

RIBBLE VALLEY BOROUGH COUNCIL

REPORT TO HEALTH AND HOUSING COMMITTEE

DECISION

Agenda Item No 9

meeting date: 21 JANUARY 2016
title: ORIGINAL REVENUE BUDGET 2016/17
submitted by: DIRECTOR OF RESOURCES
principal author: ANDREW COOK

1 PURPOSE

- 1.1 To agree the Health and Housing Committee draft revenue budget for 2016/17 for consideration at Special Policy and Finance Committee.

2 BACKGROUND

- 2.1 The three year forecast to Policy and Finance Committee in September showed significant reductions to our budget of £263K in 2016/17, £445K in 2017/18 and £853K in 2018/19 based on estimated future grant allocation reductions at that time.
- 2.2 Our provisional Settlement Funding Assessment, announced on the 17 December 2015, is £1,862,605 for 2016/17. In comparison our current year's allocation is £2,240,595. This represents therefore a reduction of 17% in our core government funding.
- 2.3 The finance settlement also includes the option of a guaranteed settlement for every council for the 4 years 2016/17 to 2019/20, where the council can demonstrate efficiency savings. This will require an efficiency plan to be published, although it is unclear at this time what this would entail. The core funding offered for 2017/18, 2018/19 and 2019/20 show that our grant reductions in future years will be more severe than anticipated. By 2019/20 not only will our Revenue Support Grant be eliminated but the Government propose to introduce a further reduction of £109K which will increase our tariff payable under the Business Rates Retention Scheme.
- 2.4 Based on the information provided in the finance settlement, the three year forecast has been reviewed and now indicates increased requirements for reductions to the Council's budget. The forecast shows reductions needed of £423K in 2016/17, £756K in 2017/18 and £1,161K in 2018/19 which are markedly worse than we predicted.
- 2.5 The Government announce movements in our 'Spending Power' which includes income from Council Tax Payers, New Homes Bonus and other grants when quoting our funding allocations. According to the Government we will see an increase of 2.8% in our Spending Power in 2016/17. This includes the Government's assumption that the Council will take up the ability to increase its council tax by the maximum allowed of £5, being a special concession for lower quartile authorities.
- 2.6 The Budget Working Group will continue to meet over the coming weeks and will ultimately make recommendations to Special Policy and Finance Committee on 9 February 2016.

3 2016/17 DRAFT REVENUE BUDGET

- 3.1 As far as this Committee's budget is concerned, the estimates have been prepared on the current levels of service, and they allow for pay and price increases at 1.5%.
- 3.2 Detailed in the following section of the report are the individual budget areas under this Committee. These show the movements from the 2015/16 original estimate, to the proposed original estimate for 2016/17. Comments are also provided on the main variances.

4 COMMITTEE SERVICE ESTIMATES

4.1 LOCALISED COUNCIL TAX SUPPORT ADMINISTRATION

Service Description							CTBEN
<p><i>District councils have a statutory duty to administer claims for Local Council Tax Support. 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 has been verified. We are also required to investigate suspected fraudulent claims.</i></p>							
Link to Ambitions							
To be a well managed council providing efficient services based on identified customer needs							
Budget Analysis	Original Estimate 2015/16	Inflation at 1.5%	Inflation above or below 1.5%	Unavoidable Changes to Service Cost	Support Services	Capital	Original Estimate 2016/17
	£	£	£	£	£	£	£
Employee Related	780	10		-530			260
Supplies & Services	27,150	400		-6,310	-330		20,910
Support Services	173,670				-27,020		146,650
Total Expenditure	201,600	410	0	-6,840	-27,350	0	167,820
Government Grants	-93,900	-1,410		28,320			-66,990
Total Income	-93,900	-1,410	0	28,320	0	0	-66,990
NET	107,700	-1,000	0	21,480	-27,350	0	100,830
Comments							
<p>Employee Related expenses have reduced by £530 because the tuition fees budget is no longer required and less budget is required for other training expenses.</p> <p>Supplies and Services costs have reduced by £6,640 in total, due to:</p> <ul style="list-style-type: none"> - £11,400 reduction on spending for New Burdens placed on the Council as a result of Council Tax Support system changes - because there is expected to be no funding from DCLG to support such expenditure in 2016/17 (see below). - £5,280 increase in IT system licence and support costs, because of a change in IT cost allocations across various services. - £520 net decrease from minor changes in other supplies and services budgets. <p>Government Grant income has reduced by £28,320 because there is no New Burdens funding anticipated from DCLG (£11,400 was received in 2015/16) and Administration funding from the DWP and DCLG is expected to reduce by £16,920.</p> <p>Support Services costs have reduced by £27,020 following a re-assessment of cost allocations in several support services. The main reasons are:</p> <ul style="list-style-type: none"> - Financial Services and Legal Services - this is partly allocated on a transaction basis, and less transactions are anticipated than previously budgeted for. - IT Services - some IT costs now to be charged direct to services, which reduces the recharge. 							

4.2 HOUSING BENEFITS ADMINISTRATION

Service Description							HGBEN
<p>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 has been verified.</p> <p>The Council pays out Housing Benefits to eligible claimants and these payments are reimbursed by subsidy grant received from the DWP.</p>							
Link to Ambitions							
To be a well managed council providing efficient services based on identified customer needs							
Budget Analysis	Original Estimate 2015/16	Inflation at 1.5%	Inflation above or below 1.5%	Unavoidable Changes to Service Cost	Support Services	Capital	Original Estimate 2016/17
	£	£	£	£	£	£	£
Employee Related	790	10		-540			260
Supplies and Services	22,480	330		-1,550	530		21,790
Transfer Payments	7,535,480	113,040	-112,660	-517,010			7,018,850
Support Services	173,700				18,320		192,020
Total Expenditure	7,732,450	113,380	-112,660	-519,100	18,850	0	7,232,920
Government Grants	-7,658,050	-114,880	113,160	542,490			-7,117,280
Total Income	-7,658,050	-114,880	113,160	542,490	0	0	-7,117,280
NET	74,400	-1,500	500	23,390	18,850	0	115,640
Comments							
<p>Employee Related expenses have reduced by £540 because the tuition fees budget is no longer required and less budget is required for other training expenses.</p> <p>Supplies and Services costs have reduced by £1,020, due to:</p> <ul style="list-style-type: none"> - £6,600 reduction in spending for New Burdens placed on the Council as a result of Housing Benefits and welfare system changes and Fraud and Error reduction (see below) - because there is no confirmed funding from DWP to support such expenditure in 2016/17. - £5,280 increase in IT system licence and support costs, because of a change in IT cost allocations across various services. - £300 net increase from minor changes in other supplies and services budgets. <p>Transfer Payments have reduced by £629,670. This is mainly due to a £649,180 reduction in Rent Allowance payments, because of a reducing claimant caseload and no inflation increase planned, as a result of the 1% reduction in social rents and freezes on local housing allowance and other applicable amounts payable to benefits claimants. This reduction is partly offset by a £17,160 increase in Rent Rebates payments, due to an increase in homeless unit occupancy, and a £2,350 increase in discretionary housing payments made, based on expected funding available from DWP.</p> <p>Government Grant income has reduced by £655,650, due to:</p> <ul style="list-style-type: none"> - £649,850 reduction in Rent Allowance subsidy from the DWP, because of lower Rent Allowance payments, partly offset by a £13,850 increase in Rent Rebates subsidy and a £2,350 increase in discretionary housing payments funding, because of higher payments in those areas. - Administration funding from the DWP and DCLG is expected to reduce by £16,920. - No Fraud and Error Reduction (FERIS) funding confirmed from DWP, which reduces income by £5,080. <p>Support Services costs have increased by £18,320 following a re-assessment of cost allocations in several support services. The main increase was in Financial Services, because a higher number of transactions is anticipated than previously budgeted for. This is partly offset by a reduction in IT Services charges, due to some IT costs now to be charged direct to services.</p>							

4.3 UNIVERSAL CREDIT

The Council has been working in partnership with the DWP to provide support to Universal Credit claimants in the borough.

Link to Ambitions

To be a well managed council providing efficient services based on identified customer needs

Budget Analysis	Original Estimate 2015/16	Inflation at 1.5%	Inflation above or below 1.5%	Unavoidable Changes to Service Cost	Support Services	Capital	Original Estimate 2016/17
	£	£	£	£	£	£	£
Supplies and Services	140			-140			0
Support Services	19,840				710		20,550
Total Expenditure	19,980	0	0	-140	710	0	20,550
NET	19,980	0	0	-140	710	0	20,550

Comments

Supplies and Services costs have reduced by £140 because a budget is no longer required for a landlord awareness event.

The £710 increase in Support Services costs is due to changes in cost allocations from Revenues Services.

4.4 COMMON LAND

Service Description COMNL

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.

Link to Ambitions

To protect and enhance the existing environmental quality of our area

Budget Analysis	Original Estimate 2015/16	Inflation at 1.5%	Inflation above or below 1.5%	Unavoidable Changes to Service Cost	Support Services	Capital	Original Estimate 2016/17
	£	£	£	£	£	£	£
Premises Related	530	10					540
Supplies and Services	110						110
Support Services	2,090				-400		1,690
Total Expenditure	2,730	10	0	0	-400	0	2,340
NET	2,730	10	0	0	-400	0	2,340

Comments

The £400 reduction in Support Services costs is due to changes in cost allocations from Community Services and Legal Services.

4.5 CLITHEROE CEMETERY

Service Description							CLCEM
<p>The Council provides a municipal cemetery service at Clitheroe Cemetery, primarily for the residents of Ribble Valley. This includes traditional 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's at Clitheroe and a portion of St Mary's at 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 2015/16	Inflation at 1.5%	Inflation above or below 1.5%	Unavoidable Changes to Service Cost	Support Services	Capital	Original Estimate 2016/17
	£	£	£	£	£	£	£
Employee Related	90			-90			0
Premises Related	54,780	240	20	330	4,400		59,770
Supplies and Services	5,320	70		-410			4,980
Support Services	28,290				910		29,200
Depreciation and Impairment	6,090					30	6,120
Total Expenditure	94,570	310	20	-170	5,310	30	100,070
Customer and Client Receipts	-44,160	-660		-10			-44,830
Total Income	-44,160	-660	0	-10	0	0	-44,830
NET	50,410	-350	20	-180	5,310	30	55,240
Comments							
<p>Employee Related costs have reduced by £90 because an overtime budget is no longer required.</p> <p>Premises Related costs have increased by £4,750. This is due to a £4,400 increase in grounds maintenance team charges, because of a change in their cost allocations, and a £350 net increase as a result of minor changes on other premises related budgets.</p> <p>Supplies and Services costs have reduced by £410. This is due to a £1,000 reduction on the purchase of equipment and materials budget, because of less equipment being required, offset by net increases of £590 from minor changes on other supplies and services budgets.</p> <p>Support Services costs have increased by £910 because of changes in cost allocations across several support services, the main increase being from Community Services.</p>							

4.6 GRANTS AND SUBSCRIPTIONS

Service Description							ENVGR
<p><i>ENVGR cost centre will no longer be used from 2016/17 onwards.</i></p> <p><i>The budgets on this cost centre have been added into the Environmental Health Service (ENVHT) cost centre - this budget included emissions service subscriptions and these relate to services provided on the ENVHT cost centre.</i></p>							
Link to Ambitions							
N/A							
Budget Analysis	Original Estimate 2015/16	Inflation at 1.5%	Inflation above or below 1.5%	Unavoidable Changes to Service Cost	Support Services	Capital	Original Estimate 2016/17
	£	£	£	£	£	£	£
Supplies & Services	740	10		-750			0
Support Services	1,440				-1,440		0
Total Expenditure	2,180	10		-750	-1,440		0
NET	2,180	10	0	-750	-1,440	0	0
Comments							
Budgets moved to Environmental Health Service (ENVHT) for 2016/17.							

4.7 CLEAN AIR

Service Description							CLAIR
<p><i>The Council is required to undertake periodic screening and assessments of local air quality. To meet the requirements, the Council undertakes local air quality monitoring, including localised monitoring of NOx on Whalley Road, Clitheroe, associated with traffic congestion.</i></p>							
Link to Ambitions							
To help make people's lives safer & healthier							
Budget Analysis	Original Estimate 2015/16	Inflation at 1.5%	Inflation above or below 1.5%	Unavoidable Changes to Service Cost	Support Services	Capital	Original Estimate 2016/17
	£	£	£	£	£	£	£
Supplies & Services	750	10		630			1,390
Support Services	1,120				40		1,160
Total Expenditure	1,870	10		630	40		2,550
NET	1,870	10	0	630	40	0	2,550
Comments							
Supplies and Services costs have increased by £630 because of £830 budgeted costs to fund an Air Quality Plan, offset against a £200 reduction in air monitoring tube costs.							

4.8 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 2015/16	Inflation at 1.5%	Inflation above or below 1.5%	Unavoidable Changes to Service Cost	Support Services	Capital	Original Estimate 2016/17
	£	£	£	£	£	£	£
Premises Related	17,100	50		4,640	1,370		23,160
Transport Related	3,780	60		830			4,670
Supplies and Services	3,840	60					3,900
Third Party Payments	5,720	90		-510			5,300
Support Services	72,990				1,030		74,020
Depreciation	4,470					-200	4,270
Total Expenditure	107,900	260	0	4,960	2,400	-200	115,320
Other Grants and Reimbursements	0			-2,470			-2,470
Customer and Client Receipts	-18,860	-290		3,080			-16,070
Miscellaneous Income	0			-440			-440
Total Income	-18,860	-290	0	170	0	0	-18,980
NET	89,040	-30	0	5,130	2,400	-200	96,340
Comments							
<p>Premises Related Costs have increased by £6,010. This is due to £4,640 planned charges from the Council's Works Admin team, who will carry out sewer bailing work instead of Pest Control officers in 2016/17 (£4,340) and carry out dog bin repairs (£300), plus a £1,840 increase in grounds maintenance team charges and a £470 reduction in depot recharges, because of a change in cost allocations in both sections.</p> <p>Transport Related costs have increased by £830 due to vehicle insurance costs being allocated to this service from 2016/17.</p> <p>Third Party Payments have reduced by £510 because of reduced kennelling costs, based on previous years' actual costs.</p> <p>The £1,030 net increase in Support Services costs is due to changes in cost allocations in Financial Services, Legal Services, Organisation & Member Development Services and Chief Executive's Department.</p> <p>Depreciation costs have reduced by £200, following a review of asset values at the end of the 2014/15 financial year.</p> <p>Other Grants and Re-imbursments have increased by £2,470 because £3,080 kennelling and dog bin emptying income has been re-classified as Re-imbursments rather than Customer and Client Receipts, and kennelling income has reduced by £610, based on previous years' actual income.</p> <p>Customer and Client Receipts have decreased by £3,080 because kennelling and dog bin emptying income has been re-classified as Re-imbursments rather than Customer and Client Receipts.</p> <p>Miscellaneous Income has increased by £440 because of income from pest control work at Salthill Depot.</p>							

4.9 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, 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 2015/16	Inflation at 1.5%	Inflation above or below 1.5%	Unavoidable Changes to Service Cost	Support Services	Capital	Original Estimate 2016/17
	£	£	£	£	£	£	£
Supplies and Services	10,260	140		1,390			11,790
Support Services	304,270				3,940		308,210
Total Expenditure	314,530	140	0	1,390	3,940	0	320,000
Customer and Client Receipts	-24,380	-370		2,390			-22,360
Total Income	-24,380	-370	0	2,390	0	0	-22,360
NET	290,150	-230	0	3,780	3,940	0	297,640
Comments							
<p>The £1,390 increase in Supplies and Services costs is due to an increase of £610 in subscription costs (mainly from the transfer of EMAQ+ emissions service subscription costs from the ENVGR cost centre), a £250 increase in nuisance costs (cost of two yearly noise monitor callibration), a £290 increase in water sample costs (based on the profile of regular audit and check samples) and a £240 net increase as a result of minor changes on other supplies and services budgets.</p> <p>The £3,940 net increase in Support Services costs is due to the transfer of £1,440 of Community Services recharges from the ENVGR cost centre and changes in cost allocations in Community Services, Financial Services, Legal Services, Organisation & Member Development Services and Chief Executive's Department.</p> <p>Customer and Client Receipts have reduced by £2,390 due to a £2,900 reduction in Environmental Protection and Registration Fees (because some previous year's fees were one-offs and Waste Oil Burner fees are likely to be abolished in 2016/17), offset by a £510 increase in private water sample income (based on the profile of regular audit and check samples).</p>							

4.10 CONTAMINATED LAND

Service Description							CLAND
<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>							
Link to Ambitions							
To help make people's lives safer & healthier							
Budget Analysis	Original Estimate 2015/16	Inflation at 1.5%	Inflation above or below 1.5%	Unavoidable Changes to Service Cost	Support Services	Capital	Original Estimate 2016/17
	£	£	£	£	£	£	£
Supplies and Services	330						330
Support Services	15,490				-4,040		11,450
Total Expenditure	15,820	0	0	0	-4,040	0	11,780
Customer and Client Receipts	-50			50			0
Total Income	-50	0	0	50	0	0	0
NET	15,770	0	0	50	-4,040	0	11,780
Comments							
The £4,040 reduction in Support Services costs is due to a change in cost allocations in Community Services, mainly due to a reduction in time input by engineering staff.							
Customer and Client Receipts have reduced by £50 because an income budget is no longer required for this cost centre.							

4.11 HOUSING ASSOCIATIONS

Service Description							HSASS
<i>Enabling the delivery of affordable housing, working in partnership with Housing Associations to identify potential sites and support bids to assist delivery.</i>							
Link to Ambitions							
To match the supply of homes in our area with the identified housing needs.							
Budget Analysis	Original Estimate 2015/16	Inflation at 1.5%	Inflation above or below 1.5%	Unavoidable Changes to Service Cost	Support Services	Capital	Original Estimate 2016/17
	£	£	£	£	£	£	£
Supplies & Services	0			500			500
Support Services	6,000				50		6,050
Total Expenditure	6,000	0	0	500	50	0	6,550
NET	6,000	0	0	500	50	0	6,550
Comments							
Supplies and Services costs have increased by £500 because a budget has been added for awareness events and advertising for affordable housing units.							
The £50 increase in Support Services costs is due to a change in cost allocations from the Chief Executive's Department.							

4.12 HOUSING ADVANCES

Service Description							HSADV
<p><i>Following the redemption of previous mortgages the Council's mortgage portfolio now only consists of one outstanding mortgage. Here are shown the interest receipts plus the software maintenance costs and support service costs associated with the administration of the Housing Advances.</i></p>							
Link to Ambitions							
To match the supply of homes in our area with the identified housing needs.							
Budget Analysis	Original Estimate 2015/16	Inflation at 1.5%	Inflation above or below 1.5%	Unavoidable Changes to Service Cost	Support Services	Capital	Original Estimate 2016/17
	£	£	£	£	£	£	£
Supplies and Services	110			-110			0
Support Services	0						0
Total Expenditure	110	0	0	-110	0	0	0
Interest	-20			20			0
Total Income	-20	0	0	20	0	0	0
NET	90	0	0	-90	0	0	0
Comments							
<p>The Council currently only has one housing advance mortgage debtor. The principal outstanding on this mortgage is likely to be less than £100 at the beginning of 2016/17. Consequently:</p> <ul style="list-style-type: none"> - The reduction in Supplies and Services costs of £110 is due to the housing mortgages IT system no longer being used. - The reduction in Interest income of £20 is due to no interest being expected on the principal outstanding. 							

4.13 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> <p><i>This service area also covers additional support areas, such as domestic violence provision and older people's support.</i></p>							
Link to Ambitions							
To match the supply of homes in our area with the identified housing needs.							
Budget Analysis	Original Estimate 2015/16	Inflation at 1.5%	Inflation above or below 1.5%	Unavoidable Changes to Service Cost	Support Services	Capital	Original Estimate 2016/17
	£	£	£	£	£	£	£
Supplies & Services	0			200			200
Transfer Payments	0			2,540			2,540
Third Party Payments	0			14,190			14,190
Support Services	16,570				-1,560		15,010
Total Expenditure	16,570	0	0	16,930	-1,560	0	31,940
NET	16,570	0	0	16,930	-1,560	0	31,940
Comments							
<p>Supplies and Services costs have increased by £200 as a budget has been added for the recurring yearly subscription to the Older People's Champion Network.</p> <p>Transfer Payments have increased by £2,540 as a budget has been added for half of the yearly costs of domestic violence service provision by Lancashire County Council. The rest of the costs are covered by the Community Safety budget.</p> <p>Third Party Payments have increased by £14,190 due to the expenditure on additional domestic abuse support services between April and September 2016 - note, this expenditure is covered by a contribution from the Government Housing Grants Reserve in 2016/17.</p> <p>The £1,560 net reduction in Support Services costs is due to a change in cost allocations in Financial Services and the Chief Executive's Department.</p>							

4.14 CLITHEROE MARKET

Service Description							CLMKT
<p>The market site was redeveloped in 1995 to provide a modern facility with adjacent car parking. 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. Stalls and pitches are also provided for traders.</p> <p>Please note - The 2016/17 original estimate is based on a normal trading year for the market. This will be re-visited at revised estimate time for 2016/17, once the timings for the market development are finalised.</p>							
Link to Ambitions							
To protect and enhance the existing environmental quality of our area							
Budget Analysis	Original Estimate 2015/16	Inflation at 1.5%	Inflation above or below 1.5%	Unavoidable Changes to Service Cost	Support Services	Capital	Original Estimate 2016/17
	£	£	£	£	£	£	£
Employee Related	2,920	50	10	-360			2,620
Premises Related	38,750	590	360	-2,760	-410		36,530
Supplies and Services	3,070	50		-50			3,070
Support Services	39,770				-610		39,160
Depreciation and Impairment	3,090					1,810	4,900
Total Expenditure	87,600	690	370	-3,170	-1,020	1,810	86,280
Customer and Client Receipts	-126,000	-1,890		-1,450			-129,340
Miscellaneous Recharges	-7,390			960			-6,430
Total Income	-133,390	-1,890	0	-490	0	0	-135,770
NET	-45,790	-1,200	370	-3,660	-1,020	1,810	-49,490
Comments							
<p>Employee Related costs have reduced by £360 due to a reduction in employee insurance costs, because of a change in allocation of insurance costs across the Council.</p> <p>The £2,810 net reduction in Premises Related costs is due to a reduction in electricity costs of £2,150 (based on the level of usage and costs in previous years and after factoring in an above inflation price increase), a £590 reduction in repairs costs (based on previous years' spend) and a £70 net reduction from minor changes on other premises related budgets.</p> <p>The £610 net reduction in Support Services costs is due to a change in cost allocations in several areas, the main ones being Community Services, Financial Services and Legal Services.</p> <p>Depreciation costs have increased by £1,810 due to an increase in the market's asset value, following a revaluation of council assets at the end of the 2014/15 financial year.</p> <p>Customer and Client Receipts have increased by £1,450 due to increased income for the market cabins, £960, and market stalls, £490, based on actual levels of income in recent years.</p> <p>Miscellaneous Recharges to the CCTV budget for use of the market office have reduced by £960 because there is less expenditure budgeted on electricity (see above).</p>							

4.15 JOINERS ARMS HOMELESSNESS UNIT

Service Description							JARMS
<p>The Joiners Arms unit 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. The Joiners Arms is managed by Ribble Valley Homes, on behalf of the Council.</p>							
Link to Ambitions							
To match the supply of homes in our area with the identified housing needs.							
Budget Analysis	Original Estimate 2015/16	Inflation at 1.5%	Inflation above or below 1.5%	Unavoidable Changes to Service Cost	Support Services	Capital	Original Estimate 2016/17
	£	£	£	£	£	£	£
Premises Related	2,320	40		700			3,060
Supplies and Services	210			30			240
Third Party Payments	8,850	130					8,980
Support Services	3,620				-220		3,400
Depreciation and Impairment	3,750					2,750	6,500
Total Expenditure	18,750	170	0	730	-220	2,750	22,180
NET	18,750	170	0	730	-220	2,750	22,180
Comments							
<p>Premises Related expenses have increased by £700 due to an estimated increase in repairs costs of £300 (based on recent years' spend), an increase in premises insurance costs of £240 (based on a change in insurance cost allocations across Council properties) and a £160 net increase from minor changes on other Premises Related budgets.</p> <p>The net decrease in Support Services costs of £220 is due to changes in cost allocations in Community Services, Financial Services and Legal Services.</p> <p>Depreciation costs have increased by £2,750 due to an increase in the asset value of the Joiners Arms, following a recent revaluation of all council assets.</p>							

4.16 HOMELESSNESS GENERAL

Service Description							HOMEG
<p>HOMEG cost centre will no longer be used from 2016/17 onwards. This budget included the costs of the Housing Needs Service, which provides advice and assistance to households that are facing homelessness. This budget has now been added into the Homelessness Strategy (HOMES) cost centre so that the full homelessness budget can be managed on one cost centre.</p>							
Link to Ambitions							
N/A							
Budget Analysis	Original Estimate 2015/16	Inflation at 1.5%	Inflation above or below 1.5%	Unavoidable Changes to Service Cost	Support Services	Capital	Original Estimate 2016/17
	£	£	£	£	£	£	£
Supplies and Services	480			-480			0
Support Services	53,400				-53,400		0
Total Expenditure	53,880	0	0	-480	-53,400	0	0
NET	53,880	0	0	-480	-53,400	0	0
Comments							
Budgets moved to Homelessness Strategy (HOMES) from 2016/17.							

4.17 HOMELESSNESS STRATEGY

Service Description							HOMES
<p><i>This service includes:</i></p> <ul style="list-style-type: none"> - Homeless prevention work, which includes provision of the tenancy protection scheme, referrals to floating support and mediation. - Development of the Homelessness Strategy, maintaining the Homeless Forum and achievements towards the homeless action plan. - The housing needs service, which provides advice and assistance to households that are facing homelessness. It is often appropriate for home visits to be made to undertake the initial interview. 							
Link to Ambitions							
To match the supply of homes in our area with the identified housing needs.							
Budget Analysis	Original Estimate 2015/16	Inflation at 1.5%	Inflation above or below 1.5%	Unavoidable Changes to Service Cost	Support Services	Capital	Original Estimate 2016/17
	£	£	£	£	£	£	£
Employee Costs	210						210
Premises Related	3,000	50					3,050
Supplies & Services	3,380	50		10			3,440
Transport Related	50			50			100
Transfer Payments	12,990	190		-1,000			12,180
Support Services	15,150				54,720		69,870
Total Expenditure	34,780	290	0	-940	54,720	0	88,850
NET	34,780	290	0	-940	54,720	0	88,850
Comments							
<p>The net increase in Supplies and Services costs of £10 is due to a £330 purchase of equipment budget being transferred from the Homelessness General budget (see above), offset by a £210 decrease in software maintenance costs (based on lower IT system licence and support costs) and a £110 decrease in food costs (based on housing forum costs being moved to the Housing Strategy budget).</p> <p>The decrease in Transfer Payments of £1,000 is due to an estimated reduction in homelessness prevention payments, such as the Tenancy Protection Fund, based in spend in this area in recent years.</p> <p>The net increase in Support Service costs of £54,720 is due to £53,400 of Chief Executive's Department and Financial Services support services costs being transferred from the Homelessness General budget (see above) and net increases of £1,320 from changes in cost allocations in Chief Executive's Department, Financial Services and Legal Services.</p>							

4.18 IMPROVEMENT GRANTS

Service Description							IMPGR
<p>The service administers and oversees the delivery of the disabled facilities grants and landlord tenant grants. Disabled facilities grants enable homeowners and tenants to remain in their own home. Landlord tenant grants facilitate an increase in affordable housing units in the borough. Delivery of disabled facilities grants requires the greatest input from the service.</p>							
Link to Ambitions							
To match the supply of homes in our area with the identified housing needs.							
Budget Analysis	Original Estimate 2015/16	Inflation at 1.5%	Inflation above or below 1.5%	Unavoidable Changes to Service Cost	Support Services	Capital	Original Estimate 2016/17
	£	£	£	£	£	£	£
Support Services	35,740				35,430		71,170
Total Expenditure	35,740	0	0	0	35,430	0	71,170
Customer and Client Receipts	-8,160	-120		1,030			-7,250
Total Income	-8,160	-120	0	1,030	0	0	-7,250
NET	27,580	-120	0	1,030	35,430	0	63,920
Comments							
<p>The net increase in Support Services costs of £35,430 is due to changes in cost allocations in several support services areas. The main increase of £34,800 from Community Services is due to an increase in surveyors time allocated to work on Disabled Facilities Grants and Landlord Tenant Grants schemes.</p> <p>The reduction of £1,030 in Customer and Client Receipts is due to a decrease in the planned value of Landlord Tenant Grants and Disabled Facilities Grants to be administered in 2016/17, which in turn reduces administration fees income.</p>							

4.19 HOME ENERGY CONSERVATION

Service Description							HOME
<p>The service provides advice to households as to how to improve the energy efficiency of their home and reduce CO2 emissions as well as aiming 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 2015/16	Inflation at 1.5%	Inflation above or below 1.5%	Unavoidable Changes to Service Cost	Support Services	Capital	Original Estimate 2016/17
	£	£	£	£	£	£	£
Supplies and Services	740	10					750
Support Services	12,980				50		13,030
Total Expenditure	13,720	10	0	0	50	0	13,780
NET	13,720	10	0	0	50	0	13,780
Comments							
<p>The net increase in Support Services costs of £50 is due to a change in cost allocations from the Chief Executive's Department.</p>							

4.20 SHARED OWNERSHIP RENTS

<i>This budget represents income received from shared ownership property rents at Riverside, Clitheroe, and any related costs.</i>							
Link to Ambitions							
To be a well managed council providing efficient services based on identified customer needs							
Budget Analysis	Original Estimate 2015/16	Inflation at 1.5%	Inflation above or below 1.5%	Unavoidable Changes to Service Cost	Support Services	Capital	Original Estimate 2016/17
	£	£	£	£	£	£	£
Support Services	580				60		640
Total Expenditure	580	0	0	0	60	0	640
Customer and Client Receipts	-1,190	-20					-1,210
Total Income	-1,190	-20	0	0	0	0	-1,210
NET	-610	-20	0	0	60	0	-570
Comments							
The net increase in Support Services costs of £60 is due to changes in cost allocations in Financial Services and Revenue Services.							

4.21 HOUSING STRATEGY

Service Description							HSTRA
<i>The Strategic Housing Service addresses the housing needs in the borough through partnership working with Registered Housing Providers and support providers. The service also undertakes housing needs surveys to assess the affordable housing need in the borough. A housing forum is held twice a year to update stakeholders on housing strategy progress and key issues.</i>							
Link to Ambitions							
To match the supply of homes in our area with the identified housing needs.							
Budget Analysis	Original Estimate 2015/16	Inflation at 1.5%	Inflation above or below 1.5%	Unavoidable Changes to Service Cost	Support Services	Capital	Original Estimate 2016/17
	£	£	£	£	£	£	£
Supplies and Services	1,530	20		150			1,700
Third Party Payments	5,510	80					5,590
Support Services	48,120				-380		47,740
Total Expenditure	55,160	100	0	150	-380	0	55,030
NET	55,160	100	0	150	-380	0	55,030
Comments							
The increase in Supplies and Services costs is due to a £150 increase in food costs, based on the £110 housing forum catering budget being transferred from the Homeslessness Strategy budget and an estimated £40 increase in costs for 2016/17.							
The net decrease in Support Services costs of £380 is due to changes in cost allocations in Community Services, Financial Services, Legal Services and the Chief Executive's Department.							

5 SUMMARIES

- 5.1 The proposed original estimate for 2016/17 is £920,430, after allowing for transfers to and from earmarked reserves. Net expenditure has increased by £86,550 between the 2015/16 original estimate and the 2016/17 original estimate.
- 5.2 The draft budget is summarised in two ways. One over the net cost of the service provided by the Committee (objective). The other is over the type of expenditure and income (subjective).

a) *Cost of Services Provided (Objective)*

Cost Centre	Service Name	BUDGET ANALYSIS						
		Original Estimate 2015/16	Inflation at 1.5%	Inflation above or below 1.5%	Unavoidable Changes to Service Cost	Support Services	Capital	Original Estimate 2016/17
CTBEN	Localised Council Tax Support Administration	107,700	-1,000	0	21,480	-27,350	0	100,830
HGBEN	Housing Benefits Administration	74,400	-1,500	500	23,390	18,850	0	115,640
UCRED	Universal Credit	19,980	0	0	-140	710	0	20,550
COMNL	Common Land	2,730	10	0	0	-400	0	2,340
CLCEM	Clitheroe Cemetery	50,410	-350	20	-180	5,310	30	55,240
ENVGR	Grants & Subscriptions	2,180	10	0	-750	-1,440	0	0
CLAIR	Clean Air	1,870	10	0	630	40	0	2,550
DOGWD	Dog Warden & Pest Control	89,040	-30	0	5,130	2,400	-200	96,340
ENVHT	Environmental Health	290,150	-230	0	3,780	3,940	0	297,640
CLAND	Contaminated Land	15,770	0	0	50	-4,040	0	11,780
HSASS	Housing Associations	6,000	0	0	500	50	0	6,550
HSADV	Housing Advances	90	0	0	-90	0	0	0
SUPPE	Supporting People	16,570	0	0	16,930	-1,560	0	31,940
CLMKT	Clitheroe Market	-45,790	-1,200	370	-3,660	-1,020	1,810	-49,490
JARMS	Joiners Arms	18,750	170	0	730	-220	2,750	22,180
HOMEG	Homelessness General	53,880	0	0	-480	-53,400	0	0
HOMES	Homelessness Strategy	34,780	290	0	-940	54,720	0	88,850
IMPGR	Improvement Grants	27,580	-120	0	1,030	35,430	0	63,920
HOMEE	Home Energy Conservation	13,720	10	0	0	50	0	13,780
SHARE	Shared Ownership Rents	-610	-20	0	0	60	0	-570
HSTRA	Housing Strategy	55,160	100	0	150	-380	0	55,030
NET COST OF SERVICES		834,360	-3,850	890	67,560	31,750	4,390	935,100

ITEMS ADDED TO/(TAKEN FROM) BALANCES AND RESERVES								
	Clean Air Reserve	-480	0	0	0	0	0	-480
	Government Housing Grants Reserve	0	0	0	-14,190	0	0	-14,190
NET COST OF SERVICES		833,880	-3,850	890	53,370	31,750	4,390	920,430

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

	Original Estimate 2015/16	Inflation at 1.5%	Inflation above or below 1.5%	Unavoidable Changes to Service Cost	Support Services	Capital	Original Estimate 2016/17
Employee Costs	4,790	70	10	-1,520	0	0	3,350
Premises Costs	116,480	980	380	2,910	5,360	0	126,110
Transport Costs	3,830	60	0	880	0	0	4,770
Supplies and Services	80,640	1,150	0	-6,890	200	0	75,100
Third Party Payments	20,080	300	0	13,680	0	0	34,060
Transfer Payments	7,548,470	113,230	-112,660	-515,470	0	0	7,033,570
Support Services	1,024,830	0	0	0	26,190	0	1,051,020
Depreciation & Impairment	17,400	0	0	0	0	4,390	21,790
TOTAL EXPENDITURE	8,816,520	115,790	-112,270	-506,410	31,750	4,390	8,349,770
Government Grants	-7,751,950	-116,290	113,160	570,810	0	0	-7,184,270
Other Grants and Reimbursements	0	0	0	-2,470	0	0	-2,470
Customer & Client Receipts	-222,800	-3,350	0	5,090	0	0	-221,060
Interest	-20	0	0	20	0	0	0
Miscellaneous Recharges	-7,390	0	0	520	0	0	-6,870
TOTAL INCOME	-7,982,160	-119,640	113,160	573,970	0	0	-7,414,670
NET COST OF SERVICES	834,360	-3,850	890	67,560	31,750	4,390	935,100

ITEMS ADDED TO/(TAKEN FROM) BALANCES AND RESERVES							
Clean Air Reserve	-480	0	0	0	0	0	-480
Government Housing Grants Reserve	0	0	0	-14,190	0	0	-14,190
NET COST OF SERVICES	833,880	-3,850	890	53,370	31,750	4,390	920,430

5.3 Net expenditure for this committee has increased by £86,550 between the 2015/16 original estimate and the 2016/17 original estimate. The main reasons that contribute to the net increase in expenditure are summarised overleaf.

Description	Variances to net expenditure between 2015/16 and 2016/17 £
CTBEN – Localised Council Tax Administration and HGBEN – Housing Benefits Administration Estimated reduction in Administration Grant income from DWP and DCLG in 2016/17.	33,840
ALL cost centres – Support Services Net increase in Support Services recharges for the Health and Housing Committee overall, following a change in cost allocations in all support services areas. The main significant change is a £34,800 increase in Community Services charges to the Improvement Grants budget, based on a re-assessment of surveyors' time input to Disabled Facilities Grants and Landlord Tenant Grants.	31,750
CTBEN – Localised Council Tax Administration and HGBEN – Housing Benefits Administration Increased allocation of IT system licence and support costs in-year to Local Council Tax Support and Housing Benefits, because of a change in IT cost allocations across various services.	10,560
VARIOUS cost centres – Capital Charges A net increase in depreciation charges for the Health and Housing Committee overall, the main increases being due to an increase in the asset values of the Clitheroe Market site and Joiners Arms homeless unit as a result of the recent re-valuation of Council properties.	4,390
DOGWD – Dog Warden & Pest Control From 2016/17, the Council's Works Administration team will undertake the sewer bailing pest control work for United Utilities, instead of the Pest Control officers. The Dog Warden and Pest Control budget will be recharged for that work by the Works Administration budget, based on the income received from United Utilities.	4,340

5.4 This Committee's subscriptions estimates for 2016/17 are shown in Annex 1.

6 RISK ASSESSMENT

6.1 The approval of this report may have the following implications

- Resources – approval of the original estimate for 2016/17 of £920,430 would see an increase in net expenditure of £86,550 compared with the original estimate for 2015/16 of £833,880, 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 FEES AND CHARGES

- 7.1 Fees and charges for this Committee were agreed in October 2015, and have been increased by 1.5%. Detailed rates will be contained in the Council's fees and charges book and the new rates will be applicable from 1 April 2016.

8 RECOMMENDED THAT COMMITTEE

- 8.1 Agree the revenue budget for 2016/17 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

HH1-16/AC/AC
8 January 2016

For further information please ask for Andrew Cook

Health and Housing Committee – Subscriptions

Cost Centre	Body	Budgeted Subscription £	Benefits and Outcomes	Since
ENVHT Environmental Health	EHC Net Chartered Institute of Environmental Health (CIEH) Environmental Health Network	£510	Membership is compulsory amongst all local authorities within the UK. It enables communication with other environmental health officers and allows members to obtain advice and communicate information.	1999/2000
ENVHT Environmental Health	Environmental Health Lancashire (EHL) A network of Chief Environmental Health Officers from all Lancashire local authorities.	£300	The subscription funds best practice for officers to meet their CPD requirements. Membership of this body allows economies of scale to be obtained leading to more cost effective training. Some training days are included within the membership fee.	2002/03
ENVHT Environmental Health	EMAQ+ EMAQ+ provides professional development training and technical guidance to help Environmental Protection Officers build the knowledge and understanding they need to implement the functions required of a local authority.	£750	The subscription provides essential training and competency for officers dealing with emissions and air quality. Included within the subscription are seminar places and access to technical reference materials. It is viewed as best practice to subscribe.	2000/01
CTBEN + HGBEN Localised Council Tax Support and Housing Benefits Administration	Ovaltech Calculation service for Housing Benefits and Local Council Tax Support.	£550	Website based calculator service for Ribble Valley residents to access via the Council website. It allows them to enter their own details to check whether they are eligible for benefits and the levels they would receive.	2012/13

Cost Centre	Body	Budgeted Subscription £	Benefits and Outcomes	Since
CTBEN + HGBEN Localised Council Tax Support and Housing Benefits Administration	QuickCalc Calculation service for Housing Benefits and Local Council Tax Support.	£230	Technical benefits calculator service that the Benefits section access to calculate Housing Benefits payable and Local Council Tax Support to be granted, based on claimants' income levels.	2006/07
CTBEN + HGBEN Localised Council Tax Support and Housing Benefits Administration	HB Info Technical service for Housing Benefits and Local Council Tax Support.	£210	Subscription service that provides up to date information on benefits in the form of technical guidance, case law updates and regular bulletins. The service also supports a message forum for benefits professionals to share queries and information.	2006/07
CTBEN + HGBEN Localised Council Tax Support and Housing Benefits Administration	IRRV Forum Technical service for Housing Benefits and revenues services. Provided by the Institute of Revenues, Ratings and Valuation.	£540	Subscription provides regular technical updates, mainly in the form of regular bulletins put together by technical experts. This service provides essential technical reference service for benefits and also revenues related issues.	2012/13
SUPPE Supporting People	Older People's Champion Network A network of Local Authority elected member older peoples champions in the North West.	£200	The network provides support to the Council's elected member Older People's Champion and all North West older people's champions, allowing them to influence their local authorities to actively respond to the needs of older people. It also shares good practice among members.	2013/14