

Revised Estimates 2015/16 and Revenue Budget 2016/17

(Appendix A refers)

Issue for consideration

- a) Revised Estimates 2015/16
- b) Revenue Budget 2016/17

Background

The budget provision for the Forest of Bowland AONB Joint Advisory Committee is funded by eight constituent local authority partners and grant from Defra, which is also enhanced by additional and contribution from United Utilities.

A core team is established from this budget provision, to assist in the delivery of the statutory AONB Management Plan on behalf of the Joint Advisory Committee and the local authorities. The AONB Unit continues to work to a 3-year business plan (2015 - 2018), on which partners are consulted to ensure it reflects local priorities for the AONB.

a. Revised Estimates 2014/15

The costs of the Partnership are managed as part of the Lancashire County Council's Devolved Financial Management scheme. Since the Joint Advisory Committee in October 2014 approved the 2015/16 estimates and sought support for the contributions requested from funding partners, the full requested contributions have been met.

The contributions advised by the constituent local authorities for 2015/16 were as follows: -

	£
Craven District Council	6,800
Lancaster City Council	6,800
Pendle Borough Council	6,800
Preston Borough Council	6,800
Ribble Valley Borough Council	6,800
Wyre Borough Council	6,800
Lancashire County Council	40,800
North Yorkshire County Council	6,800

Defra advised in January 2015, that the grant offer for 2015/16 was £208,143.

The net effect of any changes allows projects programme (including Sustainable Development Fund) totalling £97,285 to be delivered in 2015/16.

In addition, since last reported in October 2014, the AONB Unit has been successful in obtaining the following additional funding to support delivery of projects within the area:

Project	£	Organisation
Lancashire Peat Partnership (LPP) facilitation and support	3,000	Environment Agency
Peatland habitat restoration and support for LPP, incl. Pennine Peat LIFE funding bid re-submission	30,000	Environment Agency

AONB Discovery Guide	2,890	Business adverts taken by members of Bowland Experience Ltd.
Bowland by Bike Leaflet	340	LCC Sustainable Transport

The 2015/16 Revised Estimates take account of any changes (see Agenda Item 8a Column 3) in comparison with the Original Estimates in Column 2.

The principal change relates to a slight reduction in estimated salary costs (advised by LCC Finance team). Therefore, the net effect of this reduction in salary costs is to slightly increase the budget available to support projects to help deliver the AONB Management Plan.

b. Revenue Budget 2016/17 and beyond

Revenue Budget 2016/17

This section sets out in Appendix 'A' column 4, the costs associated with the Committee's projects and management service in 2016/17, including estimated pay and price levels.

Provision reflects the new core team of 4 full-time equivalent posts, operational budgets for core activities and projects:

- Environment and Community Project Service Manager [0.2FTE]
- Principal AONB Officer [0.8FTE]
- Development and Funding Officer
- Sustainable Tourism Officer
- Community Projects and Events Officer

Total Committee income from contributions has been included in the budget for 2016/17 based on estimated contributions from funding authorities, equivalent to maintaining the requested contribution for 2015/16. In addition, it is also based on a continuation of a contribution from United Utilities, matching the level requested district/borough councils.

Income in respect of grant support from Defra towards core costs and projects costs has been included on the basis of an estimated reduction of 5.4% of 2015/16 grant offer. This % estimate is based on previous annual reductions of Defra grant from 2010/11 up to 2014/15. A formal grant offer from Defra is expected before Christmas following the Government's announcement of the Comprehensive Spending Review planned for 25th November 2015.

Given the uncertainty this poses, it is proposed that the Committee meets in January 2015 to consider again the Revenue Budget 2016/17.

It is also assumed that the Defra grant for 2016/17 will continue to be a single grant offer to be used in ways which the Joint Advisory Committee considers will deliver the best performance in terms of achieving delivery of the Management Plan, without restrictions placed on the percentage of grant to each area of supported activity.

Therefore, the level of provision for 'Projects' is based on the resources estimated to be available to the Committee after providing for the staffing of the AONB Unit at the existing office base, plus related core activities costs.

The attention of the Committee is drawn to the following:

1. Gross Expenditure

It is proposed that total expenditure be £348,443 in 2016/17, which is £10,475 lower than that in 2015/16. The total expenditure results from providing for the effect of increased pay and prices, staff increments, employers national insurance and superannuation contributions, host authority support costs and reflecting a level of provision for 'Projects'..

2. Income

Defra grant towards core costs and projects costs of £196,903 reflects an estimated reduction of 5.4% on 2015/16 grant funding levels.

A contribution of £6,800 from United Utilities has been included, on the basis that the company will maintain a level of contribution equivalent to that of the district/borough councils.

3. Net Expenditure

The £292,103 net cost of management services is based on maintaining the level of contributions from the funding authorities requested for 2015/16. It is essential that the funding authorities are notified of the approved expenditure and requested to make due provision in their own estimates.

4. Additional Resources

It should also be noted that, as normal, resources from other funding bodies for projects in AONB will be sought during 2015/16 (e.g. Lottery Funds, European Union, Government Agencies, Lancashire Environment Fund), which are over and above the Joint Advisory Committee budget provision and this will continue into 2016/17.

Furthermore, the AONB Unit contributes to the generation of additional schemes and projects in liaison with organisations operating in the area e.g. local authority countryside services or rivers trusts.

Decision Required

The Committee is requested to:

- i) note the 2015/16 Revised Estimates
- ii) approve the 2016/17 Revenue Budget as set out in the report
- iii) subject to the approval of (ii) above, to request the funding authorities to make appropriate provision in their revenue budgets
- iv) agree to hold a special 'budget' Committee meeting in January 2015 (date to be confirmed) to review 2016/17 Revenue Budget, following confirmation of the Defra AONB grant offer