

# RIBBLE VALLEY BOROUGH COUNCIL

## REPORT TO POLICY AND FINANCE COMMITTEE

Agenda Item No 13

meeting date: 29 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 some of the movements that were needed in the budget following the service reviews. One of the main areas of impact for this Committee 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 anticipated income from VAT shelter monies.

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

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

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

#### 4 REVISED REVENUE BUDGET 2012/13

4.1 The revised budget is £151,340 lower than the restated original estimate. This is increased to £166,420 lower than the restated 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	Restated Original Estimate 2012/13 £	Movement in Expenditure £	Movement in Income £	Movement In Support Services £	Movement in Capital Costs £	Revised Estimate 2012/13 £
CEXEC	Chief Executives Department	0	-23,000	-10	23,010	0	0
OMDEV	Organisation & Member Development	-24,210	-5,750	-100	30,060	0	0
CSERV	Corporate Services	185,850	1,720	0	-15,770	0	171,800

Cost Centre	Cost Centre Name	Restated Original Estimate 2012/13 £	Movement in Expenditure £	Movement in Income £	Movement In Support Services £	Movement in Capital Costs £	Revised Estimate 2012/13 £
CORPM	Corporate Management	298,040	0	0	38,720	0	336,760
CIVST	Civic Suite	0	-550	-740	1,290	0	0
CLOFF	Council Offices	3,460	1,950	0	-5,550	140	0
EMERG	Community Safety	59,700	2,520	0	7,380	0	69,600
CLTAX	Council Tax	321,170	-80	-2,370	6,450	0	325,170
NNDRC	National Non Domestic Rates	31,290	520	-3,650	5,370	0	33,530
ELADM	Election Administration	32,420	0	0	-1,960	0	30,460
DISTC	District Elections	0	-480	0	0	0	- 480
ELECT	Register of Electors	69,910	1,070	0	-3,930	0	67,050
POLIC	Police Elections	0	95,800	-95,800	0	0	0
ATTEN	Mayor's Attendant	0	-940	0	940	0	0
CIVCF	Civic Functions	57,050	270	-130	1,240	0	58,430
COSDM	Cost of Democracy	424,530	-8,220	20	-2,760	0	413,570
MAYCR	Mayoral Transport	0	-630	0	630	0	0
LICSE	Licensing	35,070	-200	-4,230	-6,940	0	23,700
LANDC	Land Charges	29,510	-2,000	8,200	370	-3,560	32,520
FGSUB	Grants and Subscriptions	153,950	-4,360	0	1,520	0	151,110
ESTAT	Estates	7,420	0	-11,200	5,340	0	1,560
VARIOUS	Meals on Wheels & Luncheon Clubs	19,860	-10,490	7,360	120	0	16,850
FMISC	Policy & Finance Miscellaneous	-195,190	-30,490	190	-200	0	-225,690
PERFM	Performance Reward Grants	37,000	24,940	0	0	0	61,940
SUPDF	Superannuation Deficiency Payments	125,080	-1,940	0	-10	0	123,130
COMPR	Computers	0	5,360	-50	-5,310	0	0
FSERV	Financial Services	0	-9,330	150	9,180	0	0
LSERV	Legal Services	0	8,130	-14,590	-6,960	0	-13,420
CONTC	Contact Centre	188,570	-6,930	190	-179,010	-2,820	0
REVUE	Revenues and Benefits	-26,340	9,080	0	17,260	0	0
ALBNM	Albion Mill	-2,770	350	1,830	320	0	- 270
INDDV	Economic Development	78,580	0	0	2,710	0	81,290

Cost Centre	Cost Centre Name	Restated Original Estimate 2012/13 £	Movement in Expenditure £	Movement in Income £	Movement In Support Services £	Movement in Capital Costs £	Revised Estimate 2012/13 £
<b>NET COST OF SERVICES</b>		<i>1,909,950</i>	<i>46,320</i>	<i>-114,930</i>	<i>-76,490</i>	<i>-6,240</i>	<i>1,758,610</i>
<b>ITEMS ADDED TO/(TAKEN FROM) BALANCES AND RESERVES</b>							
FNBAL H230	Election Fund	20,370	480	0	0	0	20,850
FNBAL H261	Lalpac Reserve	0	0	-450	0	0	-450
FNBAL H262	Computer Equipment Reserve	0	5,000	-11,500	0	0	-6,500
FNBAL H276	Promotional Activities	0	0	-1,950	0	0	-1,950
FNBAL H279	Community Safety	0	0	-2,520	0	0	-2,520
CPBAL H330	Revenue Contribution to Capital	8,270	69,320	0	0	0	77,590
FNBAL H269	Valuation of Assets Reserve	2,000	0	0	0	0	2,000
FNBAL H325	Value Shelter Reserve	348,360	0	0	0	0	348,360
FNBAL H326	Performance Reward Grants Reserve	-37,000	0	-86,880	0	0	-123,880
FNBAL H354	Community Right to Bid Reserve	0	4,870	0	0	0	4,870
FNBAL H359	Community Right to Challenge	0	8,550	0	0	0	8,550
<b>NET BALANCES AND RESERVES</b>		<i>342,000</i>	<i>88,220</i>	<i>-103,300</i>	<i>0</i>	<i>0</i>	<i>326,920</i>
<b>NET EXPENDITURE</b>		<i>2,251,950</i>	<i>134,540</i>	<i>-218,230</i>	<i>-76,490</i>	<i>-6,240</i>	<i>2,085,530</i>

4.2 The difference between the revised and original estimate is an estimated decrease in net spending of £151,340, or £166,420 after allowing for transfers to and from earmarked reserves. The main reasons for this are shown at Annex 1. However, a summary of the main variances is given below:

- Reduction in employee costs of £8k mainly due to a combination of vacant posts and reduction in hours worked within Chief Executives Department, Financial Services and Contact Centre offset by additional costs in Organisation and Member Development, Computer Services, Legal Services and Revenues due to the provision for staff turnover not being achieved as a result of low staff turnover to date.
- Reduction in Cost of Democracy costs of £8k due to the removal of allowances paid to Overview and Scrutiny members, reduced national insurance costs and other expenses.

- Reduction in external audit fee of £30k following the Department of Communities and Local Government ministerial decision to outsource the work of the Audit Commission to the private sector through a procurement exercise.
- Reduction in meals and wheels and luncheon clubs transport, equipment, materials and purchase of meal costs of £10k due to a reduction in the number of recipients receiving meals.
- Reduced income of £8k from land charges searches as a consequence of the current slow housing market
- A decrease in support services of £76k mainly due to changes in cost allocations within departments and the introduction of the full recharge of contact centre service costs in line with CIPFA guidance.
- Reduced depreciation charges of £6k on the new land charges and CRM systems, following a review of anticipated asset life.

4.3 A further major change at the revised estimate, which has no overall net impact to the council's budgets as a whole, is the distribution of the council's Contact Centre service costs on to all user services. This has been conducted in line with CIPFA guidance. Previously the costs for this service remained on the cost centre CONTC. You will see from Annex 1 that this is a key reason for the movements seen on support services.

## 5 CONCLUSION

5.1 The difference between the revised and original estimate is an estimated decrease in net spending of £166,420 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 £151,340, or £166,420 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.

## 7 RECOMMENDED THAT COMMITTEE

7.1 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

DIRECTOR OF RESOURCES

PF8-13/TH/AC

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

BACKGROUND PAPERS – Budget working papers 2012RE

**POLICY AND FINANCE COMMITTEE**  
**VARIANCES FROM RESTATED ORIGINAL ESTIMATE TO REVISED ESTIMATE 2012/13**

	MOVEMENT IN EXPENDITURE £	MOVEMENT IN INCOME £	MOVEMENT IN SUPPORT SERVICES £	MOVEMENT IN CAPITAL COSTS £	TOTAL MOVEMENT £
<b>Chief Executive</b>					
Reduced employee costs due to vacant posts in Environmental Health and Building Control sections. Reduced hours being worked by Housing Strategy Officer and staff on fixed term contract being redeployed before end of contract.	-17,600				
Reduction in uniform budget as a result of it transferring to the contact centre and reduced postage costs	-3,050				
Reduction in share of insurance costs recharged to the service	-2,230				
Increase in support costs recharged due to the Contact Centre service costs being fully recharged in line with CIPFA guidance.			10,280		
The decrease in net expenditure is reflected in reduced recharges to other services.			12,730		<b>130</b>
<b>Organisation &amp; Member Development</b>					
Increase in employee related expenses as provision for staff turnover has not been achieved due to the low level of staff turnover.	5,750				

**POLICY AND FINANCE COMMITTEE**  
**VARIANCES FROM RESTATED ORIGINAL ESTIMATE TO REVISED ESTIMATE 2012/13**

	MOVEMENT IN EXPENDITURE £	MOVEMENT IN INCOME £	MOVEMENT IN SUPPORT SERVICES £	MOVEMENT IN CAPITAL COSTS £	TOTAL MOVEMENT £
Reduced travel, staff advertising, tuition fees and corporate training due to delay in identifying training needs through appraisals	-6,830				
Reduced equipment and materials, printing and stationery, reference books and postages due to procurement savings and only essential purchases being made.	-3,990				
Increase in support costs recharged due to the Contact Centre service costs being fully recharged in line with CIPFA guidance.			3,560		
The decrease in net expenditure is reflected in reduced recharges to other services			26,500		<b>24,990</b>
<b>Corporate Services</b>					
Increase in promotional activities budget due to slippage of expenditure on information boards which will be funded from monies set aside in an earmarked reserve at the end of 2011/12	1,950				
Reduced support service costs mainly from Organisation and Member Development and Legal Services, due to changes in cost allocations.			-15,770		<b>-13,820</b>

**POLICY AND FINANCE COMMITTEE**  
**VARIANCES FROM RESTATED ORIGINAL ESTIMATE TO REVISED ESTIMATE 2012/13**

	MOVEMENT IN EXPENDITURE £	MOVEMENT IN INCOME £	MOVEMENT IN SUPPORT SERVICES £	MOVEMENT IN CAPITAL COSTS £	TOTAL MOVEMENT £
<b>Corporate Management</b>					
Increase in support costs recharged due to the Contact Centre service costs being fully recharged in line with CIPFA guidance.			38,720		<b>38,720</b>
<b>Civic Suite</b>					
Reduced employee costs due to a reduction in budgets for overtime and temporary cover for town hall keeper.	-480				
Reduced support service costs due to changes in cost allocations to this service.			-1,500		
Increase in function hire income from outside bodies		-740			
The decrease in net expenditure is reflected in reduced recharges to other services			2,790		<b>70</b>
<b>Council Offices</b>					
Increased employee related expenses due to long term sickness cover and superannuation costs for temporary staff	620				



**POLICY AND FINANCE COMMITTEE**  
**VARIANCES FROM RESTATED ORIGINAL ESTIMATE TO REVISED ESTIMATE 2012/13**

	MOVEMENT IN EXPENDITURE £	MOVEMENT IN INCOME £	MOVEMENT IN SUPPORT SERVICES £	MOVEMENT IN CAPITAL COSTS £	TOTAL MOVEMENT £
Increase in premises related expenses due to higher electricity usage but decrease in metered water and premise insurance, and repairs & maintenance	500				
Reduced support service costs mainly due to reduced allocations from Community Services Department and Organisation and Member Development to this service.			-4,870		
The decrease in net expenditure is reflected in reduced recharges to other services			-970		<b>-4,780</b>
<b><i>Community Safety</i></b>					
Increase in purchase of equipment due to slippage of expenditure on the Business Continuity and District plan which slipped from 2011/12. Expenditure is to be met from an earmarked reserve established at the end of 2011/12	2,520				
Increase in support service costs due to mainly due to increased allocations from the Chief Executive's Department to this service.			7,380		<b>9,900</b>
<b><i>Council Tax</i></b>					
Increase in support costs recharged due to the Contact Centre service costs being fully recharged in line with CIPFA guidance.			6,450		

**POLICY AND FINANCE COMMITTEE**  
**VARIANCES FROM RESTATED ORIGINAL ESTIMATE TO REVISED ESTIMATE 2012/13**

	MOVEMENT IN EXPENDITURE £	MOVEMENT IN INCOME £	MOVEMENT IN SUPPORT SERVICES £	MOVEMENT IN CAPITAL COSTS £	TOTAL MOVEMENT £
Increase in income from court costs and summonses		-2,370			4,080
<b><i>National Non Domestic Rates</i></b>					
Increase in software maintenance costs as a result of the introduction of a business rates deferral scheme, funded by government grant	680				
Increase in support costs recharged due to the Contact Centre service costs being fully recharged in line with CIPFA guidance.			5,370		
Additional funding from Department for Communities and Local Government to fund the business rates deferral scheme		-2,500			
Increase in income from court costs and summonses		-920			2,630
<b><i>Election Administration</i></b>					
Reduction in support service costs allocated from Legal Services and the Chief Executive's Department to this service.			-1,960		-1,960

**POLICY AND FINANCE COMMITTEE**  
**VARIANCES FROM RESTATED ORIGINAL ESTIMATE TO REVISED ESTIMATE 2012/13**

	MOVEMENT IN EXPENDITURE £	MOVEMENT IN INCOME £	MOVEMENT IN SUPPORT SERVICES £	MOVEMENT IN CAPITAL COSTS £	TOTAL MOVEMENT £
<b><i>Police Crime Commissioner Elections</i></b>					
Cost of election held in November 2012, funded from Electoral commission	95,800				
Funding from Electoral Commission for Police Crime Commissioner elections		-95,800			<b>0</b>
<b><i>Register of Electors</i></b>					
Increase in cost of register of electors canvassers fees due to increase in visits	1,280				
Reduction in support service costs allocated from Legal Services to this service.			-3,930		<b>-2,650</b>
<b><i>Cost of Democracy</i></b>					
Removal of basic allowance and mileage budgets previously paid to Overview and Scrutiny members	-2,000				
Reduction in special responsibility allowance and national insurance mainly due to removal of allowances paid to Overview and Scrutiny members. There has also been a reduction in statutory notice costs and council meeting expenses	-6,220				

**POLICY AND FINANCE COMMITTEE**  
**VARIANCES FROM RESTATED ORIGINAL ESTIMATE TO REVISED ESTIMATE 2012/13**

	MOVEMENT IN EXPENDITURE £	MOVEMENT IN INCOME £	MOVEMENT IN SUPPORT SERVICES £	MOVEMENT IN CAPITAL COSTS £	TOTAL MOVEMENT £
Reduction in support service costs, mainly from Legal Services and the charge from the Civic Suite. This is partly offset by increased charges from Organisation and Member Development and the main offices charge.			-2,760		-10,980
<b><i>Licensing</i></b>					
Reduction in support service costs mainly due to reduced allocations from Community Services Department and Legal Services to this service.			-6,940		
Additional income mainly from premises licences and the sale of taxi plates & brackets		-4,230			-11,170
<b><i>Land Charges</i></b>					
Reduction in share of insurance costs charged to this service	-1,780				
Reduction in depreciation charge as depreciation charged on new land charges software now depreciated over 5 years rather than the 3 years originally estimated.				-3,560	
Reduced income from searches		8,200			2,860

**POLICY AND FINANCE COMMITTEE**  
**VARIANCES FROM RESTATED ORIGINAL ESTIMATE TO REVISED ESTIMATE 2012/13**

	MOVEMENT IN EXPENDITURE £	MOVEMENT IN INCOME £	MOVEMENT IN SUPPORT SERVICES £	MOVEMENT IN CAPITAL COSTS £	TOTAL MOVEMENT £
<b>Grants &amp; Subscriptions</b>					
Reduction in supplies and services due to reduced subscriptions	-4,360				
Increase in support service costs due to changes in cost allocations to this service.			1,520		-2,840
<b>Civic Functions</b>					
I Increase in support service costs due to changes in cost allocations to this service.			1,240		1,240
<b>Estates</b>					
Increase in support service costs due to changes in cost allocations from Community Services Department and Legal Services to this service.			5,340		
Increase in rent from Youth and Community Centre at Towneley buildings, Longridge. Also increase in income from the sale of freehold land, which will be set aside in an earmarked reserve.		-11,200			-5,860
<b>Meal on Wheels / Luncheon Clubs</b>					
Reduction in transport, equipment and materials and meal costs due to reduction in number of recipients	-10,340				

**POLICY AND FINANCE COMMITTEE**  
**VARIANCES FROM RESTATED ORIGINAL ESTIMATE TO REVISED ESTIMATE 2012/13**

	MOVEMENT IN EXPENDITURE £	MOVEMENT IN INCOME £	MOVEMENT IN SUPPORT SERVICES £	MOVEMENT IN CAPITAL COSTS £	TOTAL MOVEMENT £
Reduction in grant from LCC due to reduced cost of service		3,820			
Reduction in income for sale of meals due to reduction in number of recipients		3,510			-3,010
<b><i>Policy and Finance Miscellaneous expenses</i></b>					
Reduction in external audit fees following the outsourcing of external audit services to the private sector, from the Audit Commission.	-30,140				
Reduced in support service costs due to changes in cost allocations to this service			-430		-30,570
<b><i>Performance Reward Grants</i></b>					
Increase in schemes anticipated to be completed by March 2013. Expenditure to be funded from earmarked reserve.	24,940				24,940
<b><i>Superannuation Deficiency Payment</i></b>					
Reduction in beneficiaries	-1,940				-1,940

**POLICY AND FINANCE COMMITTEE**  
**VARIANCES FROM RESTATED ORIGINAL ESTIMATE TO REVISED ESTIMATE 2012/13**

	MOVEMENT IN EXPENDITURE £	MOVEMENT IN INCOME £	MOVEMENT IN SUPPORT SERVICES £	MOVEMENT IN CAPITAL COSTS £	TOTAL MOVEMENT £
<b><i>Computer Services</i></b>					
Increase in employee costs due to staff turnover provision not being achieved	1,960				
Increase in cost of purchase of equipment due to the purchase of additional memory required for the Northgate system. This has been funded from a reserve fund established at the end of 2011/12	8,400				
Decrease in software maintenance costs. This has been set aside in an earmarked reserve to fund future software upgrades	-5,000				
Reduced in support service costs due to changes in cost allocations to this service			810		
The Increase in net expenditure is reflected in an increase in recharges to other services			-6,120		<b>50</b>

**POLICY AND FINANCE COMMITTEE**  
**VARIANCES FROM RESTATED ORIGINAL ESTIMATE TO REVISED ESTIMATE 2012/13**

	MOVEMENT IN EXPENDITURE £	MOVEMENT IN INCOME £	MOVEMENT IN SUPPORT SERVICES £	MOVEMENT IN CAPITAL COSTS £	TOTAL MOVEMENT £
<b><i>Financial Services</i></b>					
Decrease in employee costs due to vacant posts within the audit team and in the accounts team offset by recruitment advertising costs	-7,270				
Further savings achieved on other publication costs due to a review of the subscription levels to CIPFA online technical and statistical information streams and a reduction in CIPFA conference expenses.	-2,700				
Increase in share of insurance costs charged to service	730				
Increase in support costs recharged due to the Contact Centre service costs being fully recharged in line with CIPFA guidance.			8,460		
The decrease in net expenditure is reflected in a decrease in recharges to other services			720		<b>-60</b>
<b><i>Legal Services</i></b>					
Increase in employee costs due to provision for staff turnover not being achieved and additional costs due to maternity cover	10,440				



**POLICY AND FINANCE COMMITTEE**  
**VARIANCES FROM RESTATED ORIGINAL ESTIMATE TO REVISED ESTIMATE 2012/13**

	MOVEMENT IN EXPENDITURE £	MOVEMENT IN INCOME £	MOVEMENT IN SUPPORT SERVICES £	MOVEMENT IN CAPITAL COSTS £	TOTAL MOVEMENT £
Reduction in subscriptions due to DX service being terminated, also reduction in postage costs and statutory notices	-2,050				
Increase in income from legal and administration fees charged on the recovery of outstanding debtors		-1,170			
Increase in income from new burden grants in respect of Community Right to Bid and Community Right to Challenge. These will be added to earmarked reserves		-13,420			
Increase in support costs recharged due to the Contact Centre service costs being fully recharged in line with CIPFA guidance.			6,490		
The Increase in net expenditure is reflected in an increase in recharges to other services			-13,450		<b>-13160</b>
<b>Contact Centre</b>					
Reduced employee expenses due to vacant posts and the removal of temporary cover provision	-11,720				
Increase in purchase of non- recurring equipment which is funded from an earmarked reserve established at the end of 2011/12	2,150				

**POLICY AND FINANCE COMMITTEE**  
**VARIANCES FROM RESTATED ORIGINAL ESTIMATE TO REVISED ESTIMATE 2012/13**

	MOVEMENT IN EXPENDITURE £	MOVEMENT IN INCOME £	MOVEMENT IN SUPPORT SERVICES £	MOVEMENT IN CAPITAL COSTS £	TOTAL MOVEMENT £
Increase in equipment and uniform budgets, funded from reductions in the budgets of services that have transferred staff into the Customer Facing Services	2,600				
Increase in support costs mainly from computer services offset by a reduction in support cost from organisation & member development due to changes in cost allocation of this service			3,700		
Reduction in depreciation charge as depreciation charged on new CRM system split between software and equipment. The software element will be depreciated over 5 years rather than the 3 years originally estimated.				-2,820	
The introduction of recharge of net costs to service users in line with CIPFA guidance			-182,710		<b>-188,800</b>
<b>Revenue Services</b>					
Increase in employee related expenses as provision for staff turnover not being realised due to low levels of turnover.	10,180				
Reduced tuition costs, mileage and printing & stationery	-1,070				

**POLICY AND FINANCE COMMITTEE**  
**VARIANCES FROM RESTATED ORIGINAL ESTIMATE TO REVISED ESTIMATE 2012/13**

	MOVEMENT IN EXPENDITURE £	MOVEMENT IN INCOME £	MOVEMENT IN SUPPORT SERVICES £	MOVEMENT IN CAPITAL COSTS £	TOTAL MOVEMENT £
Increase in support service costs mainly from the contact centre, offset by a reduction in support service costs from financial services and reduced accommodation charge.			34,500		
The increase in net expenditure is reflected in increased recharges to other services			-17,250		26,360
<b><i>Albion Mill</i></b>					
Reduction in customer & client receipts due to vacant units		1,830			1,830
<b><i>Economic Development</i></b>					
Increase in support costs mainly from Chief Executive's Department offset by a reduction in support service costs from Community Services Department following changes in allocation of costs from these sections			2,710		2,710
<b><i>Other</i></b>	-3,350	60	2,900	140	-250
<b>Sub-Total</b>	<b>46,320</b>	<b>-114,930</b>	<b>-76,490</b>	<b>-6,240</b>	<b>-151,340</b>
<b>MOVEMENT IN BALANCES &amp; RESERVES</b>					
Election reserve - change in ruling on pension contribution on referendum fees being returned. This has been added to reserves.	480				480

**POLICY AND FINANCE COMMITTEE**  
**VARIANCES FROM RESTATED ORIGINAL ESTIMATE TO REVISED ESTIMATE 2012/13**

	<b>MOVEMENT IN EXPENDITURE £</b>	<b>MOVEMENT IN INCOME £</b>	<b>MOVEMENT IN SUPPORT SERVICES £</b>	<b>MOVEMENT IN CAPITAL COSTS £</b>	<b>TOTAL MOVEMENT £</b>
Promotional activities – contribution to fund the purchase information boards		-1,950			<b>-1,950</b>
Emergency plan reserve - contribution to fund the production of district emergency and business continuity plans		-2,520			<b>-2,520</b>
Computer equipment - funds to be set aside to fund future purchase of software licenses	5,000				<b>5,000</b>
Computer equipment – contribution to purchase non-recurring purchase of equipment		-11,500			<b>-11,500</b>
Performance Reward Grants (PRG) – funding of schemes anticipated to be completed by March 2013		-86,880			<b>-86,880</b>
Capital reserve fund – 50% of expenditure on PRG capitalised.	61,940				<b>61,940</b>
Lalpac reserve - funding for the purchase of secure certificate		-450			<b>-450</b>
Capital reserve fund - additional funding set aside from the sale of freeholds	7,380				<b>7,380</b>
Community Right to Bid reserve – additional income from new burden grant added to reserves	4,870				<b>4,870</b>
Community Right to Challenge reserve – additional income from new burden grant added to reserves	8,550				<b>8,550</b>
<b>Total Movement</b>	<b>134,540</b>	<b>-218,230</b>	<b>-76,490</b>	<b>-6,240</b>	<b>-166,420</b>