



Ryedale District Council

REPORT TO: North Yorkshire Building Control
Partnership Board

DATE: 10 March 2016

REPORTING OFFICER: Les Chapman
Head of Building Control

SUBJECT: Revised Budget 2015/16 and
Proposed Budget 2016/17

1.0 PURPOSE OF REPORT

1.1 The purpose of this report is to present Members with a revised budget for 2015/16 and a proposed budget for 2016/17, together with a further two years of the financial recovery plan.

2.0 RECOMMENDATIONS

- 2.1** That Members consider and approve the budget options contained within the report and set a revised 2015/16 budget and a proposed 2016/17 budget.
- 2.2** That the Partner Authorities note the expected outturn and advise their appropriate committees.
- 2.3** That an increase of 4% is applied to Building Regulations Charges for the financial year 2016/17.

3.0 BACKGROUND

3.1 The Partnership was formed in April 2001 with Ryedale and Selby and expanded to include Hambleton in September 2007 at the same time as the onset of the economic recession following the collapse of Northern Rock. Scarborough joined the Partnership in April 2008 and Richmondshire in April 2010.

3.2 Prior to the formation of the enlarged Partnership in September 2010 there was a total of 48 building control staff operating across the current Partnership area. Over the past six years due to the economic downturn and efficiency savings this number has been reduced to 23 (incl one apprentice), a reduction of 52% at a saving of approximately £987,000 annually.

4.0 CURRENT POSITION

4.1 Annex A outlines the Partnership's expected financial performance in the current financial year together with the original budget. A revised chargeable income of £909,580 has been forecast for this financial year taking into account the current financial position and recent trends. This is a decrease of £10,000 on the approved budget. This budget assumes there will be no further contraction of the construction industry.

4.2 Working from the revised budget for 2015/16 the chargeable income for 2016/17 will be increased by 4% in line with expected inflation and increased salary costs and 2% for the following two years. This will maintain the current structure and provide for development in 2017/18 and 2018/19 in line with the 2015/16 business plan. In projecting the budget forward the Partnership is forecasting a deficit in 2016/17 of £7,750.

4.3 In setting this budget it is assumed that the level of development will grow steadily following the decline over the previous years.

4.4 Minor adjustments have been made in expenditure in the revised 2015/16 budget to take into account over and under spends in various budget headings. The Partnership's expenditure continues to be delivered within budget, however, there is little to no prospect of any further savings following continual review and reduction to maximise savings to bring the expenditure into line with income.

5.0 FINANCIAL IMPLICATIONS

5.1 The financial implications are as detailed in this report.

6.0 LEGAL IMPLICATIONS

6.1 There is a requirement within the legal agreement that a minimum reserve balance of £10,000 is maintained.

7.0 RISK ASSESSMENT

7.1 Regular financial monitoring reports provided to the Head of Building Control and the Board will help to reduce the risk of unexpected overspends on budgets and falls in income, thereby enabling early

preventative or remedial action to be taken.

8.0 CONCLUSION

- 8.1** That Members consider the budget set out in Annex A with a view to agreeing the revised budget for 2015/16 and the proposed budget for 2016/17.
- 8.2** That Partner Authorities are notified of the expected outturn for 2015/16.

OFFICER CONTACT:

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