

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO HEALTH & HOUSING COMMITTEE

Agenda Item No

meeting date: 29 AUGUST 2013
 title: REVENUE OUTTURN 2012/13
 submitted by: DIRECTOR OF RESOURCES
 principal author: AMY JOHNSON

1 PURPOSE

1.1 To report on the outturn for the financial year 2012/13 in respect of the Revenue Budget for this Committee.

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, to maintain critical financial management controls, ensuring the authority provides council tax payers with value for money.
- Other Considerations – none identified.

2 BACKGROUND

2.1 The Council's draft Statement of Accounts have been approved by Accounts and Audit Committee and audited by the Council's external auditors. The audited version of the accounts have been submitted to Accounts & Audit at their meeting on the 28 August for approval. Confirmation of their approval will be provided at your meeting.

2.2 The information contained within the Statements is in a prescriptive format. However, the service cost information is being reported to Committees for their own relevant services in our usual reporting format in the current cycle of meetings.

3 FINANCIAL INFORMATION

3.1 Shown below, by cost centre, is a comparison with the revised estimate. You will see an overall underspend of £67,544 for this committee. After allowing for transfers to and from earmarked reserves this underspend decreases to £36,623. Please note that underspends are denoted by figures with a minus symbol.

Cost Centre	Cost Centre Name	Revised Estimate 2012/13 £	Actual 2012/13 £	Difference £
COMNL	Common Land	6,270	6,682	412
CLAIR	Clean Air	1,560	1,559	-1
DOGWD	Dog Warden and Pest Control	83,160	80,765	-2,395
CLAND	Contaminated Land	11,930	11,630	-300
CLMKT	Clitheroe Market	-50,390	-55,649	-5,259
CLCEM	Clitheroe Cemetery	44,970	41,126	-3,844

Cost Centre	Cost Centre Name	Revised Estimate 2012/13 £	Actual 2012/13 £	Difference £
ENVHT	Environmental Health	302,990	283,592	-19,398
ENVGR	Grants and Subscriptions	3,480	3,585	105
CTBEN	Council Tax Benefits	-9,220	-7,806	1,414
HGBEN	Housing Benefits	99,980	102,740	2,760
HSASS	Housing Associations	12,690	12,570	-120
HSADV	Housing Advances	980	1,037	57
SUPPE	Supporting People	2,020	1,960	-60
JARMS	Joiners Arms	16,990	10,416	-6,574
HOMEE	Home Energy Conservation	23,110	22,910	-200
IMPGR	Improvement Grants	32,460	31,213	-1,247
HOMEG	Homelessness General	48,860	49,092	232
HOMES	Homelessness Strategy	-19,810	-24,243	-4,433
GRAGE	Non-Dwelling Rents	-2,190	-5,202	-3,012
WARMH	Warm Homes	44,470	14,539	-29,931
HSTRA	Housing Strategy	63,250	67,500	4,250
NET COST OF SERVICES		717,560	650,016	-67,544
ITEMS ADDED TO (TAKEN FROM) BALANCES AND RESERVES				
HGBAL/H339	Warm Homes Healthy People	-44,470	-14,539	29,931
FNBAL/H325	Repairs & Maintenance Reserve	-5,000	-4,000	1,000
HGBAL/H275	Clean Air Reserve	-470	-480	-10
NET BALANCES AND RESERVES		-49,940	-19,019	30,921
NET EXPENDITURE		667,620	630,997	-36,623

- 3.2 We have extracted the main variations and shown them, with the budget holders' comments at Annex 1. However, a summary of the major variations is given in the table below.

Service Area	Description of Variance	Amount £
CLMKT Clitheroe Market	Decrease in expenditure relating to the repair and maintenance of buildings.	-2,242
	Electricity charges were less than estimated.	-915
	Income received from the rental of market cabins was above that forecast.	-1,641

Service Area	Description of Variance	Amount £
ENVHT Environmental Health	Recharge costs from Resources (Financial Services) and Chief Executives were less than estimated. This is largely due to staff vacancies within the year, resulting in lower support service costs.	-15,780
	Following the employment of a temporary consultant due to staff shortages, there has been an increase in environmental protection fee income generated.	-1,906
HGBEN Housing Benefits	There has been an increase in the number of claimants of Housing Benefits due to the economic climate.	132,197
	As a result of the increase in the level of payments made for Housing Benefits, the Council has received additional subsidy from the Government to fund these payments.	-104,377
JARMS Joiners Arms	The final charge for the management fee at the homeless hostel was less than budgeted.	-5,158
WARMH Warm Homes	Additional grant income was received during the year. This has been set aside in an earmarked reserve for use in future years, as it was not possible to fully commit the additional grant income within the 2012/13 financial year.	-29,931

3.3 As can be seen above, the key variances are related to Housing Benefits, whilst the variances may appear high, these budgets are on a benefit caseload of over £9m, and are more than compensated by the additional subsidy received from Government.

4 CONCLUSION

4.1 There has been an overall underspend for this committee of £67,544, decreasing to £36,623 after allowing for transfers to and from earmarked reserves.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

HH9-13/AJ/AC
16 August 2013

BACKGROUND PAPERS

Revised Estimates approved by Committee on 24 January 2013
Closedown Working Papers

For further information please ask for Amy Johnson, extension 4498

HEALTH AND HOUSING COMMITTEE – REVENUE OUTTURN 2012/13 VARIANCES

	Variation in Expenditure £	Variation in Income £	Variation in Support Services £	Variation in Capital Costs £	Total Variation £
<i>Common Land</i>					
The budget for repair work for common land has not been used for this year.	-444				-444
Emergency tree work has been undertaken for which there was no budget.	600				600
Expenditure on the purchase of equipment and materials was less than expected.	-34				-34
There has been an increase in recharges from Community Services (£390) which has been partially offset by a decrease in recharges from Legal Services (-£100).			290		290
Total Common Land	122		290		412
<i>Clean Air</i>					
Expenditure on analysis fees was slightly more than anticipated.	9				9
An anticipated recharge from legal services did not occur due to general under spending.			-10		-10
Total Clean Air	9		-10		-1
<i>Dog Warden</i>					
Costs generally are less than expected. This includes kennelling fees (-£1,846), diesel costs (-£463), purchases of equipment and materials (-£452) and baits and poisons (-£637). These have been slightly offset by an increase in Repairs and Maintenance oncosted wages (£840), grounds maintenance oncosted wages (£157) and protective clothing costs (£170).	-2,242				-2,242

HEALTH AND HOUSING COMMITTEE – REVENUE OUTTURN 2012/13 VARIANCES

	Variation in Expenditure £	Variation in Income £	Variation in Support Services £	Variation in Capital Costs £	Total Variation £
There has been a reduction in recharges from Financial Services (-£230), Community Services (-£50), Chief Executives (-£5,380) and Organisation & Member Development (-£20) due to the non-filling of vacancies and general under spending, which have been offset slightly by an increase in recharges from legal services (£1,090).			-4,590		-4,590
The grounds maintenance recharge was lower than anticipated due to the emptying of dog bins being partially done by the dog wardens.			-1,739		-1,739
Income in relation to pest control fees and charges and kennelling fee income is less than anticipated.		6,176			6,176
Total Dog Warden	-2,242	6,176	-6,329		-2,395
<i>Contaminated Land</i>					
Maintenance costs relating to the software system for the monitoring of contaminated land in the Council's area has cost less than originally anticipated.	-300				-300
A small provision for anticipated income was made, which has not been achieved this year.		50			50
There has been a reduction in the recharge from Community Services due to non - filling of vacancies and general under spending,			-50		-50
Total Contaminated Land	-300	50	-50		-300

HEALTH AND HOUSING COMMITTEE – REVENUE OUTTURN 2012/13 VARIANCES

	Variation in Expenditure £	Variation in Income £	Variation in Support Services £	Variation in Capital Costs £	Total Variation £
<i>Clitheroe Market</i>					
There has been a reduction in costs, mainly due to a fall in R&M costs (-£2,242), electricity (-£915) and publicity costs (-£555).	-4,102				-4,102
There has been a reduction in the costs of support services due to the non-filling of vacancies and general under spending. The main areas are financial Services (-£230), Legal Services (-£190) and Organisation and Member Development (-£50) which have been partially offset by an increase in the Community Services recharge (£80).			-398		-398
Depreciation charges were slightly higher than anticipated.				3	3
The recharge for the use of the market office by the CCTV service was lower than anticipated. This is due to an overall decrease in running costs incurred at the market.		1,390			1,390
Income in relation to the hire of stalls and pitched is higher than anticipated.		-2,152			-2,152
Total Clitheroe Market	-4,102	-762	-398	3	-5,259
<i>Clitheroe Cemetery</i>					
There has been a reduction in costs, mainly due to a fall in electricity costs (-£118), metered water (-£184), purchase of trees, plants & shrubs (-£624) rental costs (-£128) and the purchase of plaques (-£270). These decreases in costs have been offset slightly by an increase in repairs and maintenance costs (£1,026).	-313				-313
Recharges from other departments are lower than anticipated. This is mainly due to a fall in grounds maintenance recharges (-£7,739), Financial Services (-£240) and Chief Executives (-£150).			-8,149		-8,149
Depreciation is slightly lower than anticipated.				-1	-1
There has been a fall income, mainly due to a reduction in interment fee income (-£1,501) and exclusive burial right income (-£3,005).		4,619			4,619
Total Clitheroe Cemetery	-313	4,619	-8,149	-1	-3,844

HEALTH AND HOUSING COMMITTEE – REVENUE OUTTURN 2012/13 VARIANCES

	Variation in Expenditure £	Variation in Income £	Variation in Support Services £	Variation in Capital Costs £	Total Variation £
<i>Environmental Health</i>					
There has been a reduction in costs relating to food samples (-£476), printing & stationery (-£321) subscriptions (-£350), illegal tipping (-£510) and water samples (-£613), These have been slightly offset by an increase in vet fees (£456).	-1,831				-1,831
Recharges from other departments are lower than anticipated. This is due to a reduction in Chief Executives recharges (-£8,060) due to the environmental health section being a member of staff down for a large proportion of the year. The recharge from legal services is also lower than anticipated (-£7,720) due to general underspend.			-16,360		-16,360
Income is more than expected. This is due to an increase in licence income (-£431), street trading licence income (-£748) and environmental protection fee income (-£1,906). This increase in income has been slightly offset by a fall in income relating to private water supplies (£1,947).		-1,207			-1,207
Total Environmental Health	-1,831	-1,207	-16,360		-19,398
<i>Environmental Grants</i>					
Payment of a grant was slightly more than anticipated.	85				85
The recharge from Financial Services is marginally less than anticipated.			20		20
Total Environmental Grants	85		20		105
<i>Council Tax Benefits</i>					
Expenditure in relation to the implementation of the local council tax support scheme was higher than budgeted. Grant income has however been received to fund this expenditure.	1,804				1,804
Payments of council tax rebates were higher than anticipated. Grant funding has been received to finance these payments.	6,664				6,664

HEALTH AND HOUSING COMMITTEE – REVENUE OUTTURN 2012/13 VARIANCES

	Variation in Expenditure £	Variation in Income £	Variation in Support Services £	Variation in Capital Costs £	Total Variation £
There has been a reduction in the cost of support services due to the non-filling of vacancies and general under spend. The main areas are: <ul style="list-style-type: none"> ▪ Revenues: -£320 ▪ Financial Services: -£790 ▪ Member & Development Services: -£20 			-1,130		-1,130
Grant income in relation to the payment of council tax benefits was higher than anticipated.		-5,924			-5,924
Total Council Tax Benefits	8,468	-5,924	-1,130		1,414
<i>Housing Benefits</i>					
The payments to claimants of housing benefits is greater than anticipated as the number of claimants has consistently exceeded expectations during the year, resulting in increased costs.	136,007				136,007
Expenditure in relation to the implementation of Local Housing allowance was incurred, for which there was no budgeted allowance. Grant income has however been received to fund this expenditure.	12,215				12,215
Other expenditure was lower than anticipated, in particular printing & stationery charges (-£1,061), postages (-£1000), software maintenance costs (-£619), photocopying charges (-£834) and training expenditure (-£500). Other minor savings totalled -£283.	-4,297				-4,297
There has been a reduction in the cost of support services due to the non-filling of vacancies and general under spend. The main areas are: <ul style="list-style-type: none"> ▪ Legal -£4,720 ▪ IT -£690 ▪ Finance -£1,630 ▪ Other departments: -£350 			-7,390		-7,390
Grant income has been received at a higher rate than budgeted to offset the additional payment of benefits to claimants.		-117,278			-117,278
A grant has been received to finance the costs of a new software licence to accommodate changes to the Local Housing Allowance Scheme.		-16,497			-16,497
Total Housing Benefits	143,925	-133,775	-7,390		2,760

HEALTH AND HOUSING COMMITTEE – REVENUE OUTTURN 2012/13 VARIANCES

	Variation in Expenditure £	Variation in Income £	Variation in Support Services £	Variation in Capital Costs £	Total Variation £
<i>Housing Associations</i>					
There has been a reduction in the cost of support services due to the non-filling of vacancies and general under spend, resulting in a saving of -£120.			-120		-120
Total Housing Associations			-120		-120
<i>Housing Advances</i>					
Costs in relation to the maintenance charges on the mortgages software system were higher than anticipated.	90				90
There has been a reduction in the cost of Financial Services support services due to the non-filling of vacancies and general under spend.			-70		-70
The interest received from mortgage payers is less than anticipated repayments being lower than anticipated.		37			37
Total Housing Advances	90	37	-70		57
<i>Supporting People</i>					
Expenditure has not been incurred in relation to staff expenses.	-50				-50
Support service costs of the Chief Executives and Revenue services are slightly less than anticipated.			-10		-10
Total Supporting People	-50		-10		-60
<i>Joiners Arms</i>					
Increased costs in relation to metered water supplies (£117) and sewerage costs (£148) have been offset by decreased repairs & maintenance costs (-£456), NNDR charges (-£48) and telephone line costs (-£137)	-377				-377

HEALTH AND HOUSING COMMITTEE – REVENUE OUTTURN 2012/13 VARIANCES

	Variation in Expenditure £	Variation in Income £	Variation in Support Services £	Variation in Capital Costs £	Total Variation £
The annual service level agreement charge payable to Ribble Valley Homes in relation to the management of the unit was lower than anticipated.	-5,157				-5,157
There has been a reduction in recharges from Community Services (-£910) and Financial Services (-£230) due to the non-filling of vacancies and general underspend.			-1,140		-1,140
A contingency budget for the receipt of service charge income was included. No income has been received.		100			100
Total Joiners Arms	-5,534	100	-1,140		-6,574
<i>Home Energy Conservation</i>					
The cost of recharges from Community Services and Chief Executives has reduced costs by £200, which is due to the non-filling of vacancies and a general under spend.			-200		-200
Total Home Energy Conservation			-200		-200
<i>Improvement Grants</i>					
Fee income, which is generated from the capital programme, is more than anticipated at revised estimate.		-877			-877
Support service costs from Chief Executives (-£220), Financial Services (-£130) and Community Services (-£20) are less than anticipated at revised estimate due to the non-filling of vacancies and general under spendings.			-370		-370
Total Improvement Grants		-877	-370		-1,247
<i>Homelessness General</i>					
There has been reduced spending on meeting/conference expenses.	-128				-128
Recharges from Financial Services (-£70) and Chief Executives (-£320) are lower than anticipated, which have been offset by an increase in the recharge from Community Services (£750) due to general underspends.			360		360

HEALTH AND HOUSING COMMITTEE – REVENUE OUTTURN 2012/13 VARIANCES

	Variation in Expenditure £	Variation in Income £	Variation in Support Services £	Variation in Capital Costs £	Total Variation £
Total Homelessness General	-128		360		232
Homelessness Strategy					
Expenditure has generally decreased, mainly in respect of the provision of temporary accommodation for the homeless (-£2,444), software maintenance costs (-£286), grants to partner agencies (-£119) and costs in relation to the Tenancy Protection Scheme (-£477). The balance is made of several smaller reductions in costs.	-3,483				-3,483
Support services recharges are lower than anticipated due to a reduction in spending and non-filling of vacancies. The reduction is made up of: <ul style="list-style-type: none"> ▪ Financial Services: £70 ▪ Legal Services: £820 ▪ Chief Executives: £60 			-950		-950
Total Homelessness Strategy	-3,483		-950		-4,433
Non-dwelling Rents					
Expenditure in relation to repairs & maintenance costs (-£1,123) and the demolition of garages at Whalley (-£1,000) were less than anticipated.	-2,123				-2,123
Income from ground rents was lower than anticipated (£653) WHY??? Which has been slightly offset by an increase of income for the rental of garages (-£315).		338			338
There has been a reduction in the cost of support services due to the non-filling of vacancies and a general under spend. Mainly due to Financial Services (-£90) and Legal Services (-£1,140)			-1,227		-1,227
Total Non-dwelling Rents	-2,123	338	-1,227		-3,012
Warm Homes					
Expenditure in relation to the provision of warm homes packs was lower than anticipated (-£3,773). Additionally the take up of grants for boilers was lower than expected (-£37,168). This fall in expenditure was offset by an overspend on promotional activities relating to the warm homes and boiler grant schemes (£8,649).	-32,292				-32,292
Warm homes grant income received during the year was slightly lower than anticipated.		2,361			2,361
Total Warm Homes	-32,292	2,361			-29,931

HEALTH AND HOUSING COMMITTEE – REVENUE OUTTURN 2012/13 VARIANCES

	Variation in Expenditure £	Variation in Income £	Variation in Support Services £	Variation in Capital Costs £	Total Variation £
Housing Strategy					
Expenditure was greater than anticipated with the majority being to an equal pay claim from Ribble Valley Homes (£3,568) which was not provided for in the budget and also due to an increase in postage costs due to the Housing Needs Survey (£1,287). The balance is made up on an increase in the annual contract payment to RVH in respect of the housing waiting list and also purchase of equipment.	5,307				5,307
There has been a reduction in the cost of support services due to the non-filling of vacancies and general under spend.			-610		-610
Additional income has been received. This is in respect of the sale of electric cards (-£359) and Decent Homes Survey work (-£88).		-447			-447
Total Housing Strategy	5,307	-447	-610		4,250
Totals	105,608	-129,311	-43,843	2	-67,544
VARIANCES ON ITEMS TO BE ADDED TO (TAKEN FROM) BALANCES AND RESERVES					
Warm Homes Healthy People					29,931
Clean Air Reserve					0
Repairs & Maintenance Reserve					1,000
Overall under spending after transfers to/from balances and reserves					-36,613