

# RIBBLE VALLEY BOROUGH COUNCIL INFORMATION

## REPORT TO POLICY & FINANCE COMMITTEE

Agenda Item No

meeting date: 24 NOVEMBER 2009  
 title: REVENUE MONITORING 2009/10  
 submitted by: DIRECTOR OF RESOURCES  
 principal author: TRUDY HOLDERNESS

### 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:

- ❖ 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 between actual expenditure and the original estimate for the period. You will see an overall underspend of £69,000 on the net expenditure, after allowing for estimated transfers to and from balances and reserves.

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 £	
CEXEC	Chief Executive Department	-1,750	94,328	95,887	-1,559	G
CONTC	Contact Centre	147,510	33,420	30,564	2,856	A
CSERV	Corporate Service	179,150	66,694	46,409	20,285	R
HRDEV	Human Resource Development	35,320	6,320	5,057	1,263	G
OMDEV	Organisation & Member Development	-2,760	153,050	159,617	-6,567	R
STRAH	Strategic Housing Section	-1,620	85,466	78,739	6,727	R
CORPM	Corporate Management	512,170	0	0	0	G
EPROC	E Procurement Revenue Costs	44,340	0	0	0	G
GOVTE	E Government Revenue Costs	41,450	18,000	18,000	0	G
CIVST	Civic Suite	-170	24,576	20,240	4,336	A
CLOFF	Council Offices	-530	114,493	108,013	6,480	R
LRGOF	Longridge Offices	0	52	0	52	G
MOBIL	Mobile Office	-10	2,488	2,905	-417	G
EMERG	Community Safety	60,300	6,316	14,860	-8,544	R
CLTAX	Council Tax	433,600	16,995	19,535	-2,540	A
NNDRC	National Non Domestic Rates	24,900	480	-10,997	11,477	R

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 £	
ATTEN	Mayor's Attendant / Keeper	-120	7,385	6,708	677	G
CIVCF	Civic Functions	57,200	17,396	21,673	-4,277	A
COSDM	Cost of Democracy	474,210	104,978	104,373	605	G
DISTC	District Elections	1,620	0	389	-389	G
ELECT	Register of Electors	66,890	11,834	11,639	195	G
EUROP	European Elections	22,170	0	71,507	-71,507	R
LANCS	Lancashire County Elections	22,170	0	11,414	-11,414	R
MAYCR	Mayoral Transport	0	7,191	6,906	285	G
PARIS	Parish Elections	510	0	0	0	G
PARLI	Parliamentary Elections	770	0	-15,448	15,448	R
VARIOUS	Meals on Wheels and Luncheon Clubs	26,960	25,665	19,778	5,887	R
ESTAT	Estates	24,980	-1,049	-2,965	1,916	G
FGSUB	Grants & Subscriptions – Policy & Finance	154,960	134,272	93,072	41,200	R
FMISC	Policy & Finance Miscellaneous	173,870	63,626	57,342	6,284	R
LANDC	Land Charges	11,550	-42,828	-30,169	-12,659	R
LICSE	Licensing	42,780	-40,590	-36,563	-4,027	A
LONGR	Longridge Grants	99,900	0	0	0	G
SUPDF	Superannuation Deficiency Payments	128,870	42,477	65,572	-23,095	R
COMPR	Computer Services	-820	184,870	181,342	3,528	A
FSERV	Financial Services	-22,420	298,953	280,187	18,766	R
LSERV	Legal Services	8,380	151,991	159,221	-7,230	R
REVUE	Revenues & Benefits	-10,730	286,541	275,246	11,295	R
CONCS	Concessionary Travel*	441,370	233,555	136,564	96,991	R
<b>Total net cost of services</b>		<b>3,196,970</b>	<b>2,108,945</b>	<b>2,006,617</b>	<b>102,328</b>	

Items added to / (taken from) balances and reserves					
FNBAL H230	Election Reserve Fund	19,000	19,000	43,885	-24,885
FNBAL H262	IT Equipment Reserve Fund	0	0	-2,700	2,700
CPBAL H322	Risk Management	-2,810	-2,810	-5,818	3,008
FNBAL	Concurrent Function Grants	0	0	14,142	-14,142
CPBAL H259	Longridge Schemes	-94,900	0	0	0
<b>Net Balances and reserves</b>		<b>-78,710</b>	<b>16,190</b>	<b>49,509</b>	<b>-33,319</b>

<b>Net Expenditure</b>	<b>3,118,260</b>	<b>2,125,135</b>	<b>2,056,126</b>	<b>69,009</b>
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\* Includes Concessionary travel Compromise

- 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, which currently do not present any significant concern.

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

- 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.

### 3 CONCLUSION

- 3.1 The comparison between actual and budgeted expenditure after allowing for transfers to and from reserves shows an underspend for the first six months of the financial year 2009/10 of £69,000, however there are some large fluctuations that make up this net figure.

- 3.2 European and County elections costs of £93,000 are to be claimed back, this is partly offset by income from previous elections of £25,000 which is to be transferred to a reserve fund to offset any future liabilities.

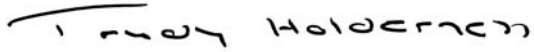
- 3.3 An interim concurrent function grants payment of £11,000 was paid on 28 September this is to be followed by a further payment of £5,000 in March. The remaining £14,000 is to be transferred to a reserve fund.

- 3.4 Income from land charges remains a concern with total income received for the first six months of £42,000 this compares to the budget for this period of £59,000.

- 3.5 The cost of the concessionary travel scheme is the main area of concern for this committee. The current under spend of £97,000 is due to a delay in being invoiced for costs under the pooling arrangement. Latest estimated costs from Lancashire County, for the full year range from £376,000 to £519,000. Even the higher figure is less than the agreed pool contribution of £592,000. The reason for this large range in

estimated costs is due to the ongoing dispute with bus operators over the reimbursement rate.

In addition community transport costs are estimated at £45,000.

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SENIOR ACCOUNTANT

PF56-09/TH/AC  
9 November 2009

## POLICY &amp; FINANCE COMMITTEE

## 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
CSERV/0100	Corporate Services/Salaries	93,490	46,764	33,006	13,758	R	Vacant Corporate Services Manager post	Decision to be made regarding vacant post
EMERG/2881	Community Safety/Purchase of Equipment & Materials	13,480	6,742	15,244	-8,502	R	A large project is currently being undertaken which has resulted in the current over spend. The expenditure to-date has already exceeded the full year budget but this budget currently excludes £3,000 that was set aside in a reserve fund from 2008/09 budgets for business continuity plan. This will be added to the budget at revised estimate.	Expenditure and commitment orders have been scrutinised by budget holder and accountant and any future expenditure is to be carefully monitored by budget holder.

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
EUROP/0361	European Elections/Election Fees	0	0	51,130	-51,130	R		
EUROP/2446	European Elections/Rent of Buildings	0	0	10,406	-10,406	R	Costs associated with running elections in June 2009	Expenditure to be claimed back. Estimates to be added at revised estimate.
EUROP/2676	European Elections /Reference Books	0	0	6,881	-6,881	R		
EUROP/8605z	European Elections/Other Income	0	0	-9,826	9,826	R	Additional income	Funds to be transferred to reserve fund to offset any future liabilities
LSERV/0100	Legal Services / Salaries	193,970	97,024	102,114	-5,090	R	Invoice recently received for contribution towards cost of Legal Assistant on a training contract with Blackburn & Darwen Borough Council.	Legal Assistant was previously employed by Ribble Valley on a fixed term contract but left before end of contract. Budget to be adjusted at revised estimate to reflect the funds previously added to general fund reserves.
LANCS/2971	Lancashire County Elections/Printing & Stationery	0	0	6,783	-6,783	R	Costs associated with running elections in June 2009	Expenditure to be claimed back. Estimates to be added at revised estimate.

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
PARLI/8605z	Parliamentary Elections/Other Income	0	0	-15,448	15,448	R	Additional income	Funds to be transferred to reserve fund to offset any future liabilities
LANDC/8408z	Land Charges/Search Fee	-101,320	-59,098	-42,096	-17,002	R	Reduced income reflects the current housing market	Income to be monitored, estimate may need to be adjusted when preparing revised estimate.
LICSE/8437u	Licensing / Premises Licences	-59,900	-33,148	-26,727	-6,421	R	Premises licenses issued automatically. Income to be recovered from licensors	Recovery procedures have been suggested by Financial Services Section
OMDEV/2981	Organisation & Member Development / Postages	2,700	1,350	9,205	-7,855	R	Incorrect amount charged by Royal Mail due to our error in completing postage dockets.	Credit note received in October to correct error.
FMISC/5021	Policy & Finance Miscellaneous/Audit Fees	91,000	41,360	21,750	19,610	R	Only received invoices for 3 of 12 instalments	Invoices to be chased

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
FMISC/5025	Policy & Finance Miscellaneous/Audit Fees – Grants	30,130	11,888	26,025	-14,137	R	Expenditure not following a standard profile, dependant on when Audit commission invoice us for work carried out.	Audit commission to be contacted to give an indication of grant claims still outstanding to be audited.
FGSUB/3011	Grants & Subscriptions / Voluntary Organisations	90,210	72,746	64,000	8,746	R	Combination of delay in paying quarterly contribution to citizen advice bureau offset by grant payment to Chatburn Parish Council for which there is no budget provision	Estimates to be added at revised estimate. Additional income will be offset by additional expenditure.
FGSUB/8605z	Grants & Subscriptions / Other Income	0	0	-8,500	8,500	R	Debtor raised to recover the cost of the grant that was paid to Chatburn Parish Council.	



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
FGSUB/3013	Grants & Subscriptions / Subscriptions	63,970	61,410	37,572	23,838	R	The under spend is a combination of the Local Government Associations reducing subscriptions for 2009/10 to £10,000 for District Authorities with population under 100,000 and claims for concurrent functions being less than anticipated	Estimates to be revised to show savings and balance of concurrent function funds to be set aside in a reserve fund.
SUPDF/1026	Superannuation Deficiency Payments/Superannuation Deficiency Payments	123,240	39,733	62,832	-23,099	R	Contribution to West Yorkshire pension fund invoiced in June 2009 and paid within 30 days, payment not due until 30 September 2009.	No action required
CONCS/2661	Concessionary Travel/Bus Passes	584,640	292,434	197,637	94,797	R	Delay in receiving August and September pooling Invoice	Invoices to be chased

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
FSERV/0100	Financial Services/Salaries	447,110	223,642	205,582	18,060	R	Staff changes and restructuring	Financial service manager post has been filled. Personnel Committee recently approved staff changes resulting in savings.
NNDRC/8012z	National Non Domestic Rates / Section 31 Grant	0	0	-11,773	11,773	R	Additional grant to offset expenditure incurred with legislative changes regarding NNDR deferral scheme.	Budgets to be adjusted at revised estimate to take account of this additional income and the additional expenditure incurred.
REVUE/0100	Revenues & Benefits/Salaries.	473,620	236,902	230,066	6,836	R	Combination of vacant benefits assistant and clerical officer posts, which have been recently filled and vacant assistant cashiers post. This variation is partly offset by overtime expenditure.	Vacant posts being covered by staff working overtime. Cashiers post to be filled by person being redeployed.

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
REVUE/0101	Revenues & Benefits/Salaries overtime	0	0	4,189	-4,189	R	Overtime work being undertaken by staff due to increased workload in benefit section. Cost is being reimbursed by additional grant from DWP	

## POLICY &amp; FINANCE COMMITTEE

## 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
CEXEC/0100	Chief Executives Department/Salaries	137,930	70,347	75,019	-4,672	A Relates to accrued holiday pay for leave not taken
CEXEC/8601n	Chief Executives Department/Telephone	0	0	-4,395	4,395	A The Council has entered into a 24 month security phone contract. Income from rental rebate for the second year still to be allocated.
CSERV/0109	Corporate Services/Salaries Superannuation	12,370	5,916	3,849	2,067	A Vacant Corporate Services Manager post
CSERV/6002	Corporate Services/Car Leasing Repayments	2,550	2,550	0	2,550	
STRAH/0100	Strategic Housing Section/Salaries	132,900	66,474	63,522	2,952	A Vacant part-time 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
CLOFF/2402	Council Offices/Repair & Maintenance – Buildings	34,710	17,360	11,201	6,159	A	Staff have been concentrating on castle scheme, it is expected that expenditure will catch up with profile in due course.
CIVST/2402	Civic Suite/Repair & Maintenance – Buildings	9,290	4,648	2,614	2,034	A	
EUROP/1015	European Elections/Other Training Expenses.	0	0	2,375	-2,375	A	Costs associated with running June elections, claim for expenditure to be submitted. Budget to be added at revised estimate.
EUROP/2402	European Elections/Repair & Maintenance – Buildings.	0	0	3,435	-3,435	A	
LANCS/2981	Lancashire County Elections/Postages	0	0	2,704	-2,704	A	
LANDC/3086	Land Charges/Land Charges - LCC	9,640	4,598	1,056	3,542	A	Only invoiced for April to June referrals
LICSE/8438u.	Licensing/Taxi Licences	-40,300	-17,273	-21,227	3,954	A	Alternative employment being sought by individuals to supplement income as a result of current economic climate.

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
COMPR/2998	Computer Services/Software Maintenance	90,550	78,898	75,413	3,485	A	A new product has replaced the Checkpoint Collaborative software support, prior to its renewal date, funded in 2008/09.
COMPR/3001	Computer Services / Computer Stationery	9,080	4,542	6,828	-2,286	A	Stock of stationery item recently ordered. Departments still to be recharged for the cost of items used.
FMISC/5029	Policy & Finance Miscellaneous/Credit / Debit Card Fees	0	0	2,751	-2,751	A	Credit card charges netted off interest and credit card charges at year end
FSERV/0108	Financial Services/National Insurance Salaries	34,360	17,188	14,647	2,541	A	Under spend caused by vacant Financial Services Manager post, which has now been filled and Technical Accountant post. Personnel committee recently approved an option for the Technical Accountant post, which will come into operation shortly.
FSERV/0109	Financial Services/Superannuation Salaries	71,370	35,700	32,901	2,799	A	
FSERV/6002	Financial Services/Car Leasing Repayments	13,260	3,706	7,686	-3,980	A	Commitment for new lease car

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
REVUE/1013	Revenues & Benefits/Tuition Fees	4,590	2,298	250	2,048	A	No staff currently undertaking professional training
REVUE/3101	Revenues & Benefits/Cash Collection Service	8,080	4,042	1,929	2,113	A	Saving due to review of contract price as part of joint procurement arrangement
CLTAX/2881	Council Tax / Purchase of Equipment & Materials	4,560	1,742	3,976	-2,234	A	A commitment has been made to purchase and install CCTV camera in the cashing section. This is being funded by a virement.
CLTAX/2998	Council Tax / Software Maintenance	1,160	1,160	3,666	-2,506	A	Additional expenditure incurred from licence upgrade as a result of legislative changes regarding NNDR deferral scheme. This expenditure is to be grant funded.