

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO COMMUNITY COMMITTEE

Agenda Item No 11

meeting date: 3 SEPTEMBER 2013
 title: REVENUE MONITORING 2013/14
 submitted by: DIRECTOR OF RESOURCES
 principal author: ROBIN BRAMHALL

1 PURPOSE

1.1 To let you know the position for the first four 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 performance and improvement plan objective 2, "to maintain critical financial management and controls" this report provides members with information arising from the budget monitoring exercise for the first four months of 2013/14.

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 £9,373 on the net cost of services.

Cost Centre	Cost Centre Name	Net Budget for the Full Year £	Net Budget to the end of period £	Actual including Commitments to the end of the period £	Variance £	
COMMD	Community Services Department	-16,800	407,804	411,230	3,426	A
HWAGY	Highways Agency	15,470	344	0	-344	G
HWREP	Highway Repairs	3,260	172	0	-172	G
NHWAG	Non-Agency Highways Work	26,830	0	0	0	G
CULVT	Culverts & Water Courses	19,680	1,100	778	-322	G
DRAIN	Private Drains	11,680	-66	-103	-37	G
RIVBK	Riverbank Protection	3,210	396	27	-369	G
BUSSE	Bus Shelters	16,940	2,352	765	-1,587	G
SEATS	Roadside Seats	5,670	780	639	-141	G
SIGNS	Street Nameplates & Signs	32,260	1,000	643	-357	G
RIGHT	Public Rights of Way	4,770	6,320	724	-5,596	R
STCLE	Street Cleansing	320,520	138,281	133,168	-5,113	R
VARIOUS	Public Conveniences	188,210	68,626	75,354	6,728	R

Cost Centre	Cost Centre Name	Net Budget for the Full Year £	Net Budget to the end of period £	Actual including Commitments to the end of the period £	Variance £	
LITTR	Litter Bins	16,390	2,154	1,821	-333	G
RCOLL	Refuse Collection	1,075,090	143,793	138,523	-5,270	R
RECYC	Recycling & Waste Awareness	105,080	-3,963	6,557	10,520	R
TFRST	Waste Transfer Station	79,320	33,364	32,881	-483	G
TRREF	Trade Refuse	-21,130	-127,180	-136,603	-9,423	R
*PAPER	Waste Paper Collection	36,310	11,318	5,737	-5,581	R
CRIME	Crime and Disorder	75,420	3,170	150	-3,020	A
CRIMP	RV Crime Reduction Partnership	24,000	584	598	14	G
CCTEL	CCTV Equipment	113,880	56,422	55,245	-1,177	G
LNGCH	Longridge Civic Hall	17,000	0	0	0	G
ARTDV	Art Development	28,510	7,538	6,018	-1,520	G
PLATG	Platform Gallery	112,840	27,849	28,774	925	G
MUSEM	Castle Museum	204,730	-69,889	-67,257	2,632	A
MCAFE	Museum Café	910	-2,931	223	3,154	A
TURSM	Tourism	99,850	10,118	10,000	118	G
VARIOUS	Car Parking	-99,980	-13,035	-16,749	-3,714	A
LDEPO	Longridge Depot	0	5,167	4,997	-170	G
SDEPO	Salthill Depot	-290	18,292	20,359	2,067	A
VARIOUS	Refuse Collection Vehicles	0	120,318	111,473	-8,845	R
VARIOUS	Grounds Maintenance Vehicles	0	17,095	19,175	2,080	A
VARIOUS	Works Administration Vehicles	0	7,770	10,139	2,369	A
VARIOUS	Plant	0	2,908	3,358	450	G
TWOWR	Two Way Radio	0	-1,698	-2,159	-461	G
VEHCL	Vehicle Workshop	-900	-4,927	-5,330	-403	G
WKSAD	Works Administration	-1,840	-49,769	-47,992	1,777	G
CARVN	Caravan Site	-6,520	0	1,332	1,332	G
EDPIC	Edisford Picnic Area	-7,730	-9,163	-8,178	985	G
PKADM	Grounds Maintenance	-3,340	-69,430	-71,303	-1,873	G
ROEBN	Roefield Barn	50	-18	-13	5	G

Cost Centre	Cost Centre Name	Net Budget for the Full Year £	Net Budget to the end of period £	Actual including Commitments to the end of the period £	Variance £	
RVPRK	Ribble Valley Parks	406,570	103,564	122,284	18,720	R
RPOOL	Ribblesdale Pool	269,820	29,086	20,956	-8,130	R
EALLW	Edisford All Weather Pitch	-10,820	-5,478	-4,647	831	G
CYCLS	Cycling	5,880	0	0	0	G
EXREF	Exercise Referral Scheme	40,430	32,341	29,303	-3,038	A
SPODV	Sports Development	85,120	9,624	11,015	1,391	G
GRSRC	Grants & Subscriptions - Community	26,980	0	-90	-90	G
XMASL	Xmas Lights & RV in Bloom	3,220	636	0	-636	G
RECUL	Recreation and Culture Grants	36,940	22,001	21,985	-16	G
SPOGR	Sports Grants	7,590	0	0	0	G
CULTG	Culture Grants	6,470	3,940	3,500	-440	G
Total:		3,357,550	938,680	929,307	-9,373	
Transfers to/From Earmarked reserves						
Exercise Referral Scheme		-5,260	0	0	0	
Total after Transfers to/from Earmarked Reserves		3,352,290	938,680	929,307	-9,373	

2.2 Following problems with the increased cost of paper collection, the Council approved a supplementary estimate of £30,000 for the additional costs between April and June 2013, and agreed to bring the service in house from 1 July 2013 (new cost centre – PAPER)

2.3 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.

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

- 2.4 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.
- 2.5 The main variations for items included in the amber shaded cost centres are shown with budget holders' comments at Annex 2.
- 2.6 In summary the main areas of variance which are unlikely to rectify themselves by the end of the financial year are summarised below

Description	Variance to end July 2013 £
Community Services Department (COMMD) – additional expenditure on salaries, as the expected level of vacancies hasn't been achieved, and an additional post has been filled	6,976
Public Conveniences (VARIOUS) - repair and maintenance higher due to additional expenditure at Castle Field, Woone Lane, Berry Lane and Slaidburn	8,457
Recycling & Waste Awareness (RECYC/PAPER) – Private Contract payments – additional costs as contract much more expensive. Brought back in-house with effect from 1 July 2013	20,020
Ribble Valley Parks (RVPRK) – Additional expenditure on Repairs and Maintenance – particularly in respect of the Bowling Green, Castle Grounds, and at Roefield	17,261
Refuse and Paper Collection (RCOLL/PAPER) – Savings in staffing costs due to vacancies, and delays in filling posts	-16,205
Trade Refuse (TRREF) - additional contract income re wheeled bins.	-12,867
Recycling Credits (RECYC) – invoices raised, however the full value has not yet been paid by Lancashire County Council. This debt will continue to be pursued.	-7,811
Public Rights of Way (RIGHT) – income from footpath diversion orders – likely to be eventually offset by expenditure	-5,094
Children's Trust Grant (COMMD) – additional income	-5,000
Car park charges (VARIOUS) – increased income, mainly at Edisford and Ribchester, probably because of the good weather in July	-9,856

3 CONCLUSION

- 3.1 The comparison between actual and budgeted expenditure shows an underspend of £9,373 for the first four months of the financial year 2013/14.
- 3.2 For this Committee the majority of the variances are favourable to the Council.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

CM9-13/RB/AC
27 August 2013

**Community Services Committee
Budget Monitoring to the End of July 2013 – 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
COMMD/0100	Community Services Department/Salaries	910,750	308,378	315,354	6,976	The Budget assumes 2% vacancies. There have been none so far this year, and in addition a further post has been filled	Monitor expenditure closely to ensure overall budget for the year is not overspent
COMMD/8039z	Community Services Department/Childrens Trust Grant	-20,000	-10,000	-15,000	-5,000	Additional grant re Summer Holiday Activities	Monitor expenditure to ensure that the additional grant is fully used
VARIOUS/8420n	Car Parks/ Car Park charges income	-276,600	-94,864	-104,720	-9,856	Significant increase in income during July, because of the fine weather, and particularly at Edisford Car Park	Continue to closely monitor income, as poor weather will have a negative effect on income
PAPER/0100-0169	Paper/ Wages, NI, Supn etc	100,380	11,146	3,361	-7,785	Delay in filling posts on transfer of operation from Viridor. Balance of work carried out by existing Refuse Collection staff	Monitor staffing levels for the remainder of the financial year

**Community Services Committee
Budget Monitoring to the End of July 2013 – 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
VARIOUS/ 2402	Conveniences/ Repairs and maintenance of buildings	80,150	22,623	31,080	8,457	Additional expenditure particularly at Castle Field, Woone Lane, Berry Lane and Slaidburn	Monitor expenditure closely to ensure overall budget for the year is not overspent
RCOLL/ 0150-0169	Refuse Collection/Drivers and Loaders wages etc	625,410	211,195	202,775	-8,420	Savings in Drivers and Loaders wages etc. due to staff vacancies. However, pay award still to be processed	Monitor expenditure closely to ensure overall expenditure for the whole year is contained within the budget.
RECYC/ 3074	Recycling & Waste Awareness/Private Contract Payments	108,360	13,890	33,910	20,020	Previous contract ended at 31st March 2013. Contract extension to end June much more expensive.	Contract terminated at 30th June 2013, and service to be brought in-house, with hoped for significant savings
RECYC/ 8431z	Recycling/ Recycling Credits	-28,440	-18,981	-26,792	-7,811	Recycling credit for paper claimed at higher rate. As LCC are extremely unlikely to pay at this rate, this "extra" income will almost certainly need to be written off	Assume this additional income will not be received, and view budget in this light

**Community Services Committee
Budget Monitoring to the End of July 2013 – 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
TRREF/ 8411z	Trade Refuse/ Contracts	-111,210	-111,210	-124,077	-12,867	Invoices already raised exceed the annual Budget, but there may be some reductions to these bills during the year, and as the take up is higher than expected, there will undoubtedly be an increase in Tipping Fees	Monitor income to see how much the annual Budget will be exceeded by
RIGHT/ 8586n	Public Rights of Way/ Footpath Diversion Orders	0	0	-5,094	-5,094	Income re several diversion orders not budgeted for.	Monitor expenditure to ensure that the additional income is fully used

**Community Services Committee
Budget Monitoring to the End of July 2013 – 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
RVPRK/2402	Ribble Valley Parks/ Repairs and maintenance of Buildings	20,110	6,513	23,774	17,261	Expenditure has taken place in respect of double glazed windows (£8,308) and remedial repairs (£3,132) at the Bowling Green café. In addition, considerable time has been spent by Works Admin at the Castle grounds and at Roefield.	Budget holder advised that in the light of expenditure incurred and further orders placed, the Budget will certainly be overspent, and that areas of saving should be identified elsewhere to offset this.
VEHCL/8900z	Vehicle Workshop/Oncost 100%	-87,520	-29,196	-23,566	5,630	Reduced recharge as costs are lower due to vacancy	Budget holder advised that in the light of expenditure incurred and further orders placed, overall expenditure will be lower but costs recovered will be lower too.

**Community Services Committee
Budget Monitoring to the End of July 2013 – 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
COMMD/ 2089	Community Services Department/ Non Recurring Purchases of Equipment	0	0	2,709	2,709	No Budget - but to be met from Earmarked Reserve created in 2012/13
COMMD/ 2971	Community Services Department/ Printing & Stationery	5,840	1,948	4,433	2,485	Additional expenditure relates to Summer Activity Booklet - financed from £5,000 additional grant
VARIOUS/ 2612	Refuse Collection Vehicles/Diesel	205,670	60,283	55,871	-4,412	Lower than anticipated price of diesel, and slightly lower consumption of fuel
RPOOL/ 0100-0229	Ribblesdale Pool/ staffing Costs		102,488	99,597	-2,891	Savings due to staff vacancies, but pay award for year still to be processed
RPOOL/ 8532I	Ribblesdale Pool/ Hire of Baths/Clubs	-31,800	-31,800	-35,602	-3,802	Budgeted income for the full year has already been exceeded - mainly due to additional bookings on a Saturday. This income may be slightly reduced during the year if individual booked days are cancelled
RPOOL/ 8542I	Ribblesdale Pool/Courses	-93,910	-32,867	-35,045	-2,178	Greater take up of courses than in 2012/13.

**Community Services Committee
Budget Monitoring to the End of July 2013 – 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
RPOOL/ 8571n	Ribblesdale Pool/ Adult Admissions	-75,590	-26,108	-23,362	2,746	Lower level of attendances than in 2012/13. This needs to be monitored closely.
STCLE/ 2637	Street Cleansing/ Hire of Plant	97,230	97,230	92,970	-4,260	This takes account of the contract for the full year, but additional plant may be hired as required later in the year
VEHCL/ 0101-0315	Vehicle Workshop/wages, NI, Superannuation, etc.	60,710	20,244	15,937	-4,307	Savings due to vacancy
WKSAD/ 8900z and 8920z	Works Administration/Oncost	-213,600	-94,811	-90,089	4,722	Lower recharge to reflect lower wages costs
SPODV/ 2971	Printing & Stationery	0	0	3,438	3,438	Expenditure carried over from 2012/13 - to be met from Earmarked Reserve also carried over