

**RIBBLE VALLEY BOROUGH COUNCIL**  
**REPORT TO POLICY AND FINANCE COMMITTEE**

DECISION

Agenda Item No 14

meeting date: 29 JANUARY 2013  
title: ORIGINAL REVENUE ESTIMATE 2013/14  
submitted by: DIRECTOR OF RESOURCES  
principal author: TRUDY HOLDERNESS

**1 PURPOSE**

- 1.1 To agree the draft revenue budget for 2013/14, for consideration at Special Policy and Finance Committee.

**2 BACKGROUND**

- 2.1 The three year forecast to Policy and Finance Committee in September highlighted the uncertainty surrounding the level of Government funding that will be received by local authorities in 2013/14 and onwards, under the Business Rates Retention Scheme.
- 2.2 In July the Government began consultation on the detail of how the Business Rates Retention Scheme will work, including consultation on the baseline funding for each local authority. This on-going consultation made it extremely difficult to calculate future Government funding with any degree of accuracy.
- 2.3 The Government announced its Provisional Grant Settlement for 2013/14 and 2014/15 on December 19<sup>th</sup>. This was much later than in previous years and even in early January some details were not available.
- 2.4 The headline changes to our funding shows a reduction in our spending power of 1.3% with a further reduction of 3.2% the year after.
- 2.5 The Government's definition of spending power includes other income in addition to our Formula Grant e.g. New Homes Bonus, Council Tax Freeze Grant and shows the total funding being given to local authorities.
- 2.6 If however, we compare the 2012/13 Grant Settlement with the announcement of 2013/14 and 2014/15 on a like for like basis the cash reduction in our grant is £288,000 and a further £377,000. This is particularly disappointing when it had looked a few months ago as if rural authorities such as ourselves would have been treated more favourably in this settlement.
- 2.7 The Rural Services Network is campaigning vigorously to get the settlement changed. As far as the Council is concerned the position for 2013/14 is more manageable than the one for 2014/15 and whilst it is too early to give Committees any savings targets I would ask you to look closely at your estimates.
- 2.8 The Budget Working Group will be meeting over the coming weeks to examine our overall Budget position and will ultimately make recommendations to Special Policy and Finance on 12 February 2013.

### 3 RESTATING OF ORIGINAL ESTIMATE

3.1 The original estimate that was approved in March 2012, and which is shown in the budget book, does not show the movements that were needed in the budget following the service reviews. One of the main areas of impact for this has been the movement of staffing into the Contact Centre service, from other departmental cost centres.

3.2 To allow a better comparison of the budget to the original estimate within this report, the budget that was originally approved in March has been restated, to include the impact of the service review and anticipated income from VAT shelter monies.

3.3 Overall the total net budget for the council has not changed, but at a committee level this has the impact of increasing or decreasing the budget levels on a number of service cost centres, which for this committee results in a net increase in budget.

3.4 The impact of this restatement has been summarised in the table below:

Service Area	Original Estimate £	Restated Original Estimate £
Organisation & Member Development	0	-24,210
Policy & Performance	185,850	185,850
Revenues & Benefits	126,250	162,230
Office & Civic Accommodation	0	3,460
Corporate Management	298,040	298,040
Council Tax & Business Rates	352,460	352,460
Democratic & Civic Expenses	481,580	481,580
Electoral Administration	102,330	102,330
Meals on Wheels / Luncheon Clubs	19,860	19,860
Land Charges	29,510	29,510
Licensing	35,070	35,070
Civil Defence	60,000	59,700
Superannuation, Audit, etc.	315,250	-33,110
Estates	7,420	7,420
Grants & Subscriptions	153,950	153,950
Economic Development	77,810	75,810
<b>Net Cost Of Services</b>	<b>2,245,380</b>	<b>1,909,950</b>
Earmarked Reserves	-6,360	342,000
<b>Total</b>	<b>2,239,020</b>	<b>2,251,950</b>

3.5 A further major change at the original estimate, which has no overall net impact to the Council's budgets as a whole, is the distribution of the Council's Contact Centre service costs on to all user services. This has been conducted in line with CIPFA guidance. Previously, the costs for this service remained on the cost centre CONTC. You will see within the report that this is a key reason for the movements seen on support services.

#### 4 2013/14 DRAFT REVENUE BUDGET

- 4.1 As far as your budget is concerned, the estimates have been prepared on the current levels of service, and they allow for a pay and prices increase of 2.5%. Any pay award for local government will be agreed nationally, and whilst this is still being negotiated, indications are that any settlement will be nearer 1%.
- 4.2 Detailed in the following section of the report are the individual budget areas under this committee. Shown are the movements from the 2012/13 Restated Original Estimate, to the proposed Original Estimate for 2013/14. Comments are also provided on the main variances.

## 5 COMMITTEE SERVICE ESTIMATES

### 5.1 CHIEF EXECUTIVE'S DEPARTMENT

Service Description							CEXEC
<p>The Chief Executive's Department comprises three service units: Regeneration and Housing, Legal and Democratic Services and Environmental Health. The Regeneration and Housing section is responsible for providing support for regeneration in the area, community safety, planning policy and providing the council's mandatory housing functions. Legal and Democratic services provide the council with advice on legal issues and support to the democratic process, it also has responsibility for the Committee Services section, which prepares and distributes agendas, and offers support to the Borough Mayor. The costs for staffing for this section are shown in a separate paragraph 5.26. Environmental Health provides commercial and domestic environmental health support and also the building control function within the area.</p>							
Link to Ambitions							
To be a well managed council providing efficient services based on identified customer needs							
Budget Analysis	Original Estimate 2012/13	Inflation at 2.5%	Inflation above or below 2.5%	Unavoidable Changes to Service Cost	Support Services	Capital	Original Estimate 2013/14
	£	£	£	£	£	£	£
Employee Related	963,190	24,100	-1,160	-40,990	0	0	945,140
Transport Related	28,740	720	-360	-480	0	0	28,620
Supplies and Services	24,890	620	-20	-2,530	0	0	22,960
Support Services	156,650	0	0	0	21,680	0	178,330
<b>Total Expenditure</b>	<b>1,173,470</b>	<b>25,440</b>	<b>-1,540</b>	<b>-44,000</b>	<b>21,680</b>	<b>0</b>	<b>1,175,050</b>
Customer and Client Receipts	-20	0	0	0	0	0	-20
Departmental Recharges	-1,173,450	0	0	0	-1,580	0	-1,175,030
<b>Total Income</b>	<b>-1,173,470</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-1,580</b>	<b>0</b>	<b>-1,175,050</b>
<b>NET</b>	<b>0</b>	<b>25,440</b>	<b>-1,540</b>	<b>-44,000</b>	<b>20,100</b>	<b>0</b>	<b>0</b>
Comments							
<p>The unavoidable decrease in employee related expenses is due to the removal of trainee building surveyor and senior planning officer posts, which were on fixed term contracts, and a reduction in the share of employee related insurance, offset by incremental increases in pay and an increase in the rate of employer's superannuation contributions.</p> <p>The unavoidable decrease in supplies and services is due to the budget provision for uniforms being transferred to the customer services unit and also reduced postage costs.</p> <p>There has been an increase in support costs due to changes in staff time allocated to the service and the full recharge of the contact centre centre costs in line with CIPFA guidance.</p> <p>The net effects of these changes are reflected in an increase in the consequential department recharges.</p>							

## 5.2 ORGANISATION AND MEMBER DEVELOPMENT

Service Description							OMDEV
<p><i>This budget covers human resources, central administration functions and corporate services. Human resources provide the personnel function and organisation wide training. The central administration function provides typing and corporate printing. Corporate services provide advice and services including health and safety issues, strategic planning, performance management, policy development and review, consultation and communications.</i></p>							
Link to Ambitions							
To help make peoples' lives safer and healthier							
Budget Analysis	Original Estimate 2012/13	Inflation at 2.5%	Inflation above or below 2.5%	Unavoidable Changes to Service Cost	Support Services	Capital	Original Estimate 2013/14
	£	£	£	£	£	£	£
Employee Related	312,960	7,820	-230	-7,530	0	0	313,020
Transport Related	5,950	140	-100	30	0	0	6,020
Supplies and Services	42,000	970	-50	-3,700	0	0	39,220
Support Services	76,790	0	0	0	7,600	0	84,390
Depreciation and Impairment	4,630	0	0	0	0	0	4,630
<b>Total Expenditure</b>	<b>442,330</b>	<b>8,930</b>	<b>-380</b>	<b>-11,200</b>	<b>7,600</b>	<b>0</b>	<b>447,280</b>
Other grants & reimbursements	-30	0	0	0	0	0	-30
Customer and Client Receipts	-3,750	-90	0	-100	0	0	-3,940
Departmental Recharges	-462,760	0	0	0	19,450	0	-443,310
<b>Total Income</b>	<b>-466,540</b>	<b>-90</b>	<b>0</b>	<b>-100</b>	<b>19,450</b>	<b>0</b>	<b>-447,280</b>
<b>NET</b>	<b>-24,210</b>	<b>8,840</b>	<b>-380</b>	<b>-11,300</b>	<b>27,050</b>	<b>0</b>	<b>0</b>
Comments							
<p>The decrease in employee expenses is due to the full year effect of the transfer of staff to the contact centre and council offices, offset by pay award provision, incremental increases and the increase in the rate of the employer's superannuation contribution.</p> <p>The decrease in supplies &amp; services is from a reduction in printing and stationery costs due to continuing procurement savings and a reduction in postage costs charged to this service.</p> <p>There has been an increase in support service costs following the full recharge of costs from the contact centre in line with CIPFA guidance. This is partly offset by reductions in other support costs due to changes in cost allocations from these services.</p> <p>Departmental recharges have been reduced due to the reduction in the net expenditure of the service.</p>							

### 5.3 CORPORATE SERVICES

Service Description							CSERV
<p><i>A small team (within the Resources Department) providing corporate support, advice and services including health and safety issues, strategic planning, performance management, policy development and review, consultation and communications.</i></p>							
Link to Ambitions							
<p>To be a well managed council providing efficient services based on identified customer needs.</p>							
Budget Analysis	Original Estimate 2012/13	Inflation at 2.5%	Inflation above or below 2.5%	Unavoidable Changes to Service Cost	Support Services	Capital	Original Estimate 2012/13
	£	£	£	£	£	£	£
Supplies and Services	24,430	620	-290	-230	0	0	24,530
Support Services	162,570	0	0	0	-3,560	0	159,010
Total Expenditure	187,000	620	-290	-230	-3,560	0	183,540
Customer and Client Receipts	-1,150	-30	30	0	0	0	-1,150
Total Income	-1,150	-30	30	0	0	0	-1,150
NET	185,850	590	-260	-230	-3,560	0	182,390
Comments							
<p>The changes to supplies and services are due to inflationary increases on subscriptions and promotional activities and the knock on effect of a freeze on pendle collaborative research consultation subscription in 2012/13</p> <p>The changes in support costs have decreased as a result of changes to cost allocations to this service.</p> <p>No inflation increase in advertising income has been included</p>							

## 5.4 CORPORATE MANAGEMENT

Service Description							CORPM
<p><i>Corporate Management concerns those activities and costs that provide the infrastructure to allow services to be provided and the information that is required for public accountability.</i></p> <p><i>This budget includes staff indirectly employed on corporate issues such as corporate planning, council and corporate policy making meetings, preparation of published accounts, publicity, estimating and accounting for precepts.</i></p>							
Link to Ambitions							
To be a well managed council providing efficient services based on identified customer needs							
Budget Analysis	Original Estimate 2012/13	Inflation at 2.5%	Inflation above or below 2.5%	Unavoidable Changes to Service Cost	Support Services	Capital	Original Estimate 2013/14
	£	£	£	£	£	£	£
Support Services	298,040	0	0	0	68,320	0	366,360
Total Expenditure	298,040	0	0	0	68,320	0	366,360
NET	298,040	0	0	0	68,320	0	366,360
Comments							
<p>The support service cost has increased due to the full recharge of the customer service unit costs in line with CIPFA guidance. This has been partly offset by decreases in other support service areas following the annual review of time allocations.</p>							

## 5.5 CIVIC SUITE

Service Description							CIVST
<p>All running costs for the civic suite are shown here, including staffing and cleaning of the facility. On occasions the civic suite is hired out to external organisations, for which a charge is made. Council departments are also charged a proportion of the running costs to reflect the level of usage that they have had of the facility during the year.</p>							
Link to Ambitions							
To be a well managed council providing efficient services based on identified customer needs							
Budget Analysis	Original Estimate 2012/13	Inflation at 2.5%	Inflation above or below 2.5%	Unavoidable Changes to Service Cost	Support Services	Capital	Original Estimate 2013/14
	£	£	£	£	£	£	£
Employee Related	10,620	260	10	-50	0	0	10,840
Premises Related	25,640	730	-20	-140	0	0	26,210
Supplies and Services	1,760	50	0	360	0	0	2,170
Support Services	23,260	0	0	0	-860	0	22,400
Depreciation and Impairment	13,630	0	0	0	0	-3,420	10,210
<b>Total Expenditure</b>	<b>74,910</b>	<b>1,040</b>	<b>-10</b>	<b>170</b>	<b>-860</b>	<b>-3,420</b>	<b>71,830</b>
Customer and Client Receipts	-4,810	-120	0	-300	0	0	-5,230
Departmental Recharges	-70,100	0	0	0	3,500	0	-66,600
<b>Total Income</b>	<b>-74,910</b>	<b>-120</b>	<b>0</b>	<b>-300</b>	<b>3,500</b>	<b>0</b>	<b>-71,830</b>
<b>NET</b>	<b>0</b>	<b>920</b>	<b>-10</b>	<b>-130</b>	<b>2,640</b>	<b>-3,420</b>	<b>0</b>
Comments							
<p>There has been a decrease in support services costs following a reassessment of time allocations.</p> <p>Depreciation costs have been reduced as the capital cost for replacing the light fittings in the civic suite has now been fully depreciated.</p> <p>As a result of the overall decrease in net expenditure, the departmental recharge has been reduced.</p>							



## 5.6 COUNCIL OFFICES

Service Description							CLOFF
<p><i>This budget is for the cost of our Council offices in Clitheroe. All running costs are collated under this budget and then recharged to the services that use the building at the end of the financial year.</i></p>							
Link to Ambitions							
<p>To be a well managed council providing efficient services based on identified customer needs</p>							
Budget Analysis	Original Estimate 2012/13	Inflation at 2.5%	Inflation above or below 2.5%	Unavoidable Changes to Service Cost	Support Services	Capital	Original Estimate 2013/14
	£	£	£	£	£	£	£
Employee Related	42,290	1,090	140	670	0	0	44,190
Premises Related	140,580	3,520	400	380	0	0	144,880
Supplies and Services	8,770	220	-60	-600	0	0	8,330
Third Party Payments	940	20	0	0	0	0	960
Support Services	50,410	0	0	0	-4,170	0	46,240
Depreciation and Impairment	34,180	0	0	0	0	1,800	35,980
<b>Total Expenditure</b>	<b>277,170</b>	<b>4,850</b>	<b>480</b>	<b>450</b>	<b>-4,170</b>	<b>1,800</b>	<b>280,580</b>
Customer and Client Receipts	-9,620	-90	30	1,100	0	0	-8,580
Departmental Recharges	-264,090	0	0	0	-7,910	0	-272,000
<b>Total Income</b>	<b>-273,710</b>	<b>-90</b>	<b>30</b>	<b>1,100</b>	<b>-7,910</b>	<b>0</b>	<b>-280,580</b>
<b>NET</b>	<b>3,460</b>	<b>4,760</b>	<b>510</b>	<b>1,550</b>	<b>-12,080</b>	<b>1,800</b>	<b>0</b>
Comments							
<p>After inflation employee related expenses have been increased to reflect the staff involved in office security.</p> <p>In addition to general inflation, premises expenses have been increase by an above inflationary increase for electricity, based on forecast prices.</p> <p>There is a decrease in support costs to changes in staff time allocated to the service.</p> <p>Depreciation costs have been increased following the capital scheme for the new customer service area on level B and the level C remodelling</p> <p>The decrease in customer and client receipts is due to the vending machines transferring from the Council responsibility to the installation companies responsibility. There is an associated fall in running costs</p> <p>The net effects of these changes are reflected in an increase in the recharges to other departments</p>							

## 5.7 COMMUNITY SAFETY

Service Description							EMERG
<p><i>The Council is designated as a Category 1 responder under the Civil Contingency Act and as such is required to work with other agencies to develop and provide a suitable robust response to a range of identified local civil emergency risks.</i></p>							
Link to Ambitions							
<p>To help make people's lives safer and healthier</p>							
Budget Analysis	Original Estimate 2012/13	Inflation at 2.5%	Inflation above or below 2.5%	Unavoidable Changes to Service Cost	Support Services	Capital	Original Estimate 2013/14
	£	£	£	£	£	£	£
Supplies and Services	9,270	150	60	300	0	0	9,780
Support Services	50,430	0	0	0	8,930	0	59,360
Total Expenditure	59,700	150	60	300	8,930	0	69,140
NET	59,700	150	60	300	8,930	0	69,140
Comments							
<p>The increase in support costs is due to changes in allocation of costs to this service. This is mainly an increase in recharge from the Chief Executive's Department.</p>							

## 5.8 COUNCIL TAX

Service Description							CLTAX
<i>The administration and collection of council tax</i>							
Link to Ambitions							
To be a well managed council providing efficient services based on identified customer needs							
Budget Analysis	Original Estimate 2012/13	Inflation at 2.5%	Inflation above or below 2.5%	Unavoidable Changes to Service Cost	Support Services	Capital	Original Estimate 2013/14
	£	£	£	£	£	£	£
Supplies and Services	56,800	1,250	-60	-1,600	500	0	56,890
Support Services	335,900	0	0	0	5,750	0	341,650
Depreciation and Impairment	8,110	0	0	0	0	4,390	12,500
<b>Total Expenditure</b>	<b>400,810</b>	<b>1,250</b>	<b>-60</b>	<b>-1,600</b>	<b>6,250</b>	<b>4,390</b>	<b>411,040</b>
Government Grants	-840	-20	0	0	0	0	-860
Customer and Client Receipts	-78,800	-1,970	1,970	-1,400	0	0	-80,200
<b>Total Income</b>	<b>-79,640</b>	<b>-1,990</b>	<b>1,970</b>	<b>-1,400</b>	<b>0</b>	<b>0</b>	<b>-81,060</b>
<b>NET</b>	<b>321,170</b>	<b>-740</b>	<b>1,910</b>	<b>-3,000</b>	<b>6,250</b>	<b>4,390</b>	<b>329,980</b>
Comments							
<p>The unavoidable changes in supplies and services costs relate to a reduction in legal fees, warrant fees, all pay costs and a transfer of a provision for purchase of equipment to the customer services unit. This reduction is offset by a provision for inflation and an increase in bank charges to the service.</p> <p>The increase in support cost is as a result of changes in cost allocations to this service. This is largely due to the full recharge of the customer services unit in line with CIPFA guidance.</p> <p>Depreciation costs have changed following the capital cost of the card security equipment now being fully depreciated and a new charge for the capital cost on the new council tax reduction software module being introduced.</p> <p>There has been no increase to the summonses charge but more income is anticipated based on a 3 year average.</p>							

## 5.9 NATIONAL NON DOMESTIC RATES

Service Description	NNDRC
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*The administration and collection of national non-domestic rates*

### Link to Ambitions

To be a well managed council providing efficient services based on identified customer needs

Budget Analysis	Original Estimate 2012/13	Inflation at 2.5%	Inflation above or below 2.5%	Unavoidable Changes to Service Cost	Support Services	Capital	Original Estimate 2013/14
	£	£	£	£	£	£	£
Supplies and Services	1,660	30	-10	-20	20	0	1,680
Transfer Payments	23,880	600	0	180	0	0	24,660
Support Services	98,980	0	0	0	5,930	0	104,910
<b>Total Expenditure</b>	<b>124,520</b>	<b>630</b>	<b>-10</b>	<b>160</b>	<b>5,950</b>	<b>0</b>	<b>131,250</b>
Government Grants	-85,060	0	0	-230	0	0	-85,290
Other Grants and Contributions	-50	0	0	0	0	0	-50
Customer and Client Receipts	-8,120	-200	200	-880	0	0	-9,000
<b>Total Income</b>	<b>-93,230</b>	<b>-200</b>	<b>200</b>	<b>-1,110</b>	<b>0</b>	<b>0</b>	<b>-94,340</b>
<b>NET</b>	<b>31,290</b>	<b>430</b>	<b>190</b>	<b>-950</b>	<b>5,950</b>	<b>0</b>	<b>36,910</b>

### Comments

The increase in support costs are due to changes in allocations of costs to this service. This is mainly due to the full recharge of the customer service unit in line with CIPFA guidance.

There has been no increase in the charge for summonses, but income is anticipated to be slightly increased, based on a 3 year average

## 5.10 ELECTION ADMINISTRATION

Service Description							ELADM
<i>The cost of administering elections to the council.</i>							
Link to Ambitions							
To be a well managed council providing efficient services based on identified customer needs							
Budget Analysis	Original Estimate 2012/13	Inflation at 2.5%	Inflation above or below 2.5%	Unavoidable Changes to Service Cost	Support Services	Capital	Original Estimate 2013/14
	£	£	£	£	£	£	£
Support Services	32,420	0	0	0	-550	0	31,870
Total Expenditure	32,420	0	0	0	-550	0	31,870
NET	32,420	0	0	0	-550	0	31,870
Comments							
Reduction in support costs due to changes in allocation of costs to this service.							

## 5.11 REGISTER OF ELECTORS

Service Description							ELECT
<i>The council has a statutory duty to compile and maintain a register of all those entitled to vote</i>							
Link to Ambitions							
To be a well managed council providing efficient services based on identified customer needs							
Budget Analysis	Original Estimate 2012/13	Inflation at 2.5%	Inflation above or below 2.5%	Unavoidable Changes to Service Cost	Support Services	Capital	Original Estimate 2013/14
	£	£	£	£	£	£	£
Employee Related	11,570	290	30	1,260			13,150
Supplies and Services	32,180	800	-10	-210			32,760
Support Services	27,350	0	0	0	-2,900		24,450
Total Expenditure	71,100	1,090	20	1,050	-2,900	0	70,360
Customer and Client Receipts	-1,190	-30					-1,220
Total Income	-1,190	-30	0	0	0	0	-1,220
NET	69,910	1,060	20	1,050	-2,900	0	69,140
Comments							
There has been an inflationary increase in canvassers fees plus an additional provision to allow for repeat visits by canvassers							
There has been an inflationary increase in supplies and services costs offset by a reduction in software maintenance being fixed at 2011/12 levels.							
There is a reduction in support service costs due to changes in cost allocation to this service. This is mainly from reduced recharges from legal services and financial services.							

## 5.12 MAYOR'S ATTENDANT

Service Description							ATTEN
<i>Costs of the mayor's attendant are shown here. These costs are then charged to Civic Functions and the Civic Suite</i>							
Link to Ambitions							
To be a well managed council providing efficient services based on identified customer needs							
Budget Analysis	Original Estimate 2012/13	Inflation at 2.5%	Inflation above or below 2.5%	Unavoidable Changes to Service Cost	Support Services	Capital	Original Estimate 2013/14
	£	£	£	£	£	£	£
Employee Related	13,760	350	0	60	0	0	14,170
Supplies and Services	360	10	10	0	0	0	380
Support Services	4,720	0	0	0	340	0	5,060
<b>Total Expenditure</b>	<b>18,840</b>	<b>360</b>	<b>10</b>	<b>60</b>	<b>340</b>	<b>0</b>	<b>19,610</b>
Departmental Recharges	-18,840	0	0	0	-770	0	-19,610
<b>Total Income</b>	<b>-18,840</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-770</b>	<b>0</b>	<b>-19,610</b>
<b>NET</b>	<b>0</b>	<b>360</b>	<b>10</b>	<b>60</b>	<b>-430</b>	<b>0</b>	<b>0</b>
Comments							
<p>Employee related expenses have been increased by the pay award provision and changes to national insurance bandings.</p> <p>The support service costs have been increased due to changes in cost allocations to this service.</p> <p>The overall increase in net expenditure is reflected in an increase in the departmental recharges.</p>							

### 5.13 CIVIC FUNCTIONS

Service Description							CIVCF
<i>Costs of all mayoral events and functions are shown here.</i>							
Link to Ambitions							
To be a well managed council providing efficient services based on identified customer needs							
Budget Analysis	Original Estimate 2012/13	Inflation at 2.5%	Inflation above or below 2.5%	Unavoidable Changes to Service Cost	Support Services	Capital	Original Estimate 2013/14
	£	£	£	£	£	£	£
Premises Related	330	10	0	140	0	0	480
Transport Related	9,290	0	0	0	340	0	9,630
Supplies and Services	21,930	550	0	0	0	0	22,480
Support Services	25,500	0	0	0	3,770	0	29,270
Total Expenditure	57,050	560	0	140	4,110	0	61,860
NET	57,050	560	0	140	4,110	0	61,860
Comments							
<p>The share of premises insurance cost has been increased, due to current year experience.</p> <p>The increase in transport costs relates to the increase in the recharge of mayoral car costs.</p> <p>The increase in support cost is mainly due to changes in time allocations to this service. This is largely due to increased recharges from legal services.</p>							



## 5.14 COST OF DEMOCRACY

Service Description							COSDM
<i>This budget includes member allowances, special responsibility allowances, member travel expenses, council meeting expenses and miscellaneous costs relating to members.</i>							
Link to Ambitions							
To be a well managed council providing efficient services based on identified customer needs							
Budget Analysis	Original Estimate 2012/13	Inflation at 2.5%	Inflation above or below 2.5%	Unavoidable Changes to Service Cost	Support Services	Capital	Original Estimate 2013/14
	£	£	£	£	£	£	£
Employee Related	7,030	170	-100	-3,200	0	0	3,900
Transport Related	100	0	0	-100	0	0	0
Supplies and Services	217,000	5,420	-1,400	-500	0	0	220,520
Support Services	200,420	0	0	0	2,060	0	202,480
<b>Total Expenditure</b>	<b>424,550</b>	<b>5,590</b>	<b>-1,500</b>	<b>-3,800</b>	<b>2,060</b>	<b>0</b>	<b>426,900</b>
Other Grants and Contributions	-20	0	0	20	0	0	0
<b>Total Income</b>	<b>-20</b>	<b>0</b>	<b>0</b>	<b>20</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>NET</b>	<b>424,530</b>	<b>5,590</b>	<b>-1,500</b>	<b>-3,780</b>	<b>2,060</b>	<b>0</b>	<b>426,900</b>
Comments							
<p>There has been a reduction in employee costs and transport costs due to the removal of allowances paid to the overview and scrutiny members and also a slight reduction in members' national insurance payments due to changes in NI bandings.</p> <p>Supplies and services costs have been increased by an inflationary increase in members' allowances, but then restricted to the October 2012 minimum wage increase.</p> <p>The increase in support service costs is due to changes in cost allocation to this service.</p>							

## 5.15 MAYORAL TRANSPORT

Service Description							MAYCR
<p><i>All costs associated with the mayor's car are shown here, including the lease of the vehicle, cleaning, servicing, insurance and fuel. Costs for the driver are shown under the Mayor's Attendant heading. All these costs are charged on to Civic Functions.</i></p>							
Link to Ambitions							
<p>To be a well managed council providing efficient services based on identified customer needs</p>							
Budget Analysis	Original Estimate 2012/13	Inflation at 2.5%	Inflation above or below 2.5%	Unavoidable Changes to Service Cost	Support Services	Capital	Original Estimate 2013/14
	£	£	£	£	£	£	£
Transport Related	8,860	210	10	100			9,180
Support Services	430				20		450
<b>Total Expenditure</b>	<b>9,290</b>	<b>210</b>	<b>10</b>	<b>100</b>	<b>20</b>	<b>0</b>	<b>9,630</b>
Miscellaneous Recharges	-9,290				-340		-9,630
<b>Total Income</b>	<b>-9,290</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-340</b>	<b>0</b>	<b>-9,630</b>
<b>NET</b>	<b>0</b>	<b>210</b>	<b>10</b>	<b>100</b>	<b>-320</b>	<b>0</b>	<b>0</b>
Comments							
<p>There has been an inflationary increase in transport costs and a further increase in vehicle insurance. This is offset by the increase in the recharge to civic functions, shown above as miscellaneous recharges.</p>							

## 5.16 LICENSING

Service Description							LICSE
<p><i>The council has a statutory duty to licence premises that serve alcohol, provide regulated entertainment or permit gambling and issue personal licenses to individuals. In addition the council licenses hackney and private hire drivers, vehicles and operators.</i></p>							
Link to Ambitions							
To make people's lives safer and healthier							
Budget Analysis	Original Estimate 2012/13	Inflation at 2.5%	Inflation above or below 2.5%	Unavoidable Changes to Service Cost	Support Services	Capital	Original Estimate 2013/14
	£	£	£	£	£	£	£
Employee Related	5,230	130	0	0	0	0	5,360
Supplies and Services	23,000	590	-30	80	0	0	23,640
Support Services	125,930	0	0	0	-4,370	0	121,560
<b>Total Expenditure</b>	<b>154,160</b>	<b>720</b>	<b>-30</b>	<b>80</b>	<b>-4,370</b>	<b>0</b>	<b>150,560</b>
Other Grants and Contributions	-5,230	-130	0	0	0	0	-5,360
Customer and Client Receipts	-113,860	-2,860	1,640	-3,820	0	0	-118,900
<b>Total Income</b>	<b>-119,090</b>	<b>-2,990</b>	<b>1,640</b>	<b>-3,820</b>	<b>0</b>	<b>0</b>	<b>-124,260</b>
<b>NET</b>	<b>35,070</b>	<b>-2,270</b>	<b>1,610</b>	<b>-3,740</b>	<b>-4,370</b>	<b>0</b>	<b>26,300</b>
Comments							
<p>The inflationary increase on both employee related expenses and other grants and contributions, relates to the charge made by Criminal Record Bureau and the onward recharge of these costs made to prospective taxi drivers.</p> <p>Supplies and service costs have been increased by an inflationary increase and a further increase for software maintenance costs.</p> <p>Support service costs have been reduced following the annual review of time allocations. This is due to a fall in the recharge from Community Services and is a consequence of the movement of staff into the contact centre from level c reception.</p> <p>Inflationary increase in income from taxi licences and sale of taxi plates and brackets and also an increase in anticipated income from premises licences and sales of plates.</p>							

## 5.17 LAND CHARGES

Service Description							LANDC
<i>The council holds and compiles the register of charges affecting properties, which then forms the basis of the local land charges search.</i>							
Link to Ambitions							
To be a well managed council providing efficient services based on identified customer needs							
Budget Analysis	Original Estimate 2012/13	Inflation at 2.5%	Inflation above or below 2.5%	Unavoidable Changes to Service Cost	Support Services	Capital	Original Estimate 2013/14
	£	£	£	£	£	£	£
Employee Related	1,850	50	0	-160	0	0	1,740
Premises Related	1,620	40	-40	-1,620	0	0	0
Supplies and Services	7,100	180	-10	1,100	0	0	8,370
Support Services	81,850	0	0	0	3,850	0	85,700
Depreciation and Impairment	8,890	0	0	0	0	-3,560	5,330
<b>Total Expenditure</b>	<b>101,310</b>	<b>270</b>	<b>-50</b>	<b>-680</b>	<b>3,850</b>	<b>0</b>	<b>101,140</b>
Customer and Client Receipts	-71,800	-1,800	210	8,200	0	0	-65,190
<b>Total Income</b>	<b>-71,800</b>	<b>-1,800</b>	<b>210</b>	<b>8,200</b>	<b>0</b>	<b>0</b>	<b>-65,190</b>
<b>NET</b>	<b>29,510</b>	<b>-1,530</b>	<b>160</b>	<b>7,520</b>	<b>3,850</b>	<b>0</b>	<b>35,950</b>
Comments							
<p>There has been a reduction in the share of employee related insurance and the removal of the provision for premises insurance.</p> <p>The increase in supplies and services mainly related to an increase in software maintenance which is the revenue implication from the purchase of new land charges software, which was previously included as part of the capital programme.</p> <p>The increase in support costs is due to changes in cost allocations to this service. This is largely due to increases from Legal Services, Community Services, Financial Services and the Chief Executive's Department.</p> <p>The decrease in depreciation relates to the change in depreciation calculation for the new land charges system, which is now being depreciated over 5 years rather than 3.</p> <p>Land charges income has also been reduced in line with current trends.</p>							

## 5.18 GRANTS AND SUBSCRIPTIONS – POLICY AND FINANCE COMMITTEE

Service Description							FGSUB
<p><i>Within this budget are various Grants, Contributions and Subscriptions paid by the Council from this Committee. The major payments under this budget are to Citizen's Advice Bureau, Ribble Valley Crossroads and Local Government Association (subscription). In addition, concurrent function grants are allocated from this budget.</i></p>							
Link to Ambitions							
To be a well managed council providing efficient services based on identified customer needs							
Budget Analysis	Original Estimate 2012/13	Inflation at 2.5%	Inflation above or below 2.5%	Unavoidable Changes to Service Cost	Support Services	Capital	Original Estimate 2013/14
	£	£	£	£	£	£	£
Supplies and Services	28,610	720	-110	-5,190	0	0	24,030
Transfer Payments	124,220	3,110	-690	-100	0	0	126,540
Support Services	1,120	0	0	0	2,060	0	3,180
<b>Total Expenditure</b>	<b>153,950</b>	<b>3,830</b>	<b>-800</b>	<b>-5,290</b>	<b>2,060</b>	<b>0</b>	<b>153,750</b>
<b>NET</b>	<b>153,950</b>	<b>3,830</b>	<b>-800</b>	<b>-5,290</b>	<b>2,060</b>	<b>0</b>	<b>153,750</b>
Comments							
<p>The supplies and service costs include subscription to various bodies such as Community Foundation, North West Regional Assembly, Local Government Association and North-West Employers Organisation. The provision for subscriptions to the Community Foundation and North West Regional Assembly have been removed and we have been informed of a reduction in the Local Government Association subscription. In addition to these subscriptions Ribble Valley previously contributed its Second Homes money to the Ribble Valley Strategic Partnership, this provision will now be used to fund the continued Police Community Safety Officer which was previously funded by the Community Safety Partnership, using RVSP funding.</p> <p>The transfer payments include grants to other bodies (over 60's), grants to precepting bodies (concurrent function grants) and grants to voluntary organisation, an inflationary increase has been provided to the grants to voluntary organisations only. The grant to other bodies was awarded for five years reducing by £100 each year.</p> <p>The increase in Support Services relates to changes in allocation of costs to this service.</p>							

## 5.19 ESTATES

Service Description							ESTAT
<p>The council has many assets, which include land and property. Individual Heads of Service manage the properties that support their operations and the legal section support this work.</p>							
Link to Ambitions							
<p>To be a well managed council providing efficient services based on identified customer needs</p>							
Budget Analysis	Original Estimate 2012/13	Inflation at 2.5%	Inflation above or below 2.5%	Unavoidable Changes to Service Cost	Support Services	Capital	Original Estimate 2013/14
	£	£	£	£	£	£	£
Premises Related	3,090	80	0	0	0	0	3,170
Supplies and Services	1,280	30	0	0	0	0	1,310
Support Services	25,590	0	0	0	6,650	0	32,240
Total Expenditure	29,960	110	0	0	6,650	0	36,720
Customer and Client Receipts	-22,540	-550	310	570	0	0	-22,210
Total Income	-22,540	-550	310	570	0	0	-22,210
NET	7,420	-440	310	570	6,650	0	14,510
Comments							
<p>Other than inflationary increases, the main change in expenditure is an increase in Support Service costs due to changes in cost allocations to this service. The main increase has been from Community Services and Legal Services.</p> <p>There has been a reduction in income from the rent of Longridge Youth Club, as the lease now incorporates both the rent of a room and the rent of the Youth Club at Townley Buildings, all under one agreement.</p>							

## 5.20 MEALS ON WHEELS AND LUNCHEON CLUBS

Service Description							VARIOUS CODES
<p><i>The provision of Meals on Wheels is based on a referral from Lancashire County Council Social Services. Without this referral, residents must pay for any meal provision themselves. Lancashire County Council's current contractor which delivers the meals across Lancashire is the iCare group.</i></p> <p><i>Historically the Meals on Wheels service was delivered within the borough by the WRVS. However, no new referrals are now being made to the WRVS for the provision of meals, which has resulted in a dramatic fall in numbers. The Council provide financial support towards the provision of the Meals on Wheels service where meals are still provided by the WRVS. Meals are produced by external suppliers and then delivered by the WRVS volunteers. No financial support is given by the Council towards iCare.</i></p> <p><i>The Council receive a grant from Lancashire County Council based on 50% of our Meals on Wheels and Luncheon Club costs up to a ceiling. In addition, the council receives income from the provision of each meal to eligible residents, based on a charge of £1.50 per meal.</i></p> <p><i>There are currently 5 luncheon clubs financially supported by the Council.</i></p>							
Link to Ambitions							
To be a well managed council providing efficient services based on identified customer needs							
Budget Analysis	Original Estimate 2012/13	Inflation at 2.5%	Inflation above or below 2.5%	Unavoidable Changes to Service Cost	Support Services	Capital	Original Estimate 2013/14
	£	£	£	£	£	£	£
Transport Related	3,340	90	-80	-710	0	0	2,640
Supplies and Services	11,860	290	-40	-310	0	0	11,800
Third Party Payments	29,010	720	-210	-7,380	0	0	22,140
Transfer Payments	2,410	60	0	-60	0	0	2,410
Support Services	5,000	0	0	0	200	0	5,200
<b>Total Expenditure</b>	<b>51,620</b>	<b>1,160</b>	<b>-330</b>	<b>-8,460</b>	<b>200</b>	<b>0</b>	<b>44,190</b>
Other Grants and Contributions	-20,710	-520	520	2,790	0	0	-17,920
Customer and Client Receipts	-11,050	-260	260	2,680	0	0	-8,370
<b>Total Income</b>	<b>-31,760</b>	<b>-780</b>	<b>780</b>	<b>5,470</b>	<b>0</b>	<b>0</b>	<b>-26,290</b>
<b>NET</b>	<b>19,860</b>	<b>380</b>	<b>450</b>	<b>-2,990</b>	<b>200</b>	<b>0</b>	<b>17,900</b>
Comments							
<p>Transport related cost have reduced due to a reduction in the level of mileage being claimed for. Third party payments have also been reduced due to a reduction in the number of meals now required. This is due to a fall in the number of eligible service users.</p> <p>The grant from LCC has also reduced due to the reduction in our net expenditure. This reimbursement is based on 50% of net expenditure, upto a ceiling.</p> <p>Customer and client receipts have been reduced, again due to the reduction in the number of meals supplied. An update on the provision of the Meals and Wheels Service and future proposals will be brought to a future meeting of this Committee.</p>							

## 5.21 POLICY AND FINANCE MISCELLANEOUS

Service Description							FMISC
<p>Included in this budget are the council's external audit fees and charges for the council's bank accounts. Bank account charges are recharged to services at the end of the financial year.</p>							
Link to Ambitions							
To be a well managed council providing efficient services based on identified customer needs							
Budget Analysis	Original Estimate 2012/13	Inflation at 2.5%	Inflation above or below 2.5%	Unavoidable Changes to Service Cost	Support Services	Capital	Original Estimate 2013/14
	£	£	£	£	£	£	£
Employee Related	980	20	0	0	0	0	1,000
Premises Related	530	20	-10	0	0	0	540
Supplies and Services	123,440	3,090	10	-350	0	0	126,190
Transfer Payments	250	10	0	0	0	0	260
Support Services	11,190	0	0	0	1,380	0	12,570
Debt Management Expenses	33,310	0	0	0	0	1,990	35,300
<b>Total Expenditure</b>	<b>169,700</b>	<b>3,140</b>	<b>0</b>	<b>-350</b>	<b>1,380</b>	<b>1,990</b>	<b>175,860</b>
Other Grants and Contributions	-348,360	-8710	0	100	0	0	-356,970
Customer and Client Receipts	-1,170	-30	30	630	0	0	-540
Miscellaneous Recharges	-15,360	0	0	0	-170	0	-15,530
<b>Total Income</b>	<b>-364,890</b>	<b>-8,740</b>	<b>30</b>	<b>730</b>	<b>-170</b>	<b>0</b>	<b>-373,040</b>
<b>NET</b>	<b>-195,190</b>	<b>-5,600</b>	<b>30</b>	<b>380</b>	<b>1,210</b>	<b>1,990</b>	<b>-197,180</b>
Comments							
<p>There is an inflationary increases on employee related expenses, premises costs and supplies and service expenses, which include gifts for retiring staff, repair and maintenance of town wells and public clock, audit fees and bank charges offset by a reduction in bank charges from Giro Bank.</p> <p>There is an increase in support service costs due to changes in allocations to this service.</p> <p>Shown under other grants and contributions is the contribution from Symphony Housing for the VAT shelter arrangement. This has been added to the earmarked reserve fund.</p>							



## 5.22 PERFORMANCE REWARD GRANTS

Service Description							PERFM
<p><i>Under the PRG Protocol approved by the Lancashire Partnership in April 2009 the element of PRG already distributed to districts was to be invested with the overriding aim of 'narrowing the gap' linked to outcomes set out in Ambition Lancashire, the LAA and district level Sustainable Community Strategies. In the light of the current economic climate the criteria for use of this grant have been widened to include enabling Authorities to meet the challenges of delivering the required budget reductions while continuing to deliver outcomes important to the people in their areas.</i></p>							
Link to Ambitions							
To be a well managed council providing efficient services based on identified customer needs							
Budget Analysis	Original Estimate 2012/13	Inflation at 2.5%	Inflation above or below 2.5%	Unavoidable Changes to Service Cost	Support Services	Capital	Original Estimate 2013/14
	£	£	£	£	£	£	£
Transfer Payments	37,000	930	-930	-29,500	0	0	7,500
Total Expenditure	37,000	930	-930	-29,500	0	0	7,500
NET	37,000	930	-930	-29,500	0	0	7,500
Comments							
There is a reduction in the level of schemes anticipated to be completed in 2013/14, based on current commitments. This expenditure is funded from an earmarked reserve.							

## 5.23 SUPERANNUATION DEFICIENCY PAYMENTS

Service Description							SUPDF
<p><i>Costs here relate to historic liabilities arising from unfunded pension costs.</i></p>							
Link to Ambitions							
To be a well managed council providing efficient services based on identified customer needs							
Budget Analysis	Original Estimate 2012/13	Inflation at 2.5%	Inflation above or below 2.5%	Unavoidable Changes to Service Cost	Support Services	Capital	Original Estimate 2013/14
	£	£	£	£	£	£	£
Employee Related	5,940	150	-20	0	0	0	6,070
Third Party Payments	118,990	2,970	-390	-1,620	0	0	119,950
Support Services	150	0	0	0	0	0	150
Total Expenditure	125,080	3,120	-410	-1,620	0	0	126,170
NET	125,080	3,120	-410	-1,620	0	0	126,170
Comments							
An inflationary increase has been allowed based on September 2012 consumer price index and forecast reduced beneficiaries.							

## 5.24 COMPUTER SERVICES

Service Description							COMPR
<p><i>The Computer (ICT) Services Section function supports all the services in the council where there is an ICT reliance. It is responsible for the installation, maintenance and development of the computer based systems of the council. Management of the data protection responsibilities of the council also falls within this service area.</i></p>							
Link to Ambitions							
To be a well managed council providing efficient services based on identified customer needs							
Budget Analysis	Original Estimate 2012/13	Inflation at 2.5%	Inflation above or below 2.5%	Unavoidable Changes to Service Cost	Support Services	Capital	Original Estimate 2013/14
	£	£	£	£	£	£	£
Employee Related	147,360	3,680	40	2,400	0	0	153,480
Transport Related	370	10	-10	0	0	0	370
Supplies and Services	152,560	3,810	0	0	0	0	156,370
Support Services	31,440	0	0	0	1,970		33,410
Depreciation and Impairment	16,850	0	0	0	0	2,530	19,380
<b>Total Expenditure</b>	<b>348,580</b>	<b>7,500</b>	<b>30</b>	<b>2,400</b>	<b>1,970</b>	<b>2,530</b>	<b>363,010</b>
Customer and Client Receipts	-20	0	0	0	0	0	-20
Departmental Recharges	-348,560	0	0	0	-14,430	0	-362,990
<b>Total Income</b>	<b>-348,580</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-14,430</b>	<b>0</b>	<b>-363,010</b>
<b>NET</b>	<b>0</b>	<b>7,500</b>	<b>30</b>	<b>2,400</b>	<b>-12,460</b>	<b>2,530</b>	<b>0</b>
Comments							
<p>Employee related expenses have been increased by a provision for a pay award, incremental increases and an increase in the employers superannuation rate.</p> <p>The increase in supplies and service costs relate to an inflationary increase on communication equipment, hardware and software maintenance.</p> <p>The increase in support service cost is mainly due to the full recharge of costs from the contact centre, in line with CIPFA guidance.</p> <p>The increase in depreciation is a combination of depreciation of current capital schemes such as improvements to server, network and website upgrade offset by previous capital purchases such as replacement revenue server and bulk printer replacement now been fully depreciated.</p> <p>The net increases in expenditure is offset by an increase in recharges to other services, under Departmental Recharges.</p>							

## 5.25 FINANCIAL SERVICES

Service Description							FSERV
<p><i>The Financial Services Section provides the Accountancy and Internal Audit services of the Council. The section is responsible for all matters of financial administration. The section's main tasks are the preparation of budgets, closure of the Council's accounts, payment of invoices, the collection of debt, the treasury management function, and also the achievement of the annual internal audit plan.</i></p>							
Link to Ambitions							
To be a well managed council providing efficient services based on identified customer needs							
Budget Analysis	Original Estimate 2012/13	Inflation at 2.5%	Inflation above or below 2.5%	Unavoidable Changes to Service Cost	Support Services	Capital	Original Estimate 2013/14
	£	£	£	£	£	£	£
Employee Related	553,780	13,850	-90	1,000	0	0	568,540
Premises Related	300	10	20	1,070	0	0	1,400
Transport Related	11,420	280	-240	-420	0	0	11,040
Supplies and Services	26,650	640	-90	-1,630	640	0	26,210
Support Services	45,990				12,790	0	58,780
<b>Total Expenditure</b>	<b>638,140</b>	<b>14,780</b>	<b>-400</b>	<b>20</b>	<b>13,430</b>	<b>0</b>	<b>665,970</b>
Customer and Client Receipts	-1,170	-30	0	150	0	0	-1,050
Departmental Recharges	-636,970	0	0	0	-27,950	0	-664,920
<b>Total Income</b>	<b>-638,140</b>	<b>-30</b>	<b>0</b>	<b>150</b>	<b>-27,950</b>	<b>0</b>	<b>-665,970</b>
<b>NET</b>	<b>0</b>	<b>14,750</b>	<b>-400</b>	<b>170</b>	<b>-14,520</b>	<b>0</b>	<b>0</b>
Comments							
<p>Employee related expenses have been increased by pay award provision, incremental increases and increase in the employer's superannuation rate.</p> <p>The share of premises insurance has been increased and vehicle insurance reduced. This is based on current year charges.</p> <p>In supplies and services there has been further savings introduced through a reduction in the subscription level to CIPFA TIS online and statistical information streams.</p> <p>Support service costs have increased mainly due to the full recharge of the contact centre service cost in line with CIPFA guidance.</p> <p>The net increase in expenditure is offset by an increase in recharges to other services, shown under Departmental Recharges.</p>							

## 5.26 LEGAL SERVICES

Service Description							LSERV
<p><i>The Legal Services Section provides legal advice to all departments of the council and represents the council in court proceedings and conveyancing, or other non-contentious transactions.</i></p> <p><i>The section also includes land charges, licensing, mayoralty and democratic services, elections, electoral registration, the complaints procedure and various related enforcement functions.</i></p>							
Link to Ambitions							
To be a well managed council providing efficient services based on identified customer needs							
Budget Analysis	Original Estimate 2012/13	Inflation at 2.5%	Inflation above or below 2.5%	Unavoidable Changes to Service Cost	Support Services	Capital	Original Estimate 2013/14
	£	£	£	£	£	£	£
Employee Related	285,280	7,120	10	1,440	0	0	293,850
Premises Related	660	20	0	90	0	0	770
Transport Related	6,890	160	-150	-110	0	0	6,790
Supplies and Services	39,550	1,100	-60	3,890	50	0	44,530
Support Services	89,520	0	0	0	12,590	0	102,110
Total Expenditure	421,900	8,400	-200	5,310	12,640	0	448,050
Other Grants and Contributions	-5,260	-130	0	-16,410	0	0	-21,800
Customer and Client Receipts	-20	0	0	-540	0	0	-560
Departmental Recharges	-416,620	0	0	0	-25,480	0	-442,100
Total Income	-421,900	-130	0	-16,950	-25,480	0	-464,460
NET	0	8,270	-200	-11,640	-12,840	0	-16,410
Comments							
<p>Employee related expenses have increase by pay award provision, incremental increases and increases to the employer's superannuation rate.</p> <p>The share of premises related insurance has increased and vehicle insurance reduced. This is based on current year charges. The provision for legal books under supplies and services has been increased as the past revenue contribution towards the capital cost of purchasing a new land charges system will no longer be required from 2013/14. This increase in net expenditure has been offset by the termination of the DX service subscription.</p> <p>A provision has been introduced in respect of anticipated New Burden grants for Community Right to Bid and Right to Challenge, this income is to be added to earmarked reserves, in order to be used to offset any future service cost in respect of these items.</p> <p>There is an increase in support service costs mainly due to the full recharge of the contact centre costs in line with CIPFA guidance.</p> <p>The net increase in expenditure is reflected in increased recharges to other services, shown under Departmental Recharges.</p>							

## 5.27 CONTACT CENTRE

Service Description							CONTC
<i>The contact centre provides the council's switchboard function and acts as first point of contact for a range of front line services.</i>							
Link to Ambitions							
To be a well managed council providing efficient services based on identified customer needs							
Budget Analysis	Original Estimate 2012/13	Inflation at 2.5%	Inflation above or below 2.5%	Unavoidable Changes to Service Cost	Support Services	Capital	Original Estimate 2013/14
	£	£	£	£	£	£	£
Employee Related	133,320	3,330	550	22,830	0	0	160,030
Transport Related	240	10	0	-100	0	0	150
Supplies and Services	15,320	380	-10	3,010	370	0	19,070
Support Services	30,640	0	0	0	7,210	0	37,850
Depreciation and Impairment	9,050	0	0	0	0	-820	8,230
<b>Total Expenditure</b>	<b>188,570</b>	<b>3,720</b>	<b>540</b>	<b>25,740</b>	<b>7,580</b>	<b>-820</b>	<b>225,330</b>
Departmental Recharges	0	0	0	0	-225,330	0	-225,330
<b>Total Income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-225,330</b>	<b>0</b>	<b>-225,330</b>
<b>NET</b>	<b>188,570</b>	<b>3,720</b>	<b>540</b>	<b>25,740</b>	<b>-217,750</b>	<b>-820</b>	<b>0</b>
Comments							
<p>Following the service review carried out in 2011/12, customer focused staff from Community Services, Organisation &amp; Member Development and Revenues Section have been transferred into the contact centre. The full year effect of this transfer is reflected in the unavoidable changes to employee related expenses. Also included are any incremental changes and an increase in the employer's superannuation rate.</p> <p>Within supplies and services there has been a reallocation in the provisions for purchase of equipment, uniforms and photocopying from the sections which have transferred staff into the service.</p> <p>The increase in Support service costs is due to changes in cost allocations to this service. This mainly relates to an increase in ICT support costs.</p> <p>The decrease in depreciation is the revenue impact of the slippage in capital expenditure on the new CRM system from 2011/12 to 2012/13.</p> <p>A new recharge has been introduced to fully recharge the net expenditure of the service to users, in line with CIPFA guidance.</p>							

## 5.28 REVENUES AND BENEFITS

Service Description							REVUE
<i>Income and expenditure that relates to both revenues and benefits, which is then recharged to the individual cost centres</i>							
Link to Ambitions							
To be a well managed council providing efficient services based on identified customer needs							
Budget Analysis	Original Estimate 2012/13	Inflation at 2.5%	Inflation above or below 2.5%	Unavoidable Changes to Service Cost	Support Services	Capital	Original Estimate 2013/14
	£	£	£	£	£	£	£
Employee Related	449,300	11,230	-160	-3,460	0	0	456,910
Transport Related	9,750	240	-100	-290	0	0	9,600
Supplies and Services	11,420	130	0	-170	-190	0	11,190
Support Services	86,380	0	0	0	45,470	0	131,850
<b>Total Expenditure</b>	<b>556,850</b>	<b>11,600</b>	<b>-260</b>	<b>-3,920</b>	<b>45,280</b>	<b>0</b>	<b>609,550</b>
Customer and Client Receipts	-10	0	0	0	0	0	-10
Departmental Recharges	-583,180	0	0	0	-26,360	0	-609,540
<b>Total Income</b>	<b>-583,190</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-26,360</b>	<b>0</b>	<b>-609,550</b>
<b>NET</b>	<b>-26,340</b>	<b>11,600</b>	<b>-260</b>	<b>-3,920</b>	<b>18,920</b>	<b>0</b>	<b>0</b>
Comments							
<p>The decrease in employee related expenses relates to staff transferring to the contact centre. This is partly offset by incremental changes, increase in employer's superannuation rate and pay award provision.</p> <p>There has been a slight reduction in the provision for mileage allowances reflecting the current trend of claims.</p> <p>Supplies and services have been decreased mainly due to a reduction in the recharge of bank charges and Internet / email costs.</p> <p>Significant increase in support service costs largely due to the full recharge of the contact centre service in line with CIPFA guidance. The net increase in expenditure is reflected in increased recharges to other services, shown under Departmental Recharges.</p>							

## 5.29 ALBION MILL

Service Description							ALBNM
<i>The Council leases industrial units at Albion Mill, Clitheroe and sublets these to tenants</i>							
Link to Ambitions							
To sustain a strong and prosperous Ribble Valley							
Budget Analysis	Original Estimate 2012/13	Inflation at 2.5%	Inflation above or below 2.5%	Unavoidable Changes to Service Cost	Support Services	Capital	Original Estimate 2013/14
	£	£	£	£	£	£	£
Premises Related	30,000	750	-750	0	0	0	30,000
Supplies and Services	1,580	40	0	0	0	0	1,620
Support Services	2,080	0	0	0	410	0	2,490
<b>Total Expenditure</b>	<b>33,660</b>	<b>790</b>	<b>-750</b>	<b>0</b>	<b>410</b>	<b>0</b>	<b>34,110</b>
Customer and Client Receipts	-36,430	-910	910	-1,550	0	0	-37,980
<b>Total Income</b>	<b>-36,430</b>	<b>-910</b>	<b>910</b>	<b>-1,550</b>	<b>0</b>	<b>0</b>	<b>-37,980</b>
<b>NET</b>	<b>-2,770</b>	<b>-120</b>	<b>160</b>	<b>-1,550</b>	<b>410</b>	<b>0</b>	<b>-3,870</b>
Comments							
<p>There has been no increase in premises costs as this is fixed under the head lease.</p> <p>There has been an inflationary increase in the legal fees within supplies and services.</p> <p>The increase in income reflects the new lease agreements of units 2 and 3.</p>							

### 5.30 ECONOMIC DEVELOPMENT

Service Description							INDDV
<p><i>This budget covers costs for economic development and regeneration works, including projects, partnership work and joint working, to support, maintain and enhance the local economy.</i></p>							
Link to Ambitions							
<p>To sustain a strong and prosperous Ribble Valley</p>							
Budget Analysis	Original Estimate 2012/13	Inflation at 2.5%	Inflation above or below 2.5%	Unavoidable Changes to Service Cost	Support Services	Capital	Original Estimate 2013/14
	£	£	£	£	£	£	£
Premises Related	670	0	0	0	1,500	0	2,170
Supplies and Services	16,150	410	50	2,000	0	0	18,610
Support Services	61,760	0	0	0	4,720	0	66,480
Total Expenditure	78,580	410	50	2,000	6,220	0	87,260
NET	78,580	410	50	2,000	6,220	0	87,260
Comments							
<p>The increase in premises related expenses relate to an increase in ground maintenance work carried out on the surrounding areas of the industrial units.</p> <p>The provision for subscriptions and promotional activities included in supplies and services have had an inflationary increase. They have also been adjusted for a virement included in the restated original estimate.</p> <p>There has been an increase in support service costs due to changes in cost allocations to this service.</p>							



## 6 SUMMARIES

6.1 The draft budget is summarised in two ways. One over the cost of the service (objective) provided by the committee. The other is over the type of expenditure and income (subjective).

### a) *Cost of Services Provided (Objective)*

Cost Centre	Service Name	BUDGET ANALYSIS						
		Original Estimate 2012/13 £	Inflation at 2.5% £	Inflation above or below 2.5% £	Unavoidable Changes to Service Cost £	Support Services £	Capital £	Original Estimate 2013/14 £
CEXEC	Chief Executives Department	0	25,440	-1,540	-44,000	20,100	0	0
OMDEV	Organisation & Member Development	-24,210	8,840	-380	-11,300	27,050	0	0
CSERV	Corporate Services	185,850	590	-260	-230	-3,560	0	182,390
CORPM	Corporate Management	298,040	0	0	0	68,320	0	366,360
CIVST	Civic Suite	0	920	-10	-130	2,640	-3,420	0
CLOFF	Council Offices	3,460	4,760	510	1,550	-12,080	1,800	0
EMERG	Community Safety	59,700	150	60	300	8,930	0	69,140
CLTAX	Council Tax	321,170	-740	1,910	-3000	6,250	4,390	329,980
NNDRC	National Non Domestic Rates	31,290	430	190	-950	5,950	0	36,910
ELADM	Election Administration	32,420	0	0	0	-550	0	31,870
ELECT	Register of Electors	69,910	1,060	20	1,050	-2,900	0	69,140
ATTEN	Mayor's Attendant	0	360	10	60	-430	0	0
CIVCF	Civic Functions	57,050	560	0	140	4,110	0	61,860
COSDM	Cost of Democracy	424,530	5,590	-1,500	-3,780	2,060	0	426,900
MAYCR	Mayoral Transport	0	210	10	100	-320	0	0
LICSE	Licensing	35,070	-2270	1610	-3,740	-4370	0	26,300
LANDC	Land Charges	29,510	-1,530	160	7,520	3,850	-3,560	35,950
FGSUB	Grants and Subscriptions	153,950	3,830	-800	-5,290	2,060	0	153,750

Cost Centre	Service Name	BUDGET ANALYSIS						
		Original Estimate 2012/13 £	Inflation at 2.5% £	Inflation above or below 2.5% £	Unavoidable Changes to Service Cost £	Support Services £	Capital £	Original Estimate 2013/14 £
ESTAT	Estates	7,420	-440	310	570	6,650	0	14,510
VARIOUS	Meals on Wheels & Luncheon Clubs	19,860	380	450	-2,990	200	0	17,900
FMISC	Policy & Finance Miscellaneous	-195,190	-5,600	30	380	1,210	1,990	-197,180
PERFM	Performance Reward Grants	37,000	930	-930	-29,500	0	0	7,500
SUPDF	Superannuation Deficiency Payments	125,080	3,120	-410	-1,620	0	0	126,170
COMPR	Computers	0	7,500	30	2,400	-12,460	2,530	0
FSERV	Financial Services	0	14,750	-400	170	-14,520	0	0
LSERV	Legal Services	0	8,270	-200	-11,640	-12,840	0	-16,410
CONTC	Contact Centre	188,570	3,720	540	25,740	-217,750	-820	0
REVUE	Revenues and Benefits	-26,340	11,600	-260	-3920	18,920	0	0
ALBNM	Albion Mill	-2,770	-120	160	-1,550	410	0	-3,870
INDDV	Economic Development	78,580	410	50	2,000	6,220	0	87,260
<b>NET COST OF SERVICES</b>		<b>1,909,950</b>	<b>92,720</b>	<b>-640</b>	<b>-81,660</b>	<b>-96,850</b>	<b>2,910</b>	<b>1,826,430</b>

Cost Centre	Service Name	BUDGET ANALYSIS						
		Original Estimate 2012/13 £	Inflation at 2.5% £	Inflation above or below 2.5% £	Unavoidable Changes to Service Cost £	Support Services £	Capital £	Original Estimate 2013/14 £
<b>ITEMS ADDED TO/ (TAKEN FROM) BALANCES AND RESERVES</b>								
FNBAL H230	Election Fund	20,370	510	0	0	0	0	20,880
CPBAL H330	Revenue Contribution to Capital	8,270	0	0	-770	0	0	7,500
FNBAL H261	Lalpac Reserve	0	0	0	-460	0	0	-460
FNBAL H269	Valuation of Assets Reserve	2,000	0	0	0	0	0	2,000
FNBAL H325	VAT Shelter Reserve	348,360	0	0	8,610	0	0	356,970
FNBAL H326	Performance Reward Grants Reserve	-37,000	0	0	22,000	0	0	-15,000
FNBAL H354	Community Right to Bid Reserve	0	0	0	7,860	0	0	7,860
FNBAL H359	Community Right to Challenge	0	0	0	8,550	0	0	8,550
<b>NET BALANCES &amp; RESERVES</b>		<b>342,000</b>	<b>510</b>	<b>0</b>	<b>45,790</b>	<b>0</b>	<b>0</b>	<b>388,300</b>
<b>NET EXPENDITURE</b>		<b>2,512,950</b>	<b>93,230</b>	<b>-640</b>	<b>-35,870</b>	<b>-96,850</b>	<b>2,910</b>	<b>2,214,730</b>

b) **Type of Expenditure/Income (Subjective)**

	Original Estimate 2012/13 £	Inflation at 2.5% £	Inflation above or below 2.5% £	Unavoidable Changes to Service Cost £	Support Services £	Capital £	Original Estimate 2013/14 £
Employee Costs	2,944,460	73,640	-980	-25,730	0	0	2,991,390
Premises Costs	203,420	5,180	-400	-80	1,500	0	209,620
Transport Costs	84,950	1,860	-1,030	-2,080	340	0	84,040
Supplies and Services	899,570	22,100	-2,120	-6,300	1,390	0	914,640
Third Party	148,940	3,710	-600	-9,000	0	0	143,050
Transfer Payments	187,760	4,710	-1,620	-29,480	0	0	161,370
Support Services	2,142,510	0	0	0	207,290	0	2,349,800
Depreciation & Impairment	95,340	0	0	0	0	920	96,260
Debt Management Expenses	33,310	0	0	0	0	1,990	35,300
<b>TOTAL EXPENDITURE</b>	<b>6,740,260</b>	<b>111,200</b>	<b>-6,750</b>	<b>-72,670</b>	<b>210,520</b>	<b>2,910</b>	<b>6,985,470</b>
Government Grants	-85,060	0	0	-230	0	0	-85,290
Other Grants and Reimbursements	-380,580	-9,510	520	-13,500	0	0	-403,070
Customer & Client Receipts	-365,450	-8,970	5,590	4,740	0	0	-364,090
Departmental Recharges	-3,974,570	0	0	0	-306,860	0	-4,281,430
Miscellaneous Recharges	-24,650	0	0	0	-510	0	-25,160
<b>TOTAL INCOME</b>	<b>-4,830,310</b>	<b>-18,480</b>	<b>6,110</b>	<b>-8,990</b>	<b>-307,370</b>	<b>0</b>	<b>-5,159,040</b>
<b>NET COST OF SERVICES</b>	<b>1,909,950</b>	<b>92,720</b>	<b>-640</b>	<b>-81,660</b>	<b>-96,850</b>	<b>2,910</b>	<b>1,826,430</b>
<b>ITEMS ADDED TO/ (TAKEN FROM) BALANCES AND RESERVES</b>							
FNBAL/H230: Election Fund	20,370	510	0	0	0	0	20,880
CPBAL/H330: Revenue Contribution to Capital	8,270	0	0	-770	0	0	7,500
FNBAL/H261: Lalpac Reserve	0	0	0	-460	0	0	-460

	Original Estimate 2012/13 £	Inflation at 2.5% £	Inflation above or below 2.5% £	Unavoidable Changes to Service Cost £	Support Services £	Capital £	Original Estimate 2013/14 £
<b>FNBAL/H269:</b> Valuation of assets Reserve	2,000	0	0	0	0	0	2,000
<b>FNBAL/H325:</b> VAT Shelter Reserve	348,360	0	0	8,610	0	0	356,970
<b>FNBAL/H326:</b> Performance Reward Grants Reserve	-37,000	0	0	22,000	0	0	-15,000
<b>FNBAL/H354:</b> Community Right to Bid Reserve	0	0	0	7,860	0	0	7,860
<b>FNBAL/H359:</b> Community Right to Challenge Reserve	0	0	0	8,550	0	0	8,550
<b>NET BALANCES &amp; RESERVES</b>	<b>342,000</b>	<b>510</b>	<b>0</b>	<b>45,790</b>	<b>0</b>	<b>0</b>	<b>388,300</b>
<b>NET EXPENDITURE</b>	<b>2,251,950</b>	<b>93,230</b>	<b>-640</b>	<b>-35,870</b>	<b>-96,850</b>	<b>2,910</b>	<b>2,214,730</b>

6.2. Net costs for this committee have decreased by £83,520. The main reasons for this are summarised below:

- Net Inflationary increases of £93k
- Reduction in employee expenses of £26k mainly from fixed term contracts coming to an end. This is more than offset by incremental changes and increase in employers superannuation rates
- Decrease in support service costs of £97k mainly from the full recharge of the net cost of the contact centre to service users, in line with CIPFA guidance.
- Reduction in subscriptions of £5k payable to North West Regional Assembly and Community Foundation.
- New burdens grants for Community Right to Bid £8K and Community Right to Challenge £8K

6.3 After allowing for the following transfers to and from earmarked reserves the decrease is reduced to £37,220

- Establish a contribution of £16k to Community Right to Bid and Community Right to Challenge earmarked reserves
- Increase in contribution of £9k to the VAT reserve
- Reduction in contribution required from Performance Reward Grant reserve of £22k

## 7 FEES AND CHARGES

7.1 Fees and charges for this Committee were agreed in November 2012, and have been increased by 2½% or more if the increase could be sustained. Detailed rates will be contained in the Council's fees and charges book and the new rates will be applicable from 1 April 2013.

## 8 RECOMMENDED THAT COMMITTEE

8.1 Agree the revenue budget for 2013/14 and to submit this to the Special Policy and Finance Committee subject to any further consideration by the Budget Working Group.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

PF6-13/TH/AC  
17 January 2013

For further background information please ask for Trudy Holderness extension 4436

BACKGROUND WORKING PAPERS – Budget working papers 2012/13 RE + 2013/14 OE