

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY & FINANCE COMMITTEE

Agenda Item No 14(a)

meeting date: 10 SEPTEMBER 2013
 title: REVENUE MONITORING 2013/14
 submitted by: DIRECTOR OF RESOURCES
 principal author: TRUDY HOLDERNESS

1 PURPOSE

1.1 To let you know the position for the first 4 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 needs'* and within this priority meets the objective *'to 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 underspend of £22,036 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	-3,870	-2,238	1,104	3,342	A
INDDV	Economic development	87,260	0	1,155	1,155	G
COMPR	Computer Services	-2,220	155,232	157,893	2,661	A
LICSE	Licensing	26,300	-16,886	-21,505	-4,619	A
LANDC	Land Charges	35,950	-20,778	-23,180	-2,402	G
FGSUB	Grants & Subscriptions – Policy & Finance	153,750	111,913	111,268	-645	G
CEXEC	Chief Executives Department	-13,660	331,314	331,521	207	G
CLTAX	Council Tax	329,980	15,456	11,596	-3,860	A
NNDRC	National Non Domestic Rates	36,910	382	129	-253	G
CORPM	Corporate Management	366,360	0	0	0	G
EMERG	Community Safety	69,140	3,300	4,598	1,298	G
BYELE	District-By-Election	0	0	242	242	G
DISTC	District Elections	0	0	1,920	1,920	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 £	
ELADM	Election Administration	31,870	0	0	0	G
ELECT	Register of Electors	69,140	12,420	7,426	-4,994	A
ESTAT	Estates	14,510	-463	-1,078	-615	G
ATTEN	Mayor's Attendant/ Keeper	-210	4,786	3,754	-1,032	G
CIVCF	Civic Functions	61,860	17,596	14,437	-3,159	A
COSDM	Cost of Democracy	426,900	72,081	71,159	-922	G
MAYCR	Mayoral Transport	0	7,611	4,645	-2,966	A
FSERV	Financial Services	-8,160	205,536	198,383	-7,153	R
VARIOUS	Meals on Wheels and Luncheon Clubs	17,900	16,938	14,327	-2,611	A
CIVST	Civic Suite	-160	18,490	20,960	2,470	A
CLOFF	Council Offices	-740	103,311	116,898	13,587	R
FMISC	Policy & Finance Miscellaneous	-241,130	69,940	66,731	-3,209	A
PERFM	Performance Reward Grants	7,500	0	0	0	G
SUPDF	Superannuation Deficiency Payments	126,170	50,666	50,226	-440	G
LSERV	Legal Services	-20,620	118,282	117,109	-1,173	G
OMDEV	Organisation & Member Development	-4,300	119,183	116,326	-2,857	A
CSERV	Corporate Services	182,390	8,233	7,589	-644	G
CONTC	Contact Centre	-2,340	53,930	52,662	-1,268	G
REVUE	Revenues & Benefits	-6,610	160,614	158,680	-1,934	G
Total net cost of services		1,739,870	1,616,849	1,596,975	-19,874	

Items added to / (taken from) balances and reserves					
FNBAL H230	Election Reserve Fund	20,370	0	-2,162	-2,162
FNBAL H354	Community right to Bid / Challenge	16,410	0	0	0
FNBAL H261	Lalpac Reserve	-460	0	0	0
FNBAL H269	Asset Revaluation Reserve	2,000	0	0	0
FNBAL H326	Performance Reward Grant	-15,000	0	0	0
FNBAL F719	Vat Shelter	356,970	0	0	0
CPBAL H330	Revenue Contribution to Capital	7,500	0	0	0
Net Balances and reserves		387,790	0	-2,162	-2,162
Net Expenditure		2,127,660	1,616,849	1,594,813	-22,036

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 July 2013 £
CLOFF – Council Offices – The repair & maintenance budget is showing a large variation this is mainly due to commitments for repairs to the lift £4k, appliance testing £1k and other maintenance items £1.5k. There has also been some large expenditure items that have already taken place such as other lift repairs £1.4k, replacement tiles £1.4k, servicing of equipment £1.1k and replacing velux windows £1.2k	16,534

3 CONCLUSION

- 3.1 The comparison between actual and budgeted expenditure shows an underspend of £22,036 on the first 4 months of the financial year 2013/14, however there are some large fluctuations that make up this net figure, some of which will be offset by future expenditure.



SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

PF48-13/TH/AC
30 August 2013

BACKGROUND WORKING PAPERS
Policy & Finance budget monitoring working papers

POLICY & FINANCE COMMITTEE

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
CEXEC/0100	Chief Executive / Salaries	734,580	245,052	251,120	6,068	R	The provision for staff turnover is not being achieved due to the savings from the vacant part time pest control officer and environmental health officer contributing to the additional cost of employing 2 temporary forward planning officers.	Budget to be adjusted at revised estimate.
CLOFF/2402	Council Offices / Repair & Mtce - Buildings	34,710	11,576	28,110	16,534	R	Commitments placed for repairs to lift £4k and appliance testing £1k and other maintenance items £1.5k. There has also been some large items on actual expenditure such as other lift repairs £1.4k, replacement tiles level A £1.4k, Servicing of equipment £1.1K and replacing velux window level D £1.2k. This has taken place early in the financial year resulting in the current overspend.	Report to be prepared for CMT
ELECT/8050z	Register of Electors / Individual Electoral Registration Grant	0	0	-5,409	-5,409	R	Grant received from Cabinet Office to assist with the additional cost of introducing individual online registration from 2014	Budgets to be introduced at revised estimate

POLICY & FINANCE COMMITTEE

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
ALBNM/8805I	Albion Mill / Land Rents	-34,650	-16,668	-12,229	4,439	A	Rent is collected by Robert Pinkus and paid to the council quarterly. Units 1,2 & 3 are currently in arrears
LSERV/2976	Legal Services / Reference Books	22,760	13,003	10,591	-2,412	A	New online contract which could possibly result in a savings.
CIVST/2402	Civic Suite / Repair & Mtce - Buildings	11,040	3,680	7,955	4,275	A	The variance has been caused by upgrading a gas pipe at a cost of £2.5k and a commitment for repairs to link roof £1.5k
MAYCR/2638	Mayoral Car / Leasing Costs - Vehicle	6,120	6,120	4,090	-2,030	A	A new leased vehicle has just been received on a lower annual lease price.
ESTAT/2402	Estates / Repair & Mtce - Buildings	3,170	1,058	3,902	2,844	A	Overspend is mainly as a result of an electrical upgrade including new light fittings to over 60's club (£1.3k)
ESTAT/8832u	Estates / Ground Rents General	-950	-188	-2,808	-2,620	A	Additional income received from the sale of freeholds (£2.5K)

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
FMISC/3252	Policy & Finance Miscellaneous / Other Insurances	0	0	-3,252	-3,252	A	An estimated creditor provision was made in 2012/13 financial year for payment of 15% levy on the Insurance liability from Municipal Mutual Insurance Ltd outstanding for Ribble Valley Borough Council as at 31 March 2013. This is yet to be invoiced.
LANDC/8408z	Land Charges / Search Fee	-65,190	-22,737	-26,759	-4,022	A	Slight pickup in income from searches compared to previous year
COMPR/2998	Computer Services / Software Maintenance	109,150	89,175	92,158	2,983	A	A 3 year agreement has been arranged for the Kaspersky software maintenance (£6.5k), 2 years of which will be treated as a payment in advance.
CONTC/0100	Contact Centre / Salaries	129,640	43,244	40,423	-2,821	A	Vacant part-time customer service post. The savings from which is to be used to fund an apprentice position.
CONTC/2809	Contact Centre / Non Recurring Purchase of Equipment	0	0	2,985	2,985	A	New Macfarlane historical MIS module & training to be funded from new burdens Localisation of support for council tax funding.
OMDEV/1023	Organisation & Member Development / Corporate Training	14,180	4,728	2,601	-2,127	A	Training needs to be identified from performance appraisals before a development plan can be produced