

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO HEALTH & HOUSING COMMITTEE

Agenda Item No 11

meeting date: 4 SEPTEMBER 2014
 title: REVENUE OUTTURN 2013/14
 submitted by: DIRECTOR OF RESOURCES
 principal author: AMY JOHNSON

1 PURPOSE

1.1 To report on the outturn for the financial year 2013/14 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 has been submitted to Accounts and Audit Committee for their meeting on the 27 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 £137,585 for this committee. After allowing for transfers to and from earmarked reserves this underspend decreases to £88,002. Please note that underspends are denoted by figures with a minus symbol.

Cost Centre	Cost Centre Name	Revised Estimate 2013/14 £	Actual 2013/14 £	Variance £
COMNL	Common Land	3,480	3,014	-466
CLAIR	Clean Air	2,460	861	-1,599
DOGWD	Dog Warden and Pest Control	75,640	81,501	5,861
CLAND	Contaminated Land	12,200	10,114	-2,086
CLMKT	Clitheroe Market	-44,230	-52,538	-8,308
CLCEM	Clitheroe Cemetery	39,000	38,911	-89
ENVHT	Environmental Health	296,590	263,987	-32,603
ENVGR	Grants and Subscriptions	3,080	3,144	64

Cost Centre	Cost Centre Name	Revised Estimate 2013/14 £	Actual 2013/14 £	Variance £
CTBEN	Localised Council Tax Support Administration	-34,670	-72,312	-37,642
HGBEN	Housing Benefits	107,610	90,645	-16,965
HSASS	Housing Associations	12,670	12,591	-79
HSADV	Housing Advances	540	461	-79
SUPPE	Supporting People	1,990	2,170	180
JARMS	Joiners Arms	16,550	15,564	-986
HOMEE	Home Energy Conservation	24,210	23,318	-892
IMPGR	Improvement Grants	32,160	31,753	-407
HOMEG	Homelessness General	49,070	44,291	-4,779
HOMES	Homelessness Strategy	31,130	22,735	-8,395
GRAGE	Non-Dwelling Rents	13,460	10,781	-2,679
WARMH	Warm Homes	29,930	27,217	-2,713
HSTRA	Housing Strategy	65,390	65,025	-365
AWARM	Affordable Warmth	0	-22,558	-22,558
NET COST OF SERVICES		738,260	600,675	-137,585

ITEMS ADDED TO (TAKEN FROM) EARMARKED RESERVES				
HGBAL/H 339	Government Housing Grants Reserve (Warm Homes)	-29,930	-27,217	2,713
HGBAL/H 339	Government Housing Grants Reserve (Affordable Warmth)		22,558	22,558
HGBAL/H 339	Government Housing Grants Reserve (Prevention of Rough Sleeping)		930	930
FNBAL/H 325	VAT Shelter Reserve	-20,000	-20,000	0
HGBAL/H 337	Equipment Reserve		1,300	1,300
HGBAL/H 275	Clean Air Reserve	-480	-480	0
HGBAL/H 337	Equipment Reserve (LCTS New Burdens Grant)		23,950	23,950
HGBAL/H 337	Equipment Reserve (Housing Benefits New Burdens Grant)		6,100	6,100
HGBAL/H 251	Rent Deposit Reserve	0	-7,837	-7,837
HGBAL/H 248	Rural Development Reserve	0	-1,631	-1,631
CPBAL/H 330	Capital Reserve - sale of vehicle	0	1,500	1,500
NET ADDED TO (TAKEN FROM) EARMARKED RESERVES		-50,410	-827	49,583

NET EXPENDITURE AFTER ITEMS ADDED TO OR (TAKEN FROM) EARMARKED RESERVES		687,850	599,848	-88,002
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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 £
DOGWD: Dog Warden & Pest Control	Income generated from pest control fees and charges was lower than budgeted as the anticipated increase in demand has not materialised.	5,861
CLMKT: Clitheroe Market	Expenditure on the repairs and maintenance of the market cabins/stalls was lower than anticipated.	-3,122
	Income generated from the rental of cabins was higher than expected. The budget allows for periods of 'un-occupancy' which have not materialised.	-2,465
ENVHT: Environmental Health	A period of staff vacancies has resulted in a lower than budgeted support services recharge from Chief Executives.	-27,200
	Additional income has been generated from Environmental Protection Registration Fees due to new processes being identified as requiring licences.	-1,867
CTBEN: Localised Council Tax Support Administration	Following the introduction of Local Council Tax Support the council is able to retain any previous overpayments of council tax benefit that have been recovered. Recovery of overpayments was higher than budgeted.	-17,182
HGBEN: Housing Benefits	Due to the current economic climate there has been an increase in payments of statutory and discretionary housing benefits to claimants.	173,142
	Additional subsidy has been received from the Government to fund the increase in housing benefit payments made.	-124,068
	A discretionary housing benefit grant has been received to fund the payment of discretionary housing benefits made to claimants.	-51,282
HOMES: Homelessness Strategy	Demand for homelessness temporary accommodation was lower than expected.	-3,326
	Take up of Tenancy Protection Scheme grants offered to private sector tenants for the payments of bonds was lower than anticipated.	-2,244
	Grant funding to assist with homelessness has been received. This has been added to earmarked reserves for future use.	-2,000
	A grant for the prevention of rough sleeping has been received. This has been added to earmarked reserves for future use.	-1,000

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 £7m, and are compensated by the additional subsidy received from Government.

4 CONCLUSION

4.1 There has been an overall underspend for this committee of £137,585, decreasing to £88,002 after allowing for transfers to and from earmarked reserves.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

HH9-14/AJ/AC
26 August 2014

BACKGROUND PAPERS

Revised Estimates approved by Committee on 23 January 2014
Closedown Working Papers

For further information please ask for Amy Johnson, extension 4498

	Variation in Expenditure £	Variation in Income £	Variation in Support Services £	Variation in Capital Costs £	Total Variation £
<u>CLAIR: Clean Air</u>					
Expenditure on analysis fees was lower than anticipated.	-1,149				-1,149
Total Clean Air	-1,149				-1,149
<u>DOGWD: Dog Warden and Pest Control</u>					
Expenditure on repairs and maintenance oncosted wages is higher than estimated due to repair/replacement of dog bins.	1,175				1,175
There has been a reduction in recharges due to the non-filling of vacancies and general under spending.			-1,630		-1,630
Income is lower than anticipated which includes a reduction in pest control fees and charges (£5,192) and kennelling fee income (£1,912) which have been offset slightly by additional income in relation to the sale of equipment and materials (-£1,500).		5,604			5,604
Total Dog Warden and Pest Control	1,175	5,604	-1,630		5,149
<u>CLAND: Contaminated Land</u>					
There has been a reduction in the recharge from Community Services due to general underspends on that service.			-1,826		-1,826
Total Contaminated Land			-1,826		-1,826
<u>CLMKT: Clitheroe Market</u>					
There has been a reduction in costs, mainly due to a fall in repairs and maintenance costs (-£3,122) and electricity costs (-£1,412).	-4,534				-4,534
There has been a reduction in the costs of support services due to the non-filling of vacancies and general under spending.			-1,123		-1,123
Income in relation to the rental of cabins is higher than expected.		-2,465			-2,465
Total Clitheroe Market	-4,534	-2,465	-1,123		-8,122

	Variation in Expenditure £	Variation in Income £	Variation in Support Services £	Variation in Capital Costs £	Total Variation £
<u>CLCEM: Clitheroe Cemetery</u>					
Expenditure on the purchase of equipment and materials was lower than anticipated.	-2,508				-2,508
There has been an increase in grounds maintenance recharges.	1,502				1,502
There has been a fall in income, mainly due to a reduction in interment fee income (£1,225) and exclusive burial right income (£2,094).		3,319			3,319
Total Clitheroe Cemetery	-1,006	3,319			2,313
<u>ENVHT: Environmental Health</u>					
Recharges from other departments are lower than anticipated. This is largely due to a reduction in Chief Executives recharges (-£27,200) due to the environmental health section being a member of staff down for a large proportion of the year.			-27,991		-27,991
Income from environmental protection fees is more than expected. This is due to the identification of additional processes requiring licences.		-1,867			-1,867
Total Environmental Health		-1,867	-27,991		-29,858
<u>CTBEN: Localised Council Tax Support Administration</u>					
Expenditure in relation to the implementation of the local council tax support scheme was lower than budgeted. Grant income has been received to fund this expenditure. The underspend has been transferred to an earmarked reserve for future use.	-23,954				-23,954
Payments of council tax rebates were higher than anticipated. Grant funding has been received to finance these payments.	3,805				3,805
There has been a reduction in the cost of support services due to general under spend.			-1,610		-1,610
Recovery of overpayments of previous year's council tax benefits was higher than estimated. Overpayments recovered can be retained by the council.		-17,181			-17,181
Total Localised Council Tax Support Administration	-20,149	-17,181	-1,610		-38,940

	Variation in Expenditure £	Variation in Income £	Variation in Support Services £	Variation in Capital Costs £	Total Variation £
<u>HGBEN: Housing Benefits</u>					
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.	173,142				173,142
Expenditure in relation to non-recurring purchase of equipment in respect of New Burdens was lower than expected. Grant income has been received to fund this expenditure. The underspend has been transferred to an earmarked reserve for use in future years.	-6,100				-6,100
Expenditure on printing & stationery charges was lower than expected.	-1,981				-1,981
There has been a reduction in the cost of support services due to general under spend.			-2,830		-2,830
Grant income has been received at a higher rate than budgeted to offset the additional payment of benefits to claimants.		-124,068			-124,068
Additional discretionary administration grant has been received to help fund payments of discretionary housing benefits made to claimants.		-51,282			-51,282
Total Housing Benefits	165,061	-175,350	-2,830		-13,119
<u>JARMS: Joiners Arms</u>					
The annual service level agreement charge payable to Ribble Valley Homes in relation to the management of the unit was lower than anticipated.	-1,897				-1,897
Total Joiners Arms	-1,897				-1,897
<u>HOMEG: Homelessness General</u>					
Support Service recharges are lower than anticipated due to general underspends.			-4,720		-4,720
Total Homelessness General			-4,720		-4,720

	Variation in Expenditure £	Variation in Income £	Variation in Support Services £	Variation in Capital Costs £	Total Variation £
<u>HOMES: Homelessness Strategy</u>					
Expenditure has decreased, mainly in respect of the provision of temporary accommodation for the homeless (-£3,326) and Tenancy Protection Scheme (-£2,244).	-5,570				-5,570
Additional grant income has been received from DCLG in respect of homelessness (-£2,000) and the prevention of rough sleeping (-£1,000). These have been set aside in an earmarked reserve for future use.		-3,000			-3,000
Total Homelessness Strategy	-5,570	-3,000			-8,570
<u>GRAGE: Non-dwelling Rents</u>					
Expenditure in relation to repairs & maintenance costs was less than anticipated.	-1,604				-1,604
Total Non-dwelling Rents	-1,604				-1,604
<u>WARMH: Warm Homes</u>					
Expenditure is generally lower than anticipated. This is mainly due to a lower than estimated take up of grants in respect of the boiler replacement scheme (-£1,998) and reduced expenditure in respect of the purchase of warm homes packs (-£3,036) which has been offset slightly by an increase in expenditure in relation to promotional activities (£1,102) and oncosted wages (£1,232).	-2,700				-2,700
Total Warm Homes	-2,700				-2,700
<u>AWARM: Affordable Warmth</u>					
Expenditure is lower than anticipated. The underspend consists of the purchase of equipment and materials (-£1,234), grants to other bodies (-£3,384) and grants to individuals (-£16,931). The balance of the underspend has been transferred to an earmarked reserve for future use.	-21,549				-21,549
Total Affordable Warmth	-21,549				-21,549

	Variation in Expenditure £	Variation in Income £	Variation in Support Services £	Variation in Capital Costs £	Total Variation £
Other Variances	-10,273	393	-1,119	6	-10,993
Total Variances Before Transfers to/(from) Earmarked Reserves	95,805	-190,547	-42,849	6	-137,585
VARIANCES ON ITEMS TO BE ADDED TO OR (TAKEN FROM) EARMARKED RESERVES					
Government Housing Grants Reserve (Warm Homes)					2,713
Government Housing Grants Reserve (Affordable Warmth)					22,558
Government Housing Grants Reserve (Prevention of Rough Sleeping)					930
Equipment Reserve (Dog Control Orders)					1,300
Equipment Reserve (LCTS New Burdens Grant)					23,950
Equipment Reserve (Housing Benefits New Burdens Grant)					6,100
Rent Deposit Reserve					-7,837
Rural Development Reserve					-1,631
Capital Reserve – Sale of Vehicle					1,500
Overall under spending after transfers to/(from) earmarked reserves					-88,002