

Pennine Lancs BC - Budget Summary

Appendix 1

	Year 6	Year 7		Year 8		Year 9
	Actual 2015/16 £	Original Budget 2016/17 £	Revised Budget 2016/17 £	Draft Budget 2017/18 £	Original Budget 2017/18 £	Draft Budget 2018/19 £
Expenditure						
Employees	443,174	504,998	442,633	514,595	506,313	522,085
Premises	21,168	23,250	21,250	23,800	21,800	22,350
Transport	21,319	22,000	23,000	22,500	23,230	23,695
Supplies & Services	56,573	47,350	43,000	49,100	54,325	55,425
Third Party payments - Private contractors	20,057	15,000	10,000	15,000	15,000	15,000
Third Party payments - Burnley BC	9,918	19,545	23,492	20,055	20,204	20,696
Support services - BwD	75,197	84,000	72,714	85,609	83,964	86,612
	647,406	716,143	636,089	730,659	724,836	745,863
Special Items						
Archive scanning of records	-	30,000	-	-	-	-
Replacement of Plotter	-	4,000	3,457	-	-	-
New IT system - implementation	-	-	50,425	-	-	-
	-	34,000	53,882	-	-	-
	647,406	750,143	689,971	730,659	724,836	745,863
Income						
Fee Earning income	(411,439)	(420,000)	(385,000)	(430,000)	(412,000)	(440,000)
Other Income	(11,859)	(10,000)	(21,200)	(10,000)	(10,000)	(10,000)
	(423,298)	(430,000)	(406,200)	(440,000)	(422,000)	(450,000)
Net Expenditure	224,108	320,143	283,771	290,659	302,836	295,863
Less - Transfer To / (From) Building Control Reserve	29,331	(33,686)	(29,335)	1,605	(12,902)	(34,811)
Total Net Deficit	253,439	286,457	254,436	292,264	289,934	261,052
Financed By :						
Blackburn with Darwen (64.5%)	163,468	184,765	164,111	188,510	187,007	168,379
Burnley (35.5%)	89,971	101,692	90,325	103,754	102,927	92,673
	253,439	286,457	254,436	292,264	289,934	261,052

Budget Assumptions

- Expenditure projections include all known contractual commitments and price increases, plus an additional £12k per annum in Supplies & Services from 2017/18 for the on-going maintenance and training costs of the new IT system.
- Staffing structure includes the filling of the two vacant Senior Building Surveyor's and vacant Principal Building Surveyor's posts from 1st April 2017.
- Salaries are based on the staffing establishment required to run the Pennine Lancs. Building Control Service, and includes contractual increases for annual salary increments and 1.00% pay award with effect from the 1st April 2017 and estimated 2.00% pay award with effect from 1st April 2018.
- The cost of Employer's Superannuation is now split between the pension cost of current employees (Primary rate) and pension cost of former employees (Secondary rate) which has been estimated at 12.4% and 7.6% for the Primary and Secondary rate respectively.
- BwD provides all Support Services, with the exception of Burnley IT costs.
- Burnley is currently paid an accommodation fee, in order to maintain a local Building Control presence.
- BwD's contribution for providing Support services is calculated at 22% of salaries, provided that income for each year does not fall below £290,000 and/or the staffing costs do not fall below £315,000 per annum.
- Expenditure is split 60:40 between Fee Earning and Non-Fee earning work up to 2017/18.
Expenditure is split 65:35 between Fee Earning and Non-Fee earning work from 2018/19, following the introduction of the new IT system and subsequent reduction of time spent on Non-Fee work.
- 2017/18 Fee income includes a 3.0% generic increase in charges with effect from the 1st January 2017.
2018/18 Fee income includes a 3.0% generic increase in fees and charges, plus an additional £15k for new business, arising from the new IT system freeing up management time that is currently spent on Non-Fee work.
- The minimum balance to remain in the Building Control Reserve at any one time is £65k
- Special items - includes £50,425 for the implementation of a new IT system and £3,457 for the cost of replacing a plotter, both of which are funded from the PLBC Reserve.