

RIBBLE VALLEY BOROUGH COUNCIL

REPORT TO PLANNING AND DEVELOPMENT COMMITTEE

Agenda Item No 7

meeting date: 14 MARCH 2019
 title: REVENUE MONITORING 2018/19
 submitted by: DIRECTOR OF RESOURCES
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1 PURPOSE

1.1 To let you know the position for the period April 2018 to January 2019 of this year's revised 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 January. You will see an overall overspend of £33,884 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 overspend of £37,973.

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	
AONBS	Area of Outstanding Natural Beauty	15,580	0	0	0	G
BCFEE	Building Control Fee Earning	15,190	-117,754	-122,341	-4,587	A
BCNON	Building Control Non Fee Earning	69,200	5,584	5,223	-361	G
BCSAP	Building Control SAP Fees	-410	-340	-465	-125	G
CINTR	Clitheroe Integrated Transport Scheme	7,220	5,200	5,200	0	G
CONSV	Conservation Areas	8,690	0	0	0	G
COUNT	Countryside Management	53,200	21,232	8,201	-13,031	R
ECDEV	Economic Development Department	9,670	9,670	10,609	939	G
ECPLA	Economic Development and Planning Dept	0	469,174	465,125	-4,049	A
LDEVE	Local Development Scheme	111,180	2,350	1,950	-400	R

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	
LNPLA	Longridge Neighbourhood Plan Referendum	5,000	2,160	2,155	-5	A
PENDU	Pendle Hill User Group	15,560	15,590	15,559	-31	G
PLANG	Planning Control & Enforcement	6,440	-528,839	-471,328	57,511	R
PLANP	Planning Policy	88,350	5,300	5,295	-5	G
PLSUB	Grants & Subscriptions - Planning	7,880	5,910	3,938	-1,972	G
	Net cost of services	412,750	-104,763	-70,879	33,884	

Transfers to/from Earmarked Reserves				
Building Control Fee Earning Reserve	-15,190	117,754	122,341	4,587
Planning Reserve	-45,680	-24,880	-24,480	400
Restructuring Earmarked Reserve	-9,670	-9,670	-10,609	-939
Pendle Hill User Reserve	-15,560	-15,590	-15,559	31
Neighbourhood Planning Reserve	9,710	-7,460	-7,450	10
Total after Transfers to/from Earmarked Reserves	336,360	-44,609	-6,636	37,973

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

Description	Variance to end January 2019 £
<p>Planning Control & Enforcement (PLANG) - Consultants There has been a sizeable overspend on consultants following full and final settlement of £79k for appeal costs that have been awarded against the council in relation to the Lawsonsteads appeal in Whalley.</p> <p>Spend on consultants, which is above that allowed for in the budget, is generally funded from the Planning earmarked reserve, but it is currently proposed to meet the costs in this instance from general fund balances. The position will be reviewed at year end.</p>	77,362
<p>Countryside management, grants to voluntary, community and social enterprise groups (COUNT) Applications received from groups for grant assistance are lower than that allowed for in the budget estimate. The budget is likely to underspend this financial year as only one further grant for £2,000 is expected to be awarded before March 2019.</p>	-12,690
<p>Planning Control & Enforcement (PLANG) – Pre-Application Advice Budgeted pre-application advice income was increased at revised estimate to fund the extra costs of an increase to the hours of the pre-application advice officer post, a supplementary estimate for which was approved at P&F Committee in June 2018. A new fast track service has been introduced from November 2018 and fees are to be increased from April 2019, but it is anticipated that the budget will under-achieve in this financial year.</p>	5,858

3 CONCLUSION

- 3.1 The comparison between actual and budgeted expenditure shows an overspend of £33,884 to January 2019 of the financial year 2018/19. After allowing for transfers to/from earmarked reserves there is an overspend of £37,973.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

PD5-19/VT/AC
4 March 2019

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	-691,570	-576,354	-601,053	-24,699	Higher than anticipated income received up to the end of January 2019. The budget is based on an average of historical income received over the previous three years.	Planning income levels fluctuate month to month and vary greatly depending on whether applications are received in respect of major developments. For example total income received in October 2018 was £98k more than that received in November 2018. Income levels will continue to be monitored on a monthly basis and will be used to inform future estimates.
COUNT/4678	Countryside Management/Grants to Voluntary, Comm & Soc Ent Orgs	13,040	13,040	350	-12,690	Applications received from organisations for grant assistance are lower than that allowed for in the budget.	The budget is likely to underspend this financial year as only one further grant for £2,000 is expected to be awarded before March 2019.

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/8495n	Planning Control & Enforcement/Pre Application Advice	-43,660	-36,386	-30,528	5,858	In June 2018 P& F Committee approved a supplementary estimate of £13,020 for an increase in hours of the pre-planning advice officer from a part time to a full time post which is to be financed by an increase in pre-application fees. Following successful recruitment into the post in September 2018 estimated income at revised estimate has been increased on a pro-rata basis by £7,240. This budgeted increase in pre-application fees income is currently underachieving.	Planning and Development Committee approved the introduction of a new fast track Pre-Application Advice service for implementation from the 1st November 2018. The new service charges a premium of 50% on the standard fee. Above inflationary increases to the standard pre-application fees with an implementation date of April 2019 have also been approved by Committee. The additional income generated from these initiatives will be monitored over the coming months and used to inform future estimates, but it is anticipated that the budget will underachieve in the current financial year.
PLANG/3085	Planning Control & Enforcement/Consultants	31,440	31,440	108,802	77,362	Payment of costs to the value of £79k have been awarded against the council in respect of a planning appeal at the Lawsonsteads site in Whalley.	The expenditure for this will likely be funded from general fund balances. The position will be reviewed at year-end.

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
PLANG/2998	Planning Control & Enforcement/Software Maintenance	12,400	12,400	8,438	-3,962	A provision for potential revenue costs in respect of the planning portal capital scheme had been retained at the revised estimate with costs now unlikely to materialise before the end of the financial year.
BCFEE/8583z	Building Control Fee Earning/Rechargeable Works (Non VATable)	0	0	-3,863	-3,863	Training costs have been recharged to an employee in line with our policy after they left our employment. This was unanticipated when the budget was set.
ECPLA/1013	Economic Development and Planning Dept/Tuition Fees	2,990	2,244	0	-2,244	Budget for anticipated expenditure on a training contract with the Royal Town Planning Institute for continuing professional development of planning officers. Plans are underway to identify training requirements and finalise the purchase order.
PLANG/3261	Planning Control & Enforcement/Statutory Notices	21,540	17,952	21,217	3,265	Costs of placing planning statutory notices in newspapers (based on last year) are higher than estimated.
BCFEE/8405n	Building Control Fee Earning/Building Regulation Fees	-165,000	-137,510	-133,764	3,746	Lower than anticipated income levels up to the end of January 2019. The budget estimate is informed by prior year income levels.