

ENVIRONMENTAL AND DEVELOPMENT SERVICES COMMITTEE (SPECIAL)

3rd January 2012

PRESENT:-

Conservative Group

Councillor Watson (Chairman), Councillor Roberts (Vice-Chairman) and Councillors Mrs. Brown, Ford, Harrison (substitute for Councillor Mrs. Hall) and Mrs. Hood.

Labour Group

Councillors Chahal, Dunn, Mrs. Heath, Stuart, Taylor and Tilley.

In attendance

Councillors Atkin, Mrs. Patten and Mrs. Plenderleith (Conservative Group).

EDS/51. **APOLOGIES**

Apologies for absence from the Meeting were received from Councillors Mrs. Hall, and Mrs. Patten as a voting Member of the Committee (Conservative Group).

MATTER DELEGATED TO COMMITTEE

EDS/52. **SERVICE BASE BUDGETS 2012/13**

A report was submitted which informed Members of the Committee's proposed base budget for 2012/13, including an overview of the Committee's spending areas. It was proposed that the estimated income and expenditure was included in the consolidated budget of the Council for 2012/13, subject to the Council's overall medium term financial position. The report also set out proposals for 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.

This Committee was responsible for some large spending areas, which included waste collection and street cleansing, together with a range of services across Environmental Health. In addition, the Committee was also responsible for services where substantial amounts of income were generated for the Council. These included licensing and trade waste collections, plus building regulation applications, land charges and local planning applications. Income streams might have a big impact on the Council's overall financial position. However, they could be difficult to predict, and were subject to external practice, such as the type and volume of planning applications and when individual licenses were due for renewal. Consequently, income from these sources was considered to be a fairly high risk in the Council's Medium Term Financial Plan (MTFP). Previous budget and monitoring reports had highlighted over the last two years that the current economic downturn has had a negative impact on these major income streams, and this had had a significant effect on the Council's overall financial position. During 2011/12

there had been some levelling off, and income had stabilised at current predicted levels following several financial periods of a reducing base. However, the budgets proposed were still lower than currently assumed in the Councils' MTFP and the current economic situation was set to continue for the foreseeable future.

The Council's MTFP was reviewed and updated in October 2011, ahead of the Government detailed financial settlement for local authorities. Pressure remained on the medium term position with the continuing economic situation and the possible reductions in central funding beyond 2012/13. During this budget round, all services were asked to look closely at current spending and to adopt a zero based approach to budgeting.

Details of the Committee's overall net revenue expenditure were provided, and it was estimated to increase overall between 2011/12 and 2012/13 by approximately £100,000. An analysis of these variances was detailed.

In addition, an analysis of the main income streams was summarised within the report, along with a comparison of these areas compared to those, which were included in the MTFP. Overall, income now estimated for 2012/13 was approximately £81,000 below that contained in the MTFP. This would affect overall resources and would need to be reviewed as part of the revised financial plan to be considered by the Finance and Management Committee on 12th January 2012.

Proposed base budgets for 2012/13 did not, at this stage allow for inflation. Some base costs would be subject to inflation during the year, and in some cases it would be unavoidable, for example employee costs if a national pay increase was approved. 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.

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

An appendix was provided which showed a schedule of the proposed levels of fees and charges that would operate from 1st April 2012, together with a comparison to the existing charge. Where applicable, VAT was also added at the standard rate. Key points relating to fees and charges were highlighted within the report.

RESOLVED:-

- (1) That the proposed revenue income and expenditure for 2012/13 for the Committee's Services be referred to the Finance and Management Committee for approval.***
- (2) That the proposed fees and charges for 2012/13 as detailed in an Appendix to the report be recommended for approval.***

P. WATSON

CHAIRMAN

The Meeting closed at 6.50 p.m.