

# RIBBLE VALLEY BOROUGH COUNCIL REPORT TO COMMUNITY SERVICES COMMITTEE

Agenda Item No 13

meeting date: 13 MARCH 2018  
 title: REVENUE MONITORING 2017/18  
 submitted by: DIRECTOR OF RESOURCES  
 principal author: AMY JOHNSON

## 1 PURPOSE

1.1 To let you know the position for the period April to January 2018 of this year's revised 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 revised estimate for the period to the end of January. You will see an overall underspend of £26,475 on the net cost of services. Please note that underspends are denoted by figures with a minus symbol. After allowing for transfers to/from earmarked reserves there is an underspend of £28,365.

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	
ARTDV	Art Development	33,550	18,120	11,495	-6,625	
VARIOUS	Car Parks	-141,700	-203,942	-204,989	-1,047	
VARIOUS	Public Conveniences	183,380	98,179	96,267	-1,912	
BUSSH	Bus Shelters	16,840	7,717	1,073	-6,644	
CARVN	Caravan Site	-8,300	0	-209	-209	
CCTEL	Closed Circuit Television	126,520	85,812	85,138	-674	
CLFFS	Clitheroe Food Festival	8,180	8,180	8,180	0	
VARIOUS	Car Park Vehicles	0	6,484	6,248	-236	
COMMD	Community Services Department	0	882,029	880,686	-1,343	
CRIME	Crime and Disorder	36,270	22,492	18,769	-3,723	

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	
CULTG	Culture Grants	2,820	800	800	0	
CULVT	Culverts & Water Courses	16,960	2,500	2,055	-445	
DRAIN	Private Drains	1,180	-352	-331	21	
EALLW	Edisford All Weather Pitch	21,380	-19,175	-27,156	-7,981	
VARIOUS	Works Administration Vehicles	0	19,997	17,838	-2,159	
EDPIC	Edisford Picnic Area	-8,470	-9,890	-9,779	111	
EXREF	Exercise Referral Scheme	30,030	35,491	33,864	-1,627	
VARIOUS	Plant	0	14,507	19,158	4,651	
VARIOUS	Grounds Maintenance Vehicles	0	61,389	56,852	-4,537	
GRSRC	Grants & Subscriptions - Community	2,540	300	-261	-561	
HWREP	Highway Repairs	26,220	460	289	-171	
LDEPO	Longridge Depot	0	5,500	6,394	894	
LITTR	Litter Bins	18,130	6,252	4,589	-1,663	
MCAFE	Museum Cafe	19,040	-10,173	-7,470	2,703	
MUSEM	Castle Museum	277,460	71,141	24,209	-46,932	
PAPER	Waste Paper and Card Collection	110,580	-18,255	-7,723	10,532	
PKADM	Grounds Maintenance	0	-192,765	-179,722	13,043	
PLATG	Platform Gallery and Visitor Information	139,100	59,594	63,349	3,755	
VARIOUS	Refuse Collection Vehicles	0	359,907	477,569	117,662	
RCOLL	Refuse Collection	1,109,960	277,636	259,186	-18,450	
RECU	Recreation Grants	55,010	21,084	21,220	136	
RIVBK	Riverbank Protection	2,510	1,060	532	-528	
ROEBN	Roefield Barn	-380.	-314	-373	-59	
RPBIN	Chargeable Replacement Waste Bins	-18,630	-15,524	-25,414	-9,890	
RPOOL	Ribblesdale Pool	377,190	109,210	119,048	9,838	
RVPRK	Ribble Valley Parks	481,000	320,220	292,492	-27,728	
SDEPO	Salthill Depot	0	39,338	42,149	2,811	
SEATS	Roadside Seats	5,160	2,102	481	-1,621	

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	
SIGNS	Street Nameplates & Signs	50,030	6,340	7,594	1,254	
SPODV	Sports Development	78,530	11,717	653	-11,064	
SPOGR	Sports Grants	6,520	4,077	3,400	-677	
STCLE	Street Cleansing	345,950	206,039	205,632	-407	
TFRST	Waste Transfer Station	85,400	46,689	50,141	3,452	
TRREF	Trade Refuse	-66,810	-221,473	-294,954	-73,481	
TWOWR	Two Way Radio	0	-479	1,043	1,522	
UPACT	Up and Active Service	0	-31,732	-4,524	27,208	
VEHCL	Vehicle Workshop	0	-33,712	-27,348	6,364	
WBHEQ	Wellbeing & Health Equality	0	0	-1,562	-1,562	
WKSAD	Works Administration	0	-65,542	-62,698	2,844	
XMASL	Xmas Lights & RV in Bloom	4,530	2,619	1,299	-1,320	
<b>Sum:</b>		<b>3,427,680</b>	<b>1,991,654</b>	<b>1,965,179</b>	<b>-26,475</b>	
<b>Transfers to/from Earmarked Reserves</b>						
Capital Reserve		14,540	14,540	14,540	0	
Vehicle & Plant Repairs & Renewals Fund		46,000	46,000	46,000	0	
Refuse Collection Reserve		20,480	20,480	0	-20,480	
Local Recreation Grants Reserve		-20,090	-20,090	0	20,090	
Crime & Disorder		1,500	1,500	0	-1,500	
Exercise Referral Reserve		-250	-250	-250	0	
Food Festival Reserve		-8,180	-8,180	-8,180	0	
<b>Total after Transfers to/from Earmarked Reserves</b>		<b>3,481,680</b>	<b>2,045,654</b>	<b>2,017,289</b>	<b>-28,365</b>	

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 The main reasons for the variance are

Description	Variance to end January 2018
<b>Refuse Collection Vehicles (VARIOUS)</b> - Vehicle Repairs & Maintenance: various significant repair demands across the refuse collection fleet.	132,255
<b>Trade Refuse (TRREF)</b> - an increase in the customer base for the collection of commercial and charitable trade waste has resulted in additional income.	-32,852

- 2.7 There are elements of the variances shown above which are unlikely to rectify themselves by the end of the financial year. This is notably the refuse collection repairs and maintenance costs and trade refuse income.

### 3 REFUSE COLLECTION VEHICLE REPAIR COSTS

- 3.1 As previously reported to this committee in past budget monitoring reports, spend on refuse vehicle repairs is significantly in excess of budget. As at the end of January 2018 spend was £132,255 in excess of the revised budget at that date. This is concerning as the variance is a continuation of the overspend seen at the 2016/17 year end (£89,889 overspend).
- 3.2 Due to their concerns, management team have received a number of reports relating to this issue over the past few months. As a result of this ongoing issue, management team requested a further report be made to this committee on the matter. This report is included elsewhere on this agenda and details the repair demands to date and an examination of the reasons behind the escalating level of spend seen over recent years.

3.3 Given the significant amount of this variance CMT have requested a detailed investigation and a review of the options that are available in addressing this situation. The outcome of this and budget implications will be reported to committee in due course.

#### 4 CONCLUSION

4.1 The comparison between actual and revised budgeted expenditure shows an underspend of £26,475 for the first ten months of the financial year 2017/18. This is increased to £28,365 after allowing for transfers to/from earmarked reserves.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

CM5-18/AJ/AC  
5 March 2018

## 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	Indicator	Reason for Variance	Action Plan as agreed between the Budget Holder and Accountant
TRREF/3102	Trade Refuse/Tipping Charges	167,300	125,475	84,856	-40,619	R	Awaiting invoice for Q3 (October – December 2017) from Lancashire County Council.	Variance will be mitigated once invoice received.
TRREF/8411z	Trade Refuse/Trade Waste Collection (Commercial)	-272,720	-263,884	-287,330	-23,446	R	A growth in the customer base has resulted in higher levels of income. The budget was increased at revised estimate with an allowance built in for cancellation of contracts. A minimal number of contracts have been cancelled.	A review of the current year actual income and cancellations will be carried out at the end of this financial year and built into the revised revenue budget 2018/19, when prepared.

## 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	Indicator	Reason for Variance	Action Plan as agreed between the Budget Holder and Accountant
TRREF/8595z	Trade Refuse/Trade Waste Collection (Charitable)	-58,870	-53,136	-62,542	-9,406	R	A growth in the customer base has resulted in higher levels of income. The budget was increased at revised estimate with an allowance built in for cancellation of contracts. A minimal number of contracts have been cancelled.	A review of the current year actual income and cancellations will be carried out at the end of this financial year and built into the revised revenue budget 2018/19, when prepared.
MUSEM/2451	Castle Museum/National Non Domestic Rates	38,760	38,760	-8,222	-30,538	R	<p>NNDR is paid by LCC who then invoice us. Currently awaiting invoice from LCC - invoice normally received October.</p> <p>The actual relates to a charge made to the licence holder of the Atrium Café as we invoice them for their share of NNDR rates payable.</p>	Variance will be mitigated once invoice 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	Indicator	Reason for Variance	Action Plan as agreed between the Budget Holder and Accountant
RVPRK/5056	Ribble Valley Parks/Grounds Maintenance	347,990	294,678	268,215	-26,463	R	Variance due in part to lower than estimated grounds maintenance oncost recovery due to sickness absence and vacant post (see PKADM/8903z). Also lower than estimated time spent at parks.	Increased time will be spent at the park areas once the vacant position has been filled.
RPBIN/8297n	Chargeable Replacement Waste Bins/Sale of Equipment/Materials	-24,880	-20,734	-31,668	-10,934	R	Income received from the sale of householder bins higher than expected when the budget was prepared. Expenditure incurred in the purchase of the bins will be offset against the income received and the surplus/deficit transferred to/from an earmarked reserve.	Income received from the sale of bins will be offset against expenditure incurred in the purchase of the bins and the surplus/deficit transferred to/from an earmarked reserve.

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	Indicator	Reason for Variance	Action Plan as agreed between the Budget Holder and Accountant
RPOOL/0180	Ribblesdale Pool/Pool Attendants Wages	55,760	46,470	38,538	-7,932	R	Variance caused by staff vacancies	Casual employees used to cover for the vacancies within pool attendants. Their time is coded to temporary staff detail code. The underspend on this detail code is offset by an overspend on temporary staff.
RPOOL/3085	Ribblesdale Pool/Consultants	16,930	14,122	7,701	-6,421	R	An external contractor (Swimtime) is currently being employed to cover some of the swimming lesson programme due to a vacancy of 1 FTE swimming teacher. Invoices from Swimtime not yet received for December 2017 and January 2018 causing the variance.	Once the invoices for December and January have been received the variance will be mitigated.
RCOLL/8297N	Refuse Collection/Sale of Equipment/Materials	-7,220	0	-7,448	-7,448	R	Variance due to the sale of a refuse vehicle and the sale of end of life wheelie bins.	Income from the sale of refuse vehicle will be transferred to the capital earmarked reserve at year end to help fund future years capital programme.

## 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	Indicator	Reason for Variance	Action Plan as agreed between the Budget Holder and Accountant
Various Refuse Collection Vehicles/2602	Various Refuse Collection Vehicles/Vehicle Repairs & Maintenance	164,070	142,817	275,072	132,255	R	Increased repair demands has resulted in an increase in spend.	There is a trend of an increase in repair demands across all refuse vehicles. A separate report is being brought to this committee.
WKSAD/8910Z	Works Administration/ Oncost Capital	-9,660	-8,056	-14,830	-6,774	R	Variance due to increased works administration time spent on the museum windows capital scheme.	Increased oncost recovery through the capital programme will reduce recovery through revenue schemes.
BUSSE/2402	Bus Shelters/Repair & Maintenance - Buildings	7,600	6,334	1,073	-5,261	R	Minimal repair demands to date.	There are plans to purchase one new bus shelter before the end of the financial year.

## 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	Indicator	Reason for Variance
COMMD/0100	Community Services Department/Salaries	883,660	736,177	739,432	3,255	A	The budget allows for an allowance of 2% staff turnover for the period November 2017 to March 2018. The turnover has not materialised to date.
COMMD/6002	Community Services Department/Car Leasing Repayments	12,660	11,185	13,929	2,744	A	Actual includes a commitment for a lease car to arrive in the 2018/19 financial year (£3,898). The commitment will roll over into the new financial year.
RDKAA/2636	VN17 DKA Dennis Disposal Vehicle/Hire of Transport	0	0	4,930	4,930	A	Vehicle hire whilst this refuse vehicle was undergoing warranty repairs. Hire costs to be reimbursed in full by Dennis Eagle.
RJZOA/2612	PK63 JZO Hile Refuse Disposal Vehicle/Diesel	18,350	15,294	10,508	-4,786	A	Spend on diesel to date lower than estimated.
ARTDV/3277	Art Development/Promotional Activities	7,340	6,118	2,136	-3,982	A	Various schemes are planned eg work on the sculpture trail, supporting the light walk. Budget planned to be spent by the end of the financial year.

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	Indicator	Reason for Variance
SPODV/2881	Sports Development/Purchase of Equipment & Materials	4,690	3,910	186	-3,724	A	Awaiting quotes re carrying out improvements works to the upstairs area of the Pavilion to improve its offering as a training facility and also for birthday parties. Also plans to carry out some pitch surveys (£470 in reserve) and purchase new goals if the budget allows.
SPODV/3277	Sports Development/Promotional Activities	3,320	2,768	372	-2,396	A	Plans to vire budget to SPODV/2881 to help fund the plans detailed there.
SPODV/8576z	Sports Development/Contributions & Donations	0	0	-3,159	-3,159	A	Sportivate Grant received after the budget was prepared. Money to be used to develop a scheme to encourage girls of all ages to become more active through swimming, running etc.
CRIME/3277	Crime and Disorder/Promotional Activities	14,040	11,232	7,519	-3,713	A	Awaiting invoices for planned projects.
RVPRK/2409	Ribble Valley Parks/Non Recurring Maintenance Items	5,000	4,168	8,792	4,624	A	Expenditure on Whalley Moor and Primrose Lodge. Funded from S106 monies previously received and set aside for this purpose.
RVPRK/2414	Ribble Valley Parks/Emergency Tree Work	5,940	4,962	1,300	-3,662	A	Minimal tree work carried out to date.
AUMCP/8420n	Auction Mart (Market) Car Park/Car Park Charges	-44,440	-37,036	-34,779	2,257	A	Income slightly lower than estimated based upon usage.

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	Indicator	Reason for Variance
CHUCP/2447	Church Walk/Railway View/Ground Rents	8,250	-8,250	-11,000	-2,750	A	Actual relates to an estimated creditor raised for backdated ground rent dating back to 2007 which has never been invoiced for. It has been agreed to keep accruing for the backdated rent as the Landlord can invoice us for it.
EDFCP/8420n	Edisford Car Park/Car Park Charges	-69,170	-57,550	-61,067	-3,517	A	Income higher than estimated due to increased usage.
LOWCP/8420n	Lowergate Car Park/Car Park Charges	-66,480	-55,406	-52,762	2,644	A	Income slightly lower than estimated based upon usage.
GPLAN/2602	PLANT Grounds Maintenance/Vehicle Repairs & Maintenance	6,300	5,254	1,768	-3,486	A	Vehicles awaiting their annual service which will incur further expenditure. Therefore variance is likely to clear by year end.
GPLAN/2603	PLANT Grounds Maintenance/Repairs & Maintenance Outside Firms	10,090	8,410	12,175	3,765	A	Repair demands higher than estimated.
GWUCA/2602	PJ63 WUC Grounds Maintenance Vehicle/Vehicle Repairs & Maintenance	660	550	2,553	2,003	A	Repair demands to date higher than estimated.
RPOOL/0101	Ribblesdale Pool/Salaries Overtime	6,960	5,800	10,555	4,755	A	Annual leave and staff sickness has resulted in increased overtime being worked by the Duty Officers.
RPOOL/0181	Ribblesdale Pool/Pool Attendants Overtime	5,880	4,900	2,700	-2,200	A	Various vacancies in the positions of pool attendants has resulted in a reduction in overtime worked and expenditure incurred.

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	Indicator	Reason for Variance
RPOOL/2944	Ribblesdale Pool/Sundry Purchases	11,030	9,192	7,102	-2,090	A	Reduced expenditure on sundry purchases for resale based upon items sold to date. Reduced expenditure offset by a reduction in income received from sales (see RPOOL/8297n).
RPOOL/2953	Ribblesdale Pool/Snacks Vending	12,920	9,973	6,784	-3,189	A	Purchases are dependent upon usage of the machine. As usage is lower then so is spend on consumables. Offset by a reduction in income received from sale of snacks (see RPOOL/8276n).
RPOOL/8276n	Ribblesdale Pool/Snacks Vending Machine Sales	-18,680	-15,056	-10,750	4,306	A	Vending machine sales lower then estimated. Offset by a reduction in spend on stock items for the vending machine (see RPOOL/2953).
RPOOL/8279n	Ribblesdale Pool/Items Purchased for Resale	-16,510	-13,498	-10,502	2,996	A	Sales lower than estimated when the budget was prepared. Offset by reduced spend on stock items for resale (see RPOOL/2944).
RPOOL/8571n	Ribblesdale Pool/Adult Admissions	-66,500	-54,644	-52,614	2,030	A	Admission income slightly lower then estimated.
PKADM/8910z	Grounds Maintenance/Oncost Capital	-3,260	-2,718	-5,844	-3,126	A	Higher than estimated time spent on capital schemes.
PAPER/8297n	Waste Paper and Card Collection/Sale of Equipment/Materials	-69,230	-57,696	-60,764	-3,068	A	Income from the sale of paper is dependent upon market prices which fluctuate monthly. Current prices received are higher than those estimated when the budget was prepared.
EALLW/8888I	Edisford All Weather Pitch/Adult 3G All Weather Pitch (Exempt)	-1,050	-876	-3,349	-2,473	A	Usage higher than estimated when the budget was prepared.

## 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	Indicator	Reason for Variance
PCADM/2475	Public Conveniences Administration/General Cleaning	56,810	45,904	43,846	-2,058	A	Expenditure incurred to date slightly lower than estimated.
EAZLA/2602	PO60 AZL Iveco Daily 7000kg Crew Cab/Vehicle Repairs & Maintenance	2,650	2,212	4,465	2,253	A	Repair demands to date higher than estimated.
VEHCL/2881	Vehicle Workshop/Purchase of Equipment & Materials	3,070	2,560	5,136	2,576	A	Purchase of tools for the vehicle workshop.
STCLE/2604	Street Cleansing/Accident Damage Repairs	0	0	2,509	2,509	A	Accident damage to a transit van. Insurance claim to be submitted.