

THE HIGHLAND COUNCIL

RESOURCES COMMITTEE

18th February 2009

Agenda Item	
Report No	

Request for Supplementary Estimate

Joint Report by Depute Chief Executive and Director of Planning and Development

SUMMARY

The Resources Committee is asked to consider a request from Planning and Development Services for a supplementary estimate of £0.758m in 2008/09.

1. Introduction

- 1.1 Financial Regulation 11.1 requires "Service Directors to monitor and control Revenue budgets for their Service, and if necessary submit requests for supplementary estimates." The Resources Committee is responsible for overseeing the Council's financial arrangements.
- 1.2 Guidance notes attached to the Financial Regulations state that Service Directors cannot overspend Service budgets without the express authority of the Council and are required to use budget virements to achieve a balanced budget. However where an overspend cannot be dealt with by means of virement within the Service then they are required in consultation with the Depute Chief Executive to report the overspend position to the Committee.

2. Planning and Development Budget 2008/09

- 2.1 The Planning Environment and Development (PED) Committee on 21 January 2009 was informed that pressures created by a drastic fall in income from planning and building warrant fees as a result of the general economic downturn could not be fully contained within the overall Planning and Development budget.
- 2.2 The Committee was informed that to mitigate the extent of the budget problem some compensating savings had been identified, but there remained a pressure of £0.758m which could not be resolved by viring savings from other budget headings within the Service. The Committee agreed to approach the Resources Committee for additional resources.

3. Financial Implications

- 3.1 Any additional resources made available to a Service at this stage in the financial year will have to be met from balances. However it is possible that at the year end

under spends elsewhere in the budget could meet this over spend in whole or part.

- 3.2 If the Resources Committee were to reject this request then the Planning and Development Service would need to revisit the issue and consider a series of Service cuts to bring the budget back into line.

4. Conclusion

- 4.1 In accordance with the Financial Regulations, the Director of Planning and Development in consultation with the Depute Chief Executive has assessed that the Service is in an overspend situation which cannot be dealt with by means of virement in the current financial year without an unacceptable impact on service delivery. A request, fully supported by the Planning, Environment and Development Committee, for a supplementary estimate of £0.758m to meet the assessed deficit is therefore submitted.

RECOMMENDATION

The Committee is recommended to approve a supplementary estimate of £0.758m to the Planning and Development Service.

Signature: _____

Designation: Depute Chief Executive & Director of Finance Director of Planning and Development

Date: 21 January 2009

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