

Renewal and Recreation Budget Monitoring Summary as at 31.03.2015

2013/14 Actuals £'000	Division Service Areas	2014/15 Original Budget £'000	2014/15 Latest Approved £'000	2014/15 Projected Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
	R&R PORTFOLIO							
0	Commissioning Fund							
	Commissioning Fund	0	0	0	0	1	0	0
0		0	0	0	0		0	0
	Housing Strategy & Development							
Cr 16	Housing Strategy & Development	Cr 14	Cr 14	Cr 14	0	2	0	0
Cr 16		Cr 14	Cr 14	Cr 14	0		0	0
	Planning							
Cr 23	Building Control	12	12	Cr 27	Cr 39	3	Cr 25	0
Cr 165	Land Charges	Cr 168	Cr 168	Cr 164	Cr 4	4	Cr 0	0
492	Planning	649	654	433	Cr 221	5	Cr 182	0
1,119	Renewal	1,093	1,233	1,104	Cr 129	6	Cr 78	0
1,423		1,586	1,731	1,346	Cr 385		Cr 285	0
	Recreation							
2,029	Culture	1,902	1,918	1,940	22	7	40	0
4,882	Libraries	4,656	4,914	5,087	173	8	180	0
243	Town Centre Management & Business Support	240	250	255	5	9	0	0
7,154		6,798	7,082	7,282	200		220	0
8,561	Total Controllable R&R Portfolio	8,370	8,799	8,614	Cr 185		Cr 65	0
9,276	TOTAL NON CONTROLLABLE	2,577	11,630	11,630	0		Cr 70	0
2,215	TOTAL EXCLUDED RECHARGES	2,275	2,159	2,159	0		0	0
20,052	PORTFOLIO TOTAL	13,222	22,588	22,403	Cr 185		Cr 135	0

Reconciliation of Latest Approved Budget

£'000

Original budget 2014/15

13,222

Repairs & Maintenance	17
Local Plan Implementation	60
Business Support Scheme - Grant Related Expenditure	23
Business Support Scheme - Grant Related Income	Cr 23
Discretionary rate relief returned to the General Fund	Cr 6
Radio Frequency Identification Data	275
Increase in annual insurance premiums	7
Allocation of Merit Awards	6
Biggin Hill Development	80

Latest Approved Budget for 2014/15

13,661

Memorandum Items

Capital Charges 5802	Cr 409
Deferred Charges (REFCUS) 5804	Cr 363
Impairment 5806	9,627
Gove Grants Deferred Sub 5807	Cr 57
Insurance	Cr 4
Rent Income	Cr 1
Repairs & Maintenance	26
IAS19 (FRS17)	210
Excluded Recharges	Cr 102
Reported Latest Approved Budget for 2014/15	22,588

REASONS FOR VARIATIONS

1) Commissioning Fund £0k

Within the commissioning fund there is a balanced budget. Expenditure of £13k on commissioning activities carried out during 2014-15, has been fully funded by a drawdown from the earmarked reserve.

2) Housing Strategy & Development £0k

Within the service, there is no overall net variation. For information, £14k has been carried forward to 2015/16 via the reserve for the Housing Strategy charging account at year-end.

3. Building Control Cr £39k

Within the chargeable account for Building Control, there is an income deficit of £50k. This has been more than offset by an underspend within employee costs of £110k arising from reduced hours working / vacancies, and £2k across other running expenses. In accordance with Building Account Regulations, the net surplus for 2014/15 of £62k has been carried forward into 2015/16 via the earmarked reserve for the Building Control Charging Account. The cumulative balance on this account is therefore now £130k, taking into consideration the opening balance of £68k at the start of 2014/15.

Within the non-chargeable service, there is an underspend of £39k, largely as a result of delays in not appointing to vacant posts, as well as other minor variations.

4. Land Charges Dr £4k

Minor variations across the service have resulted in a deficit of £4k. This is more than offset by underspends elsewhere across R&R portfolio.

5. Planning Cr £220k

Income from non-major planning applications is £107k above budget for 2014/15. This represents an increase of £139k from the actual income received in 2013/14, largely due to improving economic conditions.

For major applications, £401k has been received, £66k above the 2014/15 budget, although slightly lower than the actual £442k income that was received for 2013/14. For information, £294k was received in 2011-12, and £168k in 2012-13.

Additional income of £87k has been received for pre-application meetings, as activity levels were higher than originally budgeted.

There is a surplus of £37k across other income streams. £10k of this relates to the discharge of planning conditions and £27k is within street naming & numbering largely due to several one-off items received to date in 2014-15

Employee budgets across the planning service have underspent by £29k, largely due to recent vacancies.

Within legal expenses, there is an overspend of £72k. This is the combination of appeal costs where claims have been submitted to the Council following successful appeals e.g. Conquest House, and the costs of a public enquiry for The Porcupine, where costs have been incurred for consultants to provide specialist advice.

There is an overspend across other running expenses of £33k which mainly relate to staff advertising / recruitment costs incurred during the process of filling vacant posts. These posts had to be filled in order to meet additional workloads due to the increase in the number of planning applications received.

Summary of variations within Planning:		£'000
Surplus income from non-major applications	Cr	107
Surplus income within major applications	Cr	66
Surplus pre-application income	Cr	87
Surplus across other income streams	Cr	37
Underspend within staffing	Cr	29
Overspend on other running expenses		33
Overspend on legal expenses		72
Total variation for planning	Cr	221

6. Renewal Cr £129k

Within employee costs, there is a net underspend of £20k. This has arisen due to a combination of departing staff being replaced at the lower end of the salary scale, and a secondment to Resources not being back-filled for 6 months.

There are other minor net underspends of £9k across the service.

The Executive agreed to carry forward £60k in June 2014 for the preparation of the Borough's Local Plan (LP). This was intended to fund the examination of the plan in public and associated work which is now due to take place later than expected - potentially not until 2016/17. However, the precise timing of the examination is determined by the Planning Inspectorate and is therefore outside the Council's control. A request is being made to the June 2015 Executive to carry forward the unspent £60k in order to meet the future costs of the examination in public and to undertake any further evidence work required.

In February 2015, the Executive approved a sum of £55k regarding Biggin Hill Airport's proposal to extend their permitted operating hours. This was intended to cover the costs of a comprehensive borough-wide consultation exercise, as well as a technical review of the Airport's Noise Action Plan from consultants providing critical advice on the Airport's variation of hours proposal.

Subject to Executive Approval in June 2015, a further sum of £25k has been added to the Renewal budget relating to a second phase of work required on the Airport's Noise Action Plan. This will enable negotiations to take place with the Airport on the mitigation measures initially identified in phase one.

At year-end, phase two of the work had not yet commenced, and therefore a request is being made to the June 2015 Executive to carry-forward this sum of £25k into 2015/16 budgets. As of writing, the consultancy work has now commenced, and is expected to take several months to complete. Additionally, a request is being made to carry-forward unspent monies of £15k in 2015/16 budgets from phase one of the consultancy work. This will act as a contingency and provide a degree of flexibility in the event of any foreseen or further works required on the project.

Summary of variations within Renewal		£'000
Underspend within employee costs	Cr	20
Other net underspends	Cr	9
Local Plan Implementation (c/fwd request to be made to June Exec)	Cr	60
Biggin Hill Airport (c/fwd requests to be made to June Exec)	Cr	40
Total variation for Renewal	Cr	129

7. Culture Dr £22k

A budget saving of £150k was built into the culture budget for 2014/15 in anticipation that a review of the service would deliver the necessary savings. At year-end, only £90k savings have been identified, leaving a budget gap of £60k. Officers will identify alternative savings to ensure a balanced budget from April 2015.

There is an underspend within staffing budgets of £27k due to recruitment delays, as well as additional income from hall hire at the Outreach Centres of £5k. Other minor variations across the service of Cr £6k have reduced the overall net deficit for the service to £22k.

Summary of variations within Culture		£'000
Budget gap from savings built into 2014/15 budget		60
Underspend within staffing budgets	Cr	27
Additional income at Outreach Centres	Cr	5
Other net underspends	Cr	6
Total variation for Culture		<u>22</u>

8. Libraries Dr £173k

As part of the budget setting process for 2014/15, savings of £300k were built into the library budget. Detailed consultations took place with both staff and the public during the last few months about options to reduce opening hours and the Radio Frequency Identification Data system (RFID) has now been installed in the remaining 9 libraries. This has resulted in part year savings of £100k being achieved this financial year, with the full £300k savings being attained from April 2015.

Due to a combination of recent vacancies, plus delays in recruiting to existing vacant posts, the staffing budget is £33k lower than previously expected. The posts were covered by casual staff until the positions were filled, and together with net variations across other budget lines of Dr £6k, the overall net deficit for the service has reduced to Dr £173k.

9) Town Centre Management & Business Support Dr £5k

There are minor overspends across various budgets totalling Dr £5k for Town Centre Management and Business Support.

Analysis of Members' Initiatives - Earmarked Reserves @ 31.3.15

Item	Divison / Service Area	Responsible Officer	Allocation £'000	Spend to Date 31.3.15 £'000	Balance available £'000	Comments on Progress of Scheme
Investment in small shopping parades	Recreation - Town Centre Management & Business Support	Martin Pinnell	250	206	44	All but £13k of the fund has now been allocated to projects. The remaining balance of £44k is expected to be spent in 2015/16.
Tackling youth unemployment	Recreation - Business Support	Hannah Jackson	240	44	196	Estimated spend for 2015/16 is likely to be less than the balance of £196k.
Beckenham Town Centre public realm improvements	Planning - Renewal	Kevin Munnelly	100	100	0	£100k allocation fully spent. Balance of £150k has been transferred for match funding for the Beckenham Town Centre Improvement Capital Project.
TOTAL			590	350	240	