

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

Agenda Item No 9

meeting date: 24 JANUARY 2017
title: REVISED REVENUE BUDGET 2016/17
submitted by: DIRECTOR OF RESOURCES
principal author: TRUDY HOLDERNESS

1 PURPOSE

- 1.1 To agree a revised revenue budget for 2016/17 for this committee.

2 BACKGROUND

- 2.1 The original estimate for this current financial year was set in March 2016.
- 2.2 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.
- 2.3 At this time of year we revise the estimates for the current financial year in order to predict the likely outturn. In essence the Revised Estimate is the council's latest forecast for the outturn on the current financial year's budget. This also assists us in preparing the original estimate for the coming financial year.

3 REVISING THE ORIGINAL ESTIMATE

- 3.1 Since the budget was originally set we now have the benefit of information from the outturn position for 2015/16 and the variances that were experienced in that financial year. Furthermore, as we have been monitoring our budgets during the year we can also use this information to inform the revised budget process.
- 3.2 The 2016/17 budget included provision for pay and price increases of 1.5%. Overall general inflation for the year has been slightly less than this and the overall pay award was settled at 1% although some lower pay scales were increased by a higher amount.
- 3.3 Whilst our committee income and expenditure may increase or decrease at the revised estimate items such as our budgeted core government funding and our council tax precept remain fixed. As a result, any compensating movement is within our earmarked reserves and general fund balances.
- 3.4 In addition to the use of data on past performance there have been detailed discussions with budget holders and heads of service on past service provision and future plans, playing an integral part in the budget setting process.
- 3.5 Furthermore, decisions and actions required as a result of committee meetings are incorporated in to the budget setting process, whilst financial implications would likely have already been identified as part of any committee decision.

- 3.6 As part of the setting of the revised estimate, this report is now presented to committee to seek comment and approval. Once approved by this committee, the revised estimate will be reported to Special Policy and Finance Committee.
- 3.7 The proposed revised estimate for this committee is now presented in the following section, with details of the movements that effect this revision being detailed at Annex 1. There are also details of the current actual position as at the end of December against the profiled Original Estimate and alongside the proposed Revised Estimate at Annex 2.
- 4 PROPOSED REVISED REVENUE BUDGET 2016/17
- 4.1 The revised budget is £70,100 lower than the original estimate. This is reduced to £14,060 after movements on earmarked reserves. A comparison between the original and revised budgets for each cost centre is shown below.

Cost Centre and Description	Original Estimate 2016/17	Movement in Expenditure	Movement in Income	Movement in Support Services	Movement in Capital Charges	Revised Estimate 2016/17
ALBNM: Albion Mill	960	2,320	1,860	20		5,160
CEXEC: Chief Executives Department	0	-52,330		52,330		0
CIVCF: Civic Functions	60,870	-2,510	-200	-240		57,920
CIVST: Civic Suite	0	-3,890	-340	4,100	130	0
CLOFF: Council Offices	0	12,310	-10,590	17,060	-18,780	0
CLTAX: Council Tax	344,690	42,200	-24,070	-13,330		349,490
COMPR: Computer Services	0	-11,980		11,980		0
CONTC: Contact Centre	0	4,120		-4,120		0
CORPM: Corporate Management	320,590			6,600		327,190
COSDM: Cost of Democracy	441,570	-7,940		-7,070		426,560
CSERV: Corporate services	181,050	0		-1,190		179,860
DISTC: District Elections	0	-780				-780
ELADM: Election Administration	55,560			-4,850		50,710
ELECT: Register of Electors	93,600	14,450	-12,980	-12,960		82,110

Cost Centre and Description	Original Estimate 2016/17	Movement in Expenditure	Movement in Income	Movement in Support Services	Movement in Capital Charges	Revised Estimate 2016/17
EMERG: Community Safety	57,270	-1,390		3,160		59,040
ESTAT: Estates	44,000	-510	-990	-390	13,340	55,450
FLDRB: Flood Resilience Grants - Businesses	0	82,030	-82,030			0
FLDRH: Flood Resilience Grants - Households	0	630,820	-630,820			0
FMISC: Policy & Finance Miscellaneous	-56,730	-13,930	-6,020	-2,150	710	-78,120
FSERV: Financial Services	0	3,380	-30	-3,350		0
INDDV: Economic Development	96,650			10,780		107,430
LANDC: Land Charges	25,430	6,500	160	-4,130		27,960
LICSE: Licensing	-2,550	-6,270	3,610	21,100		15,890
LSERV: Legal Services	0	190	-640	450		0
LUNCH: Luncheon Clubs	13,870	250				14,120
NNDRC: National Non Domestic Rates	54,940	-3,900	-18,140	5,080		37,980
OMDEV: Organisation & Member Development	0	1,350	70	-1,420		0
PARIS: Parish Elections	0	5,190				5,190
PERFM: Performance Reward Grants	61,260	-39,060		40		22,240
REVUE: Revenues & Benefits	0	3,210		-3,210		0
RURAD: Rural Areas Delivery	107,254					107,254
SUPDF: Superannuation Deficiency Payments	108,880	-12,120				96,760

Cost Centre and Description	Original Estimate 2016/17	Movement in Expenditure	Movement in Income	Movement in Support Services	Movement in Capital Charges	Revised Estimate 2016/17
FGSUB: Grants & Subscriptions - Policy and Finance	148,040	-10,110		-240		137,690
Grand Total	2,157,204	641,600	-781,150	74,050	-4,600	2,087,104

5 EARMARKED RESERVES

5.1 Reserves are important to local authorities as, unlike central government, we cannot borrow money over the medium-term, other than for investment in assets, and we are required to balance our budgets on an annual basis.

5.2 Reserves can be held for three main purposes:

- a working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing;
- a contingency to cushion the impact of unexpected events or emergencies. This also forms part of general reserves;
- a means of building up funds, this is done through our earmarked reserves to meet known or predicted requirements; our earmarked reserves are accounted for separately but remain legally part of the General Fund.

5.3 The table below provides a summary of the proposed Revised Estimate for 2016/17 together with the budgeted impact on the relevant earmarked reserves. Also detailed is a summary of the reasons for the movements on the earmarked reserves

	Original Estimate 2016/17	Proposed Revised Estimate 2016/17	Reason for Movement on Earmarked Reserve
Committee Net Cost of Services	2,157,204	2,087,104	
FNBAL/H326 Performance Reward Grant (PRG) Reserve	-59,780	-20,720	This reserve was established from money payable by Central Government for the achievement of targets contained within Local Area Agreements. The contribution from the reserve represents the reduced funding required for the revised estimated revenue expenditure in 2016/17, which is largely Parish Grants
FNBAL/H362 Individual Electoral Registration (IER) Reserve	-11,540	-16,600	The reserve was established from grant received for the implementation of Individual Electoral Registration. The contribution from the reserve is used to fund the additional costs incurred in 2016/17, offset by additional income from grant received.
FNBAL/H230 Election Reserve	22,210	17,800	Reserve established from monies set aside on an annual basis to smooth out the cost of local elections. The contribution of £22,210 represents the amount required to smooth the cost of district elections held every four years, this is adjusted in the revised estimate by the funding required for the parish election held in the year, offset by amortisation of equipment added to reserve.

	Original Estimate 2016/17	Proposed Revised Estimate 2016/17	Reason for Movement on Earmarked Reserve
FNBAL/H269 Revaluation Reserve	2,030	2,030	This reserve was established from monies set aside on an annual basis to smooth out the costs of the full revaluation of council assets which must be carried out every five years. The contribution is to build up a reserve for the next revaluation, which will be in 2020.
FNBAL/H282 Land Charges Restitution Reserve	0	-6,720	Reserve established by grant funding to cover litigation costs. The contribution from the reserve is to fund litigation costs incurred in 2016/17.
FNBAL/H337 Equipment Reserve	0	-6,850	This reserve is established by setting aside unspent budget provisions and miscellaneous grants received to fund equipment and new burdens imposed on the council. The contribution from the reserve is a combination of funds to cover the cost of Icon upgrade offset by income from transparency grant received from DCLG.
FNBAL/H326 Vat Shelter Reserve	180,000	158,000	As part of the housing stock transfer to a social housing landlord an VAT shelter agreement was established. The council receives an annual payment from the landlord which is set aside in a reserve. This contribution represents the annual contribution to the reserve for the financial year 2016/17.
FNBAL/H361 Business Rates Volatility Reserve	0	44,050	This reserve was established to protect the council against business rates volatility. The contribution to the reserve is reflects the removal of the provision for discretionary business rate relief, together with additional income from the business rate pooling administration fee, less the additional cost of the CIPFA finance advisory network (FAN) subscription.
FNBAL/H262 IT Equipment reserve	0	15,910	The reserve was established to fund the purchase of computer equipment, both capital and revenue The contribution shown reflects savings from budgets for government connect costs and hardware and software maintenance, to fund unforeseen expenditure, which have now been removed from the revenue budget in future years.

	Original Estimate 2016/17	Proposed Revised Estimate 2016/17	Reason for Movement on Earmarked Reserve
CPBAL/H330 Capital Reserve Fund	0	2,060	This reserve is used to fund capital programme. Income from freehold sales which are below the de minimus level for capital receipts are added here to the capital reserve, for use in the future to fund the capital programme.
Committee Net Cost of Services after Movements on Earmarked Reserves	2,290,124	2,276,064	

6 KEY MOVEMENTS FROM ORIGINAL ESTIMATE TO REVISED ESTIMATE

6.1 Within the proposed Revised Estimate there are a number of substantial movements, and these are summarised in the table below. A more detailed analysis of the movements is provided at Annex 1.

Description	Variance Original Estimate 2016/17 to DRAFT Revised Estimate 2016/17 £
CEXEC: Chief Executives Department	
Employee costs reduced due to changes in staffing structure mainly in the building control section	-49,140
CLOFF: Council Offices	
Increase in repair and maintenance budget for replacement heating controls.	10,590
Reduced provision for depreciation due to reclassification of reroofing and window replacement capital scheme, from equipment to operational land and buildings, resulting in a longer life span.	-18,780
Additional income from rent of council offices from the Department for Work and Pensions following the co-location of Clitheroe Job Centre	-10,590
CLTAX: Council Tax	
Upgrade to ICON system funded from an earmarked reserve established from local council tax support grant	14,950
Repayment of unallocated section 31 flood grant received in 2015/16 as a result of storm Eva.	27,950
Section 31 grant received in 2015/16 brought forward into 2016/17 to be repaid after reconciliation of council tax discounts given as a result of Storm Eva	-27,950

Description	Variance Original Estimate 2016/17 to DRAFT Revised Estimate 2016/17 £
COMPR: Computer Services	
Reduction in hardware and software maintenance, consumables and government connect costs. Part of the reduction is to be set aside in an earmarked reserve to fund unforeseen expenditure.	-21,600
ELECT: Register of Electors	
Additional expenditure on postages and printing and stationery due to the introduction of Individual Electoral Registration	11,970
Additional grant received to continue to support the additional costs involved in introducing electoral registration	-12,980
ESTAT: Estates	
Increase in depreciation charge reflecting the change in classification of physiotherapy centre and garage sites	13,340
FLDRB/FLDRH: Flood grants - Business / Households	
Approved grants payable to businesses and Households in respect of flood resilience measures	712,850
Reimbursement of resilience grants paid from LCC via Section 31 Grant	-712,850
FGSUB: Grants & Subscriptions	
Grants not fully allocated for 2016/17. The revised estimate has been reduced to reflect this.	-10,110
FMISC: Policy & Finance Miscellaneous	
The latest external audit fees are lower than those originally budgeted for. The external audit fee fell to these new levels in the 2015/16 financial year.	-15,970
Reduction in income from VAT Shelter paid by Symphony Homes.	22,000
Additional grant from DCLG for work on transparency, to be added to reserves to fund future expenditure.	-8,100
Additional income as a result of Ribble Valley BC acting as the lead authority for the Lancashire Business Rate pool. All authorities in the pool are charged an administration fee.	-20,000

Description	Variance Original Estimate 2016/17 to DRAFT Revised Estimate 2016/17 £
NNDRC: National Non Domestic Rates	
The provision for payment of business rates discretionary grants has been removed as it is no longer needed under the recent business rates retention scheme	-26,350
PERFM: Performance Reward Grants	
Reduction in the level of Parish Grants that are expected to be paid out during the current financial year.	-39,060
SUPDF: Superannuation Deficiency Payments	
Reduction in deficiency payments due to reducing number of beneficiaries	-12,120
Support Service Costs	
Increase in support costs mainly due to reduced recharges to other services	74,050

7 CONCLUSION

- 7.1 The difference between the revised and original estimate is a decrease in net expenditure of £14,060 after allowing for transfers to and from earmarked reserves.

8 RISK ASSESSMENT

- 8.1 The approval of this report may have the following implications

- Resources: approval of the revised estimate would see a decrease in net expenditure of £70,100 or £14,060 after movements on 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.

9 RECOMMENDED THAT COMMITTEE

9.1 Agree the revenue revised estimate for 2016/17.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

PF4-17/TH/AC
16 January 2017

For further background information please ask for Trudy Holderness

BACKGROUND PAPERS - None

**POLICY AND FINANCE COMMITTEE
VARIANCES FROM ORIGINAL ESTIMATE TO REVISED ESTIMATE 2016/17**

ANNEX 1

	MOVEMENT IN EXPENDITURE £	MOVEMENT IN INCOME £	MOVEMENT IN CAPITAL £	MOVEMENT IN SUPPORT SERVICES £	TOTAL MOVEMENT £
ALBNM: Albion Mill					
Due to units being vacant for more than 3 months, business rates become due from the council. The movement in expenditure relates to the charge from when the units become liable for business rates to the end of the financial year.	2,320				
Fall in income from units due to vacancies, offset by a deposit paid.		1,860			
Total Albion Mill					4,180
CEXEC: Chief Executives Department					
Reduction in employee costs due to changes in staffing structure mainly in the building control section	-49,140				
Reduction in provision for vehicle insurance and leased car cost due to a vehicle not being required at this time.	-3,300				
Reduction in accommodation cost offset by increase in support costs from financial services due to changes in cost allocation from these services.				-2,810	

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ANNEX 1

	MOVEMENT IN EXPENDITURE £	MOVEMENT IN INCOME £	MOVEMENT IN CAPITAL £	MOVEMENT IN SUPPORT SERVICES £	TOTAL MOVEMENT £
The reduction in overall net expenditure on this service is reflected in a reduction in recharges to other services				55,140	
Total Chief Executives Department					-110
CIVCF: Civic Functions					
Reduction in employee costs due to a reduction in contracted hours of mayors' attendant.	-2,080				
Reduction in support costs mainly from financial services due to changes in cost allocation from this service				-240	
Total Civic functions					-2,320
CIVST: Civic Suite					
Reduction in employee costs partly due to staff turnover but also a reduction in contracted hours for the town hall keeper post.	-1,480				
Reduction in provision for repair and maintenance of buildings due a reallocation of resources to other services	-2,070				
Reduction in support costs from community and legal services due to changes in cost allocations from these services.				-1,230	

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ANNEX 1

	MOVEMENT IN EXPENDITURE £	MOVEMENT IN INCOME £	MOVEMENT IN CAPITAL £	MOVEMENT IN SUPPORT SERVICES £	TOTAL MOVEMENT £
The reduction in net expenditure is reflected in a reduction in recharges to other services				5,330	
Total Civic Suite					550
CLOFF: Council Offices					
Increase in employee costs due to long term sickness cover.	2,930				
Increase in repair and maintenance of building budget for replacement heating controls	10,590				
Additional income from rent of office facilities to Department for Work and Pension for Clitheroe job centre.		-10,590			
Reduced provision for depreciation due to reclassification of reroofing and window replacement capital works, from equipment to operational land and building, resulting in a longer life span, and hence lower in year depreciation.			-18,780		
Increase in support costs mainly from organisation and member development				520	
The reduction in net expenditure is reflected in a reduction in recharges to other services				16,540	
Total Council Offices					1,210

POLICY AND FINANCE COMMITTEE
VARIANCES FROM ORIGINAL ESTIMATE TO REVISED ESTIMATE 2016/17

ANNEX 1

	MOVEMENT IN EXPENDITURE £	MOVEMENT IN INCOME £	MOVEMENT IN CAPITAL £	MOVEMENT IN SUPPORT SERVICES £	TOTAL MOVEMENT £
CLTAX: Council Tax					
Upgrade to ICON system funded from an earmarked reserve established from local council tax support grant	14,950				
Provision made for unallocated section 31 flood grant received in 2015/16	27,950				
Section 31 grant received in 2015/16 brought forward into 2016/17 to be reconciled to council tax discounts given as a result of Storm Eva		-27,950			
Reduced income from summonses		3,880			
Reduction in support costs mainly from revenues and financial services due to changes in cost allocation from these services				-13,330	
Total Council Tax					5,500
COMPR: Computer Services					
Increase in employee costs mainly due to an extension to the apprentice post.	9,390				

POLICY AND FINANCE COMMITTEE
VARIANCES FROM ORIGINAL ESTIMATE TO REVISED ESTIMATE 2016/17

ANNEX 1

	MOVEMENT IN EXPENDITURE £	MOVEMENT IN INCOME £	MOVEMENT IN CAPITAL £	MOVEMENT IN SUPPORT SERVICES £	TOTAL MOVEMENT £
Reduction in hardware and software maintenance, consumables and government connect costs. Part of the reduction is to be set aside in an earmarked reserve to fund unforeseen expenditure.	-21,600				
Reduction in accommodation charge and support costs from organisation and member development due to changes in cost allocations from these services.				-1,040	
The reduction in net expenditure is reflected in a reduction in recharges to other services				13,020	
Total Computer Services					-230
CONTC: Contact Centre					
Employee costs have increased due to changes in staffing in a post that was previously held by an apprentice.	3,450				
The reduction in net expenditure is reflected in a reduction in recharges to other services				-4,120	
Total Contact Centre					-670

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	MOVEMENT IN EXPENDITURE £	MOVEMENT IN INCOME £	MOVEMENT IN CAPITAL £	MOVEMENT IN SUPPORT SERVICES £	TOTAL MOVEMENT £
CORPM: Corporate Management					
Increase in support costs mainly from financial services and contact centre offset by reduction in costs from chief executives department due to changes in cost allocations from these services.				6,600	
Total Corporate Management					6,600
COSDM: Cost of Democracy					
Reduction in supplies and service costs mainly from the purchase of equipment and materials reflecting previous spending and also reduction in members allowances reflecting the new member allowances scheme.	-7,230				
Reduction in accommodation costs and support costs from chief executives department due to changes in cost allocations from these services				-7,070	
Total Cost of Democracy					-14,300
ELADM: Election Administration					
Reduction in support costs mainly from legal services due to changes in cost allocations from this service.				-4,850	
Total Election Administration					-4,850

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ANNEX 1

	MOVEMENT IN EXPENDITURE £	MOVEMENT IN INCOME £	MOVEMENT IN CAPITAL £	MOVEMENT IN SUPPORT SERVICES £	TOTAL MOVEMENT £
ELECT: Register of Electors					
Increase in employee costs reflecting cost of employing temporary staff and increase in cost of canvassers	6,320				
Additional expenditure on postages and printing and stationery due to the introduction of Individual Electoral Registration	11,970				
Reduction in software maintenance costs due to part of costs recovered from elections held in the year.	-3,820				
Reduction in support costs mainly from legal services due to changes in cost allocations from this service.				-12,960	
Additional grant received to support the additional costs of Individual Electoral Registration		-12,980			
Total Register of Electors					-11,470
EMERG: Community Safety					
Increase in support service costs mainly from financial services due to changes in cost allocations from this service				3,160	
Total Community Safety					3,160

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	MOVEMENT IN EXPENDITURE £	MOVEMENT IN INCOME £	MOVEMENT IN CAPITAL £	MOVEMENT IN SUPPORT SERVICES £	TOTAL MOVEMENT £
ESTAT: Estates					
Increase in depreciation charge reflecting the change in classification of physiotherapy centre and garage sites to 'surplus asset not for sale' under operational land and buildings.			13,340		
Total Estates					13,340
FLDRB/FLDRH: Flood grants - Businesses / Households					
Approved grants payable to businesses and Households in respect of flood resilience measures	712,850				
Reimbursement of resilience grants paid from LCC via Section 31 Grant		-712,850			
Total Flood Grants					0
FMISC: Finance Miscellaneous					
The latest external audit fees are lower than those originally budgeted for. The external audit fee fell to these new levels in the 2015/16 financial year.	-15,970				
New subscription to CIPFA Finance Advisory Service	2,300				

POLICY AND FINANCE COMMITTEE
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ANNEX 1

	MOVEMENT IN EXPENDITURE £	MOVEMENT IN INCOME £	MOVEMENT IN CAPITAL £	MOVEMENT IN SUPPORT SERVICES £	TOTAL MOVEMENT £
Additional grant from DCLG for work on transparency, to be added to reserves to fund future expenditure.		-8,100			
Reduction in income from VAT Shelter paid by Symphony Homes.		22,000			
Additional income as a result of Ribble Valley BC acting as the lead authority for the Lancashire Business Rate pool. All authorities in the pool are charged an administration fee. This income will be set aside in the Business Rates Volatility Reserve.		-20,000			
Increase in support costs from financial services due to changes in cost allocations from this service				-2,150	
Total Finance Miscellaneous					-21,920
FSERV: Financial Services					
Increase in employee costs due to a low level of staff turnover to date, partly offset by some savings relating to the procurement and apprentice posts	4,640				

**POLICY AND FINANCE COMMITTEE
VARIANCES FROM ORIGINAL ESTIMATE TO REVISED ESTIMATE 2016/17**

ANNEX 1

	MOVEMENT IN EXPENDITURE £	MOVEMENT IN INCOME £	MOVEMENT IN CAPITAL £	MOVEMENT IN SUPPORT SERVICES £	TOTAL MOVEMENT £
Reduction in accommodation cost and other support costs due changes in cost allocations from the services.				-2,820	
Total Financial Services					1,820
INDDV: Economic Development					
Increase in support costs mainly from chief executives department due to changes in cost allocations from this service				10,510	
Total Economic Development					10,510
LANDC: Land Charges					
Litigation costs incurred funded from an earmarked reserve set aside for this purpose.	6,720				
Reduction in support costs mainly from community and legal services due to changes in cost allocations from these services				-4,130	
Total Land Charges					2,590

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	MOVEMENT IN EXPENDITURE £	MOVEMENT IN INCOME £	MOVEMENT IN CAPITAL £	MOVEMENT IN SUPPORT SERVICES £	TOTAL MOVEMENT £
LICSE: Licensing					
Reduction in software maintenance costs due to only part of year being invoiced in order to bring billing period in line with financial year.	-4,960				
Reduction in licensing income mainly from taxi and premises licenses		2,850			
Increase in support costs mainly from legal services due to changes in cost allocations from this service				21,100	
Total Licensing					18,990
LSERV: Legal Services					
Reduction in accommodation cost and support costs from computer services offset by increase in costs from chief executives department due to changes in cost allocations from these services				-2,620	
Reduction in net expenditure is reflected in reduced recharges to other services				3,070	
Total Legal Services					450

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	MOVEMENT IN EXPENDITURE £	MOVEMENT IN INCOME £	MOVEMENT IN CAPITAL £	MOVEMENT IN SUPPORT SERVICES £	TOTAL MOVEMENT £
NNDRC: National Non Domestic Rates					
Increase in supplies and service expenditure mainly from an increase in legal expenses and this council's administration fee for the Lancashire business rate pool	4,410				
The provision for payment of business rates discretionary grants has been removed as it is no longer needed under the recent business rates retention scheme	-26,750				
Receipt of business rate enterprise zone share - paid to the Lancashire Economic Partnership (LEP) via Lancashire County Council	17,770	-17,770			
Increase in support costs mainly from financial, legal and revenue services due to changes in cost allocations from these services				5,090	
Total National Non Domestic Rates					-17,250
OMDEV: Organisation & Member Development					
Increase in employee costs reflecting changes in staff turnover provision	3,850				
Reduction in tuition fees and printing and stationery costs to bring estimate in line with previous spending profiles	-2,260				

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	MOVEMENT IN EXPENDITURE £	MOVEMENT IN INCOME £	MOVEMENT IN CAPITAL £	MOVEMENT IN SUPPORT SERVICES £	TOTAL MOVEMENT £
Reduction in accommodation cost and other support costs due changes in cost allocations from the services.				-1,490	
Total Organisation & Member Development					100
PARIS: Parish Elections					
Cost of Longridge Town Council Election, cost to be met from the Elections earmarked reserve	5,190				
Total Parish Elections					5,190
PERFM: Performance reward grants					
Reduction in Parish Grants expected to be paid in 2016/17	-39,060				
Total Performance Reward Grant					-39,060
REVUE: Revenues & Benefits					
Increase in employee costs reflecting changes in staff turnover provision	4,450				
Decrease in accommodation costs and support costs from financial services offset by increases from organisation & member development and contact centre due to changes in cost allocations from these services				-8,490	

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	MOVEMENT IN EXPENDITURE £	MOVEMENT IN INCOME £	MOVEMENT IN CAPITAL £	MOVEMENT IN SUPPORT SERVICES £	TOTAL MOVEMENT £
The reduction in net expenditure is reflected in a reduction in recharges to other services				5,280	
Total Revenues & Benefits					1,240
SUPDF: Superannuation Deficiency Payments					
Reduction in deficiency payment due to reducing number of beneficiaries	-12,120				
Total Superannuation Deficiency Payments					-12,120
FGSUB: Grants and Subscriptions - Policy & Finance					
The provision for grants was not fully allocated for 2016/17. The revised estimate has been reduced to reflect this.	-10,110				
Total Grants & Subscriptions					-10,110
Other	-8,500	-1,500	840	-1,960	-11,120
Subtotal	641,600	-781,150	-4,600	74,050	-70,100
MOVEMENT IN EARMARKED RESERVES					
<i>FNBAL/H326</i> <i>Performance Reward Grant (PRG) Reserve</i>					
Decrease in the contribution required to fund Parish Grants paid in 2016/17	39,060				39,060

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	MOVEMENT IN EXPENDITURE £	MOVEMENT IN INCOME £	MOVEMENT IN CAPITAL £	MOVEMENT IN SUPPORT SERVICES £	TOTAL MOVEMENT £
<i>FNBAL/H362 Individual Electoral Registration (IER) Reserve</i>					
Increase in contribution required from reserve to fund additional costs incurred, offset by additional income from grant received	12,980	-18,040			-5,060
<i>FNBAL/H230 Election Reserve</i>					
A contribution from the reserve is required to fund cost of holding Longridge Town Council election in the year, offset by the amortisation of equipment added to the reserve	780	-5,190			-4,410
<i>FNBAL/H282 Land Charges Restitution Reserve</i>					
Contribution from the reserve to fund litigation costs incurred in year.		-6,720			-6,720
<i>FNBAL/H337 Equipment Reserve</i>					
The net contribution from the reserve relates to funds required for ICON system upgrade offset by transparency grant received from DCLG	8,100	-14,950			-6,850

POLICY AND FINANCE COMMITTEE
 VARIANCES FROM ORIGINAL ESTIMATE TO REVISED ESTIMATE 2016/17

ANNEX 1

	MOVEMENT IN EXPENDITURE £	MOVEMENT IN INCOME £	MOVEMENT IN CAPITAL £	MOVEMENT IN SUPPORT SERVICES £	TOTAL MOVEMENT £
<i>FNBAL/H325 Vat Shelter Reserve</i>					
Reduction in contribution to reserve due to a fall in anticipated income received from Symphony Homes		-22,000			-22,000
<i>FNBAL/H361 Business Volatility Reserve</i>					
Contribution to reserve funded from the removal of discretionary business rate relief and additional income from business rate pooling administration fee less cost of CIPFA Financial Advisory Network (FAN) subscription.	46,350	-2,300			44,050
<i>FNBAL/H262 IT Equipment reserve</i>					
The contribution to reserve relates to the savings from government connect costs and hardware and software maintenance.	15,910				15,910
<i>CPBAL/H230 Capital Reserve Fund</i>					
Contribution to reserve from additional income from freehold sales	2,060				2,060
Total Movement in Earmarked Reserves	125,240	-69,200	0	0	56,040
Total Movement	766,840	-850,350	-4,600	74,050	-14,060

ACTUAL TO DATE WITH ORIGINAL ESTIMATE AND PROPOSED REVISED ESTIMATE

Cost Centre	Description	Original Estimate to End December	Actual and Commitments to end December	Full Year Original Estimate	Proposed Revised Estimate
ALBNM	Albion Mill	5,609	15,508	960	5,160
CEEXEC	Chief Executives Department	792,425	751,521	0	0
CIVCF	Civic Functions	37,486	35,098	60,870	57,920
CIVST	Civic Suite	28,757	22,920	0	0
CLOFF	Council Offices	160,026	161,702	0	0
CLTAX	Council Tax	43,968	31,946	344,690	349,490
COMPR	Computer services	184,044	201,132	0	0
CONTC	Contact Centre	143,273	148,390	0	0
CORPM	Corporate Management	0	0	320,590	327,190
COSDM	Cost of Democracy	177,060	169,090	441,570	426,560
CSERV	Corporate Services	21,580	19,355	181,050	179,860
DISTC	District Elections	0	-781	0	-780
ELADM	Election Administration	0	0	55,560	50,710
ELECT	Register of Electors	47,458	36,860	93,600	82,110
EMERG	Community Safety	6,819	4,683	57,270	59,040
ESTAT	Estates	-16,085	-13,924	44,000	55,450
FLDRB	Flood Resilience Grants - Businesses	0	38,802	0	0
FLDRH	Flood Resilience Grants - Households	0	345,693	0	0
FMISC	Policy & Finance Miscellaneous	42,236	25,690	-56,730	-78,120
FSERV	Financial Services	489,324	498,082	0	0
INDDV	Economic Development	11,836	7,368	96,650	107,430
LANDC	Land Charges	-47,181	-33,271	25,430	27,960
LICSE	Licensing	-79,623	-79,317	-2,550	15,890
LSERV	Legal Services	268,346	264,222	0	0
LUNCH	Luncheon Clubs	9,684	2,756	13,870	14,120
NNDRC	National Non Domestic Rates	7,373	8,971	54,940	37,980
OMDEV	Organisation & Member Development	292,679	275,913	0	0
PARIS	Parish Elections	0	5,196	0	5,190
PERFM	Performance Reward Grants	44,840	41,438	61,260	22,240

ACTUAL TO DATE WITH ORIGINAL ESTIMATE AND PROPOSED REVISED ESTIMATE

Cost Centre	Description	Original Estimate to End December	Actual and Commitments to end December	Full Year Original Estimate	Proposed Revised Estimate
REVUE	Revenues & Benefits	386,101	394,014	0	0
RURAD	Rural Areas Delivery	0	0	107,254	107,254
SUPDF	Superannuation Deficiency Payments	74,872	69,409	108,880	96,760
FGSUB	Grants & Subscriptions - Policy & Finance	113,702	114,448	148,040	137,690
Committee Subtotal		3,246,609	3,562,914	2,157,204	2,087,104
Earmarked Reserves					
FNBAL/H326	Performance Reward Grants Reserve	-44,840	-41,438	-59,780	-20,720
FNBAL/H362	Individual Electoral Registration Reserve	-11,540	-13,048	-11,540	-16,600
FNBAL/H230	Election Reserve	0	-4,415	22,210	17,800
FNBAL/H269	Revaluation Reserve	0	0	2,030	2,030
FNBAL/H282	Land Charges Reserve	0	-6,723	0	-6,720
FNBAL/H337	Equipment Reserve	0	-2,500	0	-6,850
FNBAL/H321	Vat Shelter Reserve	0	0	180,000	158,000
FNBAL/H361	Business Rate Volatility Reserve	0	15,705	0	44,050
CPBAL/H330	Capital Reserve	0	2,055	0	2,060
Subtotal Earmarked Reserves		-56,380	-50,364	132,920	173,050
Total		3,190,229	3,512,550	2,290,124	2,260,154