

RIBBLE VALLEY BOROUGH COUNCIL

REPORT TO PLANNING AND DEVELOPMENT COMMITTEE

meeting date: 26 AUGUST 2021
 title: REVENUE MONITORING 2021/22
 submitted by: DIRECTOR OF RESOURCES
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1 PURPOSE

1.1 To let you know the position for the period April 2021 to July 2021 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 July. You will see an overall underspend of £82,420 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 £73,754.

| 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 | 16,150 | 0 | 0 | 0 | G |
| BCFEE | Building Control Fee Earning | 23,500 | -57,126 | -70,297 | -13,171 | R |
| BCNON | Building Control Non Fee Earning | 74,210 | 942 | 1,453 | 511 | G |
| CINTR | Clitheroe Integrated Transport Scheme | 7,160 | 1,780 | 0 | -1,780 | G |
| CONSV | Conservation Areas | 8,710 | 0 | 0 | 0 | G |
| COUNT | Countryside Management | 54,270 | 3,369 | 8,988 | 5,619 | A |
| ECPLA | Economic Development and Planning Dept | 0 | 332,829 | 297,722 | -35,107 | R |
| LPLAN | Local Plan | 250,660 | 13,800 | 0 | -13,800 | R |

| 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 | |
|-------------|-----------------------------------|------------------------------|---------------------------------|---|----------------|---|
| PLANG | Planning Control & Enforcement | 30,800 | -206,145 | -229,738 | -23,593 | G |
| PLANP | Planning Policy | 110,510 | -1,178 | -2,090 | -912 | A |
| PLSUB | Grants & Subscriptions - Planning | 10,790 | 10,790 | 10,603 | -187 | G |
| | Sum: | 586,760 | 99,061 | 16,641 | -82,420 | |

| Transfers to/from Earmarked Reserves | | | | |
|---|----------------|----------------|---------------|----------------|
| Building Control Fee Earning Reserve | -23,500 | 57,126 | 70,297 | 13,171 |
| Whalley Moor Woodland Grant Earmarked Reserve | 0 | 0 | -4,505 | -4,505 |
| Total after Transfers to/from Earmarked Reserves | 563,260 | 156,187 | 82,433 | -73,754 |

- 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 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 July 2021 £ |
|---|--------------------------------------|
| <p align="center">Economic Development & Planning Department (ECPLA) – Salaries</p> <p>Underspend on departmental salaries for the period to July. An element of the variance will resolve following completion of national pay negotiations. The remaining variance has arisen from vacancy savings within the department that exceed the estimate built in to the budget for the period. Salary forecasts will be reviewed and updated at revised estimate to incorporate vacancy savings and establishment changes approved by Personnel Committee in March 2021.</p> | -27,070 |

3 CONCLUSION

- 3.1 The comparison between actual and budgeted expenditure shows an underspend of £82,420 to July 2021 of the financial year 2021/22. After allowing for transfers to/from earmarked reserves there is an underspend of £73,754.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

PD9-21/VT/AC
13 August 2021

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 |
|-------------|--|--------------------------|---------------------------------|---|----------|--|--|
| LPLAN/3085 | Local Plan/Consultants | 134,000 | 11,792 | 0 | -11,792 | <p>Underspend on local plan consultancy expenditure for the period to July.</p> <p>Budgeted for August is £20k for an order expected for the Economic Consultancy and £42k for an order that has been placed for consultancy support for a Sustainability Appraisal and Habitats Regulation Assessment (approximately half of which is expected to be completed in the current financial year).</p> <p>An invitation to quote with a view to procuring consultancy support for the Strategic Housing and Employment Land Study is expected in September.</p> | <p>A budget review will be undertaken at revised estimate to reprofile the approved local plan budget across the financial years within which expenditure is now expected to occur following Committee's approval of the updated Local Development Scheme in April 2021.</p> |
| ECPLA/0100 | Economic Development and Planning Dept/ Salaries | 730,900 | 243,828 | 216,758 | -27,070 | <p>Actual vacancies through the April to July period generated savings above that built into the budget and the pay award has yet to be finalised, bringing about the underspend variance shown.</p> | <p>An element of the variance will resolve following completion of national pay negotiations and payroll processing of any backpay due.</p> <p>The salary estimates will be updated at revised estimate to adjust for vacancy savings and changes to the establishment.</p> |

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 | -678,920 | -226,484 | -247,845 | -21,361 | Planning income levels fluctuate month to month and vary greatly depending on whether applications are received in respect of major developments. While income is currently showing as higher than the budget for the period, it is too early in the year to forecast the likely outturn. | 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. |
| BCFEE/8583z | Building Control Fee Earning/ Rechargeable Works | 0 | 0 | -7,519 | -7,519 | Recovery of tuition fees. | The budget will be updated at 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 |
|-------------|--|--------------------------|---------------------------------|---|----------|--|
| ECPLA/0109 | Economic Development and Planning Dept/Superannuation Salaries | 124,980 | 41,692 | 38,040 | -3,652 | Lower employer superannuation scheme costs than budgeted due to the salary savings as detailed at ECPLA/0100 |
| COUNT/2409 | Countryside Management/Non Recurring Maintenance Items | 0 | 0 | 4,505 | 4,505 | One off expenditure on footpath maintenance works at Whalley Community Woodland. To be funded from residual grant monies held in the Whalley Moor Woodland Grant earmarked reserve |