

# RIBBLE VALLEY BOROUGH COUNCIL

## REPORT TO PLANNING AND DEVELOPMENT COMMITTEE

Agenda Item No 10

meeting date: 1 NOVEMBER 2018  
 title: REVENUE MONITORING 2018/19  
 submitted by: DIRECTOR OF RESOURCES  
 principal author: VALERIE TAYLOR

### 1 PURPOSE

1.1 To let you know the position for the period April to September 2018 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 September. You will see an overall overspend of £24,029 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 £7,067.

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	
AONBS	Area of Outstanding Natural Beauty	16,010	0	0	0	G
BCFEE	Building Control Fee Earning	-15,020	-84,990	-88,080	-3,090	A
BCNON	Building Control Non Fee Earning	58,590	1,886	1,943	57	G
BCSAP	Building Control SAP Fees	-120	-704	-310	394	G
CINTR	Clitheroe Integrated Transport Scheme	7,250	5,250	5,200	-50	G
CONSV	Conservation Areas	9,140	0	0	0	G
COUNT	Countryside Management	53,130	12,811	10,830	-1,981	G
ECDEV	Restructuring Costs for New Department	0	0	10,877	10,877	R
ECPLA	Economic Development and Planning Dept	0	193,766	161,978	-31,788	R
FPATH	Footpaths & Bridleways	5,850	156	0	-156	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	
LDEVE	Local Development Scheme	93,850	0	750	750	G
PENDU	Pendle Hill User Group	0	0	15,559	15,559	R
PLANG	Planning Control & Enforcement	119,460	-289,515	-260,638	28,877	R
PLANP	Planning Policy	105,520	0	6,550	6,550	R
PLSUB	Grants & Subscriptions - Planning	7,880	1,970	0	-1,970	G
	<b>Sum:</b>	<b>461,540</b>	<b>-159,370</b>	<b>-135,341</b>	<b>24,029</b>	

Transfers to/from Earmarked Reserves				
Building Control Fee Earning Reserve	15,020	84,990	88,080	3,090
Planning Reserve	-19,160	-9,580	-17,330	-7,750
Restructuring Earmarked Reserve	0	0	-10,877	-10,877
Pendle Hill User Reserve	0	0	-15,559	-15,559
<b>Total after Transfers to/from Earmarked Reserves</b>	<b>467,400</b>	<b>-83,960</b>	<b>-91,027</b>	<b>-7,067</b>

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 area of variances that are **unlikely** to rectify themselves by the end of the financial year are shown below:

Description	Variance to end September 2018 £
<p><b>Restructuring Costs for New Department (ECDEV)</b> This variance has resulted from expenditure on the construction of office space and the purchase of equipment in preparation for the new post of Director of Economic Development and Planning.</p> <p>Final costs will be funded from the Restructuring earmarked reserve and as such, the budget and earmarked reserve will be reviewed at revised estimate.</p>	10,877
<p><b>Economic Development and Planning Department (ECPLA)</b> As the new director was not in post until August this has produced the variance shown. The direct employee costs budget will be adjusted at the Revised Estimate to reflect the actual start date in post.</p>	-31,728
<p><b>Pendle Hill User Group (PENDU)</b> Costs for improvement works to footpaths on Pendle Hill. It is understood that this expenditure will be funded from the Pendle Hill User earmarked reserve, but whilst clarification is sought the physical payment of this invoice is being held.</p>	15,750
<p><b>Planning Control &amp; Enforcement (PLANG)</b> There has been a sizeable overspend on consultants, notably with regard to an appeal in respect of an application in Read for which further expenditure is expected following a second appeal in October.</p> <p>Spend on consultants, which is above that allowed for in the budget, is generally funded from the Planning earmarked reserve. As such, the budget and movement on earmarked reserves will be reviewed as part of the revised estimate.</p>	17,330

### 3 CONCLUSION

- 3.1 The comparison between actual and budgeted expenditure shows an overspend of £24,029 for the first six months of the financial year 2018/19. After allowing for transfers to/from earmarked reserves there is an underspend of £7,067.

TEMPORARY SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

PD12-18/VT/AC  
22 October 2018

## Planning and Development 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
ECDEV/2809	Restructuring Costs for New Department /Non Recurring Purchases	0	0	7,687	<b>7,687</b>	The final preparatory costs in relation to the new director i.e. office space etc. These costs will be fully met from the Restructuring Earmarked Reserve.	The budget will be adjusted at Revised Estimate to reflect these final preparatory costs and the associated releases of funding from the Restructuring Earmarked Reserve.
ECPLA/0100	Economic Development and/Salaries	488,020	141,198	116,107	<b>-25,091</b>	As the new director was not in post until August this has produced the variance shown.	The budget will be adjusted at the Revised Estimate to reflect the actual start date in post.
PENDU/2404	Pendle Hill User Group/Repair & Maintenance - Paths	0	0	15,750	<b>15,750</b>	Costs for improvement works to footpaths on Pendle Hill. It is understood that this will be met from the Pendle Hill User earmarked reserve. Whilst clarification is sought the physical payment of this invoice is being held.	The budget and earmarked reserve will be reviewed as part of the revised estimate – subject to clarification regarding the latest invoice.

## Planning and Development 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
PLANG/3085	Planning Control & Enforcement/ Consultants	8,910	8,910	26,240	<b>17,330</b>	There has been a sizeable overspend on consultants, notably in respect of an application in Read for which further costs will shortly be payable following a second appeal in October.	Spend on consultants, which is above that allowed for in the budget, is generally funded from the Planning earmarked reserve. As such, the budget and movement on earmarked reserves will be reviewed as part of the revised estimate.
PLANG/8402z	Planning Control & Enforcement/ Legal Fees	0	0	-6,081	<b>-6,081</b>	This relates to a prosecution for breach of an enforcement notice and the court ordered repayment of all legal fees, both internal and external, by the defendant to the council.	The budget will be adjusted at the revised estimate to reflect the latest position.

## Planning and Development 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
PLANG/8404u	Planning Control & Enforcement/Planning Fees	-616,660	-308,452	-289,576	<b>18,876</b>	<p>Planning fee income is currently showing as lower than the budget. The budget is split evenly across the year for planning income and reflects the inability to forecast exactly when planning income will be received. It is too early in the year to forecast what the likely outturn for the year on planning fees will be.</p>	<p>We will continue to closely monitor the level of planning fee income received, and will review the budget level to best reflect the latest forecasts at the time of the Revised Estimate.</p>
PLANP/3116	Planning Policy/Consultants – Neighbourhood Plan	0	0	5,300	<b>5,300</b>	<p>These costs relate to work around the examination stage of the Longridge Neighbourhood Plan - these costs will be met from an earmarked reserve with resources set aside for this purpose.</p>	<p>The spend on the Longridge Neighbourhood Plan will be reflected in the Revised Estimate together with the associated release of funding from Earmarked Reserves.</p>

## Planning and Development 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
ECPLA/0108	Economic Development and/National Insurance Salaries	43,620	13,276	10,458	<b>-2,818</b>	As the new director was not in post until August this has produced the variance shown.
ECPLA/0109	Economic Development and/Superannuation Salaries	75,140	21,962	18,143	<b>-3,819</b>	As the new director was not in post until August this has produced the variance shown.