

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO COMMUNITY SERVICES COMMITTEE

Agenda Item No 9

meeting date: 1 SEPTEMBER 2015
 title: REVENUE MONITORING 2015/16
 submitted by: DIRECTOR OF RESOURCES
 principal author: AMY JOHNSON

1 PURPOSE

1.1 To let you know the position for the period April to July 2015 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. 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 to the end of July. You will see an overall underspend of £233,694 on the net cost of services. 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	
COMMD	Community Services Department	0	453,772	433,595	-20,177	
HWAGY	Highways Agency	15,620	360	0	-360	
HWREP	Highway Repairs	3,240	178	5,000	4,822	
NHWAG	Non-Agency Highways Work	10,710	0	0	0	
CULVT	Culverts & Water Courses	14,650	1,154	955	-199	
DRAIN	Private Drains	1,570	-72	-123	-51	
RIVBK	Riverbank Protection	3,240	412	0	-412	
BUSSE	Bus Shelters	17,300	5,095	1,979	-3,116	
SEATS	Roadside Seats	6,740	816	139	-677	
SIGNS	Street Nameplates & Signs	49,960	1,104	2,080	976	
STCLE	Street Cleansing	333,190	159,318	159,361	43	
VARIOUS	Public Conveniences	193,750	68,092	54,730	-13,362	

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	21,750	1,610	3,161	1,551	
PAPER	Waste Paper and Card Collection	132,950	6,085	-541	-6,626	
RCOLL	Refuse Collection	1,103,820	165,668	171,116	5,448	
RECYC	Recycling & Waste Awareness	72,290	-789	-271	518	
RPBIN	Chargeable Replacement Waste Bins	0	0	-6,424	-6,424	
TFRST	Waste Transfer Station	72,390	34,512	34,428	-84	
TRREF	Trade Refuse	-6,890	-160,705	-247,117	-86,412	
CRIME	Crime and Disorder	61,910	5,870	5,500	-370	
CRIMP	RV Community Safety Partnership	17,720	10,796	325	-10,471	
LNGCH	Longridge Civic Hall	17,010	0	0	0	
ARTDV	Art Development	31,860	4,318	5,911	1,593	
PLATG	Platform Gallery and Visitor Information	124,820	36,470	39,505	3,035	
MCAFE	Museum Cafe	6,190.	-1,986	-1,502	484	
MUSEM	Castle Museum	208,180	16,388	12,770	-3,618	
TURSM	Tourism and Events	94,180	11,028	11,002	-26	
VARIOUS	Car Parks	-89,710	-11,472	-27,780	-16,308	
CCTEL	Closed Circuit Television	122,290	67,131	61,479	-5,652	
LDEPO	Longridge Depot	0	6,801	1,247	-5,554	
SDEPO	Salthill Depot	0	19,339	25,635	6,296	
VARIOUS	Refuse Collection Vehicles	0	149,941	135,559	-14,382	
VARIOUS	Grounds Maintenance Vehicles	0	31,639	19,966	-11,673	
VARIOUS	Works Admin Vehicles	0	13,827	9,413	-4,414	
VARIOUS	Plant	0	3,099	4,486	1,387	
TWOWR	Two Way Radio	0	1,256	-2,208	-3,464	
VEHCL	Vehicle Workshop	0	-5,924	-4,890	1,034	
WKSAD	Works Administration	0	-28,680	-44,358	-15,678	
CARVN	Caravan Site	-7,880	0	-1,243	-1,243	
EDPIC	Edisford Picnic Area	-8,110	-10,818	-11,045	-227	
PKADM	Grounds Maintenance	0	-73,704	-56,359	17,345	
ROEBN	Roefield Barn	330	-13	-13	0	

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	462,880	134,210	112,798	-21,412	
RPOOL	Ribblesdale Pool	256,540	24,313	15,541	-8,772	
EALLW	Edisford All Weather Pitch	-9,020	-2,243	-1,370	873	
CYCLS	Cycling	550	0	0	0	
EXREF	Exercise Referral Scheme	42,540	37,833	41,747	3,914	
SPODV	Sports Development	84,080	2,836	5,429	2,593	
WBHEQ	Wellbeing & Health Equality	0	0	-1,562	-1,562	
GRSRC	Grants & Subscriptions - Community	2,550	0	360	360	
CULTG	Culture Grants	5,940	4,140	700	-3,440	
RECU	Recreation Grants	37,560	7,640	-8,595	-16,235	
SPOGR	Sports Grants	7,000	3,600	1,800	-1,800	
XMASL	Xmas Lights & RV in Bloom	3,280	664	-50	-714	

	Sum:	3,518,970	1,203,960	962,266	-232,643	
Transfers to/from Earmarked Reserves						
	Crime Reduction Partnership Reserve	-17,720	0	0	0	
	Capital Reserve	0	0	8,000	8,000	
	Total after Transfers to/from Earmarked Reserves	3,501,250	1,203,960	970,266	-233,694	

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.

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:

Description	Variance to end July 2015 £
Community Services Department (COMMD) – Staff vacancies have led to an underspend on salaries.	-15,879
Grounds Maintenance Vehicles (GMVEH) – Sale of obsolete grounds maintenance vehicles/equipment. This will be added to the capital earmarked reserve.	-8,000
Ribblesdale Pool (RPOOL) – Staff vacancy in the position of Duty Officer has resulted in an underspend.	-5,800
Waste Paper & Card Collection (PAPER) – Staff vacancies in the positions of loader and driver have resulted in an underspend.	-10,611
Longridge Depot (LDEPO) – Refund of previous years overpayment relating to surface water and drainage charges.	-3,609

3 CONCLUSION

- 3.1 The comparison between actual and budgeted expenditure shows an underspend of £233,700 for the first four months of the financial year 2015/16.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

CM10-15/AJ/AC
24 August 2015

BACKGROUND PAPERS: None

For further information please ask for Amy Johnson

Community Committee Budget Monitoring – 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/Trade Waste Collection (Commercial)	-128,890	-128,890	-181,108	-52,218	Additional customers have signed up to commercial waste collections due to an alternative provider going into liquidation. There is the potential that some contracts may be cancelled as the year progresses and monies refunded. However, income is anticipated to be in excess of budget.	The budget will continue to be monitored. Contracts are paid for annually and it is anticipated that some contracts may be cancelled and monies refunded. The budget will be reviewed at revised estimate to reflect anticipated annual income.
TRREF/8595z	Trade Refuse/Trade Waste Collection (Charitable)	-18,670	-18,670	-53,838	-35,168	Additional customers have signed up to charitable waste collection. It is anticipated that some contracts may be cancelled as the year progresses and monies refunded. However, income is anticipated to be in excess of budget.	The budget will continue to be monitored. Contracts are paid for annually and it is anticipated that some contracts may be cancelled and monies refunded. The budget will be reviewed at revised estimate to reflect anticipated annual income.
RVPRK/5056	Ribble Valley Parks/Grounds Maintenance	362,220	130,398	97,548	-32,850	Grounds Maintenance time spent on Ribble Valley Parks less than estimated to end July (actual to end July 2014 was £128k).	A review of the budget based on time allocations will be carried out at Revised Estimate time.
CHUCP/2447	Church Walk/Railway View/Ground Rents	12,000	12,000	-5,750	-17,750	Actual includes to an estimated creditor for back dated ground rents due, back to 2007.	Variance will be mitigated once invoice for back dated ground rents has been received.

Community Committee Budget Monitoring – 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	923,010	312,344	296,465	-15,879	Vacancies in the following positions have resulted in an underspend: Senior Planner x 2, Principal Engineer, Surveying Assistant and Authority Address Custodian. These savings have been offset in part by expenditure relating to maternity cover and extensions of temporary contracts which were not anticipated when the budget was calculated.	A review of the salary budget will be carried out at revised estimate to reflect the vacancies
RECUL/4678	Recreation Grants/Grants to Voluntary Organisations	18,860	3,900	-10,370	-14,270	Actual includes estimated creditors for 3 x grants approved in 2014/15 of which 2 have yet to be paid, offset in part by 2015/16 grants paid to date.	The variance will be mitigated once payments for grants are claimed.
PCADM/2402	Public Conveniences Administration/Repair & Maintenance - Buildings	75,260	28,778	17,553	-11,225	General repair demands lower than anticipated to date. Also the budget allows for the use of casual toilet cleaners. However, a decision has been made to limit the use of casual toilet cleaners which has also contributed to the underspend.	A review of whether limiting the use of casual toilet cleaners has been successful will be carried out prior to revised estimate and if necessary the budget amended going forward, to reflect the changes
CRIMP/3277	RV Community Safety Partnership/Promotional Activities	23,100	10,796	325	-10,471	Awaiting invoices for payments in respect of the Community Alcohol Network (PCC) and Domestic Violence Contribution (LCC).	The variance will be mitigated once the invoices have been received.

Community Committee Budget Monitoring – 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
WKSAD/8900z	Works Administration/Oncost 100%	-213,030	-71,064	-81,043	-9,979	Actual productive hours through which revenue oncost is recharged has increased on last year and resulted in over-recovery. This is due to a reduction in hours spent on capital schemes.	Any over recovery will be rectified in charge out rates.
GMVEH/8297n	Grounds Maintenance Vehicles/Sale of Equipment/Materials	0	0	-8,000	-8,000	Sale of used grounds maintenance vehicles/equipment which have been replaced through the capital programme.	Monies to be transferred to the capital earmarked reserve at year end.
RPBIN/8297n	Chargeable Replacement Waste Bins/Sale of Equipment/Materials	0	0	-7,757	-7,757	Income received from the sale of bins.	Income received will be used to offset any expenditure incurred in the purchase of the bins and any surplus transferred to an earmarked reserve at year end. If expenditure exceeds income then monies will be transferred from the earmarked reserve at year end.
PAPER/2909	Waste Paper and Card Collection/Cost Sharing Penalty Charge - Paper	98,900	24,725	17,072	-7,653	The budget has been prepared based upon tonnage collected in 2013/14. Actual tonnage collected to date is lower.	The cost sharing agreement is still being finalised and a review of payments due will be carried out prior to revised estimate.
RCVEH/2602	Refuse Collection Vehicles/Vehicle Repairs & Maintenance	78,540	26,200	19,761	-6,439	Expenditure on general repair purchases lower than anticipated.	A virement is in the process of being authorised to RJJKA/2602 to mitigate the overspend on that cost centre.

Community Committee Budget Monitoring – 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
RPOOL/0100	Ribblesdale Pool/Salaries	63,960	21,338	15,538	-5,800	Staff vacancy in the position of Duty Officer has resulted in an underspend.	The vacancy has now been filled. A review of the budget will be carried out at revised estimate time.
LDEPO/2458	Longridge Depot/Sewerage & Environmental Supplies	2,160	2,160	-3,377	-5,537	A refund has been received with regard to previous year's overpayments of Surface Water and Highways Drainage charges.	The refund will offset the current year's charges.
PAPER/0160	Waste Paper and Card Collection/Drivers Wages	55,170	18,404	12,930	-5,474	Budget allows for provision of 3 drivers whereas only 2 are employed	A review of service requirements will be carried out and the budget adjusted accordingly at revised estimate.
PAPER/0150	Waste Paper and Card Collection/Loaders Wages	32,760	10,928	5,791	-5,137	Vacancy in the position of Loader has resulted in an underspend.	The vacancy has now been filled.
RJJK/2602	VU59 JJK Dennis Eagle/Vehicle Repairs & Maintenance	4,730	1,578	8,268	6,690	Repairs to the hopper have been carried out and the floor resurfaced due to the abrasive nature of the recycle.	A virement is in the process of being authorised from RCVEH/2602 to mitigate the overspend.
PAPER/8297n	Waste Paper and Card Collection/Sale of Equipment/Materials	-105,570	-35,218	-16,976	18,242	The current market price per tonne is lower than the amount being received at the time when the budget was set.	A review of current market prices will be carried out at revised estimate and the budget adjusted accordingly.

Community Committee Budget Monitoring – 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
PKADM/8903z	Grounds Maintenance/Oncost	-443,640	-158,822	-138,292	20,530	Recharges were calculated slightly higher than necessary at the time the budget was set.	The recharges will be recalculated at Revised Estimate time and the budget amended accordingly.

Community Committee Budget Monitoring – 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/8532I	Ribblesdale Pool/Hire of Baths - Clubs	-36,770	-36,770	-40,675	-3,905	Increased usage, specifically by Clitheroe Triathlon Club. Additionally more pool lanes have been assigned to clubs, allowing for more availability to hire and therefore increased income.
MUSEM/2501	Castle Museum/Premises Insurance	5,500	5,500	1,784	-3,716	Insurance costs lower than estimated. Costs are based upon previous claims history etc.
RPOOL/8605z	Ribblesdale Pool/Other Income	0	0	-3,570	-3,570	Local Sustainable Transport Fund grant received from LCC for the purchase of cycle racks. An order has been placed for the racks.
CULTG/4676	Culture Grants/Grants to Individuals	4,140	4,140	700	-3,440	Only grants totalling £700 have been awarded to date
PAPER/0350	Waste Paper and Card Collection/Agency Staff	10,200	3,400	0	-3,400	No requirements for the use of agency staff to date.
PKADM/1040	Grounds Maintenance/Employee Insurances	6,240	6,240	2,934	-3,306	Insurance costs lower than estimated. Costs are based upon previous claims history etc.
COMMD/2643	Community Services Department/Mileage Allowances	21,200	7,072	3,789	-3,283	Mileage claims lower than anticipated. This will be adjusted for at Revised Estimate time.
WKSAD/0110	Works Administration/Wages	99,680	34,072	30,834	-3,238	Staff vacancy in the position of part time toilet cleaner has resulted in the underspend. An assessment of service requirements is currently being carried out as to whether to replace the position.

Community Committee Budget Monitoring – 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/0180	Ribblesdale Pool/Pool Attendants Wages	42,160	14,064	10,941	-3,123	Staff vacancies in the position of 2 x attendants has resulted in the underspend.
COMMD/0109	Community Services Department/Superannuation Salaries	130,540	43,548	40,614	-2,934	Vacancies in the following positions have resulted in the underspend: Senior Planner x 2, Principal Engineer, Surveying Assistant and Authority Address Custodian. These savings have been offset in part by expenditure relating to maternity cover and extensions of temporary contracts which were not anticipated when the budget was calculated.
RBBFA/2602	VA57 BBF Dennis Refuse Disposal Vehicle/Vehicle Repairs & Maintenance	12,340	4,112	1,430	-2,682	Repairs and maintenance demands to date lower than anticipated.
BUSSH/2881	Bus Shelters/Purchase of Equipment & Materials	5,270	2,635	0	-2,635	No expenditure incurred to date.
RCOLL/1013	Refuse Collection/Tuition Fees	5,020	3,007	345	-2,662	Minimal training undertaken to date.
RPOOL/8543n	Ribblesdale Pool/Contracts	-32,800	-9,918	-12,274	-2,356	Higher take up of contract swims than anticipated.
TWOWR/2447	Two Way Radio/Ground Rents	2,530	0	-2,250	-2,250	The 'actual' figure relates to an estimated creditor for 2014/15 licence fee – awaiting invoice.

Community Committee Budget Monitoring – 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
RJKA/2612	VU59 JJK Dennis Eagle/Diesel	19,300	6,432	4,190	-2,242	Repair demands have meant that this vehicle has been off the road for a period of time resulting in lower diesel usage.
EVEHA/2651	Works Administration Vehicle Account/Vehicle Insurance	5,220	5,220	3,067	-2,153	Insurance costs lower than estimated. Costs are based upon previous claims history etc.
RTKNA/2612	VU06 TKN Dennis Disposal Vehicle/Diesel	19,750	6,588	4,499	-2,089	Issues are slightly lower than the comparable period in 2014/15 plus lower diesel prices has resulted in the underspend.
COMMD/6002	Community Services Department/Car Leasing Repayments	15,600	5,204	3,176	-2,028	Payment of a lease made early August whereas the budget allows for the payment to be made in July.
SPODV/8039z	Sports Development/Children`s Trust Grant (LCC)	0	0	-2,000	-2,000	Grant received for the Summer Activities Programme.
RPOOL/8572n	Ribblesdale Pool/Junior Admissions	-49,570	-15,995	-13,861	2,134	Income relating to July paid in in early August. This variance should rectify itself.
GMVEH/2602	Grounds Maintenance Vehicles/Vehicle Repairs & Maintenance	10,490	1,588	3,771	2,183	Higher rate of mechanics time allocations than anticipated due to repair demands.
RVPRK/2409	Ribble Valley Parks/Non Recurring Maintenance Items	0	0	2,450	2,450	Expenditure in relation to Whalley Moor Community Woodland. Section 106 monies have been received to fund this expenditure.
CPADM/8603z	Car Park Administration - Off Street/Car Park Fines	-26,080	-6,525	-4,054	2,471	Reduction in the number of fines issued due to increased conformity has resulted in reduced income.

Community Committee Budget Monitoring – 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
CPADM/2881	Car Park Administration - Off Street/Purchase of Equipment & Materials	1,080	374	2,858	2,484	Replacement of handheld devices.
COMMD/2998	Community Services Department/Software Maintenance	600	0	2,578	2,578	Annual maintenance costs for the GGP system.
RCOLL/0150	Refuse Collection/Loaders Wages	294,890	98,372	100,950	2,578	Overlapping period between the retirement of a loader and his replacement has resulted in an overspend.
RPOOL/8279n	Ribblesdale Pool/Items Purchased for Resale	-19,600	-7,645	-4,953	2,692	Sales lower than anticipated.
RCVEH/2651	Refuse Collection Vehicles/Vehicle Insurance	14,580	14,580	17,282	2,702	Insurance costs higher than estimated. Costs are based upon previous claims history etc.
MUSEM/2402	Castle Museum/Repair & Maintenance - Buildings	12,350	4,877	7,692	2,815	Erection of scaffolding at the museum to repair cast iron guttering.
RPOOL/0101	Ribblesdale Pool/Salaries Overtime	6,780	2,260	5,120	2,860	Staff vacancy in the position of Duty Officer has resulted in additional overtime expenditure being incurred. The vacancy has now been filled.
RPOOL/8571n	Ribblesdale Pool/Adult Admissions	-70,610	-24,387	-21,475	2,912	Income relating to July paid in in early August.
RVPRK/2414	Ribble Valley Parks/Emergency Tree Work	5,760	1,936	5,290	3,354	Emergency tree works carried out at Edisford.

Community Committee Budget Monitoring – 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
SDEPO/8907z	Salthill Depot/Stores Oncost	-55,290	-18,444	-14,888	3,556	Fewer issues have resulted on a lower rate of oncosts recovered.
EXREF/2809	Exercise Referral Scheme/Non Recurring Purchases of Equipment etc	0	0	3,897	3,897	Expenditure in relation to the Good Neighbours Project. To be funded by Active East grant monies held in an earmarked reserve.
RPOOL/2881	Ribblesdale Pool/Purchase of Equipment & Materials	4,480	2,521	6,803	4,282	Purchase of 'Swimtag' equipment. Monies held in an earmarked reserve to fund this expenditure
VEHCL/8900z	Vehicle Workshop/Oncost 100%	-77,990	-26,016	-21,639	4,377	Staff vacancy in the position of HGV & Vehicle Technician has resulted in a lower rate of oncost recovery to date. The vacancy has now been filled.
RCOLL/1040	Refuse Collection/Employee Insurances	9,270	9,270	13,716	4,446	Insurance costs higher than estimated. Costs are based upon previous claims history etc.
RVPRK/2402	Ribble Valley Parks/Repair & Maintenance - Buildings	21,070	6,908	11,639	4,731	Repairs to fences at John Smiths Playing Fields and repairs to the wall at the Castle Grounds have been carried out along with further expenditure incurred at the Bowling Green Cafe. The budget will continue to be monitored and a virement carried out if necessary.
HWREP/2402	Highway Repairs/Repair & Maintenance - Buildings	530	178	5,000	4,822	Repairs to Dewhurst Road, Langho have been carried out. Monies are held in an earmarked reserve to fund this expenditure.

Community Committee Budget Monitoring – 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/8039z	Community Services Department/Children`s Trust Grant (LCC)	-10,000	-5,000	0	5,000	Due to a reassessment of funding by LCC this grant is no longer going to be received by this council
EXREF/2809	Exercise Referral/Non recurring Purchases	0	0	3,897	3,897	Expenditure incurred on the Good Neighbours Project. Monies to be funded by Active East Grant monies received in 2014/15 which has been transferred to reserve.
CCTEL/3074	Closed Circuit Television/Private Contract Payments	83,060	62,294	59,104	3,190	The budget allows for the payment of pension contributions which have yet to be paid.