

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO HEALTH AND HOUSING COMMITTEE

Agenda Item No 16

meeting date: 1 SEPTEMBER 2016
 title: REVENUE OUTTURN 2015/16
 submitted by: DIRECTOR OF RESOURCES
 principal author: ANDREW COOK

1 PURPOSE

1.1 To report the Health and Housing Committee revenue outturn for the financial year 2015/16.

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 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 2015/16 Statement of Accounts have been audited by the Council's external auditors and were approved by the Accounts and Audit Committee on 17 August 2016.

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 REVENUE OUTTURN 2015/16

3.1 Net expenditure for each of this Committee's cost centres in 2015/16 is shown below and is compared with the revised estimate approved by Committee on 21 January 2016. You will see an overall underspend of £117,387 for this Committee. After allowing for transfers to and from earmarked reserves this underspend decreases to £108,637. Please note that underspends and additional income are denoted by figures with a minus symbol.

Cost Centre	Cost Centre Name	Revised Estimate 2015/16 £	Actual 2015/16 £	Variance £
AWARM	Affordable Warmth	16,190	10,401	-5,789
CLAIR	Clean Air	2,260	1,400	-860
CLAND	Contaminated Land	8,900	8,241	-659
CLCEM	Clitheroe Cemetery	54,320	45,656	-8,664
CLMKT	Clitheroe Market	-47,320	-47,488	-168
COMNL	Common Land	2,310	1,714	-596
CTBEN	Localised Council Tax Support Administration	37,280	25,798	-11,482
DOGWD	Dog Warden and Pest Control	88,150	85,453	-2,697

Cost Centre	Cost Centre Name	Revised Estimate 2015/16 £	Actual 2015/16 £	Variance £
ENVHT	Environmental Health Services	287,460	277,640	-9,820
HGBEN	Housing Benefits Administration	121,480	67,241	-54,239
HOMEE	Home Energy Conservation	15,280	15,189	-91
HOMES	Homelessness Strategy	65,720	59,633	-6,087
HSASS	Housing Associations	6,960	6,446	-514
HSTRA	Housing Strategy	58,760	52,372	-6,388
IMPGR	Improvement Grants	55,480	53,648	-1,832
JARMS	Joiners Arms	21,400	14,116	-7,284
SHARE	Shared Ownership Rents	-570	-579	-9
SUPPE	Supporting People	1,570	1,364	-206
UCRED	Universal Credit	10	8	-2
NET COST OF SERVICES		795,640	678,253	-117,387

ITEMS ADDED TO OR (TAKEN FROM) EARMARKED RESERVES				
HGBAL/ H275	Clean Air Reserve (Clean air monitoring)	-480	-2,681	-2,201
HGBAL/ H339	Government Housing Grants Reserve (Affordable Warmth)	-16,190	-10,400	5,790
HGBAL/ H339	Government Housing Grants Reserve (Single Homelessness Initiative)	25,000	25,000	0
HGBAL/ H339	Government Housing Grants Reserve (Domestic Abuse Support Services)	14,190	14,190	0
HGBAL/ H339	Government Housing Grants Reserve (Prevention of Rough Sleeping)	0	-300	-300
HGBAL/ H339	Government Housing Grants Reserve (Right to Move Funding)	0	3,040	3,040
HGBAL/ H337	Equipment Reserve (Local Council Tax Support New Burdens)	8,860	8,860	0
HGBAL/ H337	Equipment Reserve (Housing Benefits New Burdens)	2,020	2,020	0
HGBAL/ H337	Equipment Reserve (Dog Control Order Signs)	-1,010	-163	847
HGBAL/ H337	Equipment Reserve (FERIS Administration)	1,000	780	-220
HGBAL/ H337	Equipment Reserve (Ashes plot foundation beams)	0	1,800	1,800
HGBAL/ H337	Equipment Reserve (Graves headstone foundation beams)	0	3,640	3,640
HGBAL/ H371	Repossession Prevention Fund Reserve	-5,720	-5,720	0
CPBAL/ H330	Capital Reserve (Installation of Cemetery Infrastructure)	1,290	1,284	-6
HGBAL/ H356	Clitheroe Cemetery Reserve (Reserve no longer required)	0	-3,640	-3,640
NET ITEMS ADDED TO OR (TAKEN FROM) EARMARKED RESERVES		28,960	37,710	8,750

NET EXPENDITURE AFTER ITEMS ADDED TO OR (TAKEN FROM) EARMARKED RESERVES		824,600	715,963	-108,637
------------------------------------------------------------------------------------	--	----------------	----------------	-----------------

3.2 The main income and expenditure variations are shown at Annex 1. However, a summary of the major variations is given in the table below.

Service Area	Description of Variance	Amount £
HGBEN: Housing Benefits	Lower Rent Allowance payments than budgeted: <ul style="list-style-type: none"> • Due to housing benefit overpayments deductions recovered directly from on-going housing benefit entitlement on the benefits IT system before actual payments are made to claimants (-£82k in 2015/16) and rent allowance benefits paid out in respect of voluntary disregarding of war pension income (+£23k in 2015/16). • Due to the uncertainty around rent allowance benefit overpayments, the amount recovered from claimants in 2015/16 was lower than budgeted for. Therefore, net expenditure was higher than budgeted for (+£27k in 2015/16). 	-31,785
	Rent Allowance subsidy grant income claimed from DWP is reduced for the amount of any housing benefits overpayments identified in-year. There were less Rent Allowance overpayments made in-year than anticipated at Revised Estimate, so grant income is higher than budgeted for.	-20,202
VARIOUS: Support Services	The overall level of support service recharges from central departments was lower than budgeted, due to underspends in the central departments.	-16,892

4 CONCLUSION

4.1 There has been an overall underspend for Health and Housing Committee of £117,387, decreasing to £108,637 after allowing for transfers to and from earmarked reserves.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

HH6-16/AC/AC
19 August 2016

BACKGROUND PAPERS
Revised Estimates approved by Committee on 21 January 2016
2015/16 Closedown Working Papers

For further information please ask for Andrew Cook.

	Variation in Expenditure £	Variation in Income £	Variation in Support Services £	Variation in Capital Costs £	Total Variation £
<u>AWARM: Affordable Warmth</u>					
Less take up of affordable warmth snow angels and preventative path clearance work for vulnerable people in-year, likely to be because of the milder 2015/16 winter.	-2,340				-2,340
Less take up of affordable warmth boiler replacement grants and carpet insulation grants schemes across the borough in-year.	-5,294				-5,294
More take up than anticipated of the energy efficiency and home safety checks service introduced for eligible residents in-year.	1,538				1,538
Total Affordable Warmth <i>Unspent grant funds to support expenditure in this area in 2015/16 have been set aside in the Government Housing Grants earmarked reserve to support affordable warmth spend in 2016/17 (see earmarked reserves below).</i>	-6,096				-6,096
<u>CLCEM: Clitheroe Cemetery</u>					
More interments income than budgeted for, due to the normal year-on-year variations in the numbers of interments.		-2,680			-2,680
More exclusive burial rights income than budgeted for. This is due to additional grave plots now being available in the new cemetery extension attracting increased plot reservations, along with the normal year-on-year variations in the number of interments and plot reservations		-5,144			-5,144
Total Clitheroe Cemetery		-7,824			-7,824

	Variation in Expenditure £	Variation in Income £	Variation in Support Services £	Variation in Capital Costs £	Total Variation £
<u>CTBEN: Localised Council Tax Support Administration</u>					
Reduced supplies and services expenditure, as follows: <ul style="list-style-type: none"> Lower postage, printing and stationery spend, due to less notification letters being sent out at year-end and some in-year costs being allocated against FERIS funding received for fraud and error reduction work. Reduced subscription costs in-year. General control of spend in-year. 	-2,061				-2,061
Reduced support services recharges from Revenue Services, Financial Services and IT Services, due to lower than budgeted non-staff costs in these areas.			-1,726		-1,726
Following the introduction of Local Council Tax Support in 2013/14 the Council can retain any overpayments of the now abolished Council Tax Benefit that have been recovered in-year. Recovery of such overpayments was higher than budgeted for in 2015/16.		-7,532			-7,532
Total Localised Council Tax Support Administration	-2,061	-7,532	-1,726		-11,319

	Variation in Expenditure £	Variation in Income £	Variation in Support Services £	Variation in Capital Costs £	Total Variation £
<u>DOGWD: Dog Warden and Pest Control</u>					
Works Administration staff have undertaken additional dog bin emptying work to cover for dog warden sickness absence and leave in-year.	1,156				1,156
Grounds Maintenance reduced charges from the Amenity Cleansing team in-year.	-2,092				-2,092
Reduced non-staff costs in the Chief Executive's department have led to a lower support services recharge to this budget.			-2,245		-2,245
Total Dog Warden and Pest Control	-936		-2,245		-3,181
<u>ENVHT: Environmental Health Services</u>					
A new noise monitor was purchased for less than budgeted for.	-2,005				-2,005
Reduced supplies and services expenditure, as follows: <ul style="list-style-type: none"> • Lower than budgeted spend on water sample analysis and nuisance/illegal tipping related costs. • Reduced subscription costs in-year. • Lower printing costs following purchase of a new printer. 	-1,991				-1,991
Reduced support services recharges from several departments, when compared to revised estimate. The biggest reduction is due to lower than budgeted non-staff costs in the Chief Executive's department.			-4,208		-4,208
Increased licences income due to an increase in licences issued in-year.		-1,070			-1,070
Total Environmental Health Services	-3,996	-1,070	-4,208		-9,274

	Variation in Expenditure £	Variation in Income £	Variation in Support Services £	Variation in Capital Costs £	Total Variation £
<u>HGBEN: Housing Benefits Administration</u>					
Lower Rent Allowance payments than budgeted: <ul style="list-style-type: none"> Due to housing benefit overpayments deductions recovered directly from on-going housing benefit entitlement on the benefits IT system before actual payments are made to claimants (-£82k in 2015/16) and rent allowance benefits paid out in respect of voluntary disregarding of war pension income (+£23k in 2015/16). Due to the uncertainty around rent allowance benefit overpayments, the amount recovered from claimants in 2015/16 was lower than budgeted for. Therefore, net expenditure was higher than budgeted for (+£27k in 2015/16). 	-31,785				-31,785
Increased Rent Rebate payments due to an increase in occupancy/caseload at the Council's homeless hostel.	1,034				1,034
An unbudgeted payment for revenue system updates to support local authority IT data sharing with the DWP. It was requested by and funded by the DWP in-year (see below).	5,610				5,610
Reduced supplies and services expenditure, as follows: <ul style="list-style-type: none"> Lower postage, printing and stationery spend, due to less notification letters being sent out at year-end and some in-year costs being allocated against FERIS funding received for fraud and error reduction work. Reduced subscription costs in-year. General control of spend in-year. 	-2,181				-2,181
Reduced support services recharges from several departments. The main reductions were for lower than budgeted non-staff costs in Revenue Services, Financial Services and IT Services.			-2,213		-2,213

	Variation in Expenditure £	Variation in Income £	Variation in Support Services £	Variation in Capital Costs £	Total Variation £
Rent Allowance subsidy grant income claimed from DWP is reduced for the amount of any housing benefits overpayments identified in-year. There were less Rent Allowance overpayments made in-year than anticipated at Revised Estimate, so grant income is higher than budgeted for.		-20,202			-20,202
Rent Rebate subsidy grant income claimed from DWP is reduced for the amount of any housing benefits overpayments identified in-year. There were more previous year's Rent Rebates overpayments identified in-year than anticipated at Revised Estimate, so grant income was reduced accordingly.		2,348			2,348
Unbudgeted income received from the DWP to fund the payment for revenue system updates to support local authority IT data sharing with the DWP (see above).		-5,606			-5,606
Increased data matching income received from DWP at year-end, based on the volume of data matching files sent to the DWP.		-1,409			-1,409
Total Housing Benefits Administration	-27,322	-24,869	-2,213		-54,404

	Variation in Expenditure £	Variation in Income £	Variation in Support Services £	Variation in Capital Costs £	Total Variation £
<u>HOMES: Homelessness Strategy</u>					
Less reliance and expenditure on bed and breakfast and alternative homelessness accommodation in-year because of greater use of the Council's homeless hostel and the availability of affordable housing units to provide secure housing in the borough.	-1,788				-1,788
Take up of Tenancy Protection Scheme grants offered to private sector tenants for the payment of bonds has been lower than budgeted. In addition, there have been a number of repayments of funds from tenants supported previously, which have reduced net expenditure in-year.	-1,369				-1,369
Reduced support services recharges from two departments, the main one being from the Chief Executive's department because of lower than budgeted non-staff costs.			-1,127		-1,127
Unbudgeted funding received from DCLG at year-end to facilitate enforcement of private landlords' responsibility to fit smoke alarms in rented accommodation.		-835			-835
Total Homelessness Strategy	-3,157	-835	-1,127		-5,119
<u>HSTRA: Housing Strategy</u>					
No housing needs surveys carried out in 2015/16.	-1,528				-1,528
Work to change the housing register to meet new "Right to Move" requirements was not completed in-year. <i>Ring-fenced DCLG funding to support this work has been set aside in the Government Housing Grants earmarked reserve to fund 2016/17 spend in this area (see earmarked reserves below).</i>	-3,040				-3,040
Reduced support services recharges from several departments, the main one being from the Chief Executive's department because of lower than budgeted non-staff costs.			-994		-994
Total Housing Strategy	-4,568		-994		-5,562

HEALTH AND HOUSING COMMITTEE – REVENUE OUTTURN 2015/16 VARIANCES

ANNEX 1

	Variation in Expenditure £	Variation in Income £	Variation in Support Services £	Variation in Capital Costs £	Total Variation £
<u>IMPGR: Improvement Grants</u>					
Reduced support services recharges from several departments, the main ones being because of lower than budgeted staff costs in Community Services and lower than budgeted non-staff costs in the Chief Executive's department.			-1,656		-1,656
Total Improvement Grants			-1,656		-1,656
<u>JARMS: Joiners Arms</u>					
Payments to Ribble Valley Homes for management of the Council's homeless hostel were reduced in-year for Housing Benefits funding Ribble Valley Homes received for housing management services provided by Council staff to people accommodated in the hostel. This is not budgeted for because of the uncertain nature of homelessness provision.	-6,748				-6,748
Total Joiners Arms	-6,748				-6,748
Other Variances	-1,471	-3,138	-2,723	1,128	-6,204
Total Variances Before Transfers to/(from) Earmarked Reserves	-56,355	-45,268	-16,892	1,128	-117,387
VARIANCES ON ITEMS TO BE ADDED TO OR (TAKEN FROM) EARMARKED RESERVES					
Clean Air Reserve					-2,201
Government Housing Grants Reserve (Affordable Warmth)					5,790
Government Housing Grants Reserve (Prevention of Rough Sleeping)					-300
Government Housing Grants Reserve (Right to Move Funding)					3,040

	Variation in Expenditure £	Variation in Income £	Variation in Support Services £	Variation in Capital Costs £	Total Variation £
Equipment Reserve (Dog Control Order Signs)					847
Equipment Reserve (FERIS Administration)					-220
Equipment Reserve (Ashes plot foundation beams)					1,800
Equipment Reserve (Graves headstone foundation beams)					3,640
Capital Reserve (Installation of Cemetery Infrastructure)					-6
Clitheroe Cemetery Reserve (Reserve no longer required)					-3,640
Overall under spending after transfers to/(from) earmarked reserves					-108,637