

# RIBBLE VALLEY BOROUGH COUNCIL

## REPORT TO PLANNING AND DEVELOPMENT COMMITTEE

Agenda Item No 9

meeting date: 31 OCTOBER 2019  
 title: REVENUE MONITORING 2019/20  
 submitted by: DIRECTOR OF RESOURCES  
 principal author: VALERIE TAYLOR

### 1 PURPOSE

1.1 To let you know the position for the period April 2019 to September 2019 of this year's original 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 £67,054 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 £15,671.

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	15,530	0	0	0
BCFEE	Building Control Fee Earning	15,290	-74,530	-62,353	12,177
BCNON	Building Control Non-Fee Earning	70,250	1,928	1,633	-295
BCSAP	Building Control SAP Fees	-410	-204	0	204
CINTR	Clitheroe Integrated Transport Scheme	7,250	592	0	-592
CONSV	Conservation Areas	8,400	0	0	0
CORES	Core Strategy	20,000	15,870	15,183	-687
COUNT	Countryside Management	51,990	10,114	12,409	2,295
ECPLA	Economic Development and Planning Dept	0	486,056	466,204	-19,852
LDEVE	Local Development Scheme	120,780	0	3	3

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	0	0	0	0
PENDU	Pendle Hill User Group	0	0	5,940	5,940
PLANG	Planning Control & Enforcement	-14,130	-330,944	-263,078	67,866
PLANP	Planning Policy	106,700	0	0	0
PLSUB	Grants & Subscriptions - Planning	10,380	10,380	10,375	-5
	<b>Sum:</b>	<b>412,030</b>	<b>119,262</b>	<b>186,316</b>	<b>67,054</b>

Transfers to/from Earmarked Reserves				
Building Control Fee Earning Reserve	-15,290	74,530	62,353	<b>-12,177</b>
Planning Reserve – Core Strategy	-20,000	-15,870	-15,183	<b>687</b>
Planning Reserve – Local development scheme	-11,200	0	-3	<b>-3</b>
Pendle Hill User Reserve – Held on behalf of AONB	0	0	-940	<b>-940</b>
Pendle Hill Landscape Partnership Reserve – Held on behalf of AONB	0	0	-5,000	<b>-5,000</b>
Planning Reserve – Spend on consultancy costs above the original estimate, generally met from earmarked reserve	0	0	-33,950	<b>-33,950</b>
<b>Total after Transfers to/from Earmarked Reserves</b>	<b>365,540</b>	<b>177,922</b>	<b>193,593</b>	<b>15,671</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)	<b>R</b>
Variance between £2,000 and £4,999 (Amber)	<b>A</b>
Variance less than £2,000 (Green)	<b>G</b>

- 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 September 2019 £
<p><b>Planning Control &amp; Enforcement (PLANG) - Consultants</b></p> <p>There has been an overspend on planning consultancy costs in respect of the Henthorn application in Clitheroe.</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 in earmarked reserves will be reviewed as part of the revised estimate.</p>	33,950
<p><b>Pendle Hill User Group – paths and grounds (PENDU)</b></p> <p>Costs for improvement works to footpaths on Pendle Hill which will be funded from reserves held on behalf of AONB. The budget and earmarked reserves will be reviewed at revised estimate.</p>	5,940
<p><b>Building Control – consultants (BCFEE)</b></p> <p>An external consultancy service has been engaged within the Building Control fee earning section to provide cover during periods of recruitment and the internal and external training of a new employee of the service. The requirement for the continuing use of the external consultancy service will be subject to ongoing review and the budget will be updated as necessary at revised estimate.</p>	10,420

### 3 CONCLUSION

- 3.1 The comparison between actual and budgeted expenditure shows an overspend of £67,054 to September 2019 of the financial year 2019/20. After allowing for transfers to/ from earmarked reserves there is an overspend of £15,671.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

PD10-19/VT/AC  
18 October 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
ECPLA/0100	Economic Development and Planning Dept/ Salaries	712,130	356,206	345,725	-10,481	Due to the low level of staff turnover to date there are underspends on staffing costs above the 4% allowed for in the budget.	The budget will be reviewed and updated at revised estimate to reflect the most up to date position.
ECPLA/0109	Economic Development and Planning Dept/ Superannuation Salaries	117,500	58,772	51,813	-6,959	This variance is a combination of lower take up of the superannuation scheme than allowed for in the budget and employee vacancy savings which exceed that estimated.	The budget will be reviewed and updated at revised estimate to reflect the most up to date position.
PLANG/8495n	Planning Control & Enforcement/ Pre-Application Advice	-50,430	-25,224	-19,292	5,932	The budget for this year has been set based on the requirement to fund an increase in hours of the pre-application officer post from a part-time to a full-time position as approved by P&F Committee in June 2018. Income is currently falling below target.	This variance is offset in part by £2.5k of savings arising from a vacancy in respect of the Pre-Application officer post. Charges for Pre-Application advice have also recently been reviewed as part of the council's annual fees and charges review for 2020/21. Subject to committee approval the charges for pre-application advice for large scale and major developments are to be increased above inflation for the next financial year with a view to maximising the amount of income generated from the service.

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
PENDU/2404	Pendle Hill User Group/ Repair & Maintenance - Paths & Grounds	0	0	5,940	5,940	Costs for improvement works to footpaths at Pendle Hill approved by the Pendle Hill Advisory Group, the costs of which will be fully met from earmarked reserves held on behalf of AONB.	The budget and earmarked reserves will be reviewed as part of the revised estimate.
BCFEE/8405n	Building Control Fee Earning/ Building Regulation Fees	-168,300	-84,184	-76,801	5,086	Building control income budgets are estimated based on prior year averages with the budget split evenly throughout the year. Income generated to the end of September is below this estimate, with the budget originally being set on the assumption that fees and charges would increase from 1 April 2019 by an average of 2%. This increase did not occur.	Building Control fees have been increased by an average of 3% with effect from November 2019 (as approved by this Committee in October 2019). The budget will be reviewed at revised estimate to incorporate the anticipated change in income levels to be generated as a result of this increase.
BCFEE/8401z	Building Control Fee Earning/ Building Reg Fees Non-vatable	-1,930	-966	-3,263			
BCFEE/3085	Building Control Fee Earning/ Consultants	1,130	566	10,986	10,420	An external consultancy service has been engaged within the Building Control section to provide cover over a period of recruitment and the internal and external training of a new employee of the service.	The requirement for continuing use of the external consultancy service will be subject to ongoing review. The budget will be updated at revised estimate.

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	-345,922	-319,002	26,920	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.	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.
PLANG/3085	Planning Control & Enforcement/ Consultants	9,090	9,090	43,040	33,950	Actual expenditure to the end of September includes costs in relation to a planning appeal at Henthorn Road, Clitheroe.	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.

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/3261	Planning Control & Enforcement/ Statutory Notices	21,970	10,986	14,917	3,931	Both the number and the cost per unit in the first six months of the year for statutory notices are higher than anticipated. The budget will be reviewed at revised estimate.