

RIBBLE VALLEY BOROUGH COUNCIL INFORMATION

REPORT TO POLICY & FINANCE COMMITTEE

Agenda Item No 19(a)

meeting date: 12 NOVEMBER 2013
 title: REVENUE MONITORING 2013/14
 submitted by: DIRECTOR OF RESOURCES
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1 PURPOSE

- 1.1 To let you know the position for the first six months of this year's revenue budget as far as this committee is concerned.
- 1.2 Relevance to the Council's ambitions and priorities:
- ❖ Community Objectives – none identified.
 - ❖ Corporate Priorities – to continue to be a well-managed Council providing efficient services based on identified customer need and meets the objective within this priority, of maintain critical financial management controls, ensuring the authority provides council tax payers with value for money.
 - ❖ Other Considerations – none identified.

2 FINANCIAL INFORMATION

- 2.1 Shown below, by cost centre, is a comparison between actual expenditure and the original estimate for the period. You will see an overall underspend of £13,888 on the net expenditure, after allowing for estimated transfers to and from balances and reserves. Please note that underspends are denoted by figures with a minus symbol.

Cost Centre	Cost Centre Name	Net Budget for the full year £	Net Budget to the end of the period £	Actual including Commitments to the end of the period £	Variance £	
ALBNM	Albion Mill	-3,870	4,978	8,604	3,626	A
INDDV	Economic development	87,260	6,569	10,700	4,131	A
COMPR	Computer Services	-2,220	192,884	194,825	1,941	G
LICSE	Licensing	26,300	-44,114	-47,599	-3,485	A
LANDC	Land Charges	35,950	-27,351	-30,937	-3,586	A
FGSUB	Grants & Subscriptions – Policy & Finance	153,750	132,508	135,322	2,814	A
CEXEC	Chief Executives Department	-13,660	493,709	499,536	5,827	R
CLTAX	Council Tax	329,980	19,954	16,209	-3,745	A
NNDRC	National Non Domestic Rates	36,910	574	216	-358	G
CORPM	Corporate Management	366,360	0	0	0	G
EMERG	Community Safety	69,140	4,278	3,782	-496	G
BYELE	District-By-Election	0	0	3,025	3,025	A
DISTC	District Elections	0	0	1,920	1,920	G

Cost Centre	Cost Centre Name	Net Budget for the full year £	Net Budget to the end of the period £	Actual including Commitments to the end of the period £	Variance £	
ELADM	Election Administration	31,870	0	0	0	G
ELECT	Register of Electors	69,140	12,640	8,306	-4,334	A
ESTAT	Estates	14,510	-7,591	-7,836	-245	G
ATTEN	Mayor's Attendant/ Keeper	-210	7,178	5,431	-1,747	G
CIVCF	Civic Functions	61,860	18,849	14,400	-4,449	A
COSDM	Cost of Democracy	426,900	108,901	107,111	-1,790	G
MAYCR	Mayoral Transport	0	8,007	5,587	-2,420	A
FSERV	Financial Services	-8,160	301,774	296,193	-5,581	R
VARIOUS	Meals on Wheels and Luncheon Clubs	17,900	19,856	15,666	-4,190	A
CIVST	Civic Suite	-160	22,517	25,359	2,842	A
CLOFF	Council Offices	-740	131,015	145,596	14,581	R
FMISC	Policy & Finance Miscellaneous	-241,130	73,136	70,703	-2,433	A
PERFM	Performance Reward Grants	7,500	0	17,882	17,882	R
SUPDF	Superannuation Deficiency Payments	126,170	67,440	66,556	-884	G
LSERV	Legal Services	-20,620	171,946	169,659	-2,287	A
OMDEV	Organisation & Member Development	-4,300	181,587	176,863	-4,724	A
CSERV	Corporate Services	182,390	8,684	7,933	-751	G
CONTC	Contact Centre	-2,340	92,246	90,034	-2,212	A
REVUE	Revenues & Benefits	-6,610	236,680	236,747	67	G
Total net cost of services		1,739,870	2,238,854	2,247,793	8,939	

Items added to / (taken from) balances and reserves					
FNBAL H230	Election Reserve Fund	20,370	0	-4,945	-4,945
FNBAL H354	Community right to Bid / Challenge	16,410	0	0	0
FNBAL H261	Lalpac Reserve	-460	0	0	0
FNBAL H269	Asset Revaluation Reserve	2,000	0	0	0
FNBAL H326	Performance Reward Grant	-15,000	0	-17,882	-17,882
FNBAL F719	Vat Shelter	356,970	0	0	0
CPBAL H330	Revenue Contribution to Capital	7,500	0	0	0
Net Balances and reserves		387,790	0	-22,827	-22,827
Net Expenditure		2,127,660	2,238,854	2,224,966	-13,888

2.2 The variations between budget and actuals have been split into groups of red, amber and green variance. The red variances highlight specific areas of high concern, for which budget holders are required to have an action plan. Amber variances are potential areas of high concern and green variances are areas that currently do not present any significant concern.

Key to Variance shading	
Variance of more than £5,000 (Red)	R
Variance between £2,000 and £4,999 (Amber)	A
Variance less than £2,000 (Green)	G

2.3 We have then extracted the main variations for the items included in the red shaded cost centres and shown them with the budget holder's comments and agreed action plans, in Annex 1.

2.4 The main variations for items included in the amber shaded cost centres are shown with budget holders' comments at Annex 2.

2.5 In summary the main areas of variance which are unlikely to rectify themselves by the end of the financial year are summarised below. Please note favourable variances are denoted by figures with a minus symbol.

Description	Variance to end of September £
<p>CLOFF – Council Offices The variance has been caused by commitments of £12k for lift repairs, installing a flue and other maintenance items, in addition to these commitments there has already been some large non regular expenditure of £9k on lift repairs, replacing a ceiling and repointing walls. To rectify the variance accountants are working with budget holders from other service areas to fund the whole of this variance.</p>	21,504

3 CONCLUSION

- 3.1 The comparison between actual and budgeted expenditure shows an underspend of £13,888 on the first six months of the financial year 2013/14, however there are some large fluctuations that make up this net figure, some of which will be offset by future expenditure.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

BACKGROUND WORKING PAPERS

Policy & Finance budget monitoring working papers

PF54-13/TH/AC
18 October 2013

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RED VARIANCES

Ledger Code	Ledger Code Name	Budget for the Full Year	Budget to the end of the period	Actual including Commitments to the end of the period	Variance	Reason for Variance	Action Plan as agreed between the Budget Holder and Accountant
CEXEC/0100	Chief Executive / Salaries	734,580	367,434	378,036	10,602 R	The provision for savings from staff turnover is not being achieved due to savings from vacant posts offsetting the additional cost of recruiting to a new forward planning officer post (job share), which is to be added to the establishment list.	Budget to be adjusted at revised estimate.
ELECT/8050z	Register of Electors / Individual Electoral Registration Grant	0	0	-5,409	-5,409 R	Grant received from Cabinet Office to assist with the additional cost of introducing individual online registration from 2014	Budgets to be introduced at revised estimate
PERFM/4677	Performance Reward Grant / Grants to Precepting Bodies	7,500	0	17,882	17,882 R	Extension to contract of strategic partnership project officer to be met from PRG, previously funded from contributions from second homes money	Expenditure to be met from earmarked reserve fund

Ledger Code	Ledger Code Name	Budget for the Full Year	Budget to the end of the period	Actual including Commitments to the end of the period	Variance	Reason for Variance	Action Plan as agreed between the Budget Holder and Accountant
CLOFF/2402	Council Offices / Repair & Mtce - Buildings	34,710	17,360	38,864	21,504 R	The variance has been caused by commitments of £12k for lift repairs, installing a flue and other maintenance items, in addition to these commitments there has already been some large non regular expenditure of £9k on lift repairs, replacing a ceiling and repointing walls.	Meeting to take place between Head of Engineering Services to identify budgets that can be vired to meet the whole of this variance.
COMPR/2998	Computer Services / Software Maintenance	109,150	90,039	95,851	5,812 R	The variance is due to a combination of prepayment of future year maintenance agreements and an additional transaction based charge for Civica ICON.	Prepayments will be treated as payments in advance at the year end and the estimate adjusted to take account of the increase in the transaction charge.

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AMBER VARIANCES

Ledger Code	Ledger Code Name	Budget for the Full Year	Budget to the end of the period	Actual including Commitments to the end of the period	Variance		Reason for Variance
ALBNM/8805I	Albion Mill / Land Rents	-34,650	-16,668	-12,229	4,439	A	Rent is collected by Robert Pinkus and paid to the council quarterly. There are currently some arrears.
CEXEC/0101	Chief Executive / Salaries Overtime	1,140	576	2,623	2,047	A	The main reason for the variance is due to overtime being undertaken due to a vacancy in the Environmental Health section
LSERV/0100	Legal Services / Salaries	229,370	114,730	118,257	3,527	A	The budget provision for staff turnover is currently not being achieved.
LSERV/2976	Legal Services / Reference Books	22,760	15,439	10,651	-4,788	A	New online contract has been entered into which could result in savings on expenditure
CIVST/2402	Civic Suite / Repair & Mtce - Buildings	11,040	5,520	10,158	4,638	A	The variance has mainly been caused by upgrading a gas pipe and repairs to the roof of the linkway.
CLOFF/2501	Council Offices / Premises Insurance	8,380	8,380	6,280	-2,100	A	Reduction in the share of insurance costs

Ledger Code	Ledger Code Name	Budget for the Full Year	Budget to the end of the period	Actual including Commitments to the end of the period	Variance		Reason for Variance
MAYCR/2638	Mayoral Car / Leasing Costs - Vehicle	6,120	6,120	4,090	-2,030	A	A new leased vehicle has just been received on a lower annual lease price.
ESTAT/2402	Estates / Repair & Mtce - Buildings	3,170	1,586	5,371	3,785	A	Overspend is mainly as a result of an electrical upgrade including new light fittings, replacing pipework and painting at over 60's club
ESTAT/8832u	Estates / Ground Rents General	-950	-218	-3,144	-2,926	A	Additional income received from the sale of freeholds
FMISC/3252	Policy & Finance Miscellaneous / Other Insurances	0	0	-3,252	-3,252	A	An estimated creditor provision was made in 2012/13 financial year for payment of 15% levy on the Insurance liability from Municipal Mutual Insurance Ltd outstanding for Ribble Valley Borough Council as at 31 March 2013. This is still to be invoiced
LANDC/8408z	Land Charges / Search Fee	-65,190	-33,082	-37,585	-4,503	A	Increase in number of searches received compared to previous year
CONTC/0100	Contact Centre / Salaries	129,640	64,844	62,301	-2,543	A	Vacant part-time customer service post.

Ledger Code	Ledger Code Name	Budget for the Full Year	Budget to the end of the period	Actual including Commitments to the end of the period	Variance		Reason for Variance
CONTC/2809	Contact Centre / Non Recurring Purchase of Equipment	0	0	2,985	2,985	A	New Macfarlane historical Management Information Systems (MIS) module & training. This is funded from new burdens Localisation of support for Council tax grant funding.
OMDEV/1023	Organisation & Member Development / Corporate Training	14,180	7,092	3,591	-3,501	A	Training needs to be identified from performance appraisals before a development plan can be produced
REVUE/0100	Revenues & Benefits / Salaries	362,270	181,208	184,332	3,124	A	The budget provision for staff turnover not being achieved