

RIBBLE VALLEY BOROUGH COUNCIL INFORMATION

REPORT TO POLICY & FINANCE COMMITTEE

Agenda Item No 18

meeting date: 16 NOVEMBER 2010
 title: REVENUE MONITORING 2010/11
 submitted by: DIRECTOR OF RESOURCES
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1 PURPOSE

1.1 To let you know the position for the first six 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 to ensure that budget allocation and expenditure is in line with corporate priorities.

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 under spend of £14,648 on the net expenditure, after allowing for estimated transfers to and from balances and reserves.

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 £	
CEXEC	Chief Executive Department	-1,960	70,969	70,301	-668	G
CSERV	Corporate Service	195,620	70,455	60,529	-9,926	R
HRDEV	Human Resource Development	37,270	6,317	2,905	-3,412	A
OMDEV	Organisation & Member Development	-3,860	155,507	155,497	-10	G
STRAH	Strategic Housing Section	-1,620	61,827	53,242	-8,585	R
CORPM	Corporate Management	419,280	0	275	275	G
EPROC	E Procurement Revenue Costs	45,330	0	0	0	G
GOVTE	E Government Revenue Costs	29,560	18,000	18,000	0	G
CIVST	Civic Suite	-2,670	20,457	17,863	-2,594	A
CLOFF	Council Offices	-570	116,903	115,036	-1,867	G
MOBIL	Mobil Office	0	0	-146	-146	G
EMERG	Community Safety	62,420	6,814	5,074	-1,740	G
CLTAX	Council Tax	406,440	20,772	15,325	-5,447	R
NNDRC	National Non Domestic Rates	47,890	544	4,465	3,921	A
ATTEN	Mayor's Attendant / Keeper	-170	7,504	5,913	-1,591	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 £	
CIVCF	Civic Functions	56,140	22,310	21,973	-337	G
COSDM	Cost of Democracy	456,700	106,923	106,008	-915	G
MAYCR	Mayoral Transport	0	7,223	6,614	-609	G
DISTC	District Elections	2,080	0	0	0	G
ELECT	Register of Electors	71,470	13,972	17,997	4,025	A
EUROP	European Elections	2,400	0	0	0	G
LANCS	Lancashire County Elections	2,400	0	0	0	G
PARIS	Parish Elections	1,000	0	0	0	G
PARLI	Parliamentary Elections	32,530	0	113,848	113,848	G
VARIOUS	Meals on Wheels and Luncheon Clubs	25,760	26,101	20,686	-5,415	R
ESTAT	Estates	25,330	-737	395	1,132	G
FGSUB	Grants & Subscriptions – Policy & Finance	151,950	102,388	119,070	16,682	R
LONGR	Longridge Grants	0	0	10,000	10,000	R
LANDC	Land Charges	39,680	-21,826	-33,161	-11,335	R
LICSE	Licensing	52,540	-36,759	-48,015	-11,256	R
FMISC	Policy & Finance Miscellaneous	166,520	61,729	68,889	7,160	R
SUPDF	Superannuation Deficiency Payments	123,340	40,700	41,102	402	G
CONTC	Contact Centre	158,730	35,866	33,472	-2,394	A
COMPR	Computer Services	-2,480	201,531	191,378	-10,153	R
FSERV	Financial Services	-7,990	289,416	292,231	2,815	A
LSERV	Legal Services	-3,610	157,015	148,470	-8,545	R
REVUE	Revenues & Benefits	-8,260	289,049	285,130	-3,919	A
CONCS	Concessionary Travel	444,550	162,236	108,476	-53,760	R
Total net cost of services		3,023,740	2,013,206	2,028,842	15,636	

Items added to / (taken from) balances and reserves					
FNBAL H230	Election Reserve Fund	4,290	0	0	0
FNBAL H237	Single Status Reserve Fund	0	0	-1,013	-1,013
CPBAL H259	Longridge Grants	0	0	-5,000	-5,000
FNBAL H255	Concurrent Function Grants	-14,140	0	0	0
FNBAL H266	Civic Regalia	0	-4,500	-4,500	0
FNBAL H263	Government Connect	0	-4,518	-789	3,729
FNBAL H326	Performance Reward Grant	0	0	-28,000	-28,000
Net Balances and reserves		-9,850	-9,018	-39,302	-30,284
Net Expenditure		3,013,890	2,004,208	1,989,541	-14,648

- 2.2 The current position is however being distorted by the Parliamentary Election expenditure of £113,848. This is to be claimed back when all expenditure has been determined, including South Ribble Borough Council expenditure and will therefore have a nil effect on Ribble Valley's net expenditure. Once the reimbursement income is taken into account, the true under spend for this Committee is £128,496.
- 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 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

- 2.4 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.

3 CONCLUSION

- 3.1 The comparison between actual and budgeted expenditure shows an under spend of £14,648 for the first six months of the financial year 2010/11; however there are some large fluctuations that make up this net figure.
- 3.2 Parliamentary Elections of £113,000 are to be claimed back from the Government.
- 3.3 The current under spend of £56,000 on concessionary travel is due to a delay in being invoiced for the August concessionary travel costs.
- 3.4 Delay in being invoiced for external audit fees £22,000.

SENIOR ACCOUNTANT

PF58-10/TH/AC
4 October 2010

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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
LICSE/2998	Licensing / Software Maintenance	12,700	12,700	4,470	-8,231	R	Delay in being invoiced by LALPAC	Invoice to be chased
PARLI/VARIOUS	Parliamentary Elections/various	0	0	113,848	113,848	R	Expenditure incurred on Parliamentary Election. Budget to be introduced at revised estimate. Expenditure to be reclaimed from the Government	Claim will be prepared when all expenditure has been determined, including South Ribble BC expenditure.
FMISC/4675	Policy & Finance Miscellaneous/ Performance Reward Grant Payments	0	0	28,000	28,000	R	Variance caused by the payment of performance reward grants. No budget provision was allowed when budget prepared as funding was uncertain at that time. However income was received at the end of 2009/10 financial year and an earmarked reserve fund established to fund future expenditure.	Budget to be introduced at revised estimate. Expenditure to be funded from reserve fund.
FMISC/5021	Policy & Finance Miscellaneous/Audit Fees	87,000	39,544	17,693	-21,851	R	Only first 3 instalments paid to date offset by IFRS rebate received.	Invoices for 2010/11 anticipated so no action necessary at present. Provision for IFRS rebate to be made at revised estimate

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
LONGR/4672	Longridge Grants / Grants	0	0	10,000	10,000	R	Expenditure delayed from previous years. 50% to be funded from an earmarked reserve fund.	Estimate to be introduced at revised estimate
CONCS/2661	Concessionary Travel / Bus Passes	529,380	220,489	172,323	-48,166	R	Invoices paid for period 1st April to 7th August only	No action proposed. One operator still to agree reimbursement rate.
CONCS/2662	Concessionary Travel / Community Transport	48,410	20,165	12,450	-7,715	R	LCC have only invoiced the Council up to July	No action proposed, recently notified of August invoice to come
LSERV/3090	Legal Services / Legal	1,680	840	7,098	6,258	R	Back log of court proceedings being undertaken by section	Situation being monitored at present
LSERV/8402z	Legal Services / Legal Fees	-1,500	-750	-13,336	-12,586	R	Court costs added to outstanding debtor accounts but recovery low at present	

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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
CSERV/0100	Corporate Services / Salaries	105,250	52,644	49,448	-3,196	A	Under spend caused by vacant post and staff working reduced hours.
HRDEV/1013	Human Resource Development / Tuition Fees	11,000	4,070	1,736	-2,334	A	Development plan being prepared
OMDEV/2981	Organisation & Member Development / Postages	1,000	502	2,679	2,177	A	September postage costs to be recharged to departments
STRAH/0100	Strategic Housing Section / Salaries	89,820	48,925	44,105	-4,820	A	Reduced cover for maternity leave within section
EMERG/2881	Community Safety / Purchase of equipment & materials	11,990	5,996	3,476	-2,520	A	Expenditure not following a standard profile. Flood action group work and upgrading Local flood plan publications to be carried out shortly.

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
NNDRC/2998	National Non Domestic Rates / Software Maintenance	0	0	4,000	4,000	A Charge for updating software for small business rate relief, cost to be grant funded. Grant still to be received
REVUE/0100	Revenues & Benefits / Salaries	451,200	225,690	222,930	-2,760	A Savings achieved from staff turnover
REVUE/1013	Revenues & Benefits / Tuition Fees	4,590	2,298	0	-2,298	A No expenditure to date, only one member of staff currently undertaking professional qualifications
LSERV/0100	Legal Services / Salaries	194,200	97,138	99,867	2,729	A Budget allows for staff turnover, however there have been no vacancies to date.
LSERV/8703z	Legal Services / Admin Charge	0	0	-4,277	-4,277	A Admin Fee added to outstanding debtor accounts but recovery of debts low at present
LANDC/2998	Land Charges / Software Maintenance	5,180	5,180	380	-4,800	A Software not currently being supported. IDOX group having recently acquired Strand Business Systems from Computershare who previously supported the Land Charges system
LANDC/8408z	Land Charges / Search Fees	-76,940	-37,277	-39,994	-2,717	A More income received in period compared to previous year mainly from part II searches.

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
ELECT/2981	Register of electors / Postage	13,390	206	4,458	4,252	A	Payment for response service paid earlier compared to previous year.
COMPR/2998	Computer Services / Software Maintenance	101,530	89,428	84,717	-4,711	A	Alternative software maintenance support being sought
COMPR/3006	Computer Services / Government connect	9,030	4,518	789	-3,729	A	Little expenditure to date, budget profiled evenly as no previous profile to follow
FSERV/0100	Financial Services / Salaries	432,990	216,582	219,374	2,792	A	. Budget allows for staff turnover, however there have been few vacancies to date.
FMISC/5025	Policy & Finance Miscellaneous/Audit Fees-Grants	27,790	10,964	15,346	4,382	A	Expenditure does not follow a standard profile, which has resulted in the current variance. No indication at present that expenditure will exceed the budget provision
FMISC/5028	Policy & Finance Miscellaneous / Inspection Fees	8,320	4,162	3	-4,159	A	No charge has been made by Audit Commission to date.
FMISC/5029	Policy & Finance Miscellaneous / Credit/Debit Card Fees	0	0	2,029	2,029	A	No budget as these charges are offset against interest received at year end