

RIBBLE VALLEY BOROUGH COUNCIL INFORMATION

REPORT TO POLICY & FINANCE COMMITTEE

Agenda Item No 16

meeting date: 7 AUGUST 2012
 title: REVENUE MONITORING 2012/13
 submitted by: DIRECTOR OF RESOURCES
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1 PURPOSE

1.1 To let you know the position for the first three months 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 and meets the objective within this priority, of maintain 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. You will see an overall under spend of £94,988 on the net expenditure, after allowing for estimated transfers to and from balances and reserves. 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 the period £	Actual including Commitments to the end of the period £	Variance £	
ALBNM	Albion Mill	-2,770	6,288	11,749	5,461	R
INDDV	Economic development	80,580	1,968	927	-1,041	G
COMPR	Computer Services	0	133,142	140,165	7,023	R
LICSE	Licensing	35,070	-10,457	-14,095	-3,638	A
LANDC	Land Charges	29,510	-18,409	-17,909	500	G
FGSUB	Grants & Subscriptions – Policy & Finance	153,950	59,911	59,037	-874	G
CEXEC	Chief Executives Department	0	260,143	265,371	5,228	R
CLTAX	Council Tax	321,170	10,752	-75,135	-85,887	R
NNDRC	National Non Domestic Rates	31,290	286	744	458	G
CORPM	Corporate Management	298,040	0	0	0	G
EMERG	Community Safety	60,000	2,184	640	-1,544	G
BYELE	District-By-Election	0	0	0	0	G
DISTC	District Elections	11,540	0	0	0	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 £	
ELECT	Register of Electors	69,910	11,310	12,856	1,546	G
EUROP	European Elections	0	0	0	0	G
LANCS	Lancashire County Elections	0	0	0	0	G
PARIS	Parish Elections	0	0	0	0	G
PARLI	Parliamentary Elections	10	0	0	0	G
POLIC	Police Elections	20,870	0	469	469	G
ESTAT	Estates	7,420	-3,165	-7,138	-3,973	A
ATTEN	Mayor's Attendant/ Keeper	0	3,539	3,957	418	G
CIVCF	Civic Functions	57,050	14,984	15,532	548	G
COSDM	Cost of Democracy	424,530	54,287	53,336	-951	G
MAYCR	Mayoral Transport	0	602	336	-266	G
FSERV	Financial Services	0	159,219	153,566	-5,653	R
VARIOUS	Meals on Wheels and Luncheon Clubs	19,860	15,440	13,067	-2,373	A
CIVST	Civic Suite	0	15,841	13,944	-1,897	G
CLOFF	Council Offices	0	90,376	91,590	1,214	G
FMISC	Policy & Finance Miscellaneous	153,170	2,275	-227	-2,502	A
PERFM	Performance Reward Grants	37,000	5,004	5,000	-4	G
SUPDF	Superannuation Deficiency Payments	125,080	1,487	1,486	-1	G
LSERV	Legal Services	0	89,653	86,654	-2,999	A
OMDEV	Organisation & Member Development	0	98,103	94,367	-3,736	A
CSERV	Corporate Services	185,850	7,687	7,413	-274	G
CONTC	Contact Centre	126,250	18,085	17,615	-470	G
REVUE	Revenues & Benefits	0	124,828	125,054	226	G
Total net cost of services		2,245,380	1,155,363	1,060,371	-94,992	

Items added to / (taken from) balances and reserves					
FNBAL H230	Election Reserve Fund	20,370	0	0	0
FNBAL H269	Asset Revaluation Reserve	2,000	0	0	0
FNBAL H326	Performance Reward Grant	-37,000	-5,004	-5,000	4
CPBAL H330	Revenue Contribution to Capital	8,270	0	0	0
Net Balances and reserves		-6,360	-5,004	-5,000	4

Net Expenditure	2,239,020	1,150,359	1,055,371	-94,988
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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 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

2.3 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. Please note favourable variances are denoted by figures with a minus symbol.

Description	Variance to end of June 2012 £
ALBNM – Albion Mill – reduced income from rents due to units 2 and 3 being vacant in the period, partly to be offset by rent owing on unit 1	5,033

3 CONCLUSION

3.1 The comparison between actual and budgeted expenditure shows an under spend of £94,988 for the first three months of the financial year 2012/13, however there are some large fluctuations that make up this net figure.

3.2 An initial payment has been received from the Department of Communities and Local Government of £84,000 to assist billing authorities with the costs of designing schemes regarding localisation of council tax support. This accounts for a large proportion of the underspend and will be offset by future expenditure.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

PF43-12/TH/AC
11 July 2012

BACKGROUND WORKING PAPERS
Policy & Finance budget monitoring working papers

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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
ALBNM/8805I	Albion Mill / Land Rents	-33,100	-8,275	-3,242	5,033	R	Unit 2 vacant until end of April, Unit 3 vacant until mid June and rent owing on unit 1.	Legal pursuing arrears.
CLTAX/8022z	Council Tax / DCLG - Council tax initial new burden grant	0	0	-84,000	-84,000	R	Initial payment of a new burden grant to assist billing authorities with the costs of designing schemes regarding localisation of council tax support.	Budgets to be introduced at revised estimate, together with related expenditure budgets
COMPR/2809	Computer Services / Non recurring purchases of equipment	0	0	8,395	8,395	R	Upgrade to server. Monies were set aside last financial year to meet this commitment	Additional memory for Northgate System, mandatory update. Cost will be met from earmarked reserve.

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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
ESTAT/8832u	Estates / Ground Rents General	-960	-173	-3,440	-3,267	A	Freeholds sales to the value of £3k
CLOFF/2402	Council Offices / Repair & Maintenance - Buildings	34,900	7,459	10,522	3,063	A	Commitment for supply and installation of cavity wall insulation to the Council offices.
FMISC/8591z	Policy & Finance Miscellaneous / Vat Shelter Reimbursement	0	0	-2,807	-2,807	A	Additional VAT shelter monies for 2011/12 received from Symphony Housing Group after closure of accounts
LICSE/8437u	Licensing / Premises Licenses	-56,620	-4,491	-8,078	-3,587	A	Above average licence fees received in first 3 months
OMDEV/1023	Organisation & Member Development / Corporate Training	13,830	3,459	1,052	-2,407	A	Waiting for identified training needs to come through from the appraisals following which an assessment of any corporate requirements will be made.