

**RIBBLE VALLEY BOROUGH COUNCIL**  
**REPORT TO PLANNING AND DEVELOPMENT COMMITTEE**

DECISION

Agenda Item No 9

meeting date: 17 JANUARY 2013  
title: REVISED REVENUE BUDGET 2012/13  
submitted by: DIRECTOR OF RESOURCES  
principal author: TRUDY HOLDERNESS

**1 PURPOSE**

1.1 To agree a revised revenue budget for 2012/13 for consideration at Special Policy and Finance Committee.

**2 BACKGROUND**

2.1 The original estimate for this current financial year was set in March 2012. 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 At the time of setting the current year's budget, the Government had announced substantial reductions in the level of funding that it would provide to local authorities from 2011/12 and in to 2012/13, with no indication of what level of funding would be provided in the longer term.

2.4 Based on the information known at the time, a full service review was undertaken in 2011 in order to identify areas of potential saving. All of those put forward were considered and approved by Policy and Finance Committee on 22 November 2011.

2.5 Following the grant settlement in December 2011, the revised budget forecast estimated the amount of savings needed for 2012/13 as £635,000, which was fully achieved from the service review savings identified.

2.6 The budget was prepared for the current financial year after allowing for the service review savings package. The 2012/13 budget included provision for price increases of 2.5%. No allowance was made for pay increases. Where possible budgets were cash limited.

**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 revised estimate within this report, the budget that was originally approved in March has been restated, to include the impact of the service review and the supplementary estimate for the core strategy approved by this committee in March 2012.

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 £
Planning	337,520	422,480
Building Control	54,240	54,240
Environmental Enhancements	88,860	88,860
Conservation	11,880	11,880
Grants & Subscriptions	15,280	15,280
Public Transport	7,030	7,030
<b>NET COST OF SERVICES</b>	<b>514,810</b>	<b>599,770</b>
Earmarked Reserves	-1,080	-87,080
<b>Net Expenditure</b>	<b>513,730</b>	<b>512,690</b>

#### 4 REVISED REVENUE BUDGET 2012/13

4.1 The revised budget is £30,300 higher than the original estimate. This is decreased to £59,910 lower than the original estimate after allowing for transfers to and from earmarked reserves. A comparison between the restated original and revised budgets for each cost centre is shown below.

Cost Centre	Cost Centre Name	Restated Original Estimate 2012/13 £	Movement in Expenditure £	Movement in Income £	Movement in Support Services £	Revised Estimate 2012/13 £
PLANG	Planning Control & Enforcement	146,090	42,420	-118,290	84,540	154,760
PLANP	Planning Policy	190,390	0	-40	-22,310	168,040
CORES	Core Strategy	86,000	-8,370	0	0	77,630
BCSAP	Building Control SAP Fees	360	10	0	-1,830	-1,460
BLDGC	Building Control	53,880	-5,280	39,730	-12,600	75,730
AONBS	Area of Outstanding Natural Beauty	11,890	-560	0	100	11,430
COMMG	Community Groups	21,800	0	0	10	21,810
COUNT	Countryside Management	48,670	0	-100	10	48,580
FORBW	Forest of Bowland Bridleways	0	34,640	0	0	34,640
FPATH	Footpaths & Bridleways	4,440	0	0	1,710	6,150
HIGHH	High Hedges	2,060	0	0	50	2,110
PENDU	Pendle Hill Users	0	4,450	-190	0	4,260
CONSV	Conservation Areas	11,880	0	0	-2,420	9,460

Cost Centre	Cost Centre Name	Restated Original Estimate 2012/13 £	Movement in Expenditure £	Movement in Income £	Movement in Support Services £	Revised Estimate 2012/13 £
PLSUB	Grants and Subscriptions	15,280	-5,280	0	0	10,000
CINTR	Clitheroe Integrated Transport Scheme	7,030	-140	10	30	6,930
<b>NET COST OF SERVICES</b>		<b>599,770</b>	<b>61,890</b>	<b>-78,880</b>	<b>47,290</b>	<b>630,070</b>
PLBAL H336	Planning Reserve	0	0	-37,500	0	-37,500
PLBAL H358	Core Strategy Reserve	-86,000	0	8,370	0	-77,630
PLBAL H234	Building Control Reserve Fund	-1,080	0	-22,180	0	-23,260
PLBAL H274	Forest of Bowland Bridleways	0	0	-34,640	0	-34,640
PLBAL H273	Pendle Hill Users	0	190	-4,450	0	-4,260
<b>NET BALANCES AND RESERVES</b>		<b>-87,080</b>	<b>190</b>	<b>-90,400</b>	<b>0</b>	<b>-177,290</b>
<b>NET EXPENDITURE</b>		<b>512,690</b>	<b>62,080</b>	<b>-169,280</b>	<b>47,290</b>	<b>452,780</b>

4.2 The difference between the revised and restated original estimate is an estimated decrease in net spending of £59,910 after allowing for transfers to or from earmarked reserves. The main reasons for this are shown at Annex 1. However, a summary of the main variances is given below:

- Increase in planning consultant's costs of £37k as a result of anticipated costs on planning appeals for Whalley New Rd, Billington, Land East of Clitheroe Rd, Whalley, Mitton Rd, Whalley, Land off Chatburn Rd, Chatburn and site off Mitton Ave , Clitheroe. This expenditure will be met from a contribution from the planning earmarked reserve fund.
- Increase in planning application fee income of £120k due to several major applications being received such as Land off Hey Rd, Barrow, Woone Lane, Clitheroe, Land SW and West of Whalley Rd, Barrow, Land Chapel Close, Clitheroe, Land Mitton Rd, Whalley, Clitheroe Hospital, Chatburn Rd, Clitheroe, Land off Waddington Rd, Clitheroe, Land at Whalley Rd, Hurst Green, Higher Standen Farm and part Littlemoor Farm, Clitheroe.
- Reduced income from building regulation fees of £42k offset by contribution of £32k from reserve fund. This is mainly due to current economic climate and also due to some organisations using private competitors
- Increase in support costs of £47k, which is largely due to an increase in support from legal services as a result of their involvement with the planning appeals.

5 CONCLUSION

5.1 The difference between the revised and restated original estimate is an estimated decrease in net expenditure of £59,910 after allowing for transfers to and from earmarked reserves.

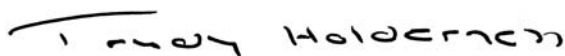
6 RISK ASSESSMENT

6.1 The approval of this report may have the following implications

- Resources – approval of the revised estimate would see a reduction in net expenditure of £30,300, or £59,910 after allowing for transfers to and from earmarked reserves.
- Technical, Environmental and Legal – none identified
- Political – none identified.
- Reputation – sound financial planning safeguard 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 2012/13 and submit this to the Special Policy and Finance Committee subject to any further consideration by the Budget Working Group.



SENIOR ACCOUNTANT

PD1-13/TH/AC  
20 December 2012



DIRECTOR OF RESOURCES

For further background information please ask for Trudy Holderness extension 4436.

BACKGROUND PAPERS – None

**PLANNING AND DEVELOPMENT COMMITTEE  
VARIANCES FROM RESTATED ORIGINAL ESTIMATE TO REVISED ESTIMATE 2012/13**

	MOVEMENT IN EXPENDITURE £	MOVEMENT IN INCOME £	MOVEMENT IN SUPPORT £	TOTAL MOVEMENT £
<b><i>Planning Control &amp; Enforcement</i></b>				
Additional part year cost of employing a temporary planner	5,420			
Increase in planning consultants fees as a result of anticipated costs on planning appeals for Whalley New Rd, Billington, Land East of Clitheroe Rd, Whalley, Mitton Rd, Whalley, Land off Chatburn old Rd, Chatburn and site off Mitton Ave, Clitheroe (funded from earmarked reserve fund)	37,500			
Reduction in GIS service costs, as a result of transfer of suppliers for the GIS service from LCC to One Connect.	-500			
Increase in support service costs mainly from community services and legal services due to changes in cost allocations from these services			84,540	
Reduction in income from decision notices and pre application advice offset by increase in planning history income		1,400		
Increase in planning application fees from several major applications due to pressure for development coming forward. This is particularly due to applications for Land off Hey Rd, Barrow, Woone Lane, Clitheroe, Land SW and West of Whalley Rd, Barrow, Land Chapel Close, Clitheroe, Land Mitton Rd, Whalley, Clitheroe Hospital, Chatburn Rd, Clitheroe, Land off Waddington Rd, Clitheroe, Land at Whalley Rd, Hurst Green, Higher Standen Farm and part Littlemoor Farm, Clitheroe.		-119,690		<b>8,670</b>
<b><i>Planning Policy</i></b>				
Reduction in support service costs mainly from community services, legal and chief executives due to changes in cost allocations from these services			-22,310	<b>-22,310</b>

**PLANNING AND DEVELOPMENT COMMITTEE  
VARIANCES FROM RESTATED ORIGINAL ESTIMATE TO REVISED ESTIMATE 2012/13**

	MOVEMENT IN EXPENDITURE £	MOVEMENT IN INCOME £	MOVEMENT IN SUPPORT £	TOTAL MOVEMENT £
<b><i>Core Strategy</i></b>				
Employee started part way through 2012/13. This has also resulted in a lower contribution from earmarked reserves being needed.	-8,370			-8,370
<b><i>Building Control SAP Fees</i></b>				
Reduction in support service costs mainly from financial services due to changes in cost allocations from this service			-1,830	-1,830
<b><i>Building Control</i></b>				
Reduction in tuition fees, professional fees and car allowances as a result of staff coming to the end of their fixed term contract.	-3,900			
Reduction in subscriptions due to removal of provision for subscription to Lexis Nexis publications on building control law and practice	-1,420			
Reduction in support service costs mainly from the Chief Executives Department due to trainee building surveyor transferring to another temporary post. This is offset by an increase from community services due to changes in cost allocations from this service.			-12,600	
Additional income from DEFRA in respect of staff involved with the administration of the flood grants scheme		-1,750		
Reduced Income from building regulation fees and search fees. This is mainly due to current economic climate and also due to some organisations using private competitors.		41,680		22,010
<b><i>Area of Outstanding Natural Beauty</i></b>				
Contribution to Forest of Bowland AONB fixed at 2011 level which itself was a reduction on the 2010 subscription	-560			

## ANNEX 1

**PLANNING AND DEVELOPMENT COMMITTEE  
VARIANCES FROM RESTATED ORIGINAL ESTIMATE TO REVISED ESTIMATE 2012/13**

	MOVEMENT IN EXPENDITURE £	MOVEMENT IN INCOME £	MOVEMENT IN SUPPORT £	TOTAL MOVEMENT £
Increase in support service cost from community services due to changes in cost allocation from this service			100	-460
<b><i>Forest of Bowland Bridleways</i></b>				
Expenditure on project work on Whitendale bridleway and Hodder roadside path. This is fully funded from an earmarked reserve fund.	34,640			34,640
<b><i>Footpath &amp; Bridleways</i></b>				
Increase in support service costs mainly from community and legal services due to changes in cost allocations from these services			1,710	1,710
<b><i>Pendle Hill Users</i></b>				
Expenditure on the repair of footpaths at Brown House, Barley and chainsaw training for parish lengths-men. These costs will be met from earmarked reserve	4,450			
Contributions received during year (to be added to earmarked reserve fund)		-190		4,260
<b><i>Conservation areas</i></b>				
Reduction in support service costs from community due to changes in cost allocations from this service			-2,420	-2,420
<b><i>Planning Subscriptions</i></b>				
Removal of provision for payment of Lancashire Economic Partnership subscription for 2012/13. Function taken over by Lancashire County Council	-5,280			-5,280
<b><i>Other</i></b>	-90	-330	100	-320
<b>Sub-Total</b>	<b>61,890</b>	<b>-78,880</b>	<b>47,290</b>	<b>30,300</b>

## ANNEX 1

**PLANNING AND DEVELOPMENT COMMITTEE  
VARIANCES FROM RESTATED ORIGINAL ESTIMATE TO REVISED ESTIMATE 2012/13**

	MOVEMENT IN EXPENDITURE £	MOVEMENT IN INCOME £	MOVEMENT IN SUPPORT £	TOTAL MOVEMENT £
<b>MOVEMENT IN EARMARKED RESERVES</b>				
<b>Planning Reserve</b> - increase in contribution from reserve fund to appeal costs		-37,500		<b>-37,500</b>
<b>Building Control Reserve</b> - increase in contribution from reserve to fund the reduction in income which is partly offset by reduced expenditure		-22,180		<b>-22,180</b>
<b>Core Strategy Reserve</b> - reduced contribution from reserve fund due to expenditure slipping into 2012/13	8,370			<b>8,370</b>
<b>Forest of Bowland Bridleway reserve</b> - contribution from reserve to fund expenditure		-34,640		<b>-34,640</b>
<b>Pendle Hill Users Reserve</b> - contribution from reserve to fund repair work and training cost offset by contribution to the reserve from donations received during the year.	190	-4,450		<b>-4,260</b>
<b>Total Movement</b>	<b>70,450</b>	<b>-177,650</b>	<b>47,290</b>	<b>-59,910</b>