

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO COMMUNITY SERVICES COMMITTEE

Agenda Item No 11

meeting date: 12 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 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 revised estimate for the period to the end of January. You will see an overall underspend of £42,160 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 £41,622.

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	
ARTDV	Art Development	37,790	18,746	16,157	-2,589	A
BUSSH	Bus Shelters	18,770	10,684	8,286	-2,398	A
CARVN	Caravan Site	-8,930	0	-746	-746	G
CCTEL	Closed Circuit Television	128,950	99,004	95,856	-3,148	A
CFCGA	CX68 FCG Fiat Doblo Cargo	0	1,328	996	-332	G
CLRFF	Clitheroe Food Festival 2018	3,210	3,210	3,144	-66	G
COMMD	Community Services Department	0	796,463	796,343	-120	G
CRIME	Crime and Disorder	49,190	30,786	26,321	-4,466	A
CULTG	Culture Grants	4,350	3,060	3,060	0	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	
CULVT	Culverts & Water Courses	16,060	3,018	1,458	-1,560	G
DRAIN	Private Drains	1,840	-214	1,009	1,223	G
EALLW	Edisford All Weather Pitch	12,280	-37,755	-23,609	14,146	R
EDPIC	Edisford Picnic Area	-6,340	-9,531	-9,648	-117	G
EXREF	Exercise Referral Scheme	26,000	42,058	42,398	340	G
FDFST	Clitheroe Food Festival 2019	0	0	1,660	1,660	G
GBBKA	PO68 BBK Kubota Mowing Machine	0	768	33	-735	G
GRSRC	Grants & Subscriptions - Community	2,260	310	0	-310	G
HWREP	Highway Repairs	20,150	468	0	-468	G
LDEPO	Longridge Depot	0	14,206	15,736	1,530	G
LITTR	Litter Bins	19,960	6,376	5,749	-627	G
MCAFE	Museum Cafe	21,810	-9,192	-7,378	1,814	G
MUSEM	Castle Museum	304,950	165,919	162,629	-3,290	A
PAPER	Waste Paper and Card Collection	181,450	73,540	74,254	714	G
PKADM	Grounds Maintenance	0	-196,601	-171,257	25,344	R
PLATG	Platform Gallery and Visitor Information	137,840	67,426	68,656	1,230	G
RCOLL	Refuse Collection	1,446,630	605,912	603,345	-2,567	A
RECUK	Recreation Grants	40,390	18,018	17,373	-645	G
RIVBK	Riverbank Protection	4,120	1,084	0	-1,084	G
ROEBN	Roefield Barn	-400	-334	-385	-51	G
RPBIN	Chargeable Replacement Waste Bins	-8,960	-7,466	-12,362	-4,896	A
RPOOL	Ribblesdale Pool	366,590	148,313	167,447	19,134	R
RVPRK	Ribble Valley Parks	461,150	349,453	303,645	-45,808	R
SDEPO	Salthill Depot	0	41,615	38,819	-2,796	A
SEATS	Roadside Seats	8,240	1,310	969	-341	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	
SIGNS	Street Nameplates & Signs	45,050	-466	-2,615	-2,149	A
SPODV	Sports Development	81,850	14,528	12,388	-2,140	A
SPOGR	Sports Grants	5,700	3,470	3,465	-5	G
STCLE	Street Cleansing	373,350	259,023	253,593	-5,430	R
TFRST	Waste Transfer Station	98,310	56,857	54,888	-1,969	G
TRREF	Trade Refuse	-56,720	-323,525	-321,790	1,735	G
TWOWR	Two Way Radio	-1,500	-288	605	893	G
UPACT	Up and Active Service	0	1,976	1,881	-95	G
VARIOUS	Car Parks Vehicles	0	6,094	6,064	-30	G
VARIOUS	Grounds Maintenance Vehicles	0	63,165	48,577	-14,588	R
VARIOUS	Other Car Parks	25,920	72,691	74,390	1,699	G
VARIOUS	Pay and Display Car Parks	-179,220	-285,844	-300,701	-14,857	R
VARIOUS	Plant	0	14,899	15,897	998	G
VARIOUS	Public Conveniences	201,850	112,894	111,786	-1,108	G
VARIOUS	Refuse Collection Vehicles	0	369,470	400,585	31,115	R
VARIOUS	Works Administration Vehicles	0	22,255	19,707	-2,548	A
VEHCL	Vehicle Workshop	0	-31,009	-40,856	-9,847	R
WBHEQ	Wellbeing & Health Equality	0	0	-1,562	-1,562	G
WKSAD	Works Administration	0	-57,834	-68,016	-10,182	R
XMASL	Xmas Lights & RV in Bloom	3,630	1,718	1,652	-66	G
Net Cost of Services		3,887,570	2,542,056	2,499,896	-42,160	
Transfers to/from Earmarked Reserves						
Community Safety Reserve		-4,790	0	0	0	
Recreation and Culture Grants Reserve		-8,240	-8,240	-8,240	0	
Refuse Collection Reserve		9,950	9,950	10,488	538	

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
	Food Festival Reserve	-3,210	-3,210	-3,210	0
	Exercise Referral Reserve	-1,160	0	0	0
	Capital Reserve Fund	14,650	14,650	14,650	0
	Two Way Radio Reserve	1,500	1,500	1,500	0
	Repairs and Maintenance Reserve	-8,180	0	0	0
	Grant funded Sports Development Reserve	-400	-400	-400	0
	Amenity Cleansing Reserve	-5,750	0	0	0
	Total after Transfers to/from Earmarked Reserves	3,881,940	2,556,306	2,514,684	-41,622

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 The **main** variances that are **unlikely** to clear by the end of the financial year are:

Description	Variance to end January 2019 £
Edisford Car Park (EDFCP) – There has been continued increased usage at the Edisford Car Park above that allowed for in the Revised Estimate.	-7,042
Refuse Collection (RCOLL) – The overspend shown here is due to staff cover that has needed to be bought in from agencies due to staff shortages, particularly on Refuse Collection Loaders.	6,376
Refuse collection Vehicles (VARIOUS) - A substantial level of overspend has continued to be seen on the refuse collection vehicles. There have not been any sizeable individual repairs that have needed to be separately reported to management as at the end of January.	62,589
Refuse collection Vehicles (VARIOUS) – Viewed overall across the refuse collection fleet this variance is largely due to lower fuel prices.	-27,446
Grounds Maintenance Vehicles (VARIOUS) - Grounds maintenance vehicles require some maintenance and servicing to be carried out by specialist outside firms. Expenditure on this type of maintenance and servicing was lower than estimated to the end of January.	-11,884
Castle Museum (MUSEM) – The invoice recently paid for curatorial services was the same level as that charged in 2017/18. The budget allowed for an inflationary increase. This has resulted in the variance shown.	-4,061

3 CONCLUSION

- 3.1 The comparison between actual and budgeted expenditure shows an underspend of £42,160 to the end of January 2019. After allowing for transfers to/from earmarked reserves there is an underspend of £41,622.
- 3.2 The continued high levels of spend on the refuse collection fleet continues to be an area of concern, whilst currently substantially lower than last year.

HEAD OF FINANCIAL SERVICES

DIRECTOR OF RESOURCES

CM5-19/LO/AC
4 March 2019

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
EALLW/8889I	Edisford All Weather Pit/Junior 3G All Weather pitch	-14,090	-11,744	-4,295	7,449	Some of this variance is due to delayed invoicing for the use of the facility. Further charges to be made to the end of the financial year should substantially clear this variance, based on the assumptions used in setting the budget.	We will continue to monitor the invoicing for the use of the facility and ensure timely charging for use
EDFCP/8420n	Edisford Car Park/Car Park Charges	-78,060	-65,015	-72,057	-7,042	There has been continued increased usage at the Edisford Car Park above that allowed for in the Revised Estimate.	A close watch will be kept on the remainder of the year and any continuing trends in to next year.

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
PKADM/8903z	Grounds Maintenance/Oncost	-480,290	-394,846	-364,117	30,729	<p>Whilst a large variance is shown here for the recharges from the Grounds Maintenance Service, the remaining productive hours for the team indicate that the service will recover all its costs by the end of the financial year.</p> <p>Most of this time is charged to Ribble Valley Parks, which shows corresponding saving.</p>	The oncost charge rate will be reviewed and monitored closely as year-end approaches in order to ensure that the service recovers all of its costs through recharges to other service areas – notably Ribble Valley Parks
RCOLL/0350	Refuse Collection/Agency Staff	10,670	8,892	15,268	6,376	<p>The overspend shown here is due to staff cover that has needed to be bought in from agencies due to staff shortages, particularly on Refuse Collection Loaders.</p> <p>An underspend of £3,193 can be seen on the Refuse Collection Loaders code under the Amber variances.</p>	The level of usage of agency staff will continue to be monitored, as will the staffing levels.

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
RPBIN/2896	Chargeable Replacement W/Light Tools & Equipment	10,990	9,160	16,363	7,203	This is the cost of the bins that are provided to householders. A charge is made for the provision of these bins and this income is shown below.	Income received will be offset against expenditure incurred in the purchase of the bins and the surplus/deficit transferred to/from earmarked reserve. The earmarked reserve supports the replacement of bins through the capital programme
RPBIN/8297n	Chargeable Replacement W/Sale of Equipment/Materials	-19,950	-16,626	-28,724	-12,098	This is the income from the provision of bins to householders.	Income received will be offset against expenditure incurred in the purchase of the bins and the surplus/deficit transferred to/from earmarked reserve. The earmarked reserve supports the replacement of bins through the capital programme

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/5056	Ribble Valley Parks/Grounds Maintenance	374,410	317,050	275,526	-41,524	<p>Whilst a large variance is shown here for the recharges from the Grounds Maintenance Service, the remaining productive hours for that service indicate that the service will recover all its costs by the end of the financial year.</p> <p>Most of this time is charged to Ribble Valley Parks</p>	The oncost charge rate will be reviewed and monitored closely as year-end approaches in order to ensure that the service recovers all of its costs through recharges to other service areas – notably here on Ribble Valley Parks
VARIOUS/2602	Refuse Collection Vehicles/Vehicle Repairs and Maintenance	162,260	137,062	199,651	62,589	<p>A substantial level of overspend has continued to be seen on the refuse collection vehicles. There have not been any sizeable individual repairs that have needed to be separately reported to management as at the end of January.</p>	There will be a continued close watch on vehicle expenditure to the end of the financial year. To date the overspend is not as extensive as that seen last financial year
VARIOUS/2612	Refuse Collection Vehicles/Diesel	210,230	178,338	150,892	-27,446	<p>Viewed overall across the refuse collection fleet this variance is largely due to lower fuel prices.</p>	Bulk market price of diesel is presently low but not sure of how long this will last. We will continue to keep this under review.

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/2602	Grounds Maintenance Vehicles/Repairs & Maintenance by Outside Firms	26,000	21,905	10,021	-11,884	Grounds maintenance vehicles require some maintenance and servicing to be carried out by specialist outside firms. Expenditure on this type of maintenance and servicing was lower than estimated to the end of January.	There will be a continued close watch on spend to the end of the financial year.
VEHCL/8900z	Vehicle Workshop/Oncost 100%	-107,490	-89,582	-97,072	-7,490	The budget allows for periods of ad hoc sick leave for which oncosts are not recovered. As there have been periods of long term sick, this time has been recovered through recharges to other departments, resulting in an over recovery of vehicle oncosts to date against that estimated.	An assessment of oncosts recovered to date will be carried out and any adjustments needed to the recharges to date made. The service as a whole will be fully recharged out by the end of the financial year.

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
WKSAD/8910z	Works Administration/Oncost Capital	-15,750	-13,792	-27,101	-13,309	A substantial amount of time has been charged to capital by the works administration team during January. This has largely been in respect of the Castle Museum - Refurbishment of Windows scheme.	The level of work undertaken on the Castle Museum - Refurbishment of Windows capital scheme will be kept under review for the remainder of the year.

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
AUMCP/8420n	Auction Mart (Market) Car Park/Car Park Charges	-46,200	-38,619	-35,145	3,474	Usage to date has been lower than that anticipated. There was a small increase to the budget at the Revised Estimate based on forecast/past usage, but this was only of £1,330. Usage will continue to be monitored
CRIME/3277	Crime and Disorder/Promotional Activities	19,440	16,202	13,010	-3,192	Under the plans for this service, expenditure has been committed which will clear the variance shown. However, there is uncertainty on the timing of this expenditure. Spend plans are with regard to Shop Watch and also Anti-Social Behaviour Powers training
EALLW/8505l	Edisford All Weather Pitch/All Weather Pitch (exempt)	-5,630	-6,011	-2,663	3,348	Some of this variance is due to delayed invoicing for the use of the facility. Further charges to be made to the end of the financial year should substantially clear this variance, based on the assumptions used in setting the budget.
MUSEM/4359	Castle Museum/Curatorial Services	139,530	139,530	135,469	-4,061	The invoice recently paid for curatorial services was the same level as that charged in 2017/18. The budget allowed for an inflationary increase. This has resulted in the variance 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
PAPER/2881	Waste Paper and Card Col/Purchase of Equipment & Materials	2,630	2,192	4,260	2,068	The overspend is due to the purchase of white paper sacks. To date there have been 21,000 bags purchased. Ways in which to control the issue of the sacks have been examined, but no effective alternative has been identified as yet.
PCADM/2475	Public Conveniences Administration/ General Cleaning	63,960	53,304	55,578	2,274	Additional cleaning has resulted in a higher level of charges. However, it is anticipated that this variance should largely correct itself by the end of the financial year.
PKADM/8910z	Grounds Maintenance/Oncost Capital	-1,910	-1,592	-4,348	-2,756	There has been an increased level of grounds maintenance staff time spent on the capital programme scheme, as opposed to using external supplies. This has resulted in an increased level of oncost recovery.
RCOLL/0150	Refuse Collection/Loaders Wages	304,360	253,654	250,461	-3,193	The underspend is reflected in staff shortages, but the savings shown here are more than offset by additional costs shown under the Agency staff code due to the requirement for staffing cover.

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
RCOLL/1013	Refuse Collection/Tuition Fees	5,500	4,400	1,500	-2,900	The Loadall training will take longer than first thought to complete, which will eventually result in extra costs. Driver Certificate of Professional Competence training is required for a member of staff. Also, Terberg training will hopefully be carried out before the end of March for three members of staff.
RCOLL/2896	Refuse Collection/Light Tools & Equipment	7,360	6,134	3,542	-2,592	Whilst a variance is shown to the end of January an order will soon be placed for tachograph downloading equipment.
RCOLL/2961	Refuse Collection/Protective Clothing	10,140	7,643	4,754	-2,889	Staff shortages have meant the use of more agency staff. With this there is less equipment issued than with our own staff. Also, whilst better quality PPE has initially cost more there has been a lower level of replacement needed.
RPOOL/1013	Ribblesdale Pool/Tuition Fees	3,960	3,302	957	-2,346	There has been less first aid training as only the Duty Officers are now required to take the First Aid at Work course. There is a Trainor Assessor Course and 2 x Level 2 Swimming Teacher courses to commit before end of year at an estimated cost of £1,960

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/2809	Ribblesdale Pool/Non Recurring Purchases	5,000	5,000	8,362	3,362	The committed expenditure relates to improved ICT connectivity to support the needs of the site. Additional one off installation costs have been identified by the installers following a site visit. Virements will be sought to fund this overspend where possible.
RPOOL/2882	Ribblesdale Pool/Repairs to Equipment	3,510	2,744	4,974	2,230	Essential unavoidable repairs to the main pool circulation pump, ongoing leak detection on the learner pool, flocculation pump repairs and maintenance, and emergency call out repairs to circulation pump and repairs to cleaning equipment have led to the overspend shown.
RPOOL/85311	Ribblesdale Pool/School Swimming Lessons	-29,350	-24,460	-21,725	2,735	There has been a slight reduction in school swimming lessons. Also, some invoices are still to be raised to cover the period up to the end of the financial year.
RPOOL/85321	Ribblesdale Pool/Hire of Baths - Clubs	-37,340	-37,340	-34,611	2,729	Lower level of club hire from a local swimming club due to reduced membership.

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/8571n	Ribblesdale Pool/Adult Admissions	-62,850	-52,052	-49,460	2,592	Year on year trend of less adults attending to swim. However, there has been an increase seen in adults being admitted using contracts.
RPOOL/8572n	Ribblesdale Pool/Junior Admissions	-44,450	-36,529	-34,458	2,071	There is a continuous reduction in junior casual admission swims.
RPOOL/8904l	Ribblesdale Pool/Parent and Child Swimming	0	0	-4,907	-4,907	These sessions represent new income. However, this is being as a result of using an external provider on an income share basis (the cost of the external provider is not shown here).
SIGNS/8738z	Street Nameplates & Sign/Naming of New Property	-7,130	-5,942	-9,130	-3,188	Income received from the naming of new properties - in particular a significant sum from a new development in Longridge. Since setting the revised estimate income has continued to be received.

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
STCLE/0130	Street Cleansing/Temporary Staff	3,130	2,260	73	-2,187	To date there has been a very low level of temporary staffing needed. This is much lower than that seen in past years
TRREF/3102	Trade Refuse/Tipping Charges	180,010	94,240	89,887	-4,353	Tonnages for the first two quarters of the year have been slightly less than those that were allowed for in the estimates. Charges have yet to be received for the period for the period up to the end of December.
VARIOUS/2613	Refuse Collection Vehicles/Lubricants	3,960	3,154	1,134	-2,020	With the new vehicles there is more engine oil used per vehicle, but they need to be changed less regularly. However, more hydraulic oil is being lost due to the increasing trend of high pressure hoses on RCVs bursting. Since April 2018 replacement oil has likely been charged to the repairs and maintenance code as part of undertaking the repairs for the burst hoses – resulting in less charged here.
VARIOUS/2614	Refuse Collection Vehicles/Tyres	35,140	30,424	28,364	-2,060	In the period to the end of January there had been a relatively low need for replacement tyres. However, in more recent weeks there has been an increase in replacements seen. It is anticipated that this variance may clear by the end of the financial year.

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/2614	Grounds Maintenance Vehicles/Tyres	3,960	3,364	1,052	-2,312	There has been a low level of tyre replacements needed up to the end of the period being reported on for Grounds Maintenance vehicles.
WKSAD/8900z	Works Administration/ Oncost 100%	-194,790	-153,963	-150,610	3,353	A substantial amount of time has been charged to capital by the works administration team during January. This has largely been in respect of the Castle Museum - Refurbishment of Windows scheme.