

**RIBBLE VALLEY BOROUGH COUNCIL**  
**REPORT TO HEALTH AND HOUSING COMMITTEE**

DECISION

Agenda Item No

meeting date: 19 JANUARY 2012  
title: REVISED REVENUE BUDGET 2011/12 AND ORIGINAL ESTIMATE 2012/13  
submitted by: DIRECTOR OF RESOURCES  
principal author: NEIL SANDIFORD

1 PURPOSE

- 1.1 To agree a revised revenue budget for 2011/12, together with a draft revenue budget for 2012/13, for submission to Policy and Finance Committee.

2 BACKGROUND

- 2.1 The grant settlement for the next financial year was published on the 8 December 2011. This **confirmed** our formula grant for 2012/13 will be £2.902m which includes the second year of council tax freeze grant of £78,660. This is a reduction of 12.8% from that received for the 2011/12 financial year.
- 2.3 The two year settlement announcement last year was notably worse than had been anticipated for this council. The Government awarded 'transitional grant' to those authorities previously in receipt of Area Based Grant and other funding including Working Neighbourhoods Fund monies. However, as we did not receive such funding we are not entitled to this transition grant
- 2.4 This confirmed the need for the Council to identify substantial savings in its base budget. The management structure review in 2010/11 resulted in substantial savings, which greatly eased the financial position in which the council found itself for 2011/12 onwards.
- 2.5 Further substantial savings of over £600,000 were needed in order to achieve an affordable budget for 2012/13 onwards. A detailed review was been completed of all council services and on 22 November 2011 Policy and Finance Committee considered and approved a package of savings totalling around £645,000.
- 2.6 The proposed budget **within this report** for the next financial year 2012/13 represents the base budget for this committee **taking into account** the service review savings proposals that were approved at Policy and Finance Committee.

3 REVIEW OF 2011/12 REVENUE BUDGET

- 3.1 When the budget was prepared for the current year provision was made for increases in prices of 3%. A small allowance was included for a pay award for those earning below £21,000. However, no pay increase was awarded for 2011/12.
- 3.2 The revised budget is **£127,110** lower than the original estimate. This is increased to **£127,970** 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 2011/12 £	Movement in Expenditure £	Movement in Income £	Movement in Support Services £	Movement in Capital Costs £	Revised Estimate 2011/12 £
CTBEN	Council Tax Benefits Admin	46,010	30,830	-30,830	-11,730		34,280
HGBEN	Housing Benefits Admin	116,770	657,750	-719,780	-9,560		45,180
COMNL	Common Land	9,150	-50	0	-1,960		7,140
CLCEM	Clitheroe Cemetery	46,220	-10	-1,060	-420		44,730
ENVGR	Grants & Subscriptions	1,860	-500	0	70		1,430
CLAIR	Clean Air	6,050	-4,500	0	30		1,580
DOGWD	Dog Warden & Pest Control	96,840	-3,250	730	-4,950	10	89,380
ENVHT	Environmental Health	297,210	-200	1,600	-39,520		259,090
CLAND	Contaminated Land	5,570	1,650	0	5,630		12,850
HSASS	Housing Associations	13,630	0	0	-580		13,050
HSADV	Housing Advances	620	-50	870	-580		860
SUPPE	Supporting People	4,410	-19,850	22,000	-250		6,310
CLMKT	Clitheroe Market	-24,690	-540	5,410	-2,240	-3,100	-25,160
JARMS	Joiners Arms	10,360	-380	-7,500	-10	-1,250	1,220
HOMEQ	Homelessness General	46,650	-200	0	1,040		47,490
HOMES	Homelessness Strategy	-17,140	-2,000	0	-250		-19,390
IMPGR	Improvement Grants	28,650	0	2,000	530		31,180
HOMEE	Home Energy Conservation	21,500	-400	0	2,180		23,280
GRAGE	Non-Dwelling Rents	-15,070	0	2,230	960		-11,880
HSTRA	Housing Strategy	56,720	108,550	-108,250	4,570		61,590
<b>NET COST OF SERVICES</b>		<b>751,320</b>	<b>766,850</b>	<b>-832,580</b>	<b>-57,040</b>	<b>-4,340</b>	<b>624,210</b>

<b>ITEMS ADDED TO/(TAKEN FROM) BALANCES AND RESERVES</b>							
	DEFRA – clean air grant	-4,500					-4,500
	Cemetery Extension		3,640				3,640
<b>NET EXPENDITURE</b>		<b>746,820</b>	<b>770,490</b>	<b>-832,580</b>	<b>-57,040</b>	<b>-4,340</b>	<b>623,350</b>

3.3 The difference between the revised and original estimate is an estimated decrease in net spending of £130,350. The main reasons for this are identified below:

	Movement in Expenditure £	Movement in Income £	Movement in Support Services £	Movement in Capital Costs £	Total Movement £
<b>CTBEN: Council Tax Benefits Administration</b>					
<b>Council Tax Rebates</b> There has been an increase in the number of claimants. This cost will be recovered as additional subsidy (see below)	30,830				
<b>Council Tax Subsidy</b> Additional subsidy to cover the cost of payments to additional claimants		-30,830			
<b>Support Services</b> Savings in the support service costs of Financial Services and Revenue Services are as a result of the Council's freeze on recruitment			-11,860		
<b>Total Council Tax Benefits Administration</b>					<b>-11,860</b>
<b>HGBEN: Housing Benefits</b>					
<b>Postages</b> The decision to make payments by BACS rather than by cheque has reduced postage costs	-3,300				
<b>Software Maintenance</b> Proposed changes to the administration of benefits have precipitated some changes to software requirements. These costs have been covered by additional grant aid (see administration grant below)	17,630				
<b>Subscriptions</b> A decision has been taken to withdraw from a service provider for a less expensive alternative	-1,700				
<b>Publicity</b> Reduced spending as a result of the freeze on non essential spending	-1,100				
<b>Other Training Expenses</b> Reduced spending as a result of the freeze on non essential spending	-2,000				

	Movement in Expenditure £	Movement in Income £	Movement in Support Services £	Movement in Capital Costs £	Total Movement £
<b>Rent Allowance Payments</b> There has been a significant increase in the number of claimants this year. Additional costs are covered by subsidy (see below)	650,200				
<b>Support Services</b> Savings in the support service costs of Financial Services, IT Services and Revenue Services are as a result of the Council's freeze on recruitment			-9,900		
<b>Bank Charges</b> A reduction in charges as a result of the change from the payment of benefits by cheque to BACS	-1,050				
<b>Rent Allowances Subsidy</b> Additional subsidy to cover the costs of additional payments to claimants plus the reinstatement of subsidy in relation to the recovery of overpayments		-692,500			
<b>Administration Grant</b> The Council has received additional grant to cover the cost of changed software requirements (see above). Also a small additional increase in administration subsidy and discretionary housing payments.		-27,280			
<b>Total Housing Benefits</b>					<b>-71,000</b>
<b>COMNL: Common Land</b>					
<b>Support Services Community Services</b> Savings as a result of the Council's freeze on recruitment			-1,800		
<b>Total Common Land</b>					<b>-1,800</b>

	Movement in Expenditure £	Movement in Income £	Movement in Support Services £	Movement in Capital Costs £	Total Movement £
<b>CLAIR: Clean Air</b>					
<b>DEFRA Grant Aid</b> Non-recurring purchase of equipment. A scheme has been developed to meet the clean air grant programme from existing budgets, which will be funded from the reserve set aside for this purpose.	-4,500				
<b>Total Clean Air</b>					<b>-4,500</b>
<b>DOGWD: Dog Warden and Pest Control</b>					
<b>Support Services</b> Savings on Chief Executive's Department as a result of the freeze in recruitment			-4,850		
There is a reduction in the recharge from grounds maintenance of £2,670 as anticipated time charged is likely to be less than first budgeted.	-2,670				
<b>Total Dog Warden and Pest Control</b>					<b>-7,520</b>
<b>ENVHT: Environmental Health Service</b>					
<b>Support Services</b> The savings on Chief Executive's Department and Legal Services are as a result of the Council's freeze on recruitment			-39,890		
<b>Environmental protection fees</b> There has been a trend of improvements in pollution emissions by local industry over recent years. This trend has continued.		1,000			
<b>Course Fees</b> Resourcing problems have prevented the development of this programme		2,000			
<b>Total Environmental Health Service</b>					<b>-36,890</b>

	Movement in Expenditure £	Movement in Income £	Movement in Support Services £	Movement in Capital Costs £	Total Movement £
<b>CLAND: Contaminated Land</b>					
<b>Software Maintenance</b> The purchase of a licence to enable the development and use of a database of contaminated land	1,650				
<b>Support Services. Community Services.</b> Reallocation of time to fulfil this statutory duty			5,630		
<b>Total Contaminated Land</b>					<b>7,280</b>
<b>SUPPE: Supporting People</b>					
<b>Handy Person Service</b> The Council has acted as paymaster for LCC and grant aid received has been transferred to St Vincent's for the handyperson service. This arrangement has now ceased and grant is paid direct	-19,800				
<b>LCC Handyperson Grant</b> Payments are now paid direct to St Vincent's		22,000			
<b>Total Supporting People</b>					<b>2,200</b>
<b>CLMKT: Clitheroe Market</b>					
<b>Cleaner's Wages</b> This post has been vacant for part of the year	-1,300				
<b>Support Services</b> Savings on Financial Services as a result of the freeze on recruitment			-1,130		
<b>Depreciation</b> The removal of the value of land from the charge has resulted in a reduced cost of depreciation				-3,100	
<b>Cabin Rents</b> There have been some cabin vacancies this year, which has reduced rental income		2,000			
<b>Stalls</b> Have declined in use this year		4,000			
<b>Total Clitheroe Market</b>					<b>470</b>

	Movement in Expenditure £	Movement in Income £	Movement in Support Services £	Movement in Capital Costs £	Total Movement £
<b>JARMS: Joiners Arms</b>					
<b>Service Charges/Supporting People</b> Last year LCC indicated that the supporting people grant would be discontinued. This is the case and the grant will cease from 10 January 2012, a little later than expected.		-7,500			
<b>Depreciation</b> The removal of the value of land from the charge has resulted in a lower cost of depreciation.				-1,250	
<b>Total Joiners Arms</b>					<b>-8,750</b>
<b>HOMEG: Homelessness General</b>					
<b>Support Services</b> A reassessment of time allocations has resulted in an increase in the charge to this service, particularly from the Chief Executive's Department			3,030		
The recharge from Community Services has reduced as a result of the Council's decision to freeze recruitment			-1,470		
<b>Total Homelessness General</b>					<b>1,560</b>
<b>HOMES: Homelessness Strategy</b>					
<b>Other Contact Payments</b> Reduced spending as a result of the freeze on non essential spending	-2,000				
<b>Total Homelessness Strategy</b>					<b>-2,000</b>
<b>IMPGR: Improvement Grants</b>					
<b>Administrative Charges</b> The impact of changes to the approval criteria for disabled grants has slowed the capital programme and the consequent recovery in fees.		2,000			
<b>Total Improvement Grants</b>					<b>2,000</b>

	Movement in Expenditure £	Movement in Income £	Movement in Support Services £	Movement in Capital Costs £	Total Movement £
<b>HOME: Home Energy Conservation</b>					
<b>Support Services</b> A reassessment of the time charged to this service has resulted in an increased charge, particularly from the Chief Executive's Department			8,030		
There has been a reduction in the recharge from Community Services as a result of time charged from this service			-5,850		
<b>Total Home Energy Conservation</b>					<b>2,180</b>
<b>GRAGE: Non Dwelling Rents</b>					
<b>HPPA mortgages</b> Mortgages have now been repaid and the interest associated with these has now ceased		1,330			
<b>Total Non Dwelling Rents</b>					<b>1,330</b>
<b>HSTRA: Housing Strategy</b>					
<b>Warm Homes Healthy People Fund</b> A successful bid has been made to the Department of Health for resources which aim to reduce death and morbidity amongst elderly households due to cold in the Ribble Valley. Up to 1,000 households will be provided with energy advice and a keep warm pack. Shown here is the grant and the associated expenditure	108,250	-108,250			
<b>Support Services</b> A reassessment of the time charged to this service has resulted in an increased charge, particularly from the Chief Executive's Department			4,580		
<b>Total Housing Strategy</b>					<b>4,580</b>
<b>TOTALS</b>	<b>769,140</b>	<b>-832,030</b>	<b>-55,480</b>	<b>-4,350</b>	<b>-122,720</b>

#### 4 2012/13 DRAFT REVENUE BUDGET

- 4.1 The three year forecast to Policy and Finance Committee in September highlighted the need for savings in the region of £600,000 in the 2012/13 financial year. There is continuing uncertainty surrounding the level of financial support the council will receive from the Government in future financial years, particularly following consultation papers on proposals to replace the current formula grant funding with an alternative based on the retention of business rates.
- 4.2 Due to this uncertainty, the three year forecast assumed a freeze on Government funding. Following the grant settlement in December, an updated budget forecast estimated the amount of savings needed for 2012/13 as £635,000. These figures will be updated further as detailed estimates are agreed by committees.
- 4.3 In addition, as always, there are a number of potential problems that will have a significant impact on the budget for 2012/13 and beyond. The immediate ones are:
- ❖ Future public sector funding
  - ❖ The continuing effect of the economic downturn on service income levels
  - ❖ The level of investment income received
- 4.4 As far as your budget is concerned, as stated earlier, the estimates have been prepared after allowing for savings from the service review savings package agreed at Policy and Finance Committee on 22 November 2011 and include provision for price increases of 2.5%. No allowance has been made for pay increases. Where possible budgets have been cash limited.
- 4.5 Whilst savings have been identified and incorporated into the base budget members are asked to consider any further potential areas for savings which they may be able to identify. These will be put forward for consideration by the Budget Working Group, be they for the 2012/13 budget or as proposals for any future years.

#### 5 COMMITTEE SERVICE ESTIMATES

The following section summarises the budget impact of changes on each of this Committees cost centres at the foot of which is a resume of the cause of change.

## 5.1 COUNCIL TAX BENEFITS ADMINISTRATION

Service Description							CTBEN
<p><i>District councils have a statutory duty to administer claims for Council Tax benefit. This involves producing forms for the public to complete and then processing them on a bespoke computer system once evidence of all income and savings have been verified. We are also required to investigate suspected fraudulent claims</i></p>							
Link to Ambitions							
To be a <b>well managed</b> council providing <b>efficient services</b> based on <b>identified customer needs</b>							
Budget Analysis	Original Estimate 2011/12	Inflation at 2.5%	Inflation above or below 2.5%	Unavoidable Changes to Service Cost	Support Services & Capital	Service Review Savings	Original Estimate 2012/13
	£	£	£	£	£	£	£
Transfer Payments	2,261,000			29,000			2,290,000
Support Services	135,610				-10,410		125,200
<b>Total Expenditure</b>	<b>2,396,610</b>	<b>0</b>	<b>0</b>	<b>29,000</b>	<b>-10,410</b>	<b>0</b>	<b>2,415,200</b>
Government Grants	-2,350,600			-26,040			-2,376,640
<b>Total Income</b>	<b>-2,350,600</b>	<b>0</b>	<b>0</b>	<b>-26,040</b>	<b>0</b>	<b>0</b>	<b>-2,376,640</b>
<b>NET</b>	<b>46,010</b>	<b>0</b>	<b>0</b>	<b>2,960</b>	<b>-10,410</b>	<b>0</b>	<b>38,560</b>
Comments							
<p>An increase in the costs of Council Tax rebates has been covered by subsidy. However, the administrative support from DWP has been reduced by £2,960 this year. The reduction in support service costs of £10,410 is as a result of the Council restructure.</p>							

## 5.2 HOUSING BENEFITS ADMINISTRATION

Service Description							HGBEN
<p><i>District councils have a statutory duty to administer claims for Housing benefit. This involves producing forms for the public to complete and then processing them on a bespoke computer system once evidence of all rental income and savings have been verified. We are also required to investigate suspected fraudulent claims.</i></p>							
Link to Ambitions							
To be a <b>well managed</b> council providing <b>efficient services</b> based on <b>identified customer needs</b>							
Budget Analysis	Original Estimate 2011/12	Inflation at 2.5%	Inflation above or below 2.5%	Unavoidable Changes to Service Cost	Support Services & Capital	Service Review Savings	Original Estimate 2012/13
	£	£	£	£	£	£	£
Employee Related	2,600			-30			2,570
Supplies and Services	38,380	430	420	30	-1,050	-30	38,180
Transfer Payments	6,397,800	159,470	121,200	139,530			6,818,000
Support Services	235,270				-9,600		225,670
<b>Total Expenditure</b>	<b>6,674,050</b>	<b>159,900</b>	<b>121,620</b>	<b>139,530</b>	<b>-10,650</b>	<b>-30</b>	<b>7,084,420</b>
Government Grants	-6,557,280	-159,120	-120,930	-181,840	0	0	-7,019,170
<b>Total Income</b>	<b>-6,557,280</b>	<b>-159,120</b>	<b>-120,930</b>	<b>-181,840</b>	<b>0</b>	<b>0</b>	<b>-7,019,170</b>
<b>NET</b>	<b>116,770</b>	<b>780</b>	<b>690</b>	<b>-42,310</b>	<b>-10,650</b>	<b>-30</b>	<b>65,250</b>
Comments							
<p>There has been a significant increase in the number of claimants for housing benefits which is continuing to rise. These costs are covered by subsidy although this is offset by a reduction of administrative support grant of £7,110. The surplus of grant is generated as the Council can claim for the collection of overpayments. Support service costs have reduced as a result of the Council's structure review, and the costs of supplies and services (bank charges) are less as a result of the transfer of benefit payments from cheques to BACS.</p>							

### 5.3 COMMON LAND

Service Description							COMNL
<p>The Council has a responsibility for the management of the common land at Salesbury and Copster Green, and an overseeing role regarding common land in general.</p>							
Link to Ambitions							
To protect and enhance the existing environmental quality of our area							
Budget Analysis	Original Estimate 2011/12	Inflation at 2.5%	Inflation above or below 2.5%	Unavoidable Changes to Service Cost	Support Services & Capital	Service Review Savings	Original Estimate 2012/13
	£	£	£	£	£	£	£
Premises Related	500						500
Supplies and Services	100						100
Support Services	8,550				-2,330		6,220
Total Expenditure	9,150	0	0	0	-2,330	0	6,820
NET	9,150	0	0	0	-2,330	0	6,820
Comments							
There has been a redirection of Community Services time allocated away from this service together with the effect of the Council's restructuring.							

### 5.4 CLITHEROE CEMETERY

Service Description							CLCEM
<p>The Council provides a high quality municipal cemetery service at Clitheroe Cemetery, primarily for the residents of Ribble Valley. This includes traditional lawn burials and interment of ashes, woodland burial and also a remembrance arboretum.</p> <p>The Council is also responsible for several closed churchyards that have been entrusted to the Council within 12 months of their closure. These are St Bartholomew's at Chipping, St Mary Magdalene's and St James' at Clitheroe and a portion of St Mary's in Gisburn. This includes the grounds maintenance, upkeep of walls, fences, paths and the safety of headstones.</p>							
Link to Ambitions							
To protect and enhance the existing environmental quality of our area							
Budget Analysis	Original Estimate 2011/12	Inflation at 2.5%	Inflation above or below 2.5%	Unavoidable Changes to Service Cost	Support Services & Capital	Service Review Savings	Original Estimate 2012/13
	£	£	£	£	£	£	£
Premises Related	56,410	280			-20		56,670
Supplies and Services	5,680						5,680
Support Services	25,960				-110		25,850
Depreciation and Impairment	2,920						2,920
Total Expenditure	90,970	280	0	0	-130	0	91,120
Other Grants and Contributions	-10						-10
Customer and Client Receipts	-44,740	-1,060		-60			-45,860
Total Income	-44,750	-1,060	0	-60	0	0	-45,870
NET	46,220	-780	0	-60	-130	0	45,250
Comments							
This service is expected to continue at a similar level to the previous year.							

## 5.5 GRANTS AND SUBSCRIPTIONS – HEALTH AND HOUSING COMMITTEE

Service Description							ENVGR
<i>The Council pays several subscriptions to maintain membership of a number of organisations, such as ROSPA and UK Council's Against Fluoridation</i>							
Link to Ambitions							
To help make people's lives safer & healthier							
Budget Analysis	Original Estimate 2011/12	Inflation at 2.5%	Inflation above or below 2.5%	Unavoidable Changes to Service Cost	Support Services & Capital	Service Review Savings	Original Estimate 2012/13
	£	£	£	£	£	£	£
Transfer Payments	600						600
Support Services	1,260				610		1,870
Total Expenditure	1,860	0	0	0	610	0	2,470
NET	1,860	0	0	0	610	0	2,470
Comments							
This service is expected to continue at a similar level to the previous year.							

## 5.6 CLEAN AIR

Service Description							CLAIR
<i>The Council is required to undertake periodic screening and assessment of local air quality. To meet the requirements, the Council undertakes local air quality monitoring. The last assessment identified the need to undertake further localised monitoring of NOx on Whalley Road, Clitheroe associated with traffic congestion.</i>							
Link to Ambitions							
To help make people's lives safer & healthier							
Budget Analysis	Original Estimate 2011/12	Inflation at 2.5%	Inflation above or below 2.5%	Unavoidable Changes to Service Cost	Support Services & Capital	Service Review Savings	Original Estimate 2012/13
	£	£	£	£	£	£	£
Supplies and Services	6,050			-4,500			1,550
Support Services					30		30
Total Expenditure	6,050	0	0	-4,500	30	0	1,580
NET	6,050	0	0	-4,500	30	0	1,580
Comments							
A provision was made in the budget for the repayment of DEFRA grant aid (£4,500) as the original externally funded clean air scheme was discontinued. New schemes have been identified and the grant will be used for these. Repayment will not now be necessary.							

## 5.7 DOG WARDEN AND PEST CONTROL

Service Description							DOGWD
<p><i>A dedicated pest control and dog warden service is provided in the Borough. The pest control service deals with the control and eradication of a range of public health pests in private residential and commercial premises and also the control and eradication of rodents within the public sewer system. The dog warden service deals with dog-related complaints, including stray dogs, dog fouling and noise arising from barking dogs.</i></p>							
Link to Ambitions							
To help make people's lives safer & healthier							
Budget Analysis	Original Estimate 2011/12	Inflation at 2.5%	Inflation above or below 2.5%	Unavoidable Changes to Service Cost	Support Services & Capital	Service Review Savings	Original Estimate 2012/13
	£	£	£	£	£	£	£
Premises Related	25,080			-4,000	-3,280		17,800
Transport Related	3,790	420					4,210
Supplies and Services	3,910	20					3,930
Third Party Payments	5,200	130					5,330
Support Services	69,460				1,040		70,500
Depreciation and Impairment	3,830				-1,810		2,020
<b>Total Expenditure</b>	<b>111,270</b>	<b>570</b>	<b>0</b>	<b>-4,000</b>	<b>-4,050</b>	<b>0</b>	<b>103,790</b>
Other Grants and Contributions	-2,890						-2,890
Customer and Client Receipts	-7,540	-190				-7,000	-14,730
<b>Total Income</b>	<b>-10,430</b>	<b>-190</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-7,000</b>	<b>-17,620</b>
<b>NET</b>	<b>100,840</b>	<b>380</b>	<b>0</b>	<b>-4,000</b>	<b>-4,050</b>	<b>-7,000</b>	<b>86,170</b>
Comments							
<p>Over the past two years additional resources have been provided through Performance Reward Grant, to improve the collection of dog waste. This programme has been completed and the income and expenditure budgets (£4,000) are removed. As part of the Council's services reviews, new charges have been introduced for the Pest Control Service. These are expected to raise additional income of £7,000 in 2012/13. Recharges from grounds maintenance for the collection of waste have reduced by £2,940 as actual time is less than anticipated.</p>							

## 5.8 ENVIRONMENTAL HEALTH

Service Description							ENVHT
<p><i>These functions are principally regulatory and consist mainly of staff time spent on food control, health and safety work, nuisance complaint investigation, private water supply regulation, infectious diseases, Local Authority Pollution Prevention Control, air quality pollution problems, associated registration of premises and animal welfare licensing.</i></p>							
Link to Ambitions							
To help make people's lives safer & healthier							
Budget Analysis	Original Estimate 2011/12	Inflation at 2.5%	Inflation above or below 2.5%	Unavoidable Changes to Service Cost	Support Services & Capital	Service Review Savings	Original Estimate 2012/13
	£	£	£	£	£	£	£
Supplies and Services	9,890	140					10,030
Support Services	305,750				-12,380		293,370
<b>Total Expenditure</b>	<b>315,640</b>	<b>140</b>	<b>0</b>	<b>0</b>	<b>-12,380</b>	<b>0</b>	<b>303,400</b>
Customer and Client Receipts	-18,430	-380		1,020			-17,790
<b>Total Income</b>	<b>-18,430</b>	<b>-380</b>	<b>0</b>	<b>1,020</b>	<b>0</b>	<b>0</b>	<b>-17,790</b>
<b>NET</b>	<b>297,210</b>	<b>-240</b>	<b>0</b>	<b>1,020</b>	<b>-12,380</b>	<b>0</b>	<b>285,610</b>
Comments							
<p>Lack of resources has prevented the development of courses for delivery to external bodies which has had the effect of reducing income levels. The significant change to service costs is the reduced recharge from Community services as a result of the Council restructuring.</p>							

## 5.9 CONTAMINATED LAND

Service Description							CLAND
<p><i>The authority has a statutory duty under Part IIA of the Environmental Protection Act 1990 to produce a contaminated land strategy, setting out how it intends to identify and subsequently see remedied any land in its area that is considered to be contaminated.</i></p>							
Link to Ambitions							
To help make people's lives safer & healthier							
Budget Analysis	Original Estimate 2011/12	Inflation at 2.5%	Inflation above or below 2.5%	Unavoidable Changes to Service Cost	Support Services & Capital	Service Review Savings	Original Estimate 2012/13
	£	£	£	£	£	£	£
Supplies and Services				300			300
Support Services	5,620				4,850		10,470
<b>Total Expenditure</b>	<b>5,620</b>	<b>0</b>	<b>0</b>	<b>300</b>	<b>4,850</b>	<b>0</b>	<b>10,770</b>
Customer and Client Receipts	-50						-50
<b>Total Income</b>	<b>-50</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-50</b>
<b>NET</b>	<b>5,570</b>	<b>0</b>	<b>0</b>	<b>300</b>	<b>4,850</b>	<b>0</b>	<b>10,720</b>
Comments							
<p>The Council has a legal responsibility to develop and maintain a register of contaminated land sites across the Borough. The reallocation of time from Community Services reflects this.</p>							

## 5.10 HOUSING ASSOCIATIONS

Service Description							HSASS
<p><i>Enabling the delivery of affordable housing, working in partnership with Housing Associations to identify potential sites and support bids to assist delivery. Maintaining up to date housing needs surveys to ensure the correct tenure and type of housing is developed to meet housing need with appropriate Section 106 agreements to ensure they remain affordable.</i></p>							
Link to Ambitions							
<p>To match the supply of homes in our area with the identified housing needs.</p>							
Budget Analysis	Original Estimate 2011/12	Inflation at 2.5%	Inflation above or below 2.5%	Unavoidable Changes to Service Cost	Support Services & Capital	Service Review Savings	Original Estimate 2012/13
	£	£	£	£	£	£	£
Support Services	13,630				-190		13,440
Total Expenditure	13,630	0	0	0	-190	0	13,440
NET	13,630	0	0	0	-190	0	13,440
Comments							
<p>This services is expected to continue at a similar level to the previous year.</p>							

## 5.11 HOUSING ADVANCES

Service Description							HSADV
<p><i>The council maintains a relatively small mortgage portfolio and this number is decreasing as mortgages are redeemed. Here are shown the software maintenance costs and support service costs associated with the administration of the Housing Advances.</i></p>							
Link to Ambitions							
<p>To match the supply of homes in our area with the identified housing needs.</p>							
Budget Analysis	Original Estimate 2011/12	Inflation at 2.5%	Inflation above or below 2.5%	Unavoidable Changes to Service Cost	Support Services & Capital	Service Review Savings	Original Estimate 2012/13
	£	£	£	£	£	£	£
Supplies and Services	200						200
Support Services	1,510				-580		930
Total Expenditure	1,710	0	0	0	-580	0	1,130
Customer and Client Receipts	-1,090			870			-220
Total Income	-1,090	0	0	870	0	0	-220
NET	620	0	0	870	-580	0	910
Comments							
<p>This service is expected to continue at a similar level to the previous year.</p>							

## 5.12 SUPPORTING PEOPLE

Service Description							SUPPE
<p><i>Supporting People is the funding stream which funds the support element of any supporting housing scheme. The service looks to ensure existing schemes continue to receive appropriate financial support and seeks to identify new areas of need and submit appropriate bids for new allocations.</i></p>							
Link to Ambitions							
<p>To match the supply of homes in our area with the identified housing needs.</p>							
Budget Analysis	Original Estimate 2011/12	Inflation at 2.5%	Inflation above or below 2.5%	Unavoidable Changes to Service Cost	Support Services & Capital	Service Review Savings	Original Estimate 2012/13
	£	£	£	£	£	£	£
Employee Related	50						50
Third Party Payments	28,300			-28,300			0
Support Services	4,360				-50		4,310
Total Expenditure	32,710	0	0	-28,300	-50	0	4,360
Other Grants and Contributions	-28,300			28,300			0
Total Income	-28,300	0	0	28,300	0	0	0
NET	4,410	0	0	0	-50	0	4,360
Comments							
<p>The County Council have redirected the funding of the Handyperson service to St Vincent's, who are the provider, reducing income and expenditure by similar amounts.</p>							

### 5.13 CLITHEROE MARKET

Service Description							CLMKT
<p>The market site was redeveloped in 1995 to provide a modern facility with adjacent car parking. The market redevelopment reflected the Council's ongoing commitment to the importance of the market and recognising its supporting role in the continuing attraction of Clitheroe as a shopping centre. General retail markets are held on three days per week (Tuesday, Thursday and Saturday) with a collectors market held on Friday. Cabins are rented to market traders under contract arrangements.</p>							
Link to Ambitions							
To protect and enhance the existing environmental quality of our area							
Budget Analysis	Original Estimate 2011/12	Inflation at 2.5%	Inflation above or below 2.5%	Unavoidable Changes to Service Cost	Support Services & Capital	Service Review Savings	Original Estimate 2012/13
	£	£	£	£	£	£	£
Employee Related	4,750	20		-200		-2,130	2,440
Premises Related	41,220	1,850		900			43,970
Supplies and Services	3,940					-1,000	2,940
Support Services	48,300				-17,370		30,930
Depreciation and Impairment	6,190				-3,100		3,090
<b>Total Expenditure</b>	<b>104,400</b>	<b>1,870</b>	<b>0</b>	<b>700</b>	<b>-20,470</b>	<b>-3,130</b>	<b>83,370</b>
Customer and Client Receipts	-122,180	-3,000		3,500			-121,680
Miscellaneous Recharges	-6,910			-510			-7,420
<b>Total Income</b>	<b>-129,090</b>	<b>-3,000</b>	<b>0</b>	<b>2,990</b>	<b>0</b>	<b>0</b>	<b>-129,100</b>
<b>NET</b>	<b>-24,690</b>	<b>-1,130</b>	<b>0</b>	<b>3,690</b>	<b>-20,470</b>	<b>-3,130</b>	<b>-45,730</b>
Comments							
<p>As part of the Council's service review alternative arrangements have been made for cleaning, and the vacant post has been taken out of the estimates. In addition, the marketing budget has been reduced by £1,000. There is also an anticipated reduction to income levels of £3,500 in relation to stalls, which is a continuation of the trend in 2011/12. The removal of the land element from the market valuation has had the effect of reducing capital charges by £3,100. There has been a redirection of the recharge from Chief Executive's following the Council's restructure, of £14,100.</p>							

## 5.14 JOINERS ARMS HOMELESSNESS UNIT

Service Description							JARMS
<p><i>The Joiners Arms provides seven units of temporary accommodation; five of which are family units. The service oversees the allocation of the units and the ongoing engagement to ensure households do not remain in temporary accommodation for longer than the target length of stay of 7 weeks.</i></p>							
Link to Ambitions							
To match the supply of homes in our area with the identified housing needs.							
Budget Analysis	Original Estimate 2011/12	Inflation at 2.5%	Inflation above or below 2.5%	Unavoidable Changes to Service Cost	Support Services & Capital	Service Review Savings	Original Estimate 2012/13
	£	£	£	£	£	£	£
Premises Related	2,150	40		-100			2,090
Supplies and Services	280	10					290
Third Party Payments	8,240						8,240
Support Services	30				-10		20
Depreciation and Impairment	5,000				-1,250		3,750
<b>Total Expenditure</b>	<b>15,700</b>	<b>50</b>	<b>0</b>	<b>-100</b>	<b>-1,260</b>	<b>0</b>	<b>14,390</b>
Miscellaneous Recharges	-5,340			5,340			0
<b>Total Income</b>	<b>-5,340</b>	<b>0</b>	<b>0</b>	<b>5,340</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>NET</b>	<b>10,360</b>	<b>50</b>	<b>0</b>	<b>5,240</b>	<b>-1,260</b>	<b>0</b>	<b>14,390</b>
Comments							
<p>When the original estimate was prepared the County Council, who provide supporting people grant, indicated that funding would stop in July 2011. This has been confirmed and no income is anticipated for 2012/13. The removal of the land element from the depreciation charge has reduced the recharge to this service by £1,250.</p>							

## 5.15 HOMELESSNESS GENERAL

Service Description							HOME G
<p><i>The Housing Needs Service provides advice and assistance to households that are facing homelessness. The advice is offered on an appointment basis available 9 until 5 Monday to Friday. It is often appropriate for home visits to be made to undertake the initial interview.</i></p>							
Link to Ambitions							
To match the supply of homes in our area with the identified housing needs.							
Budget Analysis	Original Estimate 2011/12	Inflation at 2.5%	Inflation above or below 2.5%	Unavoidable Changes to Service Cost	Support Services & Capital	Service Review Savings	Original Estimate 2012/13
	£	£	£	£	£	£	£
Supplies and Services	450						450
Support Services	46,200				2,310		48,510
<b>Total Expenditure</b>	<b>46,650</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,310</b>	<b>0</b>	<b>48,960</b>
<b>NET</b>	<b>46,650</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,310</b>	<b>0</b>	<b>48,960</b>
Comments							
<p>A reallocation of time from Chief Executive's Department of £3,930 caused by the increasing homelessness needs during the recession has been offset by reductions from Community Services and Finance Services of £1,620.</p>							

## 5.16 HOMELESSNESS STRATEGY

Service Description							HOMES
<p><i>The service provides the homeless prevention work, which includes provision of the tenancy protection scheme, referrals to floating support and mediation. Also included is the strategic work of the section in the development of the Homelessness Strategy, maintaining Homeless Forum and achievements towards the action plan.</i></p>							
Link to Ambitions							
To match the supply of homes in our area with the identified housing needs.							
Budget Analysis	Original Estimate 2011/12	Inflation at 2.5%	Inflation above or below 2.5%	Unavoidable Changes to Service Cost	Support Services & Capital	Service Review Savings	Original Estimate 2012/13
	£	£	£	£	£	£	£
Third Party Payments	19,300						19,300
Support Services	13,610				830		14,440
Total Expenditure	32,910	0	0	0	830	0	33,740
Government Grants	-50,050						-50,050
Total Income	-50,050	0	0	0	0	0	-50,050
NET	-17,140	0	0	0	830	0	-16,310
Comments							
<p>With the exception of some minor adjustment to support service costs, this service is expected to continue at a similar level to the previous year.</p>							

## 5.17 IMPROVEMENT GRANTS

Service Description							IMPGR
<p><i>The service administrates and oversees the delivery of the disabled facilities grant, landlord tenant grant and energy efficiency grants. All of these products enable homeowners and tenants to live in homes that meet the Decent Homes Standard and allow them to remain in their own home despite a decrease in mobility. Delivery of disabled facilities grants requires the greatest input from the service.</i></p>							
Link to Ambitions							
To match the supply of homes in our area with the identified housing needs.							
Budget Analysis	Original Estimate 2011/12	Inflation at 2.5%	Inflation above or below 2.5%	Unavoidable Changes to Service Cost	Support Services & Capital	Service Review Savings	Original Estimate 2012/13
	£	£	£	£	£	£	£
Support Services	38,650				1,390		40,040
Total Expenditure	38,650	0	0	0	1,390	0	40,040
Customer and Client Receipts	-10,000			2,000			-8,000
Total Income	-10,000	0	0	2,000	0	0	-8,000
NET	28,650	0	0	2,000	1,390	0	32,040
Comments							
<p>A change to the eligibility criteria for disabled facilities grant work has slowed the capital programme and the recovery of internal fees associated with it, reducing income by an estimated £2,000.</p>							

## 5.18 HOME ENERGY CONSERVATION

Service Description							HOMEE
<p>The service provides energy efficiency advice to households as to how to improve the energy efficiency of their home and reduce CO2 emissions. Grant assistance is available for households on income related benefit to top up the Warm Front grant scheme. Village purchasing of oil is to be piloted to reduce the cost and number of deliveries made to rural communities.</p> <p>Working in partnership with installers and energy providers, households in the borough are able to receive discounts on energy saving measures to their home. The service aims to raise the profile of renewable energy sources and their benefits, particularly in new build developments.</p>							
Link to Ambitions							
To make people's lives safer and healthier.							
Budget Analysis	Original Estimate 2011/12	Inflation at 2.5%	Inflation above or below 2.5%	Unavoidable Changes to Service Cost	Support Services & Capital	Service Review Savings	Original Estimate 2012/13
	£	£	£	£	£	£	£
Supplies and Services	700						700
Support Services	20,800				190		20,990
Total Expenditure	21,500	0	0	0	190	0	21,690
NET	21,500	0	0	0	190	0	21,690
Comments							
This service is expected to continue at a similar level to the previous year.							

## 5.19 NON-DWELLING RENTS

Service Description							GRAGE
<p>This budget represents income received from ground rents and garage rents</p>							
Link to Ambitions							
To be a well managed council providing efficient services based on identified customer needs							
Budget Analysis	Original Estimate 2011/12	Inflation at 2.5%	Inflation above or below 2.5%	Unavoidable Changes to Service Cost	Support Services & Capital	Service Review Savings	Original Estimate 2012/13
	£	£	£	£	£	£	£
Premises Related	3,860			-1,930			1,930
Support Services	8,100				1,260		9,360
Total Expenditure	11,960	0	0	-1,930	1,260	0	11,290
Customer and Client Receipts	-27,030	-450		7,570			-19,910
Total Income	-27,030	-450	0	7,570	0	0	-19,910
NET	-15,070	-450	0	5,640	1,260	0	-8,620
Comments							
<p>The sale of Henthorn garage site which accounts for almost one half of the garage stock, will impact on the cost of repairs and the collection of income and will result in an estimated net increased revenue cost of £5,640 this year.</p>							

## 5.20 HOUSING STRATEGY

Service Description							HSTRA
<p>The 'Moving on' Housing Strategy document sets out a delivery plan with six main objectives. The service works to achieve these objectives, which are all linked to two of the Council's ambitions – making people's lives safer and healthier &amp; matching the supplies of homes in our area with the identified housing needs. The plan is updated regularly and the section achievements against the objectives are reported to the Housing Forum twice a year.</p>							
Link to Ambitions							
<p>To match the supply of homes in our area with the identified housing needs.</p>							
Budget Analysis	Original Estimate 2011/12	Inflation at 2.5%	Inflation above or below 2.5%	Unavoidable Changes to Service Cost	Support Services & Capital	Service Review Savings	Original Estimate 2012/13
	£	£	£	£	£	£	£
Third Party Payments	4,810	120	120				5,050
Support Services	51,910				6,550		58,460
Total Expenditure	56,720	120	120	0	6,550	0	63,510
NET	56,720	120	120	0	6,550	0	63,510
Comments							
<p>An increase in the recharge from Chief Executive's Department reflecting the time allocated to the continuing response to housing needs during the recession is the principal cause of the increase in support service costs.</p>							

## 6 SUMMARIES

6.1 The draft budget is summarised in two ways. First the analysis is by the cost of the service (objective) provided by the Committee and is shown in table (a) below. The second is by the type of expenditure and income (subjective) and is shown in table (b).

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

Cost Centre	Service Name	BUDGET ANALYSIS						
		Original Estimate 2011/12	Inflation at 2.5%	Inflation above or below 2.5%	Unavoidable Changes to Service Cost	Support Services & Capital	Service Review Savings	Original Estimate 2012/13
CTBEN	Council Tax Benefits Admin	46,010	0	0	2,960	-10,410	0	38,560
HGBEN	Housing Benefits Admin	116,770	780	690	-42,310	-10,650	-30	65,250
COMNL	Common Land	9,150	0	0	0	-2,330	0	6,820
CLCEM	Clitheroe Cemetery	46,220	-780	0	-60	-130	-0	45,250
ENVGR	Grants & Subscriptions	1,860	0	0	0	610	0	2,470
CLAIR	Clean Air	6,050	0	0	-4,500	30	0	1,580
DOGWD	Dog Warden & Pest Control	96,840	380	0	0	-4,050	-7,000	86,170
ENVHT	Environmental Health	297,210	-240	0	1,020	-12,380	0	285,610
CLAND	Contaminated Land	5,570	0	0	300	4,850	0	10,720
HSASS	Housing Associations	13,630	0	0	0	-190	0	13,440
HSADV	Housing Advances	620	0	0	870	-580	0	910
SUPPE	Supporting People	4,410	0	0	0	-50	0	4,360
CLMKT	Clitheroe Market	-24,690	-1,130	0	590	-17,370	-3,130	-45,730
JARMS	Joiners Arms	10,360	50	0	3,990	-10	0	14,390
HOMEG	Homelessness General	46,650	0	0	0	2,310	0	48,960
HOMES	Homelessness Strategy	-17,140	0	0	0	830	0	-16,310

Cost Centre	Service Name	BUDGET ANALYSIS						
		Original Estimate 2011/12	Inflation at 2.5%	Inflation above or below 2.5%	Unavoidable Changes to Service Cost	Support Services & Capital	Service Review Savings	Original Estimate 2012/13
<b>IMPGR</b>	Improvement Grants	28,650	0	0	2,000	1,390	0	32,040
<b>HOMEE</b>	Home Energy Conservation	21,500	0	0	0	190	0	21,690
<b>GRAGE</b>	Non-Dwelling Rents	-15,070	-450	0	5,640	1,260	0	-8,620
<b>HSTRA</b>	Housing Strategy	56,720	120	120	0	6,550	0	63,510
<b>NET COST OF SERVICES</b>		<b>751,320</b>	<b>-1,270</b>	<b>810</b>	<b>-29,500</b>	<b>-40,130</b>	<b>-10,160</b>	<b>671,070</b>

ITEMS ADDED TO/(TAKEN FROM) BALANCES AND RESERVES								
	DEFRA grant	-4,500			4,500			0
<b>NET COST OF SERVICES</b>		<b>746,820</b>	<b>-1,270</b>	<b>810</b>	<b>-25,000</b>	<b>-40,130</b>	<b>-10,160</b>	<b>671,070</b>

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

	Original Estimate 2011/12	Inflation at 2.5%	Inflation above or below 2.5%	Unavoidable Changes to Service Cost	Support Services & Capital	Service Review Savings	Original Estimate 2012/13
Employee Costs	7,400	20	0	-230	0	-2,130	5,060
Premises Costs	129,220	2,170	0	-5,130	-3,300	0	122,960
Transport Costs	3,790	420	0	0	0	0	4,210
Supplies and Services	69,850	600	420	-4,170	-1,050	-1,030	64,350
Third Party	65,580	250	120	-28,300	0	0	37,920
Transfer Payments	8,659,400	159,470	121,200	168,530	0	0	9,108,600
Support Services	1,034,580	0	0	0	-33,970	0	1,000,610
Depreciation & Impairment	17,940	0	0	0	-6,160	0	11,780
<b>TOTAL EXPENDITURE</b>	<b>9,987,760</b>	<b>162,930</b>	<b>121,740</b>	<b>130,700</b>	<b>-44,480</b>	<b>-3,160</b>	<b>10,355,490</b>
Government Grants	-8,961,930	-159,120	-120,930	-203,880	0	0	-9,445,860
Other Grants and Reimbursements	0	0	0	0	0	0	0
Customer & Client Receipts	-231,530	-5,080	0	12,700	0	-7,000	-230,910
Interest	-2,430	0	0	2,200	0	0	-230
Miscellaneous Recharges	-40,550	0	0	33,130	0	0	-7,420
<b>TOTAL INCOME</b>	<b>-9,236,440</b>	<b>-164,200</b>	<b>-120,930</b>	<b>-155,850</b>	<b>0</b>	<b>-7,000</b>	<b>-9,684,420</b>
<b>NET COST OF SERVICES</b>	<b>751,320</b>	<b>-1,270</b>	<b>810</b>	<b>-25,150</b>	<b>-44,480</b>	<b>-10,160</b>	<b>671,070</b>

<b>ITEMS ADDED TO/(TAKEN FROM) BALANCES AND RESERVES</b>							
DEFRA grant	-4,500			4,500			0
<b>NET COST OF SERVICES</b>	<b>746,820</b>	<b>-1,270</b>	<b>810</b>	<b>-20,650</b>	<b>-44,480</b>	<b>-10,160</b>	<b>671,070</b>

6.2 Net costs to this Committee have reduced by **£75,750** between years. This has been caused by;

- The Council Restructuring has resulted in a reduction in support service costs of £33,970 to this Committee.
- Government grants have increased as a result of the reinstatement of subsidy associated with the Council's management of benefit overpayments. The net effect of this amounts to an extra £35,350 this year.
- A further saving has occurred as a consequence of service review savings of £10,160.

7 FEES AND CHARGES

7.1 Fees and charges for this Committee were agreed in November 2011, and have been increased by 2½% or more if the increase could be sustained. Detailed rates are contained in the Council's fees and charges book and the new rates are applicable from 1 April 2012.

8 RECOMMENDED THAT COMMITTEE

8.1 Approve the revised budget for 2011/12.

8.2 Agree the revenue budget for 2012/13 and to submit this to the Special Policy and Finance Committee, subject to any further consideration by the Budget Working Group.

NEIL SANDIFORD  
TECHNICAL ACCOUNTANT

HH1-12/NS/AC  
9 DECEMBER 2011