

**SOUTH THAMES GATEWAY BUILDING CONTROL
JOINT COMMITTEE**

17 MARCH 2009

**SOUTH THAMES GATEWAY BUILDING CONTROL
REVENUE BUDGET MONITORING**

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Summary

The report sets out the forecast variation against the Partnership's revenue budget for 2008/2009, based on February data, and explains the more significant underlying factors.

1. Budget and Policy Framework

1.1 The Joint Committee has a key role in monitoring the budgetary control of the Partnership.

2. Background

2.1 Monitoring against the revenue budget is reported on a monthly basis to the Partnership's Officer Steering Group, but it is also appropriate that the Joint Committee be updated at its quarterly meetings.

2.2 Where savings are achieved against budget, these will generally be ring-fenced for future investment in the Partnership, the exception being the agreement to repay set-up costs from 'consultancy' generated profits. Where losses against budget arise, the constituent authorities are required to make additional contributions to fund the shortfall.

3. Current Forecasts

3.1 Appendix 1 attached details the forecasts of income and expenditure based on data to February 2009. It is anticipated that a deficit of £259,000 will accrue as a result of the downturn in the economy.

3.2 The effect of the credit crunch, recession and the reduction of conveyancing have all resulted in the current forecast income of £1,076,000. This is £330,000 below target.

- 3.3 The current forecast for expenditure is £1,710,000. Measures have been put in place to reduce staffing and other costs in 2008/09 by £83,000 to help offset the loss of income.
- 3.4 At this level of deficit, additional contributions for 2008/2009 will be required from the constituent authorities as follows:
- Medway £137,000
 - Gravesham £52,000
 - Swale £70,000

4. Financial Implications and Legal Implications

- 4.1 The financial implications are detailed within paragraph 3 above. There are no direct legal implications arising from this report.

5. Recommendations

- 5.1 The Joint Committee is asked to note the forecast deficit for 2008/2009 and the estimated additional contributions that will be required as detailed in paragraph 3.4 above.

6. Suggested Reasons for Decisions

- 6.1 The Joint Committee has a key role in monitoring the budgetary control of the Partnership.

Lead officer contact

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Background papers

Business Plan and Revenue Budget 2008/2009 report to STG Building Control Joint Committee – 10 June 2008.

	Budget	Forecast
	Apr 08 – Mar 09	Apr 08 – Mar 09
Direct Costs		
Staffing	1,502,714	1,428,904
Premises	98,652	94,723
Transport	59,171	57,901
Supplies and Services	95,802	91,492
Total STG Direct Costs	1,756,339	1,673,020
Support Services		
HR Services	5,760	5,760
Legal Services	5,290	5,290
ICT Support	16,150	16,150
Finance Support	10,000	10,000
Total STG Support Services Costs	37,200	37,200
Total STG Expenditure	1,793,539	1,710,220
Direct Income	(1,425,637)	(1,076,080)
Contributions Payable by Authorities		
Medway	(202,967)	(202,967)
Gravesham	(46,674)	(46,674)
Swale	(125,991)	(125,991)
Total Contributions	(375,632)	(375,632)
(Surplus) / Deficit	(7,730)	258,508