

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO COMMUNITY SERVICES COMMITTEE

DECISION

Agenda Item No 7

meeting date: 13 JANUARY 2015
 title: REVISED REVENUE BUDGET 2014/15
 submitted by: DIRECTOR OF RESOURCES
 principal author: AMY JOHNSON

1 PURPOSE

1.1 To agree a revised revenue budget for 2014/15.

2 BACKGROUND

2.1 The original estimate for this current financial year was set in March 2014. As members will be aware, there can be numerous variations to the budget that come to our attention as the year progresses, particularly through the budget monitoring process.

2.2 At this time of year we take the opportunity to revise the estimates for the current financial year in order to better assess the level of movement anticipated within our earmarked reserves and balances, and to allow us to better forecast for the coming financial year.

2.3 The 2014/15 budget included provision for price increases of 2.75% and a pay increase of 1%. Overall general inflation for the year is predicted to be slightly less than this. A 2.2% pay award has been agreed covering a two year period which equates to approximately 1 % in the current year.

3 REVISED REVENUE BUDGET 2014/15

3.1 The revised budget is £61,730 lower than the original estimate. This is increased to £68,360 lower than the original estimate after allowing for transfers to and from earmarked reserves. A comparison between the original and revised budgets for each cost centre is shown below:

Cost Centre	Cost Centre Name	Original Estimate 2014/15 £	Movement in Expenditure £	Movement in Income £	Movement in Support Services £	Movement in Capital Costs £	Revised Estimate 2014/15 £
COMM	Community Services Department	0	-52,530	-5,000	57,530	0	0
HWAGY	Highways Agency	15,330	0	0	940	0	16,270
HWREP	Highways Repairs	3,270	0	0	50	0	3,320
NHWAG	Non-Agency Highways Work	24,010	0	0	-12,170	0	11,840
CULVT	Culverts & Watercourses	19,680	0	0	-3,670	0	16,010
DRAIN	Private Drains	7,820	0	0	-1,470	0	6,350
RIVBK	Riverbank Protection	3,240	0	0	-10	0	3,230
BUSSH	Bus Shelters	17,200	0	0	790	0	17,990
SEATS	Roadside Seats	5,970	0	0	980	0	6,950
SIGNS	Street Nameplates & Signs	43,850	7,130	0	7,870	0	58,850
RIGHT	Public Rights of Way	1,840	0	0	90	0	1,930
STCLE	Street Cleansing	327,860	-9,110	3,230	-200	0	321,780
VARIOUS	Public Conveniences	196,140	-8,260	-1,840	8,030	0	194,070
LITTR	Litter Bins	16,470	-2,000	0	5,020	0	19,490
PAPER	Paper Collection	61,560	-24,780	4,510	6,230	0	47,520
RCOLL	Refuse Collection	1,132,740	27,460	-68,230	-4,610	24,630	1,111,990
RECYC	Recycling	69,160	-2,500	1,680	-5,350	0	62,990

Cost Centre	Cost Centre Name	Original Estimate 2014/15 £	Movement in Expenditure £	Movement in Income £	Movement in Support Services £	Movement in Capital Costs £	Revised Estimate 2014/15 £
TFRST	Waste Transfer Station	81,220	-120	0	-1,980	0	79,120
TRREF	Trade Refuse	-25,220	23,440	-16,500	-210	0	-18,490
CRIME	Crime and Disorder	75,160	-620	0	-12,830	0	61,710
CRIMP	RV Community Safety Partnership	25,800	1,430	-15,000	0	0	12,230
LNGCH	Longridge Civic Hall	17,010	0	0	0	0	17,010
ARTDV	Art Development	31,990	400	0	-560	0	31,830
PLATG	Platform Gallery	116,060	2,540	3,770	5,960	0	128,330
MCAFE	Museum Café	1,870	930	0	4,270	0	7,070
MUSEM	Castle Museum	205,670	-24,890	-560	540	0	180,760
SOUND	Sound Archives	0	-370	370	0	0	0
TURSM	Tourism	95,750	-10	1,000	-580	0	96,160
VARIOUS	Car Parks	-98,770	5,790	3,630	7,300	0	-82,050
CCTEL	Closed Circuit Television	114,520	-950	-10	4,160	-10	117,720
LDEPO	Longridge Depot	0	20	790	-810	0	0
SDEPO	Salthill Depot	0	5,300	-4,670	-630	0	0
VARIOUS	Refuse Collection Vehicles	0	-56,200	56,200	0	0	0
VARIOUS	Grounds Maintenance Vehicles	0	-1,380	1,380	0	0	0
VARIOUS	Works Administration Vehicles	0	150	-150	0	0	0
VARIOUS	Plant	0	-70	70	0	0	0
TWOWR	Two Way Radio	0	-200	0	200	0	0
VEHCL	Vehicle Workshop	0	-5,610	4,300	1,310	0	0
WKSAD	Works Administration	0	-11,400	-6,180	17,580	0	0
CARVN	Caravan Site	-6,520	0	0	-1,200	0	-7,720
EDPIC	Edisford Picnic Area	-6,460	-920	-650	-710	0	-8,740
PKADM	Grounds Maintenance	0	-4,480	4,960	-90	-390	0
ROEBN	Roefield Barn	90	0	0	-20	0	70
RVPRK	Ribble Valley Parks	445,330	21,000	-11,390	1,300	-4,150	452,090
RPOOL	Ribblesdale Pool	261,690	3,500	-240	4,330	0	269,280
EALLW	Edisford All Weather Pitch	-10,460	1,350	0	2,210	0	-6,900
CYCLS	Cycling	230	0	0	330	0	560
EXREF	Exercise Referral Scheme	42,770	-2,190	-14,190	560	0	26,950
SPODV	Sports Development	84,950	-1,520	-7,000	-750	0	75,680
GRSRC	Grants and Subscriptions	27,100	-370	0	-490	0	26,240
CULTG	Culture Grants	6,390	-2,510	0	-550	0	3,330
RECU	Recreation Grants	37,490	8,960	0	-640	0	45,810
SPOGR	Sports Grants	7,430	0	0	-530	0	6,900
XMASL	Christmas Lights & RV in Bloom	3,250	0	0	-30	0	3,220
NET COST OF SERVICES		3,480,480	-103,590	-65,720	87,490	20,090	3,418,750
ITEMS ADDED TO/ (TAKEN FROM) BALANCES AND RESERVES							
LESS Financed from Crime Reduction Partnership Reserve: COBAL/H239		-25,580		13,350			-12,230
LESS Exercise Referral: COBAL/H282		-7,550		7,550			0
LESS Equipment Reserve: COBAL/H337			-11,350				-11,350

Cost Centre	Cost Centre Name	Original Estimate 2014/15 £	Movement in Expenditure £	Movement in Income £	Movement in Support Services £	Movement in Capital Costs £	Revised Estimate 2014/15 £
	LESS Inspire Reserve: COBAL/H364		-7,130				-7,130
	LESS Refuse Collection Reserve: COBAL/H333		-1,530				-1,530
	LESS Grant Funded Sports Development: COBAL/H222		-1,500				-1,500
	LESS Local Recreation Grants Fund: COBAL/H210		-8,960				-8,960
	ADD Capital: COBAL/H330			2,940			2,940
	NET BALANCES AND RESERVES	-33,130	-30,470	23,840			-39,760
	NET EXPENDITURE	3,447,350	-134,060	-41,880	87,490	20,090	3,378,990

3.2 The difference between the revised and original estimate is an estimated decrease in net spending of £68,360. The main reasons for this are shown at Annex 1. However, a summary of the **significant variances** is given below:

Description	Variances from original estimate to revised estimate £
COMMD Community Services Department Staff turnover and vacancies has resulted in a reduction in estimated spend.	-59,020
RCOLL Refuse Collection Increased budget to reflect the full establishment costs .	21,720
RCOLL Refuse Collection Increase in estimated recycling credit income due to the additional tonnage of green waste collected.	-40,840
PAPER Waste Paper and Card Collection A staff vacancy for the position of driver/loader has contributed to an underspend. There are plans to recruit within the financial year.	-24,660
TRREF Trade Refuse Additional income has been generated from an increase in the number of charitable trade waste contracts.	-16,500
CRIMP RV Community Safety Partnership Additional external funding has been received from the Lancashire Police and Crime Commissioner and Clitheroe Town Council.	-15,000
MUSEM Castle Museum An estimated reduction in curatorial fees payable to Lancashire County Council.	-22,820
EXREF Exercise Referral Additional grant income has been received in respect of the Active East Programme and also from the Clinical Commissioning Group.	-15,000
VARIOUS Support Services Increase in support services based upon a reassessment of time allocations, particularly from Community Services.	87,490

4 CONCLUSION

4.1 The difference between the revised and original estimate is a decrease of £61,730, or £68,360 after allowing for transfers to and from earmarked reserves.

5 RISK ASSESSMENT

5.1 The approval of this report may have the following implications

- Resources – approval of the revised estimate would see a reduction in net expenditure of £61,730, or £68,360 after allowing for transfers to and from earmarked reserves.
- Technical, Environmental and Legal – none identified
- Political – none identified
- Reputation – sound financial planning safeguards the reputation of the Council
- Equality and Diversity – Equality and diversity issues are considered in the provision of all Council services.

6 RECOMMENDED THAT COMMITTEE

6.1 Approve the revised budget for 2014/15 and submit this to the Special Policy and Finance Committee subject to any further consideration by the Budget Working Group.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

CM5-15/AJ/AC
22 December 2014

Community Services Committee – Main Movements between Original and Revised Estimates 2014/15

ANNEX 1

	Movement in Expenditure £	Movement in Income £	Movement in Support Services £	Movement in Capital Costs £	Total Movement £
COMMD: Community Services Department					
Staff vacancies and turnover has resulted in a reduction in estimated spend.	-59,020				
Children's Trust Grant received was higher than estimated.		-5,000			
Reduced level of recharges to other council services, based upon reduced expenditure within the service area.			58,000		
Total Community Services Department					-6,020
DRAIN: Private Drains					
Net decrease in recharges from other support services based upon a reassessment of time allocations.			-1,470		
Total Private Drains					-1,470
SIGNS: Street Nameplates and Signs					
Increased expenditure in respect of Inspire grant funding received to meet compliance with publishing geospatial information related to the environment. To be funded from grant funding received in 2013/14 which has been set aside in an earmarked reserve.	7,130				
Increased level of recharges based upon a reassessment of time allocations.			7,870		
Total Street Nameplates and Signs					15,000
STCLE: Amenity Cleansing					
Staff vacancies have resulted in a reduction in estimated spend.	-4,920				
Lower costs in respect of the hire of transport, due to a lower price obtained.	-3,830				
Reduced funding from Lancashire County Council in respect of highway cleansing.		3,060			
Total Amenity Cleansing					-5,690

Community Services Committee – Main Movements between Original and Revised Estimates 2014/15

	Movement in Expenditure £	Movement in Income £	Movement in Support Services £	Movement in Capital Costs £	Total Movement £
VARIOUS: Public Conveniences					
Reduction in consultant fees to reflect expected expenditure following the sale of toilets.	-6,740				
Increased recovery of oncost with regard to a temporary toilet cleaner.		-1,780			
Increased recharges from support services, in particular Community Services. This is based on a reassessment of time allocations.			8,030		
Total Public Conveniences					-490
RCOLL: Refuse Collection					
Increased annual insurance premium based upon prior years claims history.	7,840				
Increased recharge from Salthill Depot due to a reassessment of vehicle and staff numbers.	6,640				
Increased employee costs. Increased budget to reflect the full establishment.	21,720				
Reduction in the estimated use of transport costs.	-3,330				
Estimated increase in recycling credit income based upon the increased tonnage of green waste collected.		-40,840			
Increased recharge income from trade waste due to the tonnage collected.		-21,160			
Increased estimated income from the sale of bins.		-3,600			
Reduction in support services based upon a reassessment of time allocations.			-4,610		
Increase in depreciation charges due to purchase of additional vehicles.				24,630	
Total Refuse Collection					-12,710
RECYC: Recycling					
Reduction in support services based upon a reassessment of time allocations.			-5,350		

Community Services Committee – Main Movements between Original and Revised Estimates 2014/15

	Movement in Expenditure £	Movement in Income £	Movement in Support Services £	Movement in Capital Costs £	Total Movement £
Total Recycling					-5,350
PAPER: Paper Collection					
Falling market value per tonne of paper has led to an estimated decrease in income (£5 per tonne).	5,800				
General staff vacancies plus the vacancy for a driver/loader for the full year to date has resulted in an underspend.	-24,660				
Increase in support services based upon a reassessment of time allocations.			6,230		
Total Paper Collection					-12,630
TRREF: Trade Refuse					
Increased recharge from refuse collection based on the tonnage of trade waste collected.	21,160				
Additional estimated income for the collection of charitable trade waste, due to an increase in the number of contracts.		-16,500			
Total Trade Refuse					4,660
CRIME: Crime and Disorder					
Reduction in support services based on a reassessment of time allocations.			-12,830		
Total Crime and Disorder					-12,830
CRIMP: Community Safety Partnership					
Increased income from the Lancashire Police and Crime Commissioner (£10,000) and Clitheroe Town Council (£5,000)		-15,000			
Total Community Safety Partnership					-15,000
PLATG: Platform Gallery and Visitor Information Centre					
A reduction in the estimated commission income due. This is based partly upon previous years income and also a decision to reduce the		4,340			

Community Services Committee – Main Movements between Original and Revised Estimates 2014/15

	Movement in Expenditure £	Movement in Income £	Movement in Support Services £	Movement in Capital Costs £	Total Movement £
number of artists on display at the gallery to assist with general administration.					
Increase in support services recharges, in particular Community Services. This is based on a reassessment of time allocations.			5,960		
Total Platform Gallery and Visitor Information Centre					10,300
MUSEM: Clitheroe Castle Museum					
Estimated decrease in curatorial fee based upon previous years expenditure.	-22,820				
Total Clitheroe Castle Museum					-22,820
SDEPO: Salthill Depot					
Introduction of a budget for superannuation due to increased participation following 'auto enrolment'.	2,430				
Virement from RECYC (Recycling) to fund maintenance works relating to the clearance of drains.	2,500				
Increase in recovery from other service areas due to an increase in expenditure.			-4,670		
Total Salthill Depot					260
VARIOUS: Car Parks					
Reduction in income from fines due to a fall in the number of fines issued.		9,630			
Total Car Parks					9,630
VEHCL: Vehicle Workshop					
Reduced employee costs due to a reorganisation of staffing structure within the vehicle workshop.	-9,080				
Additional expenditure on the purchase of equipment and materials, to be funded by an earmarked reserve set aside for this purpose.	4,180				
Reduction in the recovery of oncosts due to reduced estimated expenditure.		4,300			

Community Services Committee – Main Movements between Original and Revised Estimates 2014/15

	Movement in Expenditure £	Movement in Income £	Movement in Support Services £	Movement in Capital Costs £	Total Movement £
Total Vehicle Workshop					-600
WKSAD: Works Administration					
Reduction in employee expenditure due to vacancies during the year for a Foreman and a toilet cleaner.	-11,350				
Increased recovery of oncosts (£11,790) which has been offset slightly by a fall in the recovery due to a reduction in overtime.		-6,180			
Increase in recharges from support services, in particular Community Services. This is based on a reassessment of time allocations.			17,580		
Total Works Administration					50
PKADM: Grounds Maintenance					
Reduced expenditure in relation to employee insurances (£3,670), purchase of equipment & materials (£2,000) and the recharge from the depot (£3,670) which has been offset slightly by an increase in expenditure on protective clothing.	-4,910				
Increased estimated profit on rechargeable works.		-5,000			
Reduction in estimated oncosts recovered (£11,990) offset slightly by an increase in oncosts recovered through capital schemes (£1,980).		10,010			
Total Grounds Maintenance					100
RVPRK: Ribble Valley Parks					
Increase in budget provision to fund work on Whalley Moor. To be funded by commuted sum monies.	10,000				
Increase in recharge from Grounds Maintenance based upon the annual work plan.	11,670				
Use of commuted sum monies to fund expenditure incurred at Whalley Moor.		-10,000			
Reduction in the annual depreciation charge.				-4,150	
Total Ribble Valley Parks					7,520

Community Services Committee – Main Movements between Original and Revised Estimates 2014/15

	Movement in Expenditure £	Movement in Income £	Movement in Support Services £	Movement in Capital Costs £	Total Movement £
<i>RPOOL: Ribblesdale Pool</i>					
Increase in expenditure on the purchase of pool covers. To be funded by an earmarked reserve set aside for this purpose.	3,630				
Increase in support service recharges based on a reassessment of time allocations.			4,330		
Total Ribblesdale Pool					7,960
<i>EXREF: Exercise Referral</i>					
Additional grant income received for the Active East Programme (£10,000) plus the Clinical Commissioning Group (£5,000).		-15,000			
Total Exercise Referral					-15,000
<i>SPODV: Sports Development</i>					
Reduced expenditure on subscriptions due to price negotiations with the subscribers.	-2,350				
Additional Children's Trust Grant income has been received.		-5,000			
A Wellbeing and Health Equality Grant has been received.		-2,000			
Total Sports Development					-9,350
<i>RECUL: Recreation Grants</i>					
Increase in anticipated grant expenditure, to be funded from earmarked reserves set aside for this purpose.	8,960				
Total Recreation Grants					8,960
Other					-6,210
Sub-Total	-45,560	-115,720	79,070	20,480	-61,730

Community Services Committee – Main Movements between Original and Revised Estimates 2014/15

	Movement in Expenditure £	Movement in Income £	Movement in Support Services £	Movement in Capital Costs £	Total Movement £
MOVEMENT IN EARMARKED RESERVES					
COBAL/H239: Crime Reduction Partnership Reserve – additional funding received during the year has resulted in lower balances being transferred from reserve.	13,350				13,350
COBAL/H282: Exercise Referral – set aside for future exercise referral commitment	7,550				7,550
COBAL/H337: Equipment Reserve – to fund the purchase of mobile phones (COMMD), vehicle weighing pads (VEHCL), dog control orders (RVPRK), pool covers (RPOOL) and equipment (STCLE).	-11,350				-11,350
COBAL/H364: Inspire Reserve – to fund expenditure relating to Inspire work (DEFRA).	-7,130				-7,130
COBAL/H333: Refuse Collection Reserve – contribution to reserve due to the income generated from the 'bin hire' scheme (£750) which has been offset by a contribution from reserve for the purchase of bins for the bin hire scheme (-£2,280). Plus £1,060 surplus on the sale of bins to householders.	-470				-1,530
COBAL/H330: Capital – surplus income generated from the sale of bins to householders (RCOLL) plus the sale of a vehicle (PKADM),.		1,880			2,940
COBAL/H222: Grant Funded Sports Development – to fund site specific work to assess the ground conditions at Edisford and Mardale.	-1,500				-1,500
COBAL/H210: Local Recreation Grants Fund – to fund recreation and culture grants awarded.	-8,960				-8,960
Total Movement on Earmarked Reserves	-9,570	2,940	0	0	-6,630
Total Movement	-55,130	-112,780	79,070	20,480	-68,360