

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY & FINANCE COMMITTEE

INFORMATION

Agenda Item No

meeting date: 28 JULY 2009
 title: REVENUE OUTTURN 2008/09
 submitted by: DIRECTOR OF FINANCE
 principal author: TRUDY HOLDERNESS

1 PURPOSE

1.1 To let you know the actual position for the revenue budget year ended 31 March 2009 for this committee.

1.2 Relevance to the Council's 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. This has been adjusted to include income of £126,330 from the concessionary travel compromise for the pooling arrangement agreed with County, Blackburn with Darwen, Blackpool and all other Lancashire districts. You will see an overall under-spend on the net cost of service of £60,812.

Cost Centre	Cost Centre Name	Revised Estimate 2008/09 £	Actual £	Difference £
CEXEC	Chief Executives Department	0	-2,513	2,513
HRDEV	Human Resources Development	36,670	30,842	5,828
OMDEV	Organisation & Member Development	0	-3,144	3,144
CONTC	Contact Centre	167,900	165,803	2,097
CSERV	Corporate Services	189,810	179,503	10,307
STRAH	Strategic Housing Section	0	-620	620
CORPM	Corporate Management	489,620	492,784	-3,164
EPROC	E Procurement	36,710	36,520	190
GOVTE	E Government	47,450	47,452	-2
CIVST	Civic Suite	0	-141	141
CLOFF	Council Offices	0	-410	410
LRGOF	Longridge Offices	0	0	0
MOBIL	Mobile Office	0	0	0
EMERG	Community Safety	59,350	51,602	7,748
CLTAX	Council Tax	428,800	384,215	44,585
NNDRC	National Non Domestic Rates	22,570	22,420	150

Cost Centre	Cost Centre Name	Revised Estimate 2008/09	Actual	Difference
		£	£	£
DISTC	District Elections	9,860	9,861	-1
ELECT	Register of Electors	73,500	73,761	-261
EUROP	European Elections	1,490	1,490	0
LANCS	Lancashire County Elections	1,490	1,490	0
PARIS	Parish Elections	3,470	3,480	-10
PARLI	Parliamentary Elections	750	750	0
ATTEN	Mayor's Attendant	0	0	0
CIVCF	Civic Functions	63,770	60,138	3,632
COSDM	Cost of Democracy	451,890	443,458	8,432
MAYCR	Mayoral Transport	0	0	0
LICSE	Licensing	57,540	64,020	-6,480
LANDC	Land Charges	19,220	45,293	-26,073
FGSUB	Grants and Subscriptions	120,660	121,964	-1,304
ESTAT	Estates	25,180	25,366	-186
VARIOUS	Meals on Wheels & Luncheon Clubs	25,650	23,408	2,242
FMISC	Policy & Finance Miscellaneous	172,170	185,829	-13,659
PARGR	Parish Grants	43,290	39,378	3,912
COMGR	Community Grants	40,900	40,628	272
LONGR	Longridge Grants	2,000	2,000	0
SUPDF	Superannuation Deficiency Payment	128,710	128,185	525
COMPR	Computers	0	-2,178	2,178
FSERV	Financial Services	0	-7,683	7,683
LSERV	Legal Services	0	-3,429	3,429
REVUE	Revenues and Benefits	0	-7,689	7,689
CONCS	Concessionary Travel	449,370	455,145	-5,775
NET COST OF SERVICES		3,169,790	3,108,978	60,812

ITEMS ADDED TO / (TAKEN FROM) BALANCES AND RESERVES				
	Capital Reserve	0	30,000	-30,000
FNBAL H230	Election Fund	13,900	13,899	1
FNBAL H237	Single Status Reserve Fund	-950	-1,825	875
FNBAL H261	LALPAC Reserve Fund	-2,680	-2,779	99
CPBAL H258	Parish Grants Reserve Fund	-43,290	-39,378	-3,912
CPBAL H257	Community Grants Reserve Fund	-40,900	-40,629	-271
CPBAL	Longridge Grants Reserve Fund	-2,000	-2,000	0

Cost Centre	Cost Centre Name	Revised Estimate 2008/09 £	Actual £	Difference £
H259				
FNBAL H223	Audit Reserve	-900	-895	-5
FNBAL H262	IT Equipment Reserve	0	2,700	-2,700
CPBAL H322	Risk Management Reserve	-3,000	5	-3,005
NET BALANCES AND RESERVES		-79,820	-40,902	-38,918
NET EXPENDITURE		3,089,970	3,068,076	21,894

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

SERVICE	REASONS	£	£
MOVEMENT IN EXPENDITURE – Increased costs			
Chief Executive			
- Interview expenses	No budget provision was made for cost of assessments carried out by NWLA employers organisation when interviewing for replacement chief executive	-3,572	
Council Offices			
- Gas	Increase cost of gas supplied due to out of contract price increase and increase in usage.	-2,121	
National Non Domestic Rates			
- Discretionary grants	Increase in discretionary grants given	-2,372	
Grants & Subscriptions			
- Subscriptions	Overspend mainly due to year 1 of 3 contribution foundation paid earlier than anticipated in the budget	-1,564	
Policy & Finance Miscellaneous			
- Inspection fees	The overspend relates to a 2007/08 corporate inspection fee not invoiced by the Audit Commission until March 2009.	-13,722	
Legal Services			
- Salaries	Overspend is mainly due to holiday pay paid at the end of maternity leave whilst still employing full time cover for post	-2,744	
Concessionary Travel			
- Concessionary Travel	Costs were more than anticipated by LCC, which also had an impact on the compromise pooling arrangement.	-10,567	
MOVEMENT IN EXPENDITURE – Reduced costs			
Chief Executive			
- Salaries/Protective Clothing	Reduced staff costs as staff seconded to section to cover long-term sickness returned to normal duties earlier than anticipated. Corporate uniforms not received in year.	2,902	

SERVICE	REASONS	£	£
Human Resource Development			
- Tuition fees	Expenditure had been committed for equalities training but is now unlikely to take place until September 2009.	5,113	
Organisation & Member Development			
- Staff costs	Delay in replacing printing assistant	1,288	
- Purchase, Lease & Maintenance of Equipment / Stationery / Photocopying / Postages	Budget provision for replacement of leased equipment used to purchase equipment, delay in stationery being received, less photocopying being carried out and change in method of recharging for the cost of postage	5,735	
Contact Centre			
- Inter-authority agreement with LCC	Provision made for RPI greater than increased charged by LCC	1,085	
Corporate Services			
- Salaries / Staff advert	Vacant Corporate Services Manager post and delay in advertising for a replacement	4,962	
- Ribble Valley News	Saving achieved by re-tendering for printing costs and increase in provision for advertising income	1,687	
Strategic Housing			
- Equipment / Protective Clothing / Stationery / Books / Postages	A budget was established by splitting off part of the budget provision from Community Department, part way through the year not all costs have been reallocated	2,297	
Civic Suite			
- Staffing costs	Less temporary cover required	1,003	
- Repair & maintenance	Under spend is mainly due to budget being vired to cover expenditure at Platform Gallery and Castle Garden Scheme and also provision was made to replace batteries for emergency lighting which did not take place	8,428	
Community Safety			
- Purchase of equipment & Materials	Expenditure slipped due to illness of consultant. A contribution of £3,000 has been set aside in a reserve fund to enable the development / conversion of our business continuity plan into the electronic (Grace) risk management format	7,156	
Council Tax			
- Bailiff Fees	Below 3 year average paid in period October to March	1,260	
Civic Functions			
- Food	Fewer functions where refreshments were provided	2,043	
Parish Grants			
- Grants	Expenditure on some of the schemes slipped into 2009/10 and some schemes being discontinued.	3,912	
Computers			
- Equipment / Software / Stationery	Expenditure earmarked for purchase of equipment, reserve fund established as equipment not being delivered until new financial year	5,750	
Legal Services			
- Legal	Legal costs being charged direct to service	1,248	

SERVICE	REASONS	£	£
Revenues & Benefits			
- Securicor	Credit received for missed collections and price adjustment as a result of E Procurement	1,014	
Concessionary Travel			
- Community Transport	Underspend mainly due to January claim for reimbursement of travel expenses was less than anticipated	3,037	
- Other contract payments	A creditor provision was made for the administration involved in the issue of the new national concession cards. This was based on the grant we received of £4 per card. The actual charge made was £2.71	4,685	
Other	Other reduced costs below £1,000	18,408	
NET MOVEMENT IN EXPENDITURE			46,351
MOVEMENT IN INCOME – Reduced Income			
Licenses			
- Premises / Taxi / Gambling Act Licenses	Over 60 premises have not renewed there premises licences the reduced income has been offset slightly by an increase in Taxi and gambling act licence	-6,504	
Land Charges			
- Search fees	Reduced income net of reduction in cost of referrals to LCC which is a result of downturn in housing market	-26,010	
Recharges to other general fund services			
	Reduced income from recharges as a result of reduction in net costs of support services	-4,416	
MOVEMENT IN INCOME – Increased Income			
Council Tax / Non domestic rates			
- Efficiency Information Grant	Additional grant from Department of Communities and Local Government for work involved in putting efficiency information on the Council Tax bills	3,934	
- Summonses	Additional income - £30,000 set aside in capital reserve	41,860	
Estates			
Ground Rents	Additional income from sale of small piece of Land	1,014	
NET MOVEMENT IN INCOME			9,878
NET MOVEMENT IN SUPPORT COSTS			
	Reduced costs within departments		4,583
NET CHANGE IN COST OF SERVICE			60,812
MOVEMENT IN RESERVE FUNDS			
Capital Reserve	- Additional income set aside	-30,000	
Risk Management	- Contribution for business continuity plan	-3,005	
IT Equipment	- Contribution for time recording system	-2,700	
Parish Council Grants	- Reduced contribution due to slippage	-3,912	
Other reserves		699	

SERVICE	REASONS	£	£
NET MOVEMENT IN RESERVE FUNDS			-38,918
OVERALL UNDERSPEND			21,894

3 CONCLUSION

3.1 The comparison between actual and budgeted expenditure for the net cost of services shows an underspend of £61,000 for the financial year 2008/09. This has been reduced to £22,000 by contributions to and from reserve funds.

3.2 Within this net figure there has been some large fluctuations.

- Additional income from summonses of £42,000 of which £30,000 has been added to a capital reserve.
- Increased costs for corporate inspection cost of £14,000 this related to a 2007/08 inspection but there was a delay in being invoiced for the work until March 2009.
- Reduced income from Land charges of £26,000. Total income for land charges for this year was £64,000 compared to £90,000 for the previous year.
- Reduced income from licensing of £7,000. Total income for licensing for this year was £109,000 compared to £114,000 for the previous year.

SENIOR ACCOUNTANT

PF27-09/TH/AC
9 July 2009