

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY & FINANCE COMMITTEE

Agenda Item No 13(a)

meeting date: 10 SEPTEMBER 2013
 title: REVENUE OUTTURN 2012/13
 submitted by: DIRECTOR OF RESOURCES
 principal author: TRUDY HOLDERNESS

1 PURPOSE

1.1 To let you know the actual position for the revenue budget year ended 31 March 2013 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 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 BACKGROUND

2.1 The Council's Statement of Accounts have now been audited and approved by Accounts and Audit Committee on 28 August 2013.

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 under-spend of £154,695. After allowing for transfers to and from earmarked reserves this is reduced to an £98,385 underspend. Please note that underspends are denoted by figures with a minus symbol.

Cost Centre	Cost Centre Name	Revised Estimate £	Actual £	Difference £
OMDEV	Organisation & Member Development	-4,000	0	4,000
COMPR	Computers	-2,000	0	2,000
FSERV	Financial Services	0	0	0
LSERV	Legal Services	-13,420	0	13,420
REVUE	Revenues and Benefits	-1,600	0	1,600
CONTC	Contact Centre	0	0	0
CIVST	Civic Suite	0	0	0

Cost Centre	Cost Centre Name	Revised	Actual	Difference
		Estimate		
		£	£	£
CLOFF	Council Offices	32,340	0	-32,340
CORPM	Corporate Management	336,760	332,095	-4,665
CEXEC	Chief Executives Department	-8,420	0	8,420
CSERV	Corporate Services	171,600	165,375	-6,225
CLTAX	Council Tax	324,370	308,677	-15,693
NNDRC	National Non Domestic Rates	33,530	32,272	-1,258
ATTEN	Mayor's Attendant	0	0	0
CIVCF	Civic Functions	58,430	53,903	-4,527
COSDM	Cost of Democracy	413,570	401,161	-12,409
MAYCR	Mayoral Transport	0	0	0
ELADM	Election Administration	30,460	29,200	-1,260
DISTC	District Elections	-480	-137	343
POLIC	Police Elections	0	0	0
ELECT	Register of Electors	67,050	61,927	-5,123
VARIOUS	Meals on Wheels & Luncheon Clubs	16,850	15,707	-1,143
LANDC	Land Charges	32,520	26,579	-5,941
LICSE	Licensing	23,700	10,093	-13,607
EMERG	Community Safety	69,600	67,241	-2,359
FMISC	Policy & Finance Miscellaneous	-225,690	-268,846	-43,156
PERFM	Performance Reward Grant	61,940	54,216	-7,724
SUPDF	Superannuation Deficiency Payment	123,130	122,306	-824
ESTAT	Estates	1,560	-12,185	-13,745
FGSUB	Grants and Subscriptions	151,110	140,752	-10,358
ALBNM	Albion Mill	-270	224	494
INDDV	Economic Development	81,290	78,675	-2,615
NET COST OF SERVICES		1,773,930	1,619,235	-154,695

ITEMS ADDED TO / (TAKEN FROM) BALANCES AND RESERVES

FNBAL H230	Election Fund	20,850	20,507	-343
FNBAL H261	LALPAC Reserve Fund	-450	0	450
FNBAL H262	IT Equipment Reserve	-6,500	-11497	-4,997
FNBAL H269	Asset Valuation Reserve	2,000	2,000	0
FNBAL H276	Promotional Activities Reserve	-1,950	-1,950	0
FNBAL	Emergency Plan Reserve	-2,520	-1,250	1,270

ITEMS ADDED TO / (TAKEN FROM) BALANCES AND RESERVES				
H279				
FNBAL H323	Voluntary Sector Reserve	0	3,720	3,720
FNBAL H325	Vat Shelter Reserve Fund	348,360	385,503	37,143
FNBAL H326	Performance Reward Grant	-61,940	-54,216	7,724
FNBAL H337	Equipment Reserve	0	1,900	1,900
FNBAL H340	Insurance Reserve	0	-3,252	-3,252
FNBAL H354	Right to Bid / Challenge Reserve	13,420	13,420	0
CPBAL H330	Capital reserve	15,650	28,345	12,695
NET BALANCES AND RESERVES		326,920	383,230	56,310
NET EXPENDITURE		2,100,850	2,002,465	-98,385

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

SERVICE AREA	DESCRIPTION OF VARIANCE	AMOUNT £
LSERV Legal services	Reduced employee related costs due to temporary maternity cover post becoming vacant, reduced training expenses and professional subscriptions and reduced expenditure on reference books due to a new contract for online service resulting in savings	-14,107
CLOFF Council Offices	Increase in the recharge to other services due to increased repair and maintenance cost caused by improvements to reception areas being covered by virements from other services but no change made being made to the recharge budget	-29,826
CLTAX Council Tax	Reduced expenditure on purchase of equipment of equipment, photocopying, reference books, subscriptions, bailiff costs, bank charges and increased income from summonses	-12,960
COSDM Cost of Democracy	Reduced expenditure on purchase of equipment, car allowances, travel expenses, national insurance contributions, special responsibility allowances and other council meeting expenses due to careful management of expenditure, members delaying claiming mileage and changes to chair and vice chair of committees. Also reduced support costs mainly from financial and legal services due to reduced costs in these sections	-12,409

SERVICE AREA	DESCRIPTION OF VARIANCE	AMOUNT £
LICSE Licensing	Increase in premises licence income mainly from the fee on the Beat Herder event due to number of visitors and reduced support costs mainly from legal services due to reduced costs in the section	-10,393
FMISC Policy & Finance Miscellaneous	Reduced fee charged by Audit Commission for auditing of 2011/12 grant claims and rebate received for general audit	-7,694
FMISC Policy & Finance Miscellaneous	Additional income received from Symphony homes in respect of the VAT shelter arrangement All of these monies have been set aside in an earmarked reserve.	-37,143
ESTAT Estates	Additional income from sale of freehold land and rent for storage compound. To be added to capital reserve to fund future capital expenditure.	-12,713
FGSUB Grants & Subscriptions	A balance was left to fund a contribution towards the cost of a newer mini bus for the Little Green Bus, which has been set aside in a earmarked reserve and a balance left uncommitted from the concurrent function grant to fund any ad-hoc request	-9,442

3.3 As can be seen above, the key variances have been met from, or have been set aside in, the council's earmarked reserves. There is a large number of smaller variances as can be seen at Annex 1.

4 CONCLUSION

4.1 The comparison between actual and budgeted expenditure shows an underspend for the financial year 2012/13 of £154,695. After transfer to / from earmarked reserves this is reduced to £98,385.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

PF50-13/TH/AC
24 June 2013

BACKGROUND PAPERS;
Policy & Finance closedown working papers

For further information please ask for Trudy Holderness, extension 4436.

POLICY & FINANCE COMMITTEE – VARIANCES 2012/13

	MOVEMENT IN EXPENDITURE £	MOVEMENT IN INCOME £	MOVEMENT IN SUPPORT SERVICES £	MOVEMENT IN CAPITAL COSTS £	TOTAL MOVEMENT £
Organisation & Member Development					
Reduced expenditure on departmental and corporate training mainly due to delays in identified training needs coming through from performance appraisals to allow for a corporate assessment of training needs	-3,005				
Reduction in expenditure on purchase of equipment & materials, maintenance of equipment, printing & stationery and photocopying mainly from continued procurement savings and increased income from external sources from printing and photocopying.	-3,610	-439			
Below average telephone call charges on main telephone system	-1,906				
Increase in support service costs mainly from an increase in recharge of accommodation costs, off-set by a reduction in support costs from computer services due to reduced costs in the section.			1,487		
The decrease in net expenditure is reflected in reduced recharges to other services			12,513		5,040

	MOVEMENT IN EXPENDITURE £	MOVEMENT IN INCOME £	MOVEMENT IN SUPPORT SERVICES £	MOVEMENT IN CAPITAL COSTS £	TOTAL MOVEMENT £
Computer Services					
Reduced tuition costs as no staff currently undertaking professional training	-1,638				
Reduction on software, hardware maintenance costs and secure Government Connect costs due to change in suppliers.	-12,314				
Increase in support service costs mainly from an increase in recharge of accommodation costs off-set by a reduction in support costs mainly from financial services due to reduced costs in the section.			399		
The decrease in net expenditure is reflected in reduced recharges to other services			16,021		2,468
Financial Services					
Reduced employee related expenditure due to vacant posts within the accountancy and audit sections, also reduced training expenses, transport costs and professional subscription costs offset by staff advertising costs.	-12,896				
Reduced expenditure on maintenance of equipment, refreshments, reference books and subscriptions etc. due to the careful management of expenditure on essential items only.	-1,312				

	MOVEMENT IN EXPENDITURE £	MOVEMENT IN INCOME £	MOVEMENT IN SUPPORT SERVICES £	MOVEMENT IN CAPITAL COSTS £	TOTAL MOVEMENT £
Increase in support service costs mainly from an increase in recharge of accommodation costs off-set by a reduction in support costs mainly from organisation and member development services.			2,967		
The decrease in net expenditure is reflected in reduced recharges to other services			11,447		206
Legal Services					
Reduced employee related costs due to the temporary post covering maternity leave becoming vacant, reduced training expenses and professional subscription.	-6,756				
Reduced expenditure on reference books due to new contract.	-7,351				
Expenditure on statutory notices slipped into 2013/14	-1,440				
Increase in support service costs mainly from an increase in recharge of accommodation costs off-set by a reduction in support costs mainly from computer services due to reduced costs in the section.			-348		
Lower recharge out to the services due to decrease in net expenditure together with grant income for community right to bid/challenge not included in the estimated recharges to other services is reflected in reduced recharges to other services			31,097		15,202

	MOVEMENT IN EXPENDITURE £	MOVEMENT IN INCOME £	MOVEMENT IN SUPPORT SERVICES £	MOVEMENT IN CAPITAL COSTS £	TOTAL MOVEMENT £
Revenue Services					
Reduction in tuition costs, staff medicals, professional fees, mileage costs, rail fares, Securicor and printing & stationery due to careful management of expenditure	-1,931				
Increase in support service costs mainly from an increase in recharge of accommodation costs off-set by a reduction in support costs mainly from organisation and member services.			2,340		
The decrease in net expenditure is reflected in reduced recharges to other services			1,420		1,829
Contact Centre					
Reduced employee costs due to vacant part time customer services advisor post and no training and medical expenses	-1,452				
The decrease in net expenditure is reflected in reduced recharges to other services			1,840		388
Civic Suite					
Reduced expenditure on employee expenses mainly due to less temporary cover being required to cover civic suite attendant and training not being required	-991				

	MOVEMENT IN EXPENDITURE £	MOVEMENT IN INCOME £	MOVEMENT IN SUPPORT SERVICES £	MOVEMENT IN CAPITAL COSTS £	TOTAL MOVEMENT £
Reduced expenditure on repair and maintenance due to the scheme for replacing / repairing the chairs being deferred	-2,270				
Reduced expenditure on the purchase of equipment, refreshments, protective clothing and incidental expenses.	-1,061				
Less income from hiring out the civic suite, mainly due to a reduction in election use.		1,002			
The decrease in net expenditure is reflected in reduced recharges to other services			3,409		89
Council Offices					
Reduction in gas usage.	-1,751				
Increase in the recharge to other services is due to non- recurring cost relating to the improvement works to the reception areas outside the main capital scheme.			-29,826		-31,577
Corporate Management					
Reduced support costs mainly from financial and legal services due to reduced costs in those sections			-4,665		-4,665

	MOVEMENT IN EXPENDITURE £	MOVEMENT IN INCOME £	MOVEMENT IN SUPPORT SERVICES £	MOVEMENT IN CAPITAL COSTS £	TOTAL MOVEMENT £
Chief Executive					
Reduced employee costs, training and medical expenses and lower professional fees mainly due to vacant posts within environmental health section (Pollution & Pest Control Officers).	-4,464				
Reduction in mileage claims due to vacant posts and delay in staff claiming mileage	-1,747				
Reduced expenditure on purchase of equipment, protective clothing, printing & stationery, reference books, postages, subscriptions, food and security phones due to careful management of non-essential expenditure	-4,283				
Reduction in the support costs from financial, legal and computer services due to reduction in the net expenditure within these sections offset by an increase in accommodation charge.			-214		
The decrease in net expenditure is reflected in reduced recharges to other services			18,766		8,058
Corporate Services					
Reduced costs in producing the Ribble Valley news offset by no advertisement income	-2,487	1,150			

	MOVEMENT IN EXPENDITURE £	MOVEMENT IN INCOME £	MOVEMENT IN SUPPORT SERVICES £	MOVEMENT IN CAPITAL COSTS £	TOTAL MOVEMENT £
Reduced expenditure on subscriptions due to esdtoolkit subscription no longer required and the expenditure on promotional activities not used.	-2,548				
Reduced support costs mainly from organisation and member development and computer services due to reduced costs within those sections			-2,420		-6,305
Council Tax					
Reduced expenditure on purchase of equipment, photocopying, reference books, subscriptions, bailiff costs and bank charges due to careful management of expenditure	-5,060				
Increase in summonses income		-7,900			
Reduction in support costs mainly from revenues service and computer services due to reduced costs within those sections			-1,980		-14,940
National Non Domestic Rates					
Increase in summonses income		-500			-500
Civic Functions					
Reduced expenditure on Mayoress at home, refreshments and other civic function expenditure due to careful management of non-essential expenditure.	-3,587				
Reduction in support costs mainly from Mayors attendant and legal services due to reduced costs within the services			-939		-4,526

	MOVEMENT IN EXPENDITURE £	MOVEMENT IN INCOME £	MOVEMENT IN SUPPORT SERVICES £	MOVEMENT IN CAPITAL COSTS £	TOTAL MOVEMENT £
Cost of Democracy					
Reduced expenditure on purchase of equipment, car allowances, travel expenses, national insurance contributions , special responsibility allowances and other council meeting expenses due to careful management of expenditure, members not claiming mileage expenses and changes to chair and vice chair of committees.	-8,203				
Reduction in support costs mainly from financial and legal services due to reduced costs in those services			-4,206		-12,409
Election Administration					
Reduced support costs mainly from legal services due to reduced costs in the section			-1,260		-1,260
Register of Electors					
Reduced expenditure on software maintenance as part of the cost charged to police and crime commissioner election	-4,131				
Reduction in support costs mainly from legal services due to reduction in costs in this section.			-1,370		-5,501
Meal on wheels / Luncheon clubs					
Reduction in cost of meals supplied and transport and equipment costs due to reduced number of recipients offset by reduced income from sales and contribution from LCC	-2,762	1,669			-1,093

	MOVEMENT IN EXPENDITURE £	MOVEMENT IN INCOME £	MOVEMENT IN SUPPORT SERVICES £	MOVEMENT IN CAPITAL COSTS £	TOTAL MOVEMENT £
Land Charges					
The increased income is mainly due to the above 2 year average number of Part I enquiries received in the year		-3,142			
Reduced support costs mainly from legal services due to reduced costs in the section			-2,800		-5,942
Licensing					
Reduced expenditure on criminal record checks and purchase of taxi plaques offset by a reduction in the associated income.	-3,504	2,185			
Reduced expenditure on software maintenance costs mainly from the comprehensive licence package due to change in supplier		-854			
Increase in premises licence income mainly from additional licence fee on the Beat Herder event due to number of visitors		-2,423			
Reduced support costs mainly from legal services due to reduced costs in the section			-7,970		-12,566
Community Safety					
Reduced expenditure on purchase of equipment and materials is due to a delay in producing business continuity plan. The expenditure was met from an earmarked reserves established at the end of 2011/12 financial year , the slippage in expenditure has therefore resulted in less being taken from the reserve.	-1,265				-1,265

	MOVEMENT IN EXPENDITURE £	MOVEMENT IN INCOME £	MOVEMENT IN SUPPORT SERVICES £	MOVEMENT IN CAPITAL COSTS £	TOTAL MOVEMENT £
Policy and Finance Miscellaneous Expenses					
Provision made 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, to be funded from the earmarked reserve established for this liability.	3,252				
The fee charged by the Audit Commission for auditing grants was less than planned and we also received a rebate from them in respect of the 2011/12 audit	-2,994	-4,700			
Additional income received from Symphony Homes in respect of VAT shelter monies (set aside in an earmarked reserve fund)		-37,143			
Reduced support costs mainly from Debt Management				-746	-42,331
Performance reward grants					
The reduction in expenditure is mainly due to schemes that were anticipated to be completed by March 2013 slipping into 2013/14 and schemes being funded from other budget heads. This reduction is offset by a reduction in the contribution from earmarked reserves.	-7,724				-7,724
Superannuation Deficiency Payment					
Reduction in number of beneficiaries has resulted in lower deficiency payments	-827				-827

	MOVEMENT IN EXPENDITURE £	MOVEMENT IN INCOME £	MOVEMENT IN SUPPORT SERVICES £	MOVEMENT IN CAPITAL COSTS £	TOTAL MOVEMENT £
Estates					
Additional expenditure on repair and maintenance mainly due to the replacement of the boiler in the over 60's club	1,178				
Reduced support costs mainly from legal services due to reduced costs in the section			-1,290		
Additional income from sales of freehold land and income for rent of storage compound. To be added to capital earmarked reserve		-12,713			-12,825
Policy and finance grants and subscriptions					
No subscription paid to the Fourth option special interest group or contribution to young achiever awards offset by new subscription paid to age consulting.	-926				
A balance was left in the budget to fund a contribution towards the cost of a newer minibus for the Little Green Bus. This did not take place during the financial year hence the under spending which has been set aside in an earmarked reserve.	-3,720				
A balance was left uncommitted on the budget for concurrent function grants to allow funding of any ad-hoc grant requests received during the year, none were funded from this budget provision resulting in an under spend	-5,722				-10,368
Economic Development					
Less hours spent on ground maintenance work than estimated resulting in an underspend	-1,145				

	MOVEMENT IN EXPENDITURE £	MOVEMENT IN INCOME £	MOVEMENT IN SUPPORT SERVICES £	MOVEMENT IN CAPITAL COSTS £	TOTAL MOVEMENT £
Reduced support costs from Community services and chief executive department due to reduced costs within the sections			-980		-2,125
Other	-8,797	-1,125	693	3	-9,226
Sub-Total	-133,150	-64,933	44,131	-743	-154,695
RESERVES					
Computer equipment reserve - reduction in contribution to reserve not required	-4,997				-4,997
Emergency plan reserve - reduction in contribution from reserve due to slippage of expenditure on district continuity plan		1,270			1,270
Voluntary sector reserve - Contribution to reserve to establish a reserve to fund a possible contribution towards the purchase of a minibus for the Little Green Bus Organisation	3,720				3,720
Vat shelter reserve - Increase in contribution to reserve due to additional income received from Symphony Homes in respect of VAT shelter monies.	37,143				37,143
Performance reward grants reserve - reduction in contribution from reserve due to slippage on completion of schemes		7,724			7,724
Equipment reserve - Contribution to fund plinth for the Queens bust and photocopier for civic suite	1,900				1,900
Insurance reserve - Contribution from reserve to fund 15% insurance levy.		-3,252			-3,252

	MOVEMENT IN EXPENDITURE £	MOVEMENT IN INCOME £	MOVEMENT IN SUPPORT SERVICES £	MOVEMENT IN CAPITAL COSTS £	TOTAL MOVEMENT £
Revenue contribution towards capital expenditure - additional contribution to reserve from sale of freehold land and income from storage compound	12,695				12,695
Other contribution to / from reserves	-343	450			107
Total	-83,032	-58,741	44,131	-743	-98,385