

# RIBBLE VALLEY BOROUGH COUNCIL

## REPORT TO HEALTH AND HOUSING COMMITTEE

INFORMATION
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Agenda Item No 10

meeting date: 23 OCTOBER 2014  
 title: REVENUE MONITORING 2014/15  
 submitted by: DIRECTOR OF RESOURCES  
 principal author: ANDREW COOK

### 1 PURPOSE

1.1 To let you know the position for the first six months of this year's revenue budget as far as Health and Housing 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. To meet the objective within this priority, of maintaining 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 April to September 2014. You will see an overall underspend of £84,925 on the net cost of services. After allowing for transfers to and from earmarked reserves the underspend is increased to £95,700. 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 period £	Actual including Commitments to the end of the period £	Variance £	
CTBEN	Localised Council Tax Support Admin	38,290	-87,833	-105,633	-17,800	R
HGBEN	Housing Benefits	138,300	-328,928	-395,665	-66,737	R
COMNL	Common Land	3,600	318	42	-276	G
CLCEM	Clitheroe Cemetery	44,200	4,296	15,841	11,545	R
ENVGR	Grants & Subscriptions	2,580	630	720	90	G
CLAIR	Clean Air	2,750	1,384	685	-699	G
DOGWD	Dog Warden & Pest Control	93,110	2,911	-811	-3,722	A
ENVHT	Environmental Health Services	292,660	-3,991	-10,959	-6,968	R
CLAND	Contaminated Land	10,210	112	0	-112	G
HSASS	Housing Associations	13,550	0	0	0	G
HSADV	Housing Advances	550	220	100	-120	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 £	
AWARM	Affordable Warmth	0	0	8,319	8,319	R
SUPPE	Supporting People	20,760	26	0	-26	G
WARMH	Warm Homes Healthy People	0	0	2,456	2,456	A
CLMKT	Clitheroe Market	-48,910	-87,145	-96,031	-8,886	R
JARMS	Joiners Arms	16,980	10,766	10,424	-342	G
HOMEG	Homelessness General	51,900	242	45	-197	G
HOMES	Homelessness Strategy	35,040	13,332	9,209	-4,123	A
IMPGR	Improvement Grants	35,500	-4,004	-2,761	1,243	G
HOMEE	Home Energy Conservation	24,350	370	0	-370	G
GRAGE	Non-Dwelling Rents	-3,500	-3,500	-2,873	627	G
HSTRA	Housing Strategy	60,670	5,320	6,493	1,173	G
	<b>Total:</b>	<b>832,590</b>	<b>-475,474</b>	<b>-560,399</b>	<b>-84,925</b>	
<b>Transfers to/(from) Earmarked Reserves</b>						
<b>HGBAL/H275</b>	DEFRA Clean Air Reserve	-480	-480	-480	0	
<b>HGBAL/H339</b>	Warm Homes/Affordable Warmth Grant Reserve	0	0	-10,775	-10,775	
<b>Total after Transfers to/(from) Earmarked Reserves</b>		<b>832,110</b>	<b>-475,954</b>	<b>-571,654</b>	<b>-95,700</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 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 the budget holder's comments at Annex 2.

### 3 CONCLUSION

3.1 The comparison between actual and budgeted expenditure shows an underspend of £84,925 for the first six months of the financial year 2014/15. After allowing for transfers to and from earmarked reserves the underspend is increased to £95,700.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

HH10-14/AC/AC  
13 October 2014

BACKGROUND PAPERS: None

For further information please ask for Andrew Cook.

Health and Housing Committee Budget Monitoring – Red Variances

Ledger Code	Ledger Code Name	Original budget for the Full Year £	Original 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
HGBEN /8002z	Housing Benefits/Rent Allowances Grant	-7,273,950	-3,635,522	-3,733,238	-97,716	Rent Allowance grant income is higher than anticipated when the original estimate budget was prepared. The increased income is in line with estimates prepared for 2014/15 DWP grant purposes and also reflects an adjustment for debtors held on the Northgate benefits system.	Budget will be reviewed at revised estimate, in line with the Housing Benefit mid-year estimate claim prepared for DWP grant purposes.
CTBEN/ 2809	Localised Council Tax Support Admin/Non Recurring Purchases of Equipment etc.	56,550	24,893	11,466	-13,427	This expenditure relates to items funded under S31 New Burdens grant. Further expenditure will be taking place as the year progresses.	Budget will be reviewed at revised estimate, as firmer spending plans are produced.
HGBEN /8009z	Housing Benefits/Housing Benefit & CT Benefit Admin Grant	-93,940	-56,176	-68,104	-11,928	Additional grants have been received for both Discretionary Housing Payments (DHP) and Migrants Access to Benefit Changes Training. These were not anticipated at the time of setting the original estimate.	Budget will be reviewed at revised estimate.

Health and Housing Committee Budget Monitoring – Red Variances

Ledger Code	Ledger Code Name	Original budget for the Full Year £	Original 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
ENVHT/8417u	Environmental Health Services/private water samples	-3,030	-1,518	-7,482	-5,964	This is due to risk assessment work undertaken on private water supplies which is now obligatory and to be undertaken by 31 December 2014. This increased income is partly offset by increased lab fees for the analysis of the water samples taken and increased employee costs.	Budget will be reviewed at revised estimate.
CLCEM/8447u	Clitheroe Cemetery/Exclusive Burial Rights	-18,510	-9,256	-3,753	5,503	Income from Exclusive Burial Rights is lower than anticipated in the original estimate.	Budgeted income levels will be reviewed at revised estimate.
AWAR M/4676	Affordable Warmth/Grants to Individuals	0	0	8,037	8,037	An Affordable Warmth grant was received in 2013/14 and unspent amounts were held in the Government Housing Grants Reserve at 31 March 2014. It has now been confirmed that these grant amounts can be spent in 2014/15. Expenditure so far mainly relates to Boiler Replacement and other affordable warmth measures. This expenditure will be fully funded from the reserve.	Budget will be reviewed at revised estimate and the funds held in reserve will be brought into the budget.

## Health and Housing Committee Budget Monitoring – Red Variances

Ledger Code	Ledger Code Name	Original budget for the Full Year £	Original 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
HGBEN /2998	Housing Benefits/Software Maintenance	18,640	18,640	40,872	22,232	The variance does not relate to 2014/15 - a commitment of £21,751 is on the system for maintenance fees for the 2015/16 and 2016/17 financial years. The net variance for 2014/15 is therefore only £481.	The commitment will be rolled over to the appropriate financial years at year end.
HGBEN /4652	Housing Benefits/Rent Allowance Payments	7,239,080	3,344,456	3,374,878	30,422	Payments to claimants are slightly higher than anticipated in the original estimate budget. All expenditure is funded by subsidy received and is in line with estimates prepared for 2014/15 DWP grant purposes.	Budget will be reviewed at revised estimate, in line with the Housing Benefit mid-year estimate claim prepared for DWP grant purposes.

Health and Housing Committee Budget Monitoring – Amber Variances

Ledger Code	Ledger Code Name	Original budget for the Full Year £	Original budget to the end of the period £	Actual including Commitments to the end of the period £	Variance £	Reason for Variance
HGBEN /8029z	Housing Benefits/DWP- Housing Benefits New Burden Grant	0	0	-3,453	-3,453	A grant was received which was not anticipated when the budget was prepared. This is towards the assessment of applications for discretionary housing benefits. Further expenditure will be taking place as the year progresses, which will offset this grant.
CLMKT/ 8824n	Clitheroe Market/Cabins	-96,160	-96,160	-99,137	-2,977	The original estimate budget allows for periods of non-occupancy. However, at the end of September 2014 the occupancy levels have been higher than anticipated in the original estimate.
ENVHT/ 2998	Environmental Health Services/Software Maintenance	5,920	5,920	3,112	-2,808	Annual maintenance costs for the Civica system are less than anticipated at original estimate stage, as some costs are now shared with other services.
HGBEN /8026z	Housing Benefits/DWP - LA Data Sharing (LADS) IT Costs	0	0	-2,365	-2,365	A grant was received which was not anticipated when the budget was prepared. This is to fund data sharing IT costs between the Council and the DWP Atlas system. The expenditure to set against this grant will take place in 2014/15.
CLMKT/ 2402	Clitheroe Market/Repair & Maintenance - Buildings	13,080	8,334	6,153	-2,181	The original budget profile anticipated more repairs and maintenance spend in the first half of the financial year than the second half. Actual spend has not followed this profile so far. Further work will be required as the year progresses.

Health and Housing Committee Budget Monitoring – Amber Variances

Ledger Code	Ledger Code Name	Original budget for the Full Year £	Original budget to the end of the period £	Actual including Commitments to the end of the period £	Variance £	Reason for Variance
HOMES /2446	Homelessness Strategy/Rent of Buildings	4,360	2,182	95	-2,087	This is due to more affordable housing units being developed to provide secure housing and therefore less reliance on bed and breakfast and alternative accommodation to the hostel.
ENVHT/ 2809	Environmental Health Services/Non Recurring Purchases of Equipment etc.	0	0	2,000	2,000	This expenditure is for the purchase of a connector that links up the Council's food sampling systems with the lab and the Food Standards Agency. This expenditure will be refunded by the Food Standards Agency in 2014/15.
WARM H/4676	Warm Homes Healthy People/Grants to Individuals	0	0	2,456	2,456	Warm Homes Grants were received in previous years and unspent amounts were held in the Government Housing Grants Reserve, at 31 March 2014. It has now been confirmed that these grant amounts can be spent in 2014/15. Expenditure so far mainly relates to Boiler Replacement and will be fully funded from the reserve.
CLCEM /8441u	Clitheroe Cemetery/Interment Fees	-20,120	-10,060	-6,050	4,010	Income from interments is lower than anticipated in the original estimate.