

# RIBBLE VALLEY BOROUGH COUNCIL INFORMATION

## REPORT TO POLICY & FINANCE COMMITTEE

Agenda Item No 18a

meeting date: 9 SEPTEMBER 2014  
 title: REVENUE MONITORING 2014/15  
 submitted by: DIRECTOR OF RESOURCES  
 principal author: TRUDY HOLDERNESS

### 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:

- ❖ 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 £36,497 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	110	-675	7,227	7,902	R
INDDV	Economic development	92,040	2,793	5,951	3,158	A
COMPR	Computer Services	0	226,220	217,613	-8,607	R
LICSE	Licensing	10,130	-21,998	-20,638	1,360	G
LANDC	Land Charges	33,370	-18,167	-16,330	1,837	G
FGSUB	Grants & Subscriptions – P & F	144,500	108,958	108,068	-890	G
CEEXEC	Chief Executives Department	0	320,819	318,050	-2,769	A
CLTAX	Council Tax	327,860	22,214	19,167	-3,047	A
NNDRC	National Non Domestic Rates	46,210	350	581	231	G
CORPM	Corporate Management	357,170	0	0	0	G
EMERG	Community Safety	59,330	3,052	2,416	-636	G
DISTC	District Elections	0	0	-369	-369	G
ELADM	Election Administration	32,970	0	0	0	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 £	
ELECT	Register of Electors	76,640	-12,518	-18,344	-5,826	R
EUROP	European Elections	0	0	92,341	92,341	R
PARLI	Parliamentary Elections	0	0	27	27	G
ESTAT	Estates	9,620	-10,686	-11,232	-546	G
ATTEN	Mayor's Attendant/ Keeper	0	4,764	3,580	-1,184	G
CIVCF	Civic Functions	60,740	17,967	16,286	-1,681	G
COSDM	Cost of Democracy	439,050	73,729	72,847	-882	G
MAYCR	Mayoral Transport	0	6,228	5,704	-524	G
WWOCO	World War One Commemoration	0	0	5,986	5,986	R
FSERV	Financial Services	0	207,088	206,228	-860	G
VARIOUS	Meals on Wheels & Luncheon Clubs	15,560	8,362	6,362	-2,000	A
CIVST	Civic Suite	0	19,466	20,505	1,039	G
CLOFF	Council Offices	0	111,855	111,402	-453	G
FMISC	Policy & Finance Miscellaneous	-153,200	16,755	2,754	-14,001	R
PERFM	Performance Reward Grants	27,190	0	8,651	8,651	R
SUPDF	Superannuation Deficiency Paym'ts	126,920	50,960	23,449	-27,511	R
LSERV	Legal Services	-16,400	100,619	97,604	-3,015	A
OMDEV	Organisation & Member Development	0	120,468	120,108	-360	G
CSERV	Corporate Services	179,880	8,173	11,472	3,299	A
CONTC	Contact Centre	0	57,302	56,283	-1,019	G
REVUE	Revenues & Benefits	0	156,074	156,062	-12	G
<b>Total net cost of services</b>		<b>1,869,690</b>	<b>1,580,172</b>	<b>1,629,811</b>	<b>49,639</b>	

<b>Items added to / (taken from) balances and reserves</b>						
FNBAL H230	Election Reserve Fund	21,450	0	339	339	
FNBAL H354	Community right to Bid / Challenge	16,400	16,402	16,402	0	
FNBAL H276	Promotional Activities - WWI	0	0	-4,830	-4,830	
FNBAL H269	Asset Revaluation Reserve	-8,000	0	0	0	
FNBAL H326	Performance Reward Grant	-23,510	0	-8,651	-8,651	
FNBAL F719	Vat Shelter	279,300	0	0	0	
<b>Net Balances and reserves</b>		<b>285,640</b>	<b>16,402</b>	<b>3,260</b>	<b>-13,142</b>	
<b>Net Expenditure</b>		<b>2,155,330</b>	<b>1,596,574</b>	<b>1,633,070</b>	<b>36,497</b>	

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 July £
<b>LANDC- Land Charges</b> Additional income from search fees as a result of an increase in number of searches received compared to previous year.	-5,139
<b>COMPR – Computer Services</b> Reduced expenditure on software maintenance due to a lower transaction charge for Icon income systems than estimated and also a change in supplier for checkpoint system	-5,252

### 3 CONCLUSION

- 3.1 The comparison between actual and budgeted expenditure shows an underspend of £36,497 on the first four months of the financial year 2014/15, 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

PF49-14/TH/AC

1 September 2014

## 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
ALBNM/8805I	Albion Mill / Land Rents	-33,650	-16,187	-7,172	9,015	R	Rent is collected by Robert Pinkus and only paid to the council quarterly. Units 1, 2 & 3 are currently in arrears.	Recovery action being taken by Pinkus
CSERV/3264	Corporate Services / Ribble Valley News	10,280	-251	4,830	5,081	R	Delay in producing & distribution of spring edition of the Ribble Valley News	Funding of £5610 has been set aside in an earmarked reserve to fund the slippage of expenditure. This will be added to the budget provision at revised estimate
ELECT/2881	Register of Electors / Purchase of Equipment and Materials	200	68	5,716	5,648	R	The variance is due to the purchase of A3 scanners funded from additional IER grant received	A revised budget is to be prepared to include monies set aside from 2013/14 and the grant monies from 2014/15
ELECT/8050z	Register of Electors / Individual Electoral registration Grant	-21,600	-21,600	-34,650	-13,050	R	Additional Individual Electoral registration Grant (IER) received	

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/ Various	European Elections / Various	0	0	83,064	83,064	R	Total cost to date of European Elections	Costs to be recovered later in the financial year
FMISC/5021	Policy & Finance Miscellaneous / Audit Fees	55,510	14,433	0	-14,433	R	Invoice for 1st Quarter audit fee not received to date	Invoice to be chased
LANDC/8408z	Land Charges / Search Fee	-70,610	-24,627	-29,766	-5,139	R	Increase in number of searches received compared to previous year	No action at present
PERFM/3012	Performance Reward Grant / Grants to Other Bodies	0	0	6,800	6,800	R	Slippage of grant payment to Whalley Playing Fields from 2013/14 to 2014/15	Cost to be funded from earmarked reserve
SUPDF/1026	Superannuation Deficiency Payments / Superannuation Deficiency	120,540	48,880	21,370	-27,510	R	Invoice from West Yorkshire Pension Fund relating to Unfunded Pensions not received to date	Invoice to be chased
COMPR/0100	Computer Services / Salaries	115,810	38,634	31,310	-7,324	R	The structure of section has been reviewed due to problems with recruiting staff. The reviewed structure is to be implemented from July.	The change in the staffing structure of the section will be reflected in the revised budget for the section

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
COMPR/2998	Computer Services / Software Maintenance	112,150	160,815	155,563	-5,252	R	Lower transaction charge for Icon income system than estimated and change in supplier for Checkpoint system.	No action at present

## 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
INDDV/3013	Economic Development / Subscriptions	10,840	2,710	4,854	2,144	A	Commitment of £3,000 placed in July for support of Market Development Scheme
CEXEC/0100	Chief Executive / Salaries	720,620	240,396	238,041	-2,355	A	The variance is a combination of vacant posts in Environmental Health and maternity leave offset by employing temporary staff.
CIVST/2402	Civic Suites / Repair & Mtce - Buildings	11,340	3,780	8,605	4,825	A	Commitments of £1.8k placed early in the financial year for boiler service and annual / periodical testing of equipment. Also actual expenditure of £2.2k relating to installation of new microphones, amplifiers and hearing loop.
CLOFF/2402	Council Offices / Repair & Mtce - Buildings	35,660	11,896	15,870	3,974	A	Commitments of £4k placed early in financial year for boiler service and annual / periodical testing of equipment
NNDRC/3090	National Non Domestic Rates / Legal Expenses	0	0	3,750	3,750	A	Professional fee incurred on claim against the Council
NNDRC/8720z	National Non Domestic Rates / Enterprise Zone - Business Rates	0	0	-2,997	-2,997	A	Awaiting information for payment of Business Rates growth experienced in 2013/14 to the Enterprise Zone

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
WWOCO/2887	World War One Commemoration / Trees, Seeds, Shrubs and Plants	0	0	3,968	4,905	A	Mayor's tree planting scheme to commemorate WW1, budget to be established at revised estimate, funded from earmarked reserves.
LANDC/2998	Land Charges / Software Maintenance	1,920	1,920	5,560	3,640	A	Budget provision for 1 user. Budget holder agreed to cover cost of 3 additional users. Virement to be approved from legal services reference book provision.
LANDC/3090	Land Charges / Legal	0	0	2,822	2,822	A	Legal costs incurred on property search litigation, cost to be funded from earmarked reserve
LICSE/8437u	Licensing / Premises Licences	-58,750	-11,739	-9,355	2,385	A	Income is not following the same profile as 2013
COMPR/2968	Computer Services / Enterprise Agreements	0	0	3,282	3,282	A	Core systems licence costs for 2014/15, to be funded from existing budgets
OMDEV/1023	Organisation & Member Development / Corporate Training	14,570	4,856	1,561	-3,295	A	Corporate training plans still to be implemented
OMDEV/2981	Organisation & Member Development / Postages	1,060	356	2,709	2,353	A	Postage costs to be recharged to departments
OMDEV/6002	Organisation & Member Development / Car Leasing Repayments	3,770	-80	3,675	3,755	A	Commitment of £3,699 placed in July for new leased car