

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

Agenda Item No 6

meeting date: 19 MARCH 2020  
 title: REVENUE MONITORING 2019/20  
 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 2019/20 revenue budget, as at the end of January 2020.

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 2019/20

2.1 Shown below, by cost centre, is a comparison between actual expenditure and the revised estimate budget for the period April 2019 to January 2020. You will see an overall underspend of £40,844 on the net cost of services, after allowing for transfers to and from earmarked reserves. Please note that underspends and additional income are denoted by figures with a minus symbol.

Cost Centre	Cost Centre Name	Net Budget for the Full Year £	Net Budget to the end of January 2020 £	Actual including commitments to the end of January 2020 £	Variance £	
APLAC	Alma Place Unit	1,850	-630	-78	552	G
AWARM	Affordable Warmth	530	444	460	16	G
BURCR	Burials & Cremations	0	0	2,353	2,353	A
CLAIR	Clean Air	2,370	1,276	702	-574	G
CLAND	Contaminated Land	9,150	0	0	0	G
CLCEM	Clitheroe Cemetery	33,000	-7,644	-16,658	-9,014	R
CLDCY	Closed Churchyards	9,420	6,768	5,439	-1,329	G
CLMKT	Clitheroe Market	-49,800	-101,306	-103,067	-1,761	G
CMGHH	Community Groups - Health & Housing	18,100	0	0	0	G
COMNL	Common Land	2,380	562	459	-103	G

Cost Centre	Cost Centre Name	Net Budget for the Full Year £	Net Budget to the end of January 2020 £	Actual including commitments to the end of January 2020 £	Variance £	
CTBEN	Localised Council Tax Support Admin	154,900	-13,516	-14,183	-667	G
DOGWD	Dog Warden & Pest Control	116,450	23,608	20,766	-2,842	A
ENVHT	Environmental Health Services	341,650	-19,272	-20,182	-910	G
HGBEN	Housing Benefits	127,380	90,013	71,646	-18,367	R
HOMEE	Home Energy Conservation	5,870	354	0	-354	G
HOMES	Homelessness Strategy	59,980	-18,402	-29,287	-10,885	R
HSASS	Housing Associations	6,610	0	0	0	G
HSTRA	Housing Strategy	32,220	6,450	5,410	-1,040	G
IMPGR	Improvement Grants	65,770	-24,118	-25,151	-1,033	G
JARMS	Joiners Arms	34,390	7,488	4,597	-2,891	A
SHARE	Shared Ownership Rents	-400	-1,280	-1,277	3	G
SUPPE	Supporting People	-4,220	-55,740	-55,991	-251	G
UCRED	Universal Credit	13,800	-11,190	-11,190	0	G
<b>Total Health and Housing Committee</b>		<b>981,400</b>	<b>-116,135</b>	<b>-165,232</b>	<b>-49,097</b>	
<b>Transfers to/(from) Earmarked Reserves</b>						
	Housing Related Grants Reserve - Affordable Warmth Grant	-530	-444	-460	-16	
	Housing Related Grants Reserve - Homelessness Reduction Act Funding	-1,000	-1,000	-1,000	0	
	Housing Related Grants Reserve - Flexible Homelessness Support Grant	18,110	0	7,200	7,200	
	Housing Related Grants Reserve - Domestic Abuse Outreach Support Service	11,700	11,700	11,700	0	
	Custom and Self Build Funding Reserve	15,000	0	0	0	
	Equipment Reserve - Clitheroe Cemetery Foundation Beams	-4,410	-4,410	-3,725	685	
	Equipment Reserve - Joiners Arms Furniture and Equipment	-430	-430	-430	0	
	Capital Reserve - Joiners Arms Roof Renewal Contribution	3,840	3,840	3,840	0	
	Capital Reserve - Home Improvement Loan Repayment	2,590	2,590	2,594	4	
	Capital Reserve - Civica APP Server Move Contribution	1,150	1,150	1,530	380	
<b>Total after transfers to/(from) Earmarked Reserves</b>		<b>1,027,420</b>	<b>-103,139</b>	<b>-143,983</b>	<b>-40,844</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 Outlined below are the main variances to the end of January 2020 that are unlikely to be rectified by the end of the financial year:

Description	Variance to the end of January 2020 £
<b>Homelessness Strategy/Homelessness Temporary Accommodation</b> - Less use of hotels and bed and breakfast temporary accommodation for homeless people than budgeted for, based on lower demand for the year to date.	-7,723
<b>Environmental Health Services/Various Other Income Areas</b> - Higher than budgeted income for the year to date in several areas, the main ones being street trading licences, environmental protection permits, houses of multiple occupation licences and housing enforcement notices.	-4,771
<b>Homelessness Strategy/Grants to Individuals</b> - 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.	-2,717
<b>Clitheroe Cemetery/Interment Fees</b> - Higher income due to both normal year-on-year variations in the numbers of interments in this demand-led income area and a number of non-residents interments for the year to date (non-residents interment fees are double the fees charged to residents).	-2,685
<b>Closed Churchyards/Grounds Maintenance</b> - Less Grounds Maintenance team input on closed churchyards work than initially budgeted for, including less autumn and winter work than anticipated.	-2,629
<b>Environmental Health Services/Private Water Samples Income and Costs</b> - Under-recovery of net income because less work has been undertaken on private water samples and risk assessments, due to deployment of Environmental Health staff on other high intensity work areas over the summer and the impact of staff vacancies in the Environmental Health team over autumn and winter.	+5,637

3 CONCLUSION

- 3.1 The comparison between actual expenditure and the revised estimate budget for this Committee at the end of January 2020 shows a net underspend of £40,844, after allowing for transfers to and from earmarked reserves.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

HH5-20/AC/AC  
6 March 2020

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

Health and Housing Committee Revenue Monitoring – Red Variances

Ledger Code	Ledger Code Name	Net Budget for the Full Year £	Net Budget to the end of January 2020 £	Actual including commitments to the end of January 2020 £	Variance £		Reason for Variance	Action Plan as agreed between the Budget Holder and Accountant
HGBEN/4652	Housing Benefits/Rent Allowance Payments	5,668,230	4,955,167	4,913,531	-41,636	R	Rent Allowance payments are 0.8% lower than the £4.955m budgeted for the year to date, after adjusting for recovery of benefits overpayments and non-cash transactions. This is mainly due to changing caseload levels, which vary week to week. The overall caseload is reducing throughout the year as part of the migration from Housing Benefits to Universal Credit in Ribble Valley.	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 payments for the full year are broadly funded by subsidy grant received at year-end. As a result, there is unlikely to be a significant underspend at year-end.
HOMES/2450	Homelessness Strategy/Homelessness Temporary Accommodation	10,420	8,684	961	-7,723	R	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>	Subject to demand and expenditure not increasing significantly before year-end, there will be less use of Flexible Homelessness Support Grant allocated to fund this expenditure at year-end than budgeted for.  Consequently, more Flexible Homelessness Support Grant received in-year would be set aside in an earmarked reserve for use in preventing and dealing with homelessness in future years.

Health and Housing Committee Revenue Monitoring – Red Variances

Ledger Code	Ledger Code Name	Net Budget for the Full Year £	Net Budget to the end of January 2020 £	Actual including commitments to the end of January 2020 £	Variance £		Reason for Variance	Action Plan as agreed between the Budget Holder and Accountant
ENVHT/8417u	Environmental Health Services/Private Water Samples	-21,640	-18,034	-10,134	7,900	R	Less work undertaken on private water samples and risk assessments for the year to date, due to deployment of Environmental Health staff on other high intensity work areas over the summer and the impact of staff vacancies in the Environmental Health team over autumn and winter. This under-recovery of income is partly offset by reduced Water Samples costs incurred for the year to date (see ENVHT/3081 below). The net under-recovery of income to the end of January 2020 is £5,637.	An updated plan was put in place at Revised Estimate stage to increase private water supplies income by year-end, but given the further staff vacancies in the team the plan has been scaled down to reflect other work priorities across the Environmental Health service. As a result it is likely that there will be a net under-recovery of income in this area for 2019/20, but this may be partly offset by lower staff costs in the Environmental Health team.
HGBEN/8002z	Housing Benefits/Rent Allowances Grant	-5,700,290	-4,750,620	-4,721,190	29,430	R	Rent Allowance grant subsidy income to date is 0.6% lower than budgeted for at Revised Estimate. This is because actual income is in line with estimates prepared for the 2019/20 DWP Mid-Year Estimate Grant in August 2019, whereas the 2019/20 Revised Estimate produced in December 2019 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 grant income 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	Net Budget for the Full Year £	Net Budget to the end of January 2020 £	Actual including commitments to the end of January 2020 £	Variance £	Reason for Variance
HGBEN/ 8007z	Housing Benefits/Rent Rebate Grant	-20,880	-17,402	-21,280	-3,878	<b>A</b> <p>More Rent Rebate grant subsidy income to date than budgeted for at Revised Estimate. This is because actual income is in line with estimates prepared for the 2019/20 DWP Mid-Year Estimate Grant in August 2019, whereas the 2019/20 Revised Estimate produced in December 2019 estimated less subsidy income for the full-year than the Mid-Year Estimate, based on lower occupancy at the Council's homelessness unit for the year to date.</p> <p>The level of subsidy grant income received at year-end and the level of Flexible Homelessness Support Grant allocated to support homelessness unit rent rebate payments at year-end will broadly cover the Rent Rebates payments made in-year. As a result, there is no significant over-recovery of Rent Rebates income expected for the full year, at this stage.</p>
HOMES/ 4676	Homelessness Strategy/Grants to Individuals	3,170	2,642	-75	-2,717	<b>A</b> <p>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 all payments made in-year to date and also for one payment made in 2018/19.</p>

## Health and Housing Committee Revenue Monitoring – Amber Variances

Ledger Code	Ledger Code Name	Net Budget for the Full Year £	Net Budget to the end of January 2020 £	Actual including commitments to the end of January 2020 £	Variance £		Reason for Variance
CLCEM/ 8441u	Clitheroe Cemetery/Interment Fees	-41,700	-34,752	-37,437	-2,685	A	Higher interments income due to both the normal year-on-year variations in the numbers of interments requested in this demand-led income area and a number of non-residents interments for the year to date (non-residents interment fees are double the fees charged to residents).
CLDCY/ 5056	Closed Churchyards/Grounds Maintenance	8,120	6,768	4,139	-2,629	A	Less Grounds Maintenance team input in practice on closed churchyards work than initially allowed for in the new budget set for this work in 2019/20, including less autumn and winter work than anticipated.
ENVHT/ 3081	Environmental Health Services/Water Samples	13,310	11,096	8,833	-2,263	A	Less water samples lab tests costs for the year to date because less private water samples and risk assessments work has been undertaken for the year to date. This underspend partly offsets the under-recovery of Private Water Samples income for the year to date (see ENVHT/8417u above).