

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO COMMUNITY COMMITTEE

Agenda Item No: 10

meeting date: 1 SEPTEMBER 2020
title: SUMMARY FINANCIAL UPDATE
submitted by: DIRECTOR OF RESOURCES
principal author: LAWSON ODDIE

1 PURPOSE

- 1.1 To provide members with a summary financial update on the revenue and capital outturn position for 2019/20 and also the revenue and capital budget monitoring for 2020/21 up to the end of July. This report will be followed with the normal more detailed analysis reports in the coming weeks.
- 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 and meets the objective within this priority to maintain critical financial management controls, ensuring the authority provides council tax payers with value for money.
 - Other Considerations – none identified

2 BACKGROUND

- 2.1 Due to the Covid-19 outbreak the normal cycle of meetings for the reporting of the financial position on the council's various committees has been disrupted. This is at a time when there have been substantial impacts in some service areas, not just in additional spend pressures but also in substantial losses in income.
- 2.2 As a result of the pandemic, the time line for the closure of the accounts for 2019/20 has been changed by the Government. The Accounts and Audit Regulations 2015 would ordinarily require that the Council release for audit and publish its draft Statement of Accounts by 31 May and then to have the audited Statement of Accounts approved and published by 31 July.
- 2.3 These deadlines have been extended to 31 August for the publishing of the draft accounts and 30 November to publish the audited accounts. This has allowed resources to be focused on other pressing matters.
- 2.4 This has meant that the finance team have recently been heavily involved in finalising the accounts, resulting in only a summary information report being able to be prepared in time for this committee meeting. The usual detailed reports that committee expect, will be circulated over the coming weeks and finance staff will be available to answer any questions that may result.

3 SUMMARY REVENUE OUTTURN POSITION 2019/20

- 3.1 This first section of the report looks back at the 2019/20 financial year and gives members an initial look at the outturn position for this committee.

3.2 Shown below, by cost centre, is a comparison of the outturn position with the revised estimate. You will see an overall overspend of £83,287 on the net cost of services. After transfers to and from earmarked reserves overall there is an overspend of £120,735. This has been taken from General Fund Balances.

3.3 In the table below are a number of services with a net cost of 'nil'. This is where services are fully recharged out to other service areas.

Cost Centre	Cost Centre Name	Revised Estimate	Actual 2019/20	Variance
		£	£	£
ARTDV	Art Development	32,890	29,976	-2,914
BUSSH	Bus Shelters	15,620	12,907	-2,713
CARVN	Caravan Site	-8,470	-10,328	-1,858
CCTEL	Closed Circuit Television	129,050	128,247	-803
COMMD	Community Services Department	0	0	0
CRFDF	Clitheroe Food Festival 2020	0	707	707
CRIME	Crime and Disorder	54,940	45,453	-9,487
CULTG	Culture Grants	5,240	5,223	-17
CULVT	Culverts & Water Courses	17,640	12,457	-5,183
DRAIN	Private Drains	1,950	2,739	789
EALLW	Edisford All Weather Pitch	24,980	21,170	-3,810
EDPIC	Edisford Picnic Area	-7,030	-7,325	-295
EXREF	Exercise Referral Scheme	42,370	41,238	-1,132
FDFST	Clitheroe Food Festival 2019	8,370	6,214	-2,156
GRSRC	Grants & Subscriptions - Community	1,070	733	-337
HWREP	Highway Repairs	15,100	14,235	-865
LDEPO	Longridge Depot	0	0	0
LITTR	Litter Bins	17,450	17,445	-5
MCAFE	Museum Cafe	25,360	26,096	736
MUSEM	Castle Museum	250,560	263,378	12,818
PAPER	Waste Paper and Card Collection	185,270	221,038	35,768
PKADM	Grounds Maintenance	0	0	0
PLATG	Platform Gallery and Visitor Information	157,660	151,914	-5,746
RCOLL	Refuse Collection	1,457,450	1,592,329	134,879
RECU	Recreation Grants	43,210	38,014	-5,196
RIVBK	Riverbank Protection	4,150	3,998	-152
ROEBN	Roefield Barn	-410	-406	4
RPBIN	Chargeable Replacement Waste Bins	-27,690	-34,514	-6,824

Cost Centre	Cost Centre Name	Revised Estimate £	Actual 2019/20 £	Variance £
RPOOL	Ribblesdale Pool	405,970	420,462	14,492
RVPRK	Ribble Valley Parks	570,330	514,679	-55,651
SDEPO	Salthill Depot	7,800	0	-7,800
SEATS	Roadside Seats	6,690	6,169	-521
SIGNS	Street Nameplates & Signs	34,360	14,828	-19,532
SPODV	Sports Development	83,130	80,316	-2,814
SPOGR	Sports Grants	7,770	7,795	25
STCLE	Street Cleansing	390,990	395,596	4,606
TAFUT	Together an Active Future	-8,130	-7,737	393
TFRST	Waste Transfer Station	108,940	103,384	-5,556
TRREF	Trade Refuse	-68,000	-54,291	13,709
TWOWR	Two Way Radio	0	0	0
UPACT	Up and Active Service	0	6,158	6,158
VARIOUS	Grounds Maintenance Vehicles	-17,000	0	17,000
VARIOUS	Other Car Parks	30,340	28,087	-2,253
VARIOUS	Pay and Display Car Parks	-150,340	-174,912	-24,572
VARIOUS	Plant	-40	0	40
VARIOUS	Public Conveniences	216,270	218,186	1,916
VARIOUS	Refuse Collection Vehicles	-7,470	0	7,470
VARIOUS	Works Administration Vehicles	0	0	0
VEHCL	Vehicle Workshop	0	0	0
WKSAD	Works Administration	0	0	0
XMASL	Xmas Lights & RV in Bloom	3,970	3,939	-31
	Net Cost of Services before Earmarked Reserves	4,062,310	4,145,597	83,287
	Movement in Earmarked Reserves	-9,810	27,638	37,448
	Net Cost of Services after Earmarked Reserves	4,052,500	4,173,235	120,735

3.4 A full detailed report examining the many reasons for the high-level variances shown above will be circulated to members in the coming weeks.

3.5 Once again, the key area of concern for this committee is the substantial overspend on refuse collection vehicles. The overall outturn position shows an overspend in this area and on vehicle repairs and replacement vehicle hire (which is included across the cost centres RCOLL and PAPER above) of over £170,000. This is a worrying recurring variance which has again been flagged in the council's Annual Governance Statement due to its significance, as an area that needs to be addressed with some urgency.

4 SUMMARY REVENUE BUDGET MONITORING 2020/21

4.1 This next section of the report takes a look at the revenue budget monitoring for the period from April 2020 to July 2020. Again, more detailed analysis reports will be circulated in the coming weeks.

4.2 Shown below, by cost centre, is a comparison between actual expenditure and the original estimate for the period to the end of July 2020. You will see that there is an overall overspend (or underachievement of income) of £334,983 on the net cost of services. Please note that any underspends 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 the July 2020	Actual including commitments to the end of July 2020	Variance to the end of July 2020	
ARTDV	Art Development	35,220	8,620	4,569	-4,051	A
BUSSH	Bus Shelters	17,790	888	1,081	193	G
CARVN	Caravan Site	-8,640	10,732	10,328	-404	G
CCTEL	Closed Circuit Television	140,480	39,191	29,674	-9,517	R
COMMD	Community Services Department	0	305,908	309,239	3,331	A
CRFDF	Clitheroe Food Festival 2020	21,390	0	169	169	G
CRIME	Crime and Disorder	59,900	9,806	5,650	-4,156	A
CULTG	Culture Grants	5,110	4,280	6,275	1,995	G
CULVT	Culverts & Water Courses	18,550	1,256	300	-956	G
DRAIN	Private Drains	1,960	451	118	-333	G
EALLW	Edisford All Weather Pitch	42,750	4,440	15,142	10,702	R
EDPIC	Edisford Picnic Area	-6,990	-11,017	749	11,766	R
EXREF	Exercise Referral Scheme	82,830	207	760	553	G
FDFST	Clitheroe Food Festival 2019	0	0	0	0	G
GRSRC	Grants & Subscriptions - Community	1,060	0	0	0	G
HWREP	Highway Repairs	15,060	196	0	-196	G
LDEPO	Longridge Depot	0	9,122	12,092	2,970	A
LITTR	Litter Bins	18,910	2,656	1,087	-1,569	G

Cost Centre	Cost Centre Name	Net Budget for the full year	Net Budget to the end of the July 2020	Actual including commitments to the end of July 2020	Variance to the end of July 2020	
MCAFE	Museum Cafe	25,550	-13,273	2,604	15,877	R
MUSEM	Castle Museum	283,920	15,163	46,742	31,579	R
PAPER	Waste Paper and Card Collection	191,780	31,128	34,978	3,850	A
PKADM	Grounds Maintenance	0	-91,291	-101,595	-10,304	R
PLATG	Platform Gallery and Visitor Information	137,140	40,838	43,543	2,705	A
RCOLL	Refuse Collection	1,479,870	250,802	246,023	-4,779	A
RECU	Recreation Grants	34,580	9,094	9,200	106	G
RIVBK	Riverbank Protection	4,180	456	0	-456	G
ROEBN	Roefield Barn	-420	-137	-378	-241	G
RPBIN	Chargeable Replacement Waste Bins	0	0	-11,369	-11,369	R
RPOOL	Ribblesdale Pool	323,570	42,045	133,913	91,868	R
RVPRK	Ribble Valley Parks	605,470	154,439	146,993	-7,446	R
SDEPO	Salthill Depot	0	22,629	30,594	7,965	R
SEATS	Roadside Seats	8,140	894	640	-254	G
SIGNS	Street Nameplates & Signs	37,400	4,628	2,547	-2,081	A
SPODV	Sports Development	83,090	8,033	6,368	-1,665	G
SPOGR	Sports Grants	5,990	3,788	3,650	-138	G
STCLE	Street Cleansing	375,470	84,102	76,582	-7,520	R
TAFUT	Together an Active Future	0	0	119	119	G
TFRST	Waste Transfer Station	104,440	35,280	32,932	-2,348	A
TRREF	Trade Refuse	-21,370	-388,633	-286,322	102,311	R
TWOWR	Two Way Radio	0	473	61	-412	G
VARIOUS	Car Parks Vehicles	0	1,390	455	-935	G
VARIOUS	Grounds Maintenance Vehicles	0	24,144	13,898	-10,246	R
VARIOUS	Other Car Parks	29,460	24,703	23,001	-1,702	G
VARIOUS	Pay and Display Car Parks	-162,740	-56,150	63,676	119,826	
VARIOUS	Plant	0	6,411	7,095	684	G
VARIOUS	Public Conveniences	210,550	64,620	70,953	6,333	R
VARIOUS	Refuse Collection Vehicles	0	143,644	159,836	16,192	R

Cost Centre	Cost Centre Name	Net Budget for the full year	Net Budget to the end of the July 2020	Actual including commitments to the end of July 2020	Variance to the end of July 2020	
VARIOUS	Works Administration Vehicles	0	10,033	1,890	-8,143	R
VEHCL	Vehicle Workshop	0	-9,327	-5,942	3,385	A
WBHEQ	Wellbeing & Health Equality	0	0	-1,562	-1,562	G
WKSAD	Works Administration	0	-28,492	-34,987	-6,495	R
XMASL	Xmas Lights & RV in Bloom	3,660	688	470	-218	G
	Subtotal	4,205,110	778,858	1,113,841	334,983	

Transfers to/from Earmarked Reserves				
Community Safety Reserve	-14,340	0	0	0
Refuse Collection Reserve	-8,910	0	0	0
Food Festival Reserve	-5,460	0	0	0
Amenity Cleansing Reserve	-4,920	0		
Total after Transfers to/from Earmarked Reserves	4,171,480	778,858	1,113,841	334,983

4.3 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

4.4 Whilst this is a summary view and more detailed analysis is to be circulated to members, there is an overspend showing in respect of refuse collection vehicles to the end of July.

- 4.5 The impact of Covid-19 to the end of July is clearly evident, with variances on income showing in the areas detailed below. The variances shown here are total net service variance.

Cost Centre	Cost Centre Name	Variance to the end of July 2020
EALLW	Edisford All Weather Pitch	10,702
MUSEM	Castle Museum	31,579
RPOOL	Ribblesdale Pool	91,868
TRREF	Trade Refuse	102,311
VARIOUS	Pay and Display Car Parks	119,826
		356,286

5 SUMMARY CAPITAL OUTTURN POSITION 2019/20

- 5.1 Turning to the capital programme, the outturn position for the 2019/20 financial year is shown in the table below.

Cost Centre	Scheme Description	Revised Estimate £	Actual £	Variance £	Slippage to 2020/21 £
PLAYT	Play Area Improvements 19/20	12,000	9,169	-2,831	2,830
REPWB	Replacement of Refuse Wheelie Bins	10,000	10,000	0	
RCCTV	Replacement of CCTV System	60,000	55,162	-4,838	4,840
RVHNX	Replacement of Refuse Collection Vehicle VU60 HNX	224,600	224,602	2	
RVTKN	Replacement of Paper Collection Vehicle VU06 TKN	51,320	51,322	2	
GVGMW	Replacement Gang Mower (rvbc009)	24,400	24,400	0	
GVBYS	Replacement Mini Tractor with Bucket PN05 BY5	18,580	18,575	-5	
GVJCB	Replacement of JCB Gravemaster Digger (rvbc005)	29,400	29,400	0	
AABED	Automatic Access Barrier - Edisford River Bank	14,000	12,258	-1,742	1,740
ESCPX	Edisford Sports Complex	1,289,840	1,287,388	-2,452	2,450
PLAYS	Play Area Improvements 18/19	18,320	18,315	-5	
GVKJJ	Replacement Truck (Ford) c/w tail lift PE60 KJJ	35,740	35,740	0	
CPPAY	Off-street car parks - Update of payment systems	1,500	0	-1,500	1,500
CPHFT	Replacement of Leased Car Parking Van KR16 HFT	10,820	10,816	-4	
		1,800,520	1,787,147	-13,373	11,860

5.2 The capital programme was largely completed in line with the budget. However, there are 5 schemes which have not been fully completed, where the budget has needed to be moved (slippage) to the 2020/21 financial year to allow the scheme to be fully completed. A more detailed report will follow in the coming weeks.

6 SUMMARY CAPITAL BUDGET MONITORING POSITION 2020/21

6.1 Progress on the capital programme in the 2020/21 financial year has inevitably been impacted by the Covid-19 pandemic.

6.2 The table below provides a financial summary of the position to the end of July 2020.

Cost Centre	Scheme Description	Original Estimate £	Slippage £	Total Approved Budget 2020/21 £	Actual to end July 2020 £	Variance £
PLAYU	Play Area Improvements 20/21	40,000		40,000	867	-39,133
REPWB	Replacement of Refuse Wheelie Bins	13,000		13,000	0	-13,000
PDECK	Installation of a Second Parking Deck on Chester Avenue Car Park	1,230,000		1,230,000	0	-1,230,000
RVKYK	Replacement of Refuse Collection Vehicle VN12 KYK	232,000		232,000	229,820	-2,180
WVHKN	Replacement of Pickup Ford Ranger PK60 HKN	20,120		20,120	0	-20,120
GVWUC	Replacement of High Top Transit Van PJ63 WUC	20,000		20,000	19,661	-339
PLAYT	Play Area Improvements 19/20	28,000	2,830	30,830	0	-30,830
ESCPX	Edisford Sports Complex	30,880	2,450	33,330	470	-32,860
RCCTV	Replacement of CCTV System		4,840	4,840	0	-4,840
AABED	Automatic Access Barrier - Edisford River Bank		1,740	1,740	890	-850
CPPAY	Off-street car parks - Update of payment systems		1,500	1,500	0	-1,500
WPZFV	Replacement of Works Vehicle (Toilet Van) YP66 PZF			0	12,436	12,436
	Total Community Services Committee	1,614,000	13,360	1,627,360	264,145	-1,363,216

7 CONCLUSION

7.1 The deadlines for the closure of the accounts for 2019/20 have been impacted due to the Covid-19 pandemic.

- 7.2 Whilst this report provides a very high-level summary of the financial position for this committee, much more detailed analysis will be circulated to members in the coming weeks.
- 7.3 On the revenue budget, the exceptionally high spend on vehicle repairs and vehicle hire continues to be an area of concern for 2019/20 and in 2020/21.
- 7.4 The Covid-19 pandemic has substantially impacted on the level of income attained to date under this committee.
- 7.5 Progress on the capital programme schemes has been impacted by the Covid-19 pandemic.

HEAD OF FINANCIAL SERVICES

DIRECTOR OF RESOURCES

CM6-20/LO/AC
24 August 2020

BACKGROUND PAPERS

For further information please ask for Lawson Oddie.