

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO COMMUNITY COMMITTEE

meeting date: 11 JANUARY 2022
title: REVISED REVENUE BUDGET 2021/22
submitted by: DIRECTOR OF RESOURCES
principal author: HELEN SEEDALL

1. PURPOSE

- 1.1. To agree a revised revenue budget for 2021/22 for this committee.

2. BACKGROUND

- 2.1. The original estimate for this current financial year was set in March 2021.
- 2.2. As members will be aware, there can be numerous variations to the budget that come to our attention as the year progresses, particularly through the budget monitoring process.
- 2.3. At this time of year we revise the estimates for the current financial year in order to predict the likely outturn. In essence the Revised Estimate is the council's latest forecast for the outturn on the current financial year's budget. This also assists us in preparing the original estimate for the coming financial year.
- 2.4. The budget this year has been particularly impacted by the Covid-19 pandemic. The pandemic has also brought about wider pressures on service resources to the extent that there has been a lighter touch review of the budgets this year, and the reporting this year is at a higher level than that usually provided.

3. REVISING THE ORIGINAL ESTIMATE

- 3.1. Since the budget was originally set we now have the benefit of information from the outturn position for 2020/21 and the variances that were experienced in that financial year. Furthermore, as we have been monitoring our budgets during the year we can also use this information to inform the revised budget process.
- 3.2. The original budget for 2021/22 included provision for pay increases at 2% and price increases at 2%.
- 3.3. Whilst our committee income and expenditure may increase or decrease at the revised estimate, items such as our budgeted core government funding and our council tax precept remain fixed. As a result, any compensating movement is within our earmarked reserves and general fund balances.
- 3.4. In addition to the use of data on past performance there have been discussions with budget holders and heads of service on past service provision and future plans. However, as previously highlighted, there has been a lighter touch review of the budgets this year due to Covid-19.
- 3.5. Furthermore, decisions and actions required as a result of committee meetings are incorporated into the budget setting process, whilst financial implications would likely have already been identified as part of any committee decision.
- 3.6. As part of the setting of the revised estimate, this report is now presented to committee to seek comment and approval. Once approved by this committee, the revised estimate will be reported to Special Policy and Finance Committee.

3.7. The proposed revised estimate for this committee is now presented in the following section. There are also details of the current actual position as at the end of November against the profiled Original Estimate and alongside the proposed Revised Estimate at Annex 1.

4. PROPOSED REVISED REVENUE BUDGET 2021/22

4.1. A comparison between the original and revised budgets for each cost centre is shown below, together with the associated movements in earmarked reserves.

Cost Centre and Description	Original Estimate 2021/22	Movement in Expenditure	Movement in Income	Movement in Support Services	Movement in Capital Charges	Revised Estimate 2021/22
ARTDV: Art Development	35,690	6,095		-290		41,495
BUSSH: Bus Shelters	18,230	-5,530		200		12,900
CARVN: Caravan Site	-8,810		-3,450			-12,260
CCTEL: Closed Circuit Television	147,570	-2,450		1,660	-530	146,250
COMMD: Community Services Department	0	20,750	1,830	-22,580		0
CFDFT: Clitheroe Food Festival	21,890	-42,845	25,670			4,715
CPADM: Car Parks	-135,270	7,810	-11,200	6,810		-131,850
CPVEH: Car Park Vehicles	0	420		-420		0
CRIME: Crime and Disorder	60,520	10,860	-18,090	-4,840		48,450
CULTG: Culture Grants	5,130	920		60		6,110
CULVT: Culverts & Water Courses	19,070			-250		18,820
DRAIN: Private Drains	2,030			30		2,060
EALLW: Edisford All Weather Pitch	46,430	3,750	-12,800	-1,160	-5,360	30,860
EDPIC: Edisford Picnic Area	-7,200	2,100	4,920	-1,440	-70	-1,690
EVEHA: Works Administration Vehicles	0	-1,050		5,080	-4,030	0
EXREF: Exercise Referral Scheme	86,560	31,460	-30,010	-20,720		67,290
GMVEH: Grounds Maintenance Vehicles	0	9,440		-9,440	0	0

Cost Centre and Description	Original Estimate 2021/22	Movement in Expenditure	Movement in Income	Movement in Support Services	Movement in Capital Charges	Revised Estimate 2021/22
GRSRC: Grants & Subscriptions - Community	1,090			20		1,110
HWREP: Highway Repairs	15,650			-1,120	220	14,750
LDEPO: Longridge Depot	0	-5,370		5,130	240	0
LITTR: Litter Bins	19,410			350		19,760
MCAFE: Museum Cafe	15,180	8,890	12,770	-930	20	35,930
MUSEM: Castle Museum	252,790	-930	9,990	1,130	820	263,800
PAPER: Waste Paper and Card Collection	218,760	5,930	-77,790	2,570		149,470
PCADM: Public Conveniences	203,340	-9,640		190	1,870	195,760
PKADM: Grounds Maintenance	0	9,720	-33,140	17,420		-6,000
PLANT: Plant	0	13,720		-13,720	0	0
PLATG: Platform Gallery and Visitor Information	140,990	15,530	8,420	720	860	166,520
RCOLL: Refuse Collection	1,513,690	70,180	-8,000	59,770		1,635,640
RCVEH: Refuse and Paper Collection Vehicles	0	12,920		-37,060	24,140	0
RECUL: Recreation Grants	34,700	22,640		200		57,540
RIVBK: Riverbank Protection	4,210	-1,390			660	3,480
ROEBN: Roefield Barn	-430	260				-170
RPBIN: Chargeable Replacement Waste Bins	0	13,000	-26,840			-13,840
RPOOL: Ribblesdale Pool	267,120	-42,300	154,600	-3,480	6,670	382,610

Cost Centre and Description	Original Estimate 2021/22	Movement in Expenditure	Movement in Income	Movement in Support Services	Movement in Capital Charges	Revised Estimate 2021/22
RVPRK: Ribble Valley Parks	547,490	6,650	-4,160	14,010	-5,790	558,200
SDEPO: Salthill Depot	0	1,620		-4,480	2,860	0
SEATS: Roadside Seats	8,360			220		8,580
SIGNS: Street Nameplates & Signs	44,430		-29,580	1,210	-6,670	9,390
SPODV: Sports Development	87,450	1,170		2,510		91,130
SPOGR: Sports Grants	6,080			110		6,190
STCLE: Street Cleansing	389,000	6,080	-3,190	840		392,730
TAFUT: Together an Active Future	0	-22,390	970	21,420		0
TFRST: Waste Transfer Station	106,560	-2,470		8,940		113,030
TRREF: Trade Refuse	-4,240	-29,880	31,950	-14,390		-16,560
TWOWR: Two Way Radio	0			0		0
VEHCL: Vehicle Workshop	0	4,360	-3,420	-940		0
WKSAD: Works Administration	0	12,100	-2,910	-9,190		0
XMASL: Christmas Lights and RV in Bloom	3,700			20		3,720
Grand Total	4,167,170	132,130	-13,460	4,170	15,910	4,305,920
Associated Movements in Earmarked Reserves						
COBAL/H329 Community Safety	-14,620		7,340			-7,280
COBAL/H283 Clitheroe Food Festival	-8,600		8,600			0
COBAL/H333 Refuse Collection	-9,210	37,170	-16,790			11,170

Cost Centre and Description	Original Estimate 2021/22	Movement in Expenditure	Movement in Income	Movement in Support Services	Movement in Capital Charges	Revised Estimate 2021/22
FNBAL/H337 Equipment Reserve	0		-2,540			-2,540
COBAL/H215 Local Authority Parks Improvement Reserve	0		-4,100			-4,100
COBAL/H337 Equipment Reserve	0		-4,280			-4,280
COBAL/H384 Arts Development Reserve	0		-3,190			-3,190
COBAL/H210 Local Recreation Grants Fund	0		-24,740			-24,740
COBAL/H282 Exercise Referral Reserve	0		-1,950			-1,950
COBAL/H385 Grounds Maintenance Tuition Reserve	0		-1,780			-1,780
CPBAL/H330 Capital Reserve	0	12,600				12,600
FNBAL/H328 Repairs and Maintenance Reserve	0		-4,500			-4,500
Net after Movements in Earmarked Reserves	4,134,740	181,900	-61,390	4,170	15,910	4,275,330

- 4.2. The difference between the revised and original estimate is an increase in net expenditure of £138,750 or an increase in net expenditure of £140,590 after allowing for movements on earmarked reserves.

5. EARMARKED RESERVES

- 5.1. In the Original Estimate for 2021/22 this committee planned to take £32,430 from earmarked reserves to support its expenditure in future years. In revising this committee's estimates, the proposal included here is that this committee take £30,590 from earmarked reserves.
- 5.2. The table below provides a summary of the DRAFT Revised Estimate for 2021/22 together with the budgeted impact on the relevant earmarked reserves. Also detailed is a summary of the reasons for the movements on the earmarked reserves.

	DRAFT Revised Estimate 2021/22	Reason for Movement on Earmarked Reserve
Committee Net Cost of Services	4,305,920	
COBAL/H329 Community Safety	-7,280	To set aside funding that will not be spent in year
COBAL/H333 Refuse Collection	11,170	Set aside funds to support future bin replacements.
FNBAL/H337 Equipment Reserve	-2,540	To fund training for staff at the depot – touch screen training
COBAL/H215 Local Authority Parks Improvement Reserve	-4,100	To fund bowling green café improvements.
COBAL/H337 Equipment Reserve	-4,280	To fund the purchase of a new till system
COBAL/H384 Arts Development Reserve	-3,190	To fund additional promotional activities
COBAL/H210 Local Recreation Grants Fund	-24,740	To support additional schemes in year, which were unable to be completed in the previous financial year.

	DRAFT Revised Estimate 2021/22	Reason for Movement on Earmarked Reserve
COBAL/H282 Exercise Referral Reserve	-1,950	Release grant funding received in previous years
COBAL/H385 Grounds Maintenance Tuition Reserve	-1,780	To fund training in year for the Grounds Maintenance service. This training was unable to be completed in the previous year due to Covid
CPBAL/H330 Capital Reserve	12,600	Set aside proceeds from the sale of assets that have taken place in year
FNBAL/H328 Repairs and Maintenance Reserve	-4,500	Funding from reserve for Berry Lane Toilets Repairs and Maintenance
Committee Net Cost of Services after Movements on Earmarked Reserves	4,275,330	

6. KEY MOVEMENTS FROM ORIGINAL ESTIMATE TO REVISED ESTIMATE

6.1 Within the proposed Revised Estimate there are a number of substantial movements, and these are summarised in the table below.

Description	Variance Original Estimate 2021/22 to DRAFT Revised Estimate 2021/22
VARIOUS: Capital Increase in depreciation levels due to asset revaluations carried out at the end of the 2020/21 financial year.	15,910
VARIOUS: Business Rates The Non-Domestic Rating (Public Toilets) Act received Royal Assent in 2021/22. This Act provides a 100% business rates relief for separately-assessed public toilets, including those being operated by local authorities. As a result there has been a fall in the business rates liability for the council in respect of its public conveniences, and this largely represents the change in this budget area.	-20,390

<p>VARIOUS: Direct Employee Costs Increase in direct employee costs, largely due to changes in the pay-line and the increase in the grading of refuse collection drivers.</p> <p>There is also a corresponding increase in these costs due to the removal of consultant costs for the provision of swimming lessons at Ribblesdale Pool (£36,850)</p>	112,450
<p>Ribblesdale Pool: Consultants Removal of consultant costs for the provision of swimming lessons at Ribblesdale Pool. Direct Employee Costs have instead been included in the budget</p>	-36,850
<p>VARIOUS: Insurance Costs The council's insurance costs have increased, largely in respect of vehicle insurance costs.</p>	16,610
<p>VARIOUS: Reduced Income from Fees and Charges The reduction in the levels of fees and charges income is largely in respect of Covid and the impact of facility closures in some service areas. The largest impact has been on Ribblesdale Pool, where the situation has been exacerbated by recruitment issues in respect of swimming teachers and the consequential lost income.</p> <p>This lost income has been partly compensated by the Government for the period April – June, but no income compensation has been received in respect of later periods (see next variance)</p> <p>The council budgeted £150k in the current financial year as a contingency against potential income losses across all services due to the continuing impact of the coronavirus pandemic on the economy. The level of contingency needed will be reviewed as part of the overall budget process, if needed.</p>	111,570
<p>VARIOUS: Income Loss Compensation Grant from the Government Income received from the Government in the form of Sales, Fees and Charges Grant. This was to partly compensate Council's for lost income over the period April – June 2021.</p>	-36,360
<p>Trade Waste: Tipping Charges As a result of Covid a number of organisations were closed in the earlier part of the financial year. This resulted in cancelled trade waste collection – reflected in the fall income referred to above.</p> <p>As less waste was collected, our tipping charges have also reduced.</p>	-29,880
<p>VARIOUS: Grants There is an increase in the budget for the distribution of grants, notably the Recreation and Culture Grants.</p> <p>This is reflective of delays experienced on schemes during the 2020/21 financial year, which have now been able to be (or are planned to be) completed in the 2021/22 financial year.</p> <p>Funds to support this expenditure was set aside in earmarked reserves at the end of the 2021/22 financial year and is budgeted to be released in 2021/22 to fund the increased expenditure shown here.</p>	19,820

7. CONCLUSION

7.1. The difference between the revised and original estimate is an increase in net expenditure of £140,590 after allowing for transfers to and from earmarked reserves.

8. RISK ASSESSMENT

8.1. The approval of this report may have the following implications

- Resources: approval of the revised estimate would see an increase in net expenditure of £138,750 or £140,590 after movements on earmarked reserves.
- Technical, Environmental and Legal: none identified
- Political: none identified
- Reputation: sound financial planning safeguards the reputation of the Council
- Equality and Diversity – Equality and diversity issues are considered in the provision of all Council services.

9. RECOMMENDED THAT COMMITTEE

9.1. Agree the revenue revised estimate for 2021/22.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

CM17-22/HS/AC
23 December 2021

**ACTUAL TO THE END OF NOVEMBER 2021 WITH ORIGINAL ESTIMATE 2021/22 AND PROPOSED
REVISED ESTIMATE 2021/22**

Cost Centre	Description	Original Estimate to End November	Actual and Commitments to end November	Full Year Original Estimate	Proposed Revised Estimate
ARTDV	Art Development	17,174	13,539	35,690	41,495
BUSSH	Bus Shelters	1,107	2,796	18,230	12,900
CARVN	Caravan Site	0	0	-8,810	-12,260
CCTEL	Closed Circuit Television	86,678	76,069	147,570	146,250
CFDFT	Clitheroe Food Festival	21,740	62	21,890	4,715
COMMD	Community Services	626,959	637,018	0	0
CPADM	Car Parks	-176,774	-184,757	-135,270	-131,850
CPVEH	Car Park Vehicles	4,566	4,173	0	0
CRIME	Crime & Disorder	20,112	343	60,520	48,450
CULTG	Culture Grants	2,856	5,200	5,130	6,110
CULVT	Culverts & Watercourses	7,994	7,257	19,070	18,820
DRAIN	Private Drains	-15	578	2,030	2,060
EALLW	All Weather Pitch	-54,120	-50,095	46,430	30,860
EDPIC	Edisford Picnic Area	-2,849	947	-7,200	-1,690
EVEHA	Works Administration Vehicles	24,395	17,312	0	0
EXREF	Exercise Referral	1,292	-15,468	86,560	67,290
GMVEH	Grounds Maintenance Vehicle	57,330	48,018	0	0
GRSRC	Grants & Subscriptions	340	0	1,090	1,110
HWREP	Highway Repairs	394	0	15,650	14,750
LDEPO	Longridge Depot	6,915	4,535	0	0
LITTR	Litter Bins	4,511	2,651	19,410	19,760
MCAFE	Museum Café	-3,914	9,797	15,180	35,930
MUSEM	Castle Museum	38,112	35,050	252,790	263,800

Cost Centre	Description	Original Estimate to End November	Actual and Commitments to end November	Full Year Original Estimate	Proposed Revised Estimate
PAPER	Paper Collection Service	63,959	17,444	218,760	149,470
PCADM	Public Conveniences	113,483	101,286	203,340	195,760
PKADM	Grounds Maintenance	-167,124	-177,159	0	-6,000
PLANT	Plant	18,094	28,284	0	0
PLATG	Platform Gallery	62,920	68,775	140,990	166,520
RCOLL	Refuse Collection	525,038	530,147	1,513,690	1,635,640
RCVEH	Refuse Collection Vehicles	343,852	318,642	0	0
RECUK	Recreation & Culture Grants	17,594	24,870	34,700	57,540
RIVBK	Riverbank Protection	-462	0	4,210	3,480
ROEBN	Roefield Barn	-290	-139	-430	-170
RPBIN	Chargeable Replacement Waste Bins	0	-25,938	0	-13,840
RPOOL	Ribblesdale Pool	106,027	160,825	267,120	382,610
RVPRK	Ribble Valley Parks	294,994	296,137	547,490	558,200
SDEPO	Salthill Depot	42,911	44,139	0	0
SEATS	Roadside Seats	1,816	319	8,360	8,580
SIGNS	Street Nameplates and Signs	3,604	-30,937	44,430	9,390
SPODV	Sports Development	13,382	8,469	87,450	91,130
SPOGR	Sports Grants	2,616	2,600	6,080	6,190
STCLE	Street Cleansing	183,978	146,968	389,000	392,730
TAFUT	Together an Active Future	10,340	38,512	0	0
TFRST	Waste Transfer Station	45,850	41,080	106,560	113,030
TRREF	Trade Refuse	-353,542	-289,849	-4,240	-16,560
TWOWR	Two Way Radio	-413	104	0	0
VEHCL	Vehicle Workshop	-26,196	-35,107	0	0

Cost Centre	Description	Original Estimate to End November	Actual and Commitments to end November	Full Year Original Estimate	Proposed Revised Estimate
WBHEQ	Wellbeing & Health Equality	0	-1,562	0	0
WKSAD	Works Administration	-75,428	-57,732	0	0
XMASL	Xmas Lights and RV in Bloom	1,376	641	3,700	3,720
Committee subtotal		1,913,182	1,825,844	4,167,170	4,305,920
Earmarked Reserves					
COBAL/H239	Community Safety Reserve	0	0	-14,620	-7,280
COBAL/H283	Clitheroe Food Festival Reserve	-8,600	-50	-8,600	0
COBAL/H333	Refuse Collection Reserve	-3,840	25,825	-9,210	11,170
FNBAL/H337	Equipment Reserve	0	0	0	-2,540
COBAL/H215	Parks Improvement Funding Reserve	0	-4,102	0	-4,100
COBAL/H337	Equipment Reserve	0	-4,280	0	-4,280
COBAL/H384	Arts Development Reserve	0	0	0	-3,190
COBAL/H210	Local Recreation Grants Fund	0	0	0	-24,740
COBAL/H282	Exercise Referral Reserve	0	0	0	-1,950
COBAL/H385	Grounds Maintenance Tuition Reserve	0	-1,775	0	-1,780
CPBAL/H330	Capital Reserve	0	6,000	0	12,600
FNBAL/H328	Repairs and Maintenance Reserve	0	0	0	-4,500
Subtotal Earmarked Reserves		-12,440	21,618	-32,430	-30,590
Total		1,900,742	1,847,462	4,134,740	4,275,330