

RIBBLE VALLEY BOROUGH COUNCIL INFORMATION

REPORT TO HEALTH & HOUSING COMMITTEE

Agenda Item No

meeting date: 23 JULY 2009
 title: REVENUE OUTTURN 2008/09
 submitted by: DIRECTOR OF RESOURCES
 principal author: NEIL SANDIFORD

1 PURPOSE

1.1 To report on the outturn for the financial year 2008/09 in respect of the Revenue Budget for this Committee.

1.2 Relevance to the Councils ambitions and priorities:

- In accordance with corporate plan objective 2.3, this report provides members with information to ensure that budget allocation and expenditure is in line with corporate priorities.

2 FINANCIAL INFORMATION

2.1 Shown below, by cost centre, is a comparison with the revised estimate. You will see an overall underspend of £56,265 on the net cost of services.

Cost Centre	Cost Centre Name	Revised Estimate £	Actual £	Difference £
CTBEN	Council Tax Benefit Administration	33,590	32,631	959
HGBEN	Housing Benefits	60,710	25,513	35,197
COMNL	Common Land	11,390	11,010	380
CLCEM	Clitheroe Cemetery	11,050	13,267	-2,217
BURCR	Burials and Cremations		965	-965
ENVGR	Grants & Subscriptions - Health & Housing	1,730	2,015	-285
GYPGR	Gypsy Grant		-75	75
CLAIR	Clean Air	3,310	3,556	-246
DOGWD	Dog Warden & Pest Control	82,860	85,533	-2,673
ENVHT	Environmental Health Services	309,180	305,323	3,857
CLAND	Contaminated Land	8,320	7,538	782
HSASS	Housing Associations	6,780	6,310	470
HSADV	Housing Advances	1,120	1,052	68

Cost Centre	Cost Centre Name	Revised Estimate £	Actual £	Difference £
SUPPE	Supporting People	5,970	5,650	320
CLMKT	Clitheroe Market	-24,240	-24,574	334
JARMS	Joiners Arms	3,060	-2,273	5,333
HOMEG	Homelessness General	56,120	55,380	740
HOMES	Homelessness Strategy	10,800	7,621	3,179
IMPGR	Improvement Grants	48,940	46,024	2,916
HOMEE	Home Energy Conservation	12,780	10,972	1,808
GRAGE	Non-Dwelling Rents	-26,150	-27,114	964
HSTRA	Housing Strategy	21,170	15,901	5,269
	Total net cost of services	638,490	582,225	56,265

Cost Centre	Cost Centre Name	Revised Estimate £	Actual £	Difference £
ITEMS ADDED TO / (TAKEN FROM) BALANCES AND RESERVES				
HGBAL/ H213	Homelessness Unit Adaptations	0	3,000	-3,000
After transfers to/from earmarked reserves		638,490	585,225	53,265

2.2 We have extracted the main variations and shown them, with the budget holder's comments, in the table below.

SERVICE	REASON	£	£
MOVEMENT IN EXPENDITURE – Increased Costs			
Clitheroe Cemetery			
- Grounds Maintenance Costs	The causes of the overspending are the subject of a detailed review of the allocation of costs for the Cemetery	-2,436	
MOVEMENT IN EXPENDITURE – Increased Costs			
Clitheroe Cemetery			
- Repairs and Maintenance	Wall repairs planned for 2008/09 have been deferred to the 2009/10 budget	2,059	
- Equipment	Purchase of shoring equipment was deferred due to costs. Alternatives are being sought from 2009/10 budget.	2,386	

Housing Benefits			
- Publicity and Postages	Expenditure has been less than anticipated	2,406	
Homelessness Strategy			
- Contract Payments	Under spending to be reserved for adaptation works at the Joiners Arms	3,069	
Housing Strategy			
- Council Offices Recharge	Anticipated recharge for council offices has been allocated to other services	4,820	
NET MOVEMENT IN EXPENDITURE			12,304
MOVEMENT IN INCOME – Increased Income			
Housing Benefits			
- Grant Income	Although payments have increased because of the economic downturn, grant income has also increased to compensate	20,343	
- Employee Support Allowance	Full grant will not be required	11,105	
Joiners Arms			
- Rent Income	Rent income before the date of transfer of management to Ribble Valley Homes is more than anticipated	2,989	
NET MOVEMENT IN INCOME			34,437
OTHER NET SAVINGS			9,524
NET CHANGE IN COST OF SERVICES			56,265
MOVEMENT IN RESERVE FUNDS			
Homelessness Unit Adaptations	To adaptations at Joiners Arms	-3,000	
NET MOVEMENT IN RESERVES			-3,000
NET CHANGE IN COST OF SERVICES			53,265

3 HRA BALANCES

- 3.1 The housing revenue account deals with the provision and maintenance of council houses and flats. There is a statutory requirement to keep this account separate from those of other housing activities carried out by the Council.

- 3.2 As members will be aware, on 31 March 2008 the Council transferred its housing stock to Ribble Valley Homes Ltd, which is a Registered Social Landlord (RSL) monitored and regulated by the Housing Corporation. During 2008/09 there have been a small number of transactions which relate to the transferred housing stock, but for which the council are liable. Details are shown below of income and expenditure for 2008/09.

	£
Housing Revenue Account Balances : Brought Forward at 1 April 2008	1,012,783
Less: Deficit for the year on Housing Revenue activities	-6,336
Housing Revenue Account Balance Transferred to General Fund Balances	1,006,447

- 3.3 The Council has received formal Consent from the Secretary of State to close its Housing Revenue Account with effect from 31 March 2009. As a result of this approval Housing Revenue Balances of £1,006,447 have been transferred to the General Fund at 31 March 2009.

4 CONCLUSION

- 4.1 On general fund services the comparison between the actual and budgeted expenditure shows an underspend for the financial year 2008/09 of £56,265. After transfers to earmarked reserves this is reduced to £53,265.
- 4.2 The variance has been largely due to additional grant income. There was also an underspend on contract payments under the homelessness strategy, which has been transferred to reserves to fund adaptation work at the Joiners Arms
- 4.3 The residual housing costs have resulted in a net deficit on the Housing Revenue Account of £6,336. This deficit has reduced the level of HRA balance that the council held at 1 April 2008 to a level of £1,006,447 at 31 March 2009. The HRA balance has now been transferred to the council's general fund balances following formal consent from the Secretary of State.



SENIOR ACCOUNTANT

H7-09/AC
13 July 2009