

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO COMMUNITY SERVICES COMMITTEE

DECISION

Agenda Item No 6

meeting date: 12 JANUARY 2016
 title: REVISED REVENUE BUDGET 2015/16
 submitted by: DIRECTOR OF RESOURCES
 principal author: AMY JOHNSON

1 PURPOSE

1.1 To agree a revised revenue budget for 2015/16.

2 BACKGROUND

2.1 The original estimate for this current financial year was set in March 2015. 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 2015/16 budget included provision for price increases of 2% and for the settled pay award of 2.2% spread over two years (2014/15 and 2015/16), which equated to approximately 1% pay increase for 2015/16. Overall general inflation for the year has been less than this with consumer prices being largely flat on a monthly basis and the impact of falling fuel prices.

3 REVISED REVENUE BUDGET 2015/16

3.1 The revised budget is £7,800 higher than the original estimate. This changes to £86,510 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 2015/16 £	Movement in Expenditure £	Movement in Income £	Movement in Support Services £	Movement in Capital Costs £	Revised Estimate 2015/16 £
COMMD	Community Services Department	0	-163,900	9,610	154,290	0	0
HWAGY	Highways Agency	15,620	-1,080	0	-14,540	0	0
HWREP	Highways Repairs	3,240	1,080	0	18,650	30	23,000
NHWAG	Non-Agency Highways Work	10,710	0	0	-10,680	-30	0
CULVT	Culverts & Watercourses	14,650	-280	0	-650	0	13,720
DRAIN	Private Drains	1,570	0	0	-950	0	620
RIVBK	Riverbank Protection	3,240	0	0	-790	20	2,470
BUSSH	Bus Shelters	17,300	-1,770	0	4,490	0	20,020
SEATS	Roadside Seats	6,740	0	-2,200	-2,310	0	2,230
SIGNS	Street Nameplates & Signs	49,960	10	0	-16,810	0	33,160
RIGHT	Public Rights of Way	0	0	0	0	0	0
STCLE	Street Cleansing	333,190	-2,270	30	0	0	330,950
VARIOUS	Public Conveniences	193,750	-590	-11,270	-7,520	7,740	182,110
LITTR	Litter Bins	21,750	0	0	-1,730	0	20,020
PAPER	Paper Collection	132,950	-60,900	73,090	1,770	0	146,910
RCOLL	Refuse Collection	1,103,820	1,090	90,160	51,630	-21,890	1,231,800
RECYC	Recycling	72,290	-14,540	0	-57,750	0	0

Cost Centre	Cost Centre Name	Original Estimate 2015/16 £	Movement in Expenditure £	Movement in Income £	Movement in Support Services £	Movement in Capital Costs £	Revised Estimate 2015/16 £
TFRST	Waste Transfer Station	72,390	-2,620	0	3,470	0	73,240
TRREF	Trade Refuse	-6,890	4,570	-57,570	8,730	0	-51,160
CRIME	Crime and Disorder	61,910	12,670	-10,000	-22,880	0	41,700
CRIMP	RV Community Safety Partnership	17,720	-23,100	5,380	0	0	0
LNGCH	Longridge Civic Hall	17,010	0	0	0	-17,010	0
ARTDV	Art Development	31,860	390	0	590	0	32,840
PLATG	Platform Gallery	124,820	2,390	3,570	9,050	-400	139,430
MCAFE	Museum Café	6,190	-650	-400	1,130	13,430	19,700
MUSEM	Castle Museum	208,180	-2,810	340	-600	36,940	242,050
SOUND	Sound Archives	0	0	0	0	0	0
TURSM	Tourism	94,180	-10	0	4,240	0	98,410
VARIOUS	Car Parks	-89,710	-50	9,150	-22,090	-1,570	-104,270
CCTEL	Closed Circuit Television	122,290	-2,660	2,660	-13,570	0	108,720
LDEPO	Longridge Depot	0	-4,320	3,790	530	0	0
SDEPO	Salthill Depot	0	4,800	9,160	-12,750	-1,210	0
VARIOUS	Refuse Collection Vehicles	0	-25,590	25,590	0	0	0
VARIOUS	Grounds Maintenance Vehicles	0	-990	990	0	0	0
VARIOUS	Works Administration Vehicles	0	-4,750	4,750	0	0	0
VARIOUS	Plant	0	-3,720	3,720	0	0	0
TWOWR	Two Way Radio	0	-560	560	0	0	0
VEHCL	Vehicle Workshop	0	-1,720	-3,680	5,400	0	0
WKSAD	Works Administration	0	-17,040	25,590	-8,550	0	0
CARVN	Caravan Site	-7,880	0	0	-10	0	-7,890
EDPIC	Edisford Picnic Area	-8,110	-500	-130	-190	0	-8,930
PKADM	Grounds Maintenance	0	-14,080	12,440	1,640	0	0
ROEBN	Roefield Barn	330	0	-320	-260	0	-250
RVPRK	Ribble Valley Parks	462,880	-11,630	-3,090	-5,650	480	442,990
RPOOL	Ribblesdale Pool	256,540	2,100	-1,360	2,250	33,510	293,040
EALLW	Edisford All Weather Pitch	-9,020	2,480	-310	1,140	19,620	13,910
CYCLS	Cycling	550	0	0	-550	0	0
EXREF	Exercise Referral Scheme	42,540	14,280	-2,500	-1,840	0	52,480
SPODV	Sports Development	84,080	3,430	-6,430	3,070	0	84,700
GRSRC	Grants and Subscriptions	2,550	230	0	460	0	3,240
CULTG	Culture Grants	5,940	-3,440	0	410	0	2,910
RECUL	Recreation Grants	37,560	-4,600	0	-970	0	31,990
SPOGR	Sports Grants	7,000	-1,950	0	1,400	0	6,450
XMASL	Christmas Lights & RV in Bloom	3,280	0	0	1,180	0	4,460
NET COST OF SERVICES		3,518,970	-322,600	181,320	71,880	69,660	3,526,770
ITEMS ADDED TO/ (TAKEN FROM) BALANCES AND RESERVES							
TAKEN FROM Crime Reduction Partnership Reserve: COBAL/H239		-17,720					-3,120
TAKEN FROM Exercise Referral: COBAL/H282		0					-13,750

Cost Centre	Cost Centre Name	Original Estimate 2015/16 £	Movement in Expenditure £	Movement in Income £	Movement in Support Services £	Movement in Capital Costs £	Revised Estimate 2015/16 £
	TAKEN FROM Refuse Collection Reserve: COBAL/H333						-112,200
	TAKEN FROM Equipment Reserve: COBAL/H337						-4,950
	ADD TO Capital: CPBAL/H330						12,000
	ADD TO Recreation, Culture and Sports Grants: COBAL/H210						9,990
	NET BALANCES AND RESERVES	-17,720					-112,030
	NET EXPENDITURE	3,501,250					3,414,740

3.2 The difference between the revised and original estimate is an estimated decrease in net spending of £86,510 after allowing for transfers to and from earmarked reserves. 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 Staff vacancies plus the reallocation of Forward Planning salaries from Community Services Department to the Chief Executive's Department has resulted in a significant underspend in salary related expenditure. As a result of the transfer of Forward Planning, there is a similar variance on Policy and Finance Committee	-160,920
The Children's Trust Grant was budgeted for, but this is no longer to be received.	10,000
PAPER: Waste Paper and Card Collection The number of drivers for which a budget provision has always been made has reduced from three to two. This is to reflect the council's establishment list, which has also reduced as the service has become established on this level of staffing.	-21,750
TRREF: Trade Refuse The budget for income has been increased due to an increase in customer numbers following the closure of an alternative supplier.	-57,440
VARIOUS : Car Parks There has been a reduction in car park fine income due to a lower number of fines being issued.	13,560
CRIME: Crime and Disorder Due to uncertainty around the funding being received, the Police and Crime Commissioner grant was not originally budgeted for. This funding is now being received and so a budget has now been allowed for.	-10,000

4 CONCLUSION

4.1 The difference between the revised and original estimate is an increase of £7,800. This changes to a decrease of £86,510 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 an increase in net expenditure of £7,800, changing to a decrease of £86,510 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 2015/16.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

CM2-16/AJ/AC
21 December 2015

Community Services Committee – Main Movements between Original and Revised Estimates 2015/16

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 the reallocation of Forward Planning salaries from the Community Services Department to the Chief Executive's Department have resulted in a reduction in expenditure.	-160,920				
Reduced estimated expenditure on car mileage allowances based upon claims to date.	-5,200				
Children's Grant monies budgeted for are no longer to be received.		10,000			
Decrease in support service recharges from other service areas, mainly due to the recharge from Council Offices and Organisation and Member Development.			-31,820		
Reduced level of recharges to other service areas due to a reduction in expenditure within this service area.			154,290		
Total Community Services Department					-33,650
DRAIN: Private Drains					
Net decrease in recharges from support services due to a reassessment of time allocations.			-950		
Total Private Drains					-950
SIGNS: Street Nameplates and Signs					
Net decrease in recharges from support services due to a reassessment of time allocations.			-16,810		
Total Street Nameplates and Signs					-16,810

Community Services Committee – Main Movements between Original and Revised Estimates 2015/16

	Movement in Expenditure £	Movement in Income £	Movement in Support Services £	Movement in Capital Costs £	Total Movement £
STCLE: Amenity Cleansing					
Increase in pay costs due to an allowance in the budget for staff turnover not materialising.	5,350				
Reduced recharges from refuse collection due to lower spend in that service area (litter bin collections).	-9,620				
Increased support service costs, mainly due to Community Services and Organisation & Member Development Services due to a reassessment of time allocations.			2,980		
Total Amenity Cleansing					-1,290
VARIOUS: Public Conveniences					
Sale of Stonebridge Toilets, Longridge. Monies to be transferred to an earmarked reserve.		-4,000			
Budget provision for wages overtime moved from Work Administration.	4,170				
Increase in oncosts to be recovered due to the budget provision for wages overtime moving from Works Administration (as mentioned above).		-9,170			
Budget for the cleaning of toilets reduced to reflect the actual working hours of the temporary toilet cleaner. The budget was calculated on a higher number of hours than now contracted.	-9,570				
Total Public Conveniences					-18,570
RCOLL: Refuse Collection					
Reduced recharge from Salthill Depot due to a reduction in expenditure in that service area.	-3,950				
Budget provision for Agency Staff has been moved from Paper Collection (PAPER) to reflect the area of waste collection that actually utilises the provision of agency staff.	10,000				
The merging together of this cost centre with 'Recycling and Waste Awareness' (RECYC) has resulted in an increase in promotions budget (£5,000) offset in part by other minor reductions.	4,860				

Community Services Committee – Main Movements between Original and Revised Estimates 2015/16

	Movement in Expenditure £	Movement in Income £	Movement in Support Services £	Movement in Capital Costs £	Total Movement £
Increases in support services recharges due to the 'Recycling and Waste Awareness' (RECYC) cost centre being merged with Refuse Collection.			51,630		
A reallocation of insurance premiums has resulted in a slight increase in expenditure on refuse vehicles along with repair demands	4,820				
Disposal of a refuse collection vehicle has resulted in a reduced depreciation charge.				-21,890	
Falling diesel prices has resulted in reduced estimated expenditure	-8,810				
Write off of previous years recycling credits. To be funded from earmarked reserves.		75,400			
Income from the bin hire scheme plus the sale of replacement bins.		-8,420			
Decreased recharges to other service areas due to a reduction in spend within this service area.		23,180			
Total Refuse Collection					126,820
RECYC: Recycling					
Expenditure in relation to the cleaning of recycling areas moved to Refuse Collection as cost centres are merged.	-1,360				
Reduction in promotions budget as cost centre merged with Refuse Collection. Part budget (£5,000) moved to Refuse Collection (RCOLL).	-12,550				
Cost centre merged with Refuse Collection, therefore support services costs moved on to that cost centre.			-57,750		
Total Recycling					-71,660

Community Services Committee – Main Movements between Original and Revised Estimates 2015/16

	Movement in Expenditure £	Movement in Income £	Movement in Support Services £	Movement in Capital Costs £	Total Movement £
PAPER: Paper Collection					
The budget for drivers allowed for the provision of 3 drivers whereas the establishment list reflects the employment of two staff now that the service is embedded. The budget has therefore been amended accordingly. Also the budget for Agency Staff has been moved to Refuse Collection (RCOLL) as that is where the use for agency staff lies.	-38,760				
Reduction in vehicle repairs and maintenance budget to reflect estimated repair requirements.	-15,640				
Income from the sale of paper has reduced due to the price per tonne currently received being less than budgeted (£35/tonne being received compared to £50/tonne budgeted for).		34,470			
Recycling credits dating back to 2012 have been written off due to the move to Cost Sharing. To be funded from monies set aside in an earmarked reserve.		38,620			
Falling diesel prices has resulted in reduced estimate expenditure	-6,500				
Total Paper Collection					12,190
TRREF: Trade Refuse					
Reduced recharge from Salthill Depot due to lower estimated costs in that service area.	-13,090				
Increased tipping charges (£10,660) due to the higher tonnages of trade waste collected plus the purchase of trade waste bins for use in the bin hire scheme (£7,000). The purchase of bins to be funded from an earmarked reserve.	17,660				
Increased recharges from support services, in particular Community Services due to a reassessment of time allocations.			8,730		
Additional income due to an increase in the number of trade waste customers following the closure of an alternative service provider.		-57,570			
Total Trade Refuse					-44,270

Community Services Committee – Main Movements between Original and Revised Estimates 2015/16

	Movement in Expenditure £	Movement in Income £	Movement in Support Services £	Movement in Capital Costs £	Total Movement £
CRIME: Crime and Disorder					
Part budget for the provision of promotional activities moved from Community Safety Partnership (CRIMP) as the budgets are now merged.	13,120				
Police and Crime Commissioner grant income received which was not anticipated when the budget was prepared.		-10,000			
Total Crime and Disorder					3,120
CRIMP: Community Safety Partnership					
Budget merged with Crime and Disorder (CRIME).	-23,100				
Budget merged with Crime and Disorder (CRIME).		5,380			
Total Community Safety Partnership					-17,720
PLATG: Platform Gallery and Visitor Information Centre					
Increase in salary costs due to the allowance for staff turnover not materialising in this service area.	2,670				
Increase in support services, in particular Community Services due to a reassessment of time allocations.			9,050		
Total Platform Gallery and Visitor Information Centre					11,720
MUSEM: Clitheroe Castle Museum					
Reduced utilities costs, in particular gas along with a lower NNDR charge than budgeted.	-2,750				
Increased depreciation charge due to asset revaluation.				36,940	
Total Clitheroe Castle Museum					34,190

Community Services Committee – Main Movements between Original and Revised Estimates 2015/16

	Movement in Expenditure £	Movement in Income £	Movement in Support Services £	Movement in Capital Costs £	Total Movement £
SDEPO: Salthill Depot					
Increased communication charges due to the implementation of a dedicated ICT connection to the site	3,190				
Reduction in support service recharges, in particular IT Services due to a reassessment of time allocations.			-12,750		
Estimated additional oncosts to be recovered through stores issues.		-3,190			
Lower recharges to other service areas due to reduced spend within this service area.		12,070			
Total Salthill Depot					-680
VARIOUS: Car Parks					
Reduction in fine income due to a lower number of fines being issued.		13,560			
Reduced support service charges, mainly from Community Services due to the vacancy for the position of Engineering Services Manager.			-22,090		
Total Car Parks					-8,530
VEHCL: Vehicle Workshop					
Increased support services charges due to a reassessment of time allocations.			5,420		
Additional recovery of oncosts due to increased expenditure within this service area.		-3,680			
Total Vehicle Workshop					1,740

Community Services Committee – Main Movements between Original and Revised Estimates 2015/16

	Movement in Expenditure £	Movement in Income £	Movement in Support Services £	Movement in Capital Costs £	Total Movement £
WKSAD: Works Administration					
Reduction in wages costs as the budget provision for a temporary toilet cleaner has been reduced to reflect the new contracted hours.	-5,810				
The budget for wages overtime has been moved to Public Conveniences.	-4,170				
Reduction in vehicle related expenditure, mainly due to lower insurance premiums than budgeted.	-4,110				
Lower recovery of oncosts due to reduced expenditure within this service area and wages overtime being moved to Public Conveniences.		26,500			
Total Works Administration					12,410
PKADM: Grounds Maintenance					
Reduced employee insurance costs due to a reassessment of how the premium is allocated.	-3,310				
Reduced recharge from Salthill Depot due to lower estimated expenditure within that service area.	-8,220				
Additional estimated income from rechargeable works.		-2,500			
Total Grounds Maintenance					-14,030
RVPRK: Ribble Valley Parks					
Expenditure on Whalley Moor Community Woodland. To be funded by S106 monies.	10,000				
S106 monies brought in to finance the expenditure as mentioned above.		-10,000			
Reduction in support services, in particular Community Services, due to a reassessment of time allocations.			-5,650		
Sale of land to Clitheroe RUFC has resulted in a reduction of rental income.		6,910			
Total Ribble Valley Parks					1,260

Community Services Committee – Main Movements between Original and Revised Estimates 2015/16

	Movement in Expenditure £	Movement in Income £	Movement in Support Services £	Movement in Capital Costs £	Total Movement £
<i>RPOOL: Ribblesdale Pool</i>					
Increased support service costs due to a reassessment of time allocations.			2,100		
Increased depreciation charge due to revaluation.				33,510	
Decreased income from adult and junior admissions offset in part by additional income from swimming lessons and the hire of the baths by clubs.		2,210			
Grant received for the purchase of cycle racks. This is offset by expenditure incurred.		-3,570			
Total Ribblesdale Pool					34,250
<i>EXREF: Exercise Referral</i>					
Expenditure on Best Foot Forward and Active East Schemes. Funded by grants received both in the current and previous financial year.	16,250				
Grant monies received in the current financial year to fund Best Foot Forward.		-2,500			
Increase in Community Services support service recharge offset by a decrease in recharge from Organisation and Member Development Services.			-1,840		
Total Exercise Referral					11,910
<i>SPODV: Sports Development</i>					
Expenditure on the Working with Families Scheme. Part funded by grant monies received from LCC	6,430				
Grants received from LCC for the Working with Families Scheme (£3,430) and Children's Trust Grant (£2,000).		-5,430			
Total Sports Development					1,000

Community Services Committee – Main Movements between Original and Revised Estimates 2015/16

	Movement in Expenditure £	Movement in Income £	Movement in Support Services £	Movement in Capital Costs £	Total Movement £
RECU: Recreation Grants					
Grants awarded lower than the budget provision. Underspend to be transferred to an earmarked reserve.	-4,600				
Total Recreation Grants					-4,600
MCAFE: Museum Cafe					
Increased depreciation charge due to a revaluation of assets.				13,430	
Total Museum Cafe					13,430
SEATS: Roadside Seats					
Decrease in recharge from Community Services set off in part by a slight increase in charge from Financial Services. Both due to a reassessment of time allocations.			-2,310		
Income from the provision and installation of bins.		-2,200			
Total Roadside Seats					-4,510
TFRST: Transfer Station					
Increase in support services charges, in particular Community Services due to a reassessment of time allocations.			3,470		
Decreased expenditure on diesel and tyres for the Loader Shovel has resulted in reduced transport expenditure.	-3,400				
Total Transfer Station					70
BUSSH: Bus Shelters					
Increased recharge from Community Services due to a reassessment of time allocations.			4,490		
Reduced estimated expenditure on the replacement of bus shelters due to damage to date being repairable rather than replacement needed.	-1,770				
Total Bus Shelters					2,720

Community Services Committee – Main Movements between Original and Revised Estimates 2015/16

	Movement in Expenditure £	Movement in Income £	Movement in Support Services £	Movement in Capital Costs £	Total Movement £
<i>CCTEL: Closed Circuit Television</i>					
Reduction in recharge from the Market for the use of the control room due to reduced spend within that service area.	-2,650				
Reduced recharge, in particular from Community Services, mainly due to the vacancy of Engineering Services Manager.			-13,570		
Total Closed Circuit Television					-16,220
<i>EALLW: Edisford All Weather Pitch</i>					
Depreciation charge previously charged to Ribble Valley Parks now coded direct to this service area.				19,620	
Total Edisford All Weather Pitch					19,620
<i>CULTG: Culture Grants</i>					
Grants awarded lower than the budget provision. Underspend to be transferred to an earmarked reserve.	-3,440				
Total Culture Grants					-3,440
<i>SPOGR: Sports Grants</i>					
Grants awarded lower than the budget provision. Underspend to be transferred to an earmarked reserve.	-1,950				
Total Sports Grants					-1,950
<i>TURSM: Tourism</i>					
Increased recharge, in particular from Community Services due to a reassessment of time allocations.			4,240		
Total Tourism					4,240
<i>LNGCH: Longridge Civic Hall</i>					
Depreciation charge has been moved onto the 'Estates' budget which falls under Policy and Finance Committee.				-17,010	
Total Longridge Civic Hall					-17,010

Community Services Committee – Main Movements between Original and Revised Estimates 2015/16

	Movement in Expenditure £	Movement in Income £	Movement in Support Services £	Movement in Capital Costs £	Total Movement £
Other					14,080
Sub-Total	-251,530	126,070	112,680	81,610	7,800
MOVEMENT IN EARMARKED RESERVES					
COBAL/H333: Refuse Collection To fund the write off of recycling credits (-£114,020) and the purchase of trade refuse bins for the bin hire scheme (-£7,000). Additions to reserve from the surplus from the sale of bins (£7,020) and bin hire scheme rental income (£1,800).	-112,200				
COBAL/H337: Equipment For the purchase of SwimTag equipment at Ribblesdale Pool.	-4,950				
COBAL/H329: Community Safety To fund Community Safety projects.	14,600				
COBAL/H210: Recreation, Culture and Sports Grants Budget provision for grants not fully awarded. Underspend to be added to reserve for future years.	9,990				
COBAL/H282: Exercise Referral Grant monies for Active East and Best Foot Forward projects received in previous years.	-13,750				
CPBAL/H330: Capital Sale of Stonebridge Toilets, Longridge and obsolete grounds maintenance equipment.		12,000			
Total Movement in transfers to/from Earmarked Reserves	-106,310	12,000	0	0	-94,310
Total Movement					86,510