

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO COMMUNITY SERVICES COMMITTEE

Agenda Item No 10

meeting date: 23 AUGUST 2016
 title: REVENUE MONITORING 2016/17
 submitted by: DIRECTOR OF RESOURCES
 principal author: AMY JOHNSON

1 PURPOSE

1.1 To let you know the position for the period April to July 2016 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. To meet the objective within this priority, of maintaining 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 to the end of July. You will see an overall underspend of £184,799 on the net cost of services. Please note that underspends are denoted by figures with a minus symbol. After allowing for transfers to/from earmarked reserves there is an underspend of £203,184.

Cost Centre	Cost Centre Name	Net Budget for the Full Year	Net Budget to the end of period	Actual including Commitments to the end of the period	Variance	
ARTDV	Art Development	32,670	7,814	6,869	-945	
VARIOUS	Car Parks	-112,260	-10,771	-40,856	-30,085	
VARIOUS	Public Conveniences	183,350	60,979	54,846	-6,133	
BUSSH	Bus Shelters	23,220	5,173	1,140	-4,033	
CARVN	Caravan Site	-8,010	0	-1,031	-1,031	
CCTEL	Closed Circuit Television	116,160	32,756	24,746	-8,010	
VARIOUS	Car Park Vehicles	0	3,802	2,839	-963	
COMMD	Community Services Department	0	411,413	396,891	-14,522	
CRIME	Crime and Disorder	65,800	12,219	7,370	-4,849	
CULTG	Culture Grants	6,430	4,200	1,900	-2,300	
CULVT	Culverts & Water Courses	17,150	1,168	192	-976	

Cost Centre	Cost Centre Name	Net Budget for the Full Year	Net Budget to the end of period	Actual including Commitments to the end of the period	Variance	
DRAIN	Private Drains	1,330	-70	-18	52	
EALLW	Edisford All Weather Pitch	21,950	-448	-6,005	-5,557	
VARIOUS	Works Admin Vehicles	0	5,698	4,824	-874	
EDPIC	Edisford Picnic Area	-8,880	-11,378	-11,637	-259	
EXREF	Exercise Referral Scheme	68,000	15,734	35,760	20,026	
VARIOUS	PLANT	0	3,142	3,598	456	
GRSRC	Grants & Subscriptions - Community	2,680	0	0	0	
HWREP	Highway Repairs	29,970	548	0	-548	
LDEPO	Longridge Depot	0	6,269	5,153	-1,116	
LITTR	Litter Bins	20,000	3,072	3,549	477	
MCAFE	Museum Cafe	19,190	-2,575	-1,524	1,051	
MUSEM	Castle Museum	247,280	12,074	18,770	6,696	
PAPER	Waste Paper and Card Collection	125,600	-3,467	-3,733	-266	
PKADM	Grounds Maintenance	0	-76,898	-78,221	-1,323	
VARIOUS	Grounds Maintenance Vehicles	0	19,050	17,710	-1,340	
PLATG	Platform Gallery and Visitor Information	129,510	31,593	36,243	4,650	
VARIOUS	Refuse Collection Vehicles	0	133,204	133,973	769	
RCOLL	Refuse Collection	1,126,670	169,120	152,840	-16,280	
RECU	Recreation Grants	36,870	7,758	-2,242	-10,000	
RIVBK	Riverbank Protection	2,490	418	0	-418	
ROEBN	Roefield Barn	-250	-121	-13	108	
RPBIN	Chargeable Replacement Waste Bins	0	0	-7,876	-7,876	
RPOOL	Ribblesdale Pool	312,730	38,660	31,102	-7,558	
RVPRK	Ribble Valley Parks	464,020	133,104	140,842	7,738	
SDEPO	Salthill Depot	0	15,653	18,412	2,759	
SEATS	Roadside Seats	5,050	828	22	-806	
SIGNS	Street Nameplates & Signs	47,560	1,118	1,062	-56	
SPODV	Sports Development	85,470	1,788	1,373	-415	
SPOGR	Sports Grants	8,360	4,086	1,755	-2,331	

Cost Centre	Cost Centre Name	Net Budget for the Full Year	Net Budget to the end of period	Actual including Commitments to the end of the period	Variance	
STCLE	Street Cleansing	333,620	138,919	141,958	3,039	Amber
TFRST	Waste Transfer Station	86,460	36,278	34,822	-1,456	Green
TRREF	Trade Refuse	-68,440	-181,276	-277,469	-96,193	Red
TURSM	Tourism and Events	97,730	12,245	11,357	-888	Green
TWOWR	Two Way Radio	0	-564	966	1,530	Green
VEHCL	Vehicle Workshop	0	-4,832	-1,701	3,131	Amber
WBHEQ	Wellbeing & Health Equality	0	0	-1,562	-1,562	Green
WKSAD	Works Administration	0	-24,273	-29,641	-5,368	Red
XMASL	Xmas Lights & RV in Bloom	4,100	944	0	-944	Green

Sum:	3,523,580	1,014,154	829,355	-184,799
Transfers to/from Earmarked Reserves				
Crime Reduction Partnership Reserve	-13,320	0	0	0
New Homes Bonus (Introduction of new £1 coin)	-6,000	0	0	0
Equipment Reserve – Hot Power wash for Refuse Collection	0	0	-7,132	-7,132
Repairs & Maintenance Reserve - repairs to the walkway at the Castle	0	0	-7,253	-7,253
Equipment Reserve – new CCTV system for refuse vehicle VN65 WHR	0	0	-4,000	-4,000
Total after Transfers to/from Earmarked Reserves	3,504,260	1,014,154	810,970	-203,184

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, which 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:

Description	Variance to end July 2016 £
Refuse Collection (RCOLL) – A move to replace drivers with 'Driver/Loaders' has resulted in an underspend on drivers wages	-9,580
Works Administration (WKSAD) – Staff vacancy in the position of General Operative. The vacancy has now been filled.	-4,177
Community Services Department (COMMD) – Staff vacancy in the position of Principal Planning Officer.	-3,047
Ribblesdale Pool (RPOOL) – Vacancies in the positions of 2 x Pool Attendants.	-6,332
Diesel (VARIOUS) – Diesel prices lower than when the budget was prepared plus the purchase of more fuel efficient vehicles.	-50,335

3 ADDITIONAL REVENUE ITEM

- 3.1 The 2017/18 provisional capital programme included a scheme for the upgrade of the off street car park payment systems to ensure that all machines accept the new £1 coin and also cashless payments. The introduction of the new £1 coin has been brought forward by the Royal Mint to March 2017. Therefore this element of the scheme, estimated at £6,000, will now be funded from earmarked reserves in the 2016/17 revenue budget (as can be seen in section 2.1). The impact on this committee's revenue budget is summarised in the table below:

	Original Estimate 2016/17 £	Additional Revenue Item £	Restated Original Estimate £
Committee Net Requirements	3,523,580	6,000	3,529,580
Taken From/Added to Balances	-13,320	-6,000	-19,320
Net Expenditure	3,510,260	0	3,510,260

4 CONCLUSION

- 4.1 The comparison between actual and budgeted expenditure shows an underspend of £175,148 for the first four months of the financial year 2015/16.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

CM8-16/AJ/AC
12 August 2016

Community Committee Budget Monitoring – 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
TRREF/8411z	Trade Refuse/Trade Waste Collection (Commercial)	-162,400	-141,352	-207,535	-66,183	The budget allows for the majority of invoices to be raised in April with additional smaller invoices raised monthly. Allowance also made for cancellation of contracts.	The budget is to be reviewed at Revised Estimate, and adjusted to reflect anticipated income. Any additional income above budget at the end of the financial year will be set aside in the capital earmarked reserve to finance a replacement vehicle for this service in 2018/19.
TRREF/8595z	Trade Refuse/Trade Waste Collection (Charitable)	-45,680	-27,866	-61,053	-33,187	The budget allows for the majority of invoices to be raised in April with additional smaller invoices raised monthly. Allowance also made for cancellation of contracts.	The budget is to be reviewed at Revised Estimate, and adjusted to reflect anticipated income. Any additional income above budget at the end of the financial year will be set aside in the capital earmarked reserve to finance a replacement vehicle for this service in 2018/19.
RECUL/4678	Recreation Grants/Grants to Voluntary Organisations	19,140	3,958	-6,000	-9,958	The actual relates to estimated creditors for 3 x grants awarded in prior years. There were delays in awarding the grants due to the grants being in relation to building works which were weather dependant.	Requests for 2 x payments have been made and once a request for the final payment has been made the variance will be mitigated.

Community Committee Budget Monitoring – 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
RCOLL/0160	Refuse Collection/Drivers Wages	243,780	81,324	71,744	-9,580	A driver has been redeployed as a loader. The budget is based upon the number of drivers as per the Establishment List, hence the underspend shown.	A review of the budget will be carried out at revised estimate.
MUSEM/2432	Castle Museum/Electricity	9,540	2,135	-6,762	-8,897	The actual relates to an estimated creditor for expenditure incurred in 2015/16. A bill for an estimated read has been received however this has been mitigated by a credit note as a bill has been requested based upon an actual meter read.	The variance will be mitigated once the invoice is received.
RCOLL/2885	Refuse Collection/Plastic Sacks	9,860	8,655	124	-8,531	Stores issue of plastic sacks not yet made.	Variance will be mitigated once issues have been made.
RPBIN/8297n	Chargeable Replacement Waste Bins/Sale of Equipment/Materials	0	0	-7,876	-7,876	Sale of bins to householders.	Income to be offset against expenditure incurred in the purchase of the bins at year end. Any surplus/deficit transferred to/from an earmarked reserve.

Community Committee Budget Monitoring – 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
CCTEL/3074	Closed Circuit Television/Private Contract Payments	84,310	28,124	20,833	-7,291	Awaiting invoices for the monthly monitoring of the CCTV cameras.	Variance will be mitigated once invoices received.
RPOOL/0180	Ribblesdale Pool/Pool Attendants Wages	51,770	17,268	10,936	-6,332	Vacancies in the positions of 2 x pool attendants.	The budget will be reviewed at revised estimate to reflect staffing numbers experienced in year.
RVPRK/2402	Ribble Valley Parks/Repair & Maintenance - Buildings	21,390	7,012	12,157	5,145	Works to the flagpole at the Castle to repair the rotten timber post.	A reassessment of the buildings repairs and maintenance budget will be carried out at revised estimate.
MUSEM/2409	Castle Museum/Non Recurring Maintenance Items	0	0	6,781	6,781	Repairs to the walkway.	Monies held in an earmarked reserve to fund expenditure in 2016/17.
RCOLL/2809	Refuse Collection/Non Recurring Purchases of Equipment etc	0	0	7,132	7,132	Purchase of hot powerwash.	Monies held in an earmarked reserve to fund expenditure in 2016/17.
MUSEM/2402	Castle Museum/Repair & Maintenance - Buildings	15,580	6,151	14,074	7,923	Roof repairs at the museum and café.	The overall R&M budget will be reviewed at revised estimate.

Community Committee Budget Monitoring – 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
RVPRK/2409	Ribble Valley Parks/Non Recurring Maintenance Items	0	0	8,290	8,290	Expenditure at Whalley Moor Community Woodland - funded by monies in an earmarked reserve.	Expenditure funded by monies in earmarked reserve.
SDEPO/8907z	Salthill Depot/Stores Oncost	-59,900	-19,980	-10,853	9,127	Lower value of issues to date, in particular due to lower fuel prices has resulted in a lower rate of oncost recovery.	Issues will continue to be monitored and the budget reviewed at revised estimate.
EXREF/0100	Exercise Referral Scheme/Salaries	32,540	10,888	25,640	14,752	A prudent approach was taken when compiling the budget with no assumption made on the status of the 'Up and Active' contract. The budget therefore only allows for 2 permanent staff members as per the main Establishment List, however as the 'Up and Active' contract has since been won expenditure includes salary payments to fixed term staff members employed as part of the contract. This will be offset by the contract income.	The budget will be amended at revised estimate to reflect the staffing levels and income and expenditure in relation to the 'Up and Active' contract.
VARIOUS/2432	Public Conveniences/ Electricity						

Community Committee Budget Monitoring – 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
VARIOUS/ 2447	Car Parks/Ground Rents	13,060	12,475	-8,895	-21,370	The actual relates to an estimated creditor for backdated ground rent at Church Walk Car Park dating back to 2007.	It has been agreed to carry forward the estimated creditor as a request for payment of the backdated rent could be made at any time. A second rent review was due in 2013/14 however this has not occurred.

Community Committee Budget Monitoring – 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
WKSAD/8900z	Works Administration/Oncost 100%	-188,860	-63,004	-67,424	-4,420	Reduced demand for works admin employees to work on capital schemes has increased the number of hours spent on revenue tasks. The total amount recovered as revenue oncost has increased as a result.
WKSAD/0110	Works Administration/Wages	94,520	32,361	28,184	-4,177	Vacancy in the position of General Operative. Vacancy now filled.
STCLE/8430z	Street Cleansing/LCC Recharge Income	-6,490	-6,490	-4,030	2,460	Income lower than estimated due to budget reductions by LCC. The level of work carried out will be reflective of the income received and the budget reviewed at revised estimate.
RPOOL/8532i	Ribblesdale Pool/Hire of Baths - Clubs	-37,320	-37,320	-40,976	-3,656	Additional lanes have been assigned to club use, allowing for the generation of additional income. Budget to be reviewed at revised estimate.
COMMD/0100	Community Services Department/Salaries	852,070	288,338	285,291	-3,047	Vacancy in the position of Principal Planning Officer. The vacancy has been filled.

Community Committee Budget Monitoring – 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
EALLW/8505n	Edisford All Weather Pitch/All Weather Pitch (vatable)	-17,380	-4,906	-7,929	-3,023	Increased usage over the period when compared with last year, may be due in part to the installation of the 3G pitch. Budget to be reviewed at revised estimate.
CRIME/8651z	Crime and Disorder/Police and Crime Commissioner Grant	0	0	-2,953	-2,953	Grant from the police & Crime Commissioner received which was not anticipated when the budget was prepared.
RVPRK/5056	Ribble Valley Parks/Grounds Maintenance	345,100	124,832	121,894	-2,938	Lower time than anticipated spent maintaining the parks. Time spent in other service areas.
BUSSH/2881	Bus Shelters/Purchase of Equipment & Materials	5,350	2,675	0	-2,675	No purchases to date. Focus is on maintaining and repairing the existing shelters rather than purchasing new ones.
RCOLL/8597n	Refuse Collection/Bin Hire Scheme	-410	-410	-2,960	-2,550	Take up of bin hire scheme higher than estimated. Budget to be reviewed at revised estimate. Monies set aside in an earmarked reserve

Community Committee Budget Monitoring – 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
PAPER/2909	Waste Paper and Card Collection/Cost Sharing Penalty Charge - Paper	100,380	25,095	22,585	-2,510	Penalty fluctuates dependent upon income received from the sale of paper. This is determined by both the tonnages sold and also the current market value of paper.
RCOLL/8547u	Refuse Collection/Household Special Collections	-20,660	-6,892	-9,301	-2,409	Higher demand than anticipated for household special collections. Budget to be reviewed at revised estimate.
CULTG/4676	Culture Grants/Grants to Individuals	4,200	4,200	1,900	-2,300	Only grants totalling £1,900 have been awarded. Budget to be reviewed accordingly at revised estimate.
SDEPO/2456	Salthill Depot/Metered Water Supplies	5,080	1,104	-1,109	-2,213	Actual relates to an estimated creditor for 2015/16. Awaiting invoice.
SPOGR/4676	Sports Grants/Grants to Individuals	3,650	3,650	1,500	-2,150	Only grants totalling £1,500 have been awarded. Budget to be reviewed accordingly at revised estimate.

Community Committee Budget Monitoring – 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
SPODV/8039z	Sports Development/Children`s Trust Grant (LCC)	0	0	-2,000	-2,000	Grant received which was not anticipated when the budget was prepared. A budget will be brought in at revised estimate.
TRREF/8410z	Trade Refuse/Commercial Collection Sacks & Sticker	-27,940	-9,320	-7,088	2,232	Income lower than estimated. May in part be due to a higher take up of the bin hire scheme.
PKADM/0110	Grounds Maintenance/Wages	140,020	46,708	49,055	2,347	The budget makes an allowance for staff turnover. No vacancies have arisen to date resulting in the variance shown.
RCOLL/2998	Refuse Collection/Software Maintenance	0	0	2,495	2,495	For data hosting and support for refuse vehicles.
PAPER/8297n	Waste Paper and Card Collection/Sale of Equipment/Materials	-107,150	-35,744	-33,012	2,732	Budget based upon a higher rate per tonne than being received - budget to be reviewed at revised estimate.

Community Committee Budget Monitoring – 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
PLATG/8708n	Platform Gallery and Visitor Information/Commission - Vatable	-27,480	-6,331	-3,587	2,744	The Arts/craft exhibition which has just ended was a touring exhibition and focused more on items to view rather than purchase. The current exhibition (Clay Collective) focuses more upon items that can be purchased and commission generated. Additionally a review of artists stock held in the shop has just been carried out to identify items which are selling and those which are not.
RPOOL/8279n	Ribblesdale Pool/Items Purchased for Resale	-19,890	-7,759	-4,895	2,864	Lower sales, offset in part by reduced expenditure on purchases of goods for resale.
RPOOL/2881	Ribblesdale Pool/Purchase of Equipment & Materials	4,550	2,561	5,993	3,432	Purchase of new dosing unit for the small pool.
RPOOL/8571n	Ribblesdale Pool/Adult Admissions	-71,670	-24,754	-21,176	3,578	Admission income lower than budgets. May in part be due to more lanes assigned for club use and also a nationwide decrease in admissions generally.
RCOLL/0150	Refuse Collection/Loaders Wages	299,240	99,824	103,692	3,868	A driver has been redeployed as a loader. The budget is based upon the number of loaders as per the Establishment List, hence the overspend shown.

Community Committee Budget Monitoring – 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
RPOOL/0130	Ribblesdale Pool/Temporary Staff	35,040	14,715	18,944	4,229	At present there are 2 x vacancies in the positions of Pool Attendants. This has resulted in an increase use of temporary staff to cover for these vacancies.
STCLE/8075z	Street Cleansing/Lancashire Highways Partnership Funding	-15,550	-15,550	-11,625	3,925	Income lower than estimated due to budget reductions by LCC. The level of work carried out will be reflective of the income received and the budget reviewed at revised estimate.
VARIOUS/2475	Public Conveniences/General Cleaning	69,170	23,074	18,731	-4,343	Variance mainly due to general cleaning expenditure being lower than anticipated. The budget is to be reviewed at revised estimate.
VARIOUS/2432	Public Conveniences/Electricity	5,000	3,737	692	-3,045	Awaiting invoices from the electricity company. Meter reads have been submitted.
VARIOUS/8420n	Car Parks/Car Park Charges	-331,330	-113,808	-118,396	-4,588	Additional income received, in particular at Edisford Car Park.

Community Committee Budget Monitoring – 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
VARIOUS/2402	Car Parks/Repairs & Maintenance - Buildings	12,800	4,298	1,554	-2,744		Minimal repair demands to date.