

INFORMATION

RIBBLE VALLEY BOROUGH COUNCIL
REPORT TO POLICY & FINANCE COMMITTEE

Agenda Item No 19

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

1.1 To inform members of the **overall** position on the revenue budget for the first half of the financial year.

1.2 Relevance to the Council's ambitions and priorities:

- ❖ In accordance with the Council's objectives, this report provides members with information to ensure that budget allocation and expenditure is in line with corporate priorities.

2 BACKGROUND

2.1 The revenue budget, which was approved in March, consists of net expenditure of £7.276m. To achieve a council tax of £140.69, i.e. a 2.5% increase on the previous year, this meant taking £41,373 from general fund balances.

2.2 We obviously regard budget monitoring as very important and therefore report to the Corporate Management Team on a monthly basis and to committee quarterly regarding progress/variations. It is critical this exercise continues if we are to be in a strong knowledgeable position to set the 2011/12 budget, particularly in light of the Comprehensive Spending Review.

2.3 This report therefore consolidates the individual reports that have been considered in the current cycle by individual committees.

3 OVERALL SUMMARY

3.1 *General Fund*

Committee	Net Budget to the end of the period £	Actual including Commitments to the end of the period £	Difference £
Community Services	1,399,040	1,289,940	-109,100
Planning & Development	482,974	471,209	-11,765
Health & Housing	-421,940	-473,315	-51,375
Policy & Finance	2,013,206	2,028,842	15,636
TOTAL	3,473,280	3,316,676	-156,604

- 3.2 The underspend on Community Committee is largely in respect of the increased income and lower gas costs at the Ribblesdale Pool and also additional Children's Trust Grant received towards existing staff resources and the council's involvement in the new county-wide Children's Trust Arrangements.
- 3.3 Within Planning and Development Committee the underspend has been mainly due to the receipt of DCLG Habitats and Climate Change Grant. Plans for the use of this grant were recently approved at Planning and Development Committee on 4 November resulting in future expenditure to offset this grant.
- 3.4 Health and Housing Committee shows an underspend mainly due to increased Council Tax Rebate Grant following changes to allowances which were notified after the budget was prepared. The budget will be adjusted to reflect these changes at the Revised Estimate.
- 3.5 On Policy & Finance Committee the overspend is particularly due to costs for the Parliamentary Election Costs which have yet to be reimbursed. This is offset partly by invoices for costs under concessionary travel which have not yet been received, as one operator has yet to agree on the reimbursement rate. Most of the other variances on this committee are as a result of delays in being invoiced.
- 3.6 Across all committees there have been savings on direct employee costs as management team have for sometime considered each post as they become vacant in order to assess whether replacement is appropriate and on what basis.
- 3.7 The prudent approach to setting income budgets for 2010/11 has served the council well, with most of the volatile income streams performing close to budget for the first half of the year, but with building control remaining an area of some concern.

4 CONCLUSION

- 4.1 Overall the council's net expenditure at the end of the half-year is £156,604 lower than anticipated.
- 4.2 A number of the variances relate to grant income which had not been anticipated, for which there will shortly be related expenditure. This will result in a net nil impact for the council by the end of the financial year.
- 4.3 Other variances will clear as the financial year progresses, due to delays that have been experienced on the receipt of invoices from suppliers and partners.
- 4.2 Progress will continue to be monitored by budget holders, accountants and also Corporate Management Team.

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PF63-10/LO/AC
9 November 2010