Head of Service: S Scrutton	CODE	ESTIMATES 2011/2012		ESTIMATE TO ESTIMATE % CHANGE
			ORIGINAL £	REVISED £	
Employee Costs					
90,649	Salaries	14 144 1000	90,200	88,600	-1.8%
1,163	Insurance	14 144 1140	1,300	1,300	
91,812			91,500	89,900	
Supplies & Services					
1,283	Expenses	14 144 113x	1,600	600	-62.5%
2,654	Equipment, Tools & Materials	14 144 1100	2,600	2,000	-23.1%
92	Printing and Publicity	14 144 xxxx	700	900	
36	Subscription - National Association of Taxi & Private Hire	14 144 1018	100	100	
4,065			5,000	3,600	
Fees & Charges					
(64,740)	Vehicle Licensing	14 144 5051	(66,000)	(66,000)	
(20,482)	Driver Licensing	14 144 5052	(20,000)	(20,000)	
(1,985)	Operators Licensing	14 144 2024	(2,000)	(2,000)	
(273)	Other Miscellaneous Income	14 144 5054	(2,000)	(500)	-75.0%
(87,481)			(90,000)	(88,500)	

The On Street Parking cost centre closed on 31 March 2011. Total net income in 2010/11 was £80,998 excluding recharges.

