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NORTH HERTFORDSHIRE DISTRICT COUNCIL

FINANCE, AUDIT AND RISK COMMITTEE

THURSDAY, 21ST MARCH, 2019

SUPPLEMENTARY AGENDA

Please find attached supplementary papers relating to the above meeting, as follows:

Agenda No	Item
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11.	<u>THIRD QUARTER REVENUE MONITORING 2018/19</u> (Pages 3 - 6)
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REPORT OF THE SERVICE DIRECTOR - RESOURCES

To consider the Third Quarter Revenue Monitoring report for 2018/19.

Please see Addendum Report

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FINANCE, AUDIT AND RISK COMMITTEE

21 March 2019

*PART 1 – PUBLIC DOCUMENT

TITLE OF REPORT: THIRD QUARTER REVENUE MONITORING 2018/19 (ADDENDUM)

REPORT OF: SERVICE DIRECTOR - RESOURCES

EXECUTIVE MEMBER: COUNCILLOR JULIAN CUNNINGHAM

COUNCIL PRIORITY: RESPONSIVE AND EFFICIENT

1. EXECUTIVE SUMMARY

1.1 The purpose of this report is to inform Cabinet of the forecast impact on the 2019/20 budget of appealing the decision by Central Bedfordshire Council to turn down the outline planning application for a crematorium at Wilbury Hills in Letchworth. This is forecast to be up to £30k additional spend in 2019/20.

2. RECOMMENDATIONS

2.1 That Cabinet note this addendum report.

2.2 That Cabinet approves the changes to the 2019/20 General Fund budget, as identified in table 3 of the substantive report and paragraph 8.3 below, a £25k increase in net expenditure.

Note that recommendation 2.2 replaces recommendation 2.3 of the substantive report.

3. REASONS FOR RECOMMENDATIONS

3.1 To allow Cabinet to note the financial impact of appealing the planning decision.

4. ALTERNATIVE OPTIONS CONSIDERED

4.1 The budget holder has considered the options to manage within the existing budget but consider the variance reported here to be necessary and appropriate.

5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS

5.1 The Executive Member for Waste Management, Recycling and Environment has been consulted on the decision to appeal the planning determination.

6. FORWARD PLAN

6.1 As substantive report.

7. BACKGROUND

7.1 As substantive report.

8. RELEVANT CONSIDERATIONS

REVENUE INCOME AND EXPENDITURE FORECASTS

- 8.1 Table 3 of the substantive report detailed an estimated impact on the 2019/20 budget of a £5k decrease in budget, which includes the request to carry forward £87k of budget from 2018/19 to 2019/20.
- 8.2 Central Bedfordshire Council (CBC) provided notification to the Council in early March that they had decided to refuse the outline planning application for a crematorium at Wilbury Hills Cemetery in Letchworth. Based on the pre-application advice provided by CBC and the views of the Council's consultant, it is felt that there are reasonable grounds for appealing the decision. The costs of the appeal will depend on how the appeal is dealt with and are estimated to be up to £30k, which is based on a full public inquiry.
- 8.3 This would mean that the estimated impact on the 2019/20 budget would become a £25k increase in budget, which includes the request to carry forward £87k of budget from 2018/19 to 2019/20.

9. LEGAL IMPLICATIONS

- 9.1 The Cabinet has a responsibility to keep under review the budget of the Council and any other matter having substantial implications for the financial resources of the Council. Specifically 5.6.8 of Cabinet's terms of reference state that it has remit "*to monitor quarterly revenue expenditure and agree adjustments within the overall budgetary framework*". The Council is under a duty to maintain a balanced budget and to maintain a prudent level of reserves. Once Full Council has set the budget for the following year (which it did in February) then Cabinet have to approve changes to the following year's budget. Where it is not possible to deliver services within the overall budget then this will be referred on to Full Council (Financial Regulations paragraph 3.8).

10. FINANCIAL IMPLICATIONS

- 10.1 The impact on the 2019/20 budget of the changes detailed across the substantive report and this addendum report is a £25k increase in spend. However, of this total, £87k relates to carry-forward requests. As a carry-forward moves budget between years, there is no impact on the General Fund balance. So the overall impact of the recommendations contained across these two reports results in an increase in the General Fund balance and as a result it is considered that services are still being delivered within the overall budget. A referral to Full Council (as per paragraph 3.8 of the Financial Regulations) is therefore not required.

11. RISK IMPLICATIONS

- 11.1 As substantive report.

12. EQUALITIES IMPLICATIONS

- 12.1 As substantive report.

13. SOCIAL VALUE IMPLICATIONS

13.1 As substantive report.

14. HUMAN RESOURCE IMPLICATIONS

14.1 As substantive report.

15. APPENDICES

15.1 None.

16. CONTACT OFFICERS

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