

## RIBBLE VALLEY BOROUGH COUNCIL REPORT TO HEALTH AND HOUSING COMMITTEE

Agenda Item No 9

meeting date: 21 MARCH 2019  
 title: REVENUE MONITORING 2018/19  
 submitted by: DIRECTOR OF RESOURCES  
 principal author: ANDREW COOK

### 1 PURPOSE

1.1 To provide this Committee with information relating to the progress of the 2018/19 revenue budget, as at the end of January 2019.

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, whilst ensuring the Council provides council tax payers with value for money.
- Other Considerations – none identified.

### 2 REVENUE MONITORING 2018/19

2.1 Shown below, by cost centre, is a comparison between actual expenditure and the revised estimate budget for the period April 2018 to January 2019. Please note that underspends and additional income are denoted by figures with a minus symbol.

Cost Centre	Cost Centre Name	Budget for the Full Year £	Budget to the end of January 2019 £	Actual including Commitments to the end of January 2019 £	Variance £	
APLAC	Alma Place Unit	1,440	-588	-1,758	-1,170	G
AWARM	Affordable Warmth	750	626	21	-605	G
CLAIR	Clean Air	1,610	418	691	273	G
CLAND	Contaminated Land	9,240	0	0	0	G
CLCEM	Clitheroe Cemetery	44,210	1,917	1,505	-412	G
CLMKT	Clitheroe Market	-46,520	-98,920	-101,002	-2,082	A
CMGHH	Community Groups - Health & Housing	29,120	0	0	0	G
COMNL	Common Land	2,290	552	42	-510	G
CTBEN	Localised Council Tax Support Admin	152,290	-13,772	-16,249	-2,477	A
DOGWD	Dog Warden & Pest Control	108,150	16,217	11,096	-5,121	R
ENVHT	Environmental Health Services	329,430	-18,687	-19,621	-934	G

Cost Centre	Cost Centre Name	Budget for the Full Year £	Budget to the end of January 2019 £	Actual including Commitments to the end of January 2019 £	Variance £	
HGBEN	Housing Benefits	93,990	28,570	49,501	20,931	R
HOMEE	Home Energy Conservation	5,010	344	0	-344	G
HOMES	Homelessness Strategy	55,490	-18,709	-24,078	-5,369	R
HSASS	Housing Associations	6,460	0	0	0	G
HSTRA	Housing Strategy	21,410	7,558	7,306	-252	G
IMPGR	Improvement Grants	71,500	-32,744	-32,209	535	G
JARMS	Joiners Arms	37,410	7,890	5,901	-1,989	G
PHACT	Public Health Act House Clearance	0	0	0	0	G
SHARE	Shared Ownership Rents	-1,250	-1,250	-1,252	-2	G
SUPPE	Supporting People	24,130	19,910	17,286	-2,624	A
UCRED	Universal Credit	10,920	-12,260	-12,259	1	G
<b>Health and Housing Committee Total</b>		<b>957,080</b>	<b>-112,928</b>	<b>-115,079</b>	<b>-2,151</b>	
<b>Transfers to/(from) Earmarked Reserves</b>						
	Housing Related Grants Reserve - Affordable Warmth Grant	-750	-626	-21	605	
	Housing Related Grants Reserve - Domestic Abuse Support Worker and Support Services	-14,290	0	0	0	
	Housing Related Grants Reserve - Domestic Violence Sanctuary Security Scheme	-2,920	0	0	0	
	Housing Related Grants Reserve - Flexible Homelessness Support Grant	-9,390	0	0	0	
	Housing Related Grants Reserve - Homelessness Reduction Act funding	-2,180	0	0	0	
	Housing Related Grants Reserve - Custom and Self Build funding	28,750	0	0	0	
	Capital Reserve - Joiners Arms Roof Renewal financing (from Flexible Homelessness Support Grant)	33,290	0	0	0	
	Capital Reserve - Home Improvement Loan repayment	3,800	0	0	0	
<b>Total after transfers to/(from) Earmarked Reserves</b>		<b>993,390</b>	<b>-113,554</b>	<b>-115,100</b>	<b>-1,546</b>	

Key to Variance shading	
Variance of £5,000 or more (Red)	R
Variance between £2,000 and £4,999 (Amber)	A
Variance less than £2,000 (Green)	G

- 2.2 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.
- 2.3 The main variances between budget and actuals on individual budget codes within cost centres have also been highlighted and explained, as follows:
- Red budget code variances (£5,000 or more) are shown with the budget holder's comments and agreed actions in Annex 1.
  - Amber budget code variances (£2,000 to £4,999) are shown with the budget holder's comments in Annex 2.
- 2.4 You will see an overall underspend of £1,546 on the net cost of services at the end of January 2019, after allowing for transfers to and from earmarked reserves.
- 2.5 Within this overall underspend there are two significant variances – these being Housing Benefits Rent Allowance subsidy grant income being £27,520 lower than budgeted for to date, partly offset by Housing Benefits Rent Allowance payments being £6,587 lower than budgeted for to date.
- 2.6 As Rent Allowance payments for the full year are broadly funded by Rent Allowance subsidy grant income received, through subsidy grant claim adjustments at year-end, no significant net overspend is expected for Rent Allowance payments and Rent Allowance subsidy grant income for the full year, at this stage.
- 2.7 Outlined below are the main variances to the end of January 2019 that may not be rectified by the end of the financial year:
- **Clitheroe Cemetery and Dog Warden & Pest Control / Grounds Maintenance (-£5,029):** Less time input charges by the Grounds Maintenance team at the Cemetery and on dog bin emptying due to higher staff turnover than budgeted for.
  - **Homelessness Strategy / Temporary Accommodation and Grants to Individuals (-£4,932):** Less use of hotels and bed and breakfast temporary accommodation for homeless people for the year to date and less net expenditure on payments made to date to help people avoid homelessness and secure and maintain private sector tenancies.
  - **Housing Benefits and Local Council Tax Support / various administration budgets underspends (-£4,911):** Lower spend to date than budgeted for across several administration budget codes, the main ones being postages, software maintenance, equipment purchases, scanning of documents and training expenses.

### 3 CONCLUSION

- 3.1 The comparison between actual expenditure and budget for this Committee shows an underspend of £1,546 at the end of January 2019, after allowing for transfers to and from earmarked reserves.
- 3.2 This Committee is currently on track to contain net expenditure within budget by year-end, subject to no further significant negative variances arising between February and March 2019.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

HH2-19/AC/AC  
21 February 2019

BACKGROUND PAPERS: None  
For further information please ask for Andrew Cook

Health and Housing Committee Revenue Monitoring – Red Variances

Ledger Code	Ledger Code Name	Budget for the Full Year £	Budget to the end of January 2019 £	Actual including Commitments to the end of January 2019 £	Variance £		Reason for Variance	Action Plan as agreed between the Budget Holder and Accountant
HGBEN/4652	Housing Benefits/Rent Allowance Payments	6,324,730	5,463,934	5,457,347	-6,587	R	Rent Allowance payments are slightly lower than budgeted for, after adjusting for recovery of benefits overpayments and non-cash transactions - actual was 0.1% lower than the £5.46m budgeted for to date. This is mainly due to changing levels of caseloads, which vary week to week.	Any lower payments for the year as a whole will be reflected in less Rent Allowance subsidy grant income received at year-end (see HGBEN/8002z below), as expenditure for the year is broadly funded by subsidy grant received. This means there is no significant underspend expected for the full year, at this stage.
HGBEN/8002z	Housing Benefits/Rent Allowances Grant	-6,360,510	-5,300,850	-5,273,330	27,520	R	Rent Allowance grant subsidy income to date is 0.5% lower than budgeted for at Revised Estimate. This is because actual income is in line with estimates prepared for 2018/19 DWP Mid-Year Estimate grant purposes in August 2018, whereas the 2018/19 Revised Estimate produced in December 2018 estimated more subsidy income for the full-year than the Mid-Year Estimate, based on an anticipated higher level of Rent Allowance payments.	The level of subsidy received at year-end will broadly cover the Rent Allowance payments made in-year (see HGBEN/4652 above). This means there is no significant under-recovery of income expected for the full year, at this stage.

Health and Housing Committee Revenue Monitoring – Amber Variances

Ledger Code	Ledger Code Name	Budget for the Full Year £	Budget to the end of January 2019 £	Actual including Commitments to the end of January 2019 £	Variance £		Reason for Variance
CLCEM/5056	Clitheroe Cemetery/Grounds Maintenance	47,420	38,743	35,966	-2,777	A	Less time input by the Grounds Maintenance team at the Cemetery for the year to date, mainly due to higher staff turnover than included in the revised estimate budget.
SUPPE/3079	Supporting People/Other Contract Payments	17,210	17,210	14,586	-2,624	A	The Council paid £5,000 to HARV to provide the Domestic Violence Sanctuary Security scheme in Ribble Valley, between November 2017 and October 2018. The scheme was grant funded by Lancashire County Council. £2,629 was unspent by HARV on the scheme when it ended in 2018/19 and HARV have repaid this amount to the Council. This repaid amount has been subsequently repaid to LCC by the Council in February 2019, as a grant repayment.
HOMES/2450	Homelessness Strategy/Homelessness Temporary Accommodation	10,220	8,518	5,948	-2,570	A	Less use of hotels and bed and breakfast temporary accommodation for homeless people than budgeted for at Revised Estimate, based on lower demand for the year to date. <i>Note - The demand for temporary accommodation to prevent and deal with homelessness can fluctuate throughout the year based on the number and complexity of homelessness cases.</i>
HOMES/4676	Homelessness Strategy/Grants to Individuals	3,110	2,592	230	-2,362	A	The majority of payments made to date to help people avoid homelessness and/or secure and maintain private sector tenancies have been made on the basis that they will be repaid by the people receiving the assistance. Invoices have subsequently been raised to begin recovery of these payments and this has reduced net expenditure in-year.

## Health and Housing Committee Revenue Monitoring – Amber Variances

Ledger Code	Ledger Code Name	Budget for the Full Year £	Budget to the end of January 2019 £	Actual including Commitments to the end of January 2019 £	Variance £		Reason for Variance
DOGWD/ 5056	Dog Warden & Pest Control/Grounds Maintenance	17,200	14,334	12,082	-2,252	A	Less time input by the Grounds Maintenance team on dog bin emptying work for the year to date, mainly due to higher staff turnover than included in the revised estimate budget.
HGBEN/ 8007z	Housing Benefits/HRA Rent Rebate Grant	-28,730	-23,944	-21,500	2,444	A	Rent Rebates grant subsidy income to date is lower than budgeted for at Revised Estimate. This is because actual income is in line with estimates prepared for 2018/19 DWP Mid-Year Estimate grant purposes in August 2018, whereas the 2018/19 Revised Estimate produced in December 2018 estimated more subsidy income for the full-year than the Mid-Year Estimate, based on an anticipated higher level of Rent Rebate payments. The level of subsidy received at year-end will increase if actual Rent Rebates payments made in-year are higher than the levels estimated for the 2018/19 DWP Mid-Year Estimate. This means there is no significant under-recovery of income expected for the full year, at this stage.