

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

meeting date: 17 MARCH 2022  
 title: REVENUE MONITORING 2021/22  
 submitted by: DIRECTOR OF RESOURCES  
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### 1 PURPOSE

1.1 To provide this Committee with information relating to the progress of the 2021/22 revenue budget, as at the end of January 2022.

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 2021/22

2.1 Shown below, by cost centre, is a comparison between actual expenditure and the revised estimate budget for the period April 2021 to January 2022. You will see an overall underspend of £81,750 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 end of January 2022 £	Actual including Commitments to end of January 2022 £	Variance £	
AFHOU	Affordable Rent Properties	1,890	-5,978	-6,610	-632	G
APLAC	Alma Place Unit	1,820	-802	-1,892	-1,090	G
AWARM	Affordable Warmth	490	410	217	-193	G
CLAIR	Clean Air	1,630	442	1,073	631	G
CLAND	Contaminated Land	9,750	0	0	0	G
CLCEM	Clitheroe Cemetery	36,580	-8,754	-7,137	1,617	G
CLDCY	Closed Churchyards	5,320	5,320	5,022	-298	G
CLMKT	Clitheroe Market	-48,870	-119,875	-123,602	-3,727	A
CMGHH	Community Groups - Health & Housing	7,280	0	0	0	G
COMNL	Common Land	710	576	0	-576	G
CTBEN	Localised Council Tax Support Admin	143,970	-10,752	-13,547	-2,795	A
DOGWD	Dog Warden & Pest Control	134,590	19,785	17,533	-2,252	A

Cost Centre	Cost Centre Name	Net Budget for the Full Year £	Net Budget to end of January 2022 £	Actual including Commitments to end of January 2022 £	Variance £	
ENVHT	Environmental Health Services	47,370	-119,861	-123,728	-3,867	A
HGBEN	Housing Benefits	152,310	38,521	-4,742	-43,263	R
HOMEE	Home Energy Conservation	6,400	368	0	-368	G
HOMES	Homelessness Strategy	28,640	-49,075	-73,354	-24,279	R
HSASS	Housing Associations	6,920	0	0	0	G
HSTRA	Housing Strategy	48,660	6,574	5,642	-932	G
IMPGR	Improvement Grants	74,060	-22,586	-23,663	-1,077	G
JARMS	Joiners Arms	55,110	13,448	14,612	1,164	G
SHARE	Shared Ownership Rents	-410	-1,330	-1,329	1	G
SUPPE	Supporting People	-25,870	-33,350	-33,351	-1	G
UCRED	Universal Credit	22,250	-1,100	-1,106	-6	G
<b>Net Cost of Services</b>		<b>710,600</b>	<b>-288,019</b>	<b>-369,962</b>	<b>-81,943</b>	
<b>Transfers to/(from) Earmarked Reserves</b>						
	Equipment Reserve - Dog Warden Signs Reserve	-3,980	0	0	0	
	Equipment Reserve - Joiners Arms Furniture and Equipment Reserve	-500	0	0	0	
	Housing Related Grants Reserve - Domestic Abuse Support Reserve	33,350	0	0	0	
	Housing Related Grants Reserve - Affordable Warmth Grant Reserve	-490	-410	-217	193	
<b>Net Cost of Services after Transfers to/(from) Earmarked Reserves</b>		<b>738,980</b>	<b>-288,429</b>	<b>-370,179</b>	<b>-81,750</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 The largest underspend to date is the Housing Benefits rent allowance payments underspend of £41,769. This is likely to be broadly matched by reduced Housing Benefits subsidy grant income at year-end, meaning there is unlikely to be a significant underspend at year-end.
- 2.5 Outlined below are the main variances to the end of January 2022 that are unlikely to be rectified by the end of the financial year.

Description	Variance to the end of January 2022 £
<p><b>Homelessness Strategy/Homelessness Temporary Accommodation</b> – There is an on-going impact from Covid-19 on homelessness, alongside many other factors, and the Council has incurred homelessness temporary accommodation costs in-year. However, those costs are currently being covered by un-ring fenced MHCLG Covid-19 funding under the Policy and Finance Committee budget. The impact for this Committee is therefore an underspend to date on the normal homelessness temporary accommodation budget.</p> <p><i>The budget and allocation of homelessness temporary accommodation costs will be kept under review until financial year-end.</i></p>	-8,724
<p><b>Homelessness Strategy/Grants to Individuals - Accommodation for Ex-Offenders Scheme</b> – The Council has received grant funding from DLUHC to help ex-offenders secure rented accommodation up until July 2022. At the end of January 2022, support was being provided to some ex-offenders but no payments had been made. Some payments will be made in-year.</p> <p><i>Any unspent grant funding at financial year-end will be set aside in an earmarked reserve for use between April and July 2022.</i></p>	-7,500
<p><b>Clitheroe Market/Stalls</b> – Increased income due to continuing higher demand for stalls from traders in-year in this demand-led fluctuating service area.</p>	-3,331
<p><b>Clitheroe Cemetery/Grounds Maintenance</b> - Increased grounds maintenance time input costs for the year to date. This is due to an increase in estimated net expenditure for the grounds maintenance service in 2021/22 that was not reflected in the Clitheroe Cemetery revised estimate budget.</p>	3,186

### 3 CONCLUSION

- 3.1 The comparison between actual expenditure and the revised estimate budget for this Committee at the end of January 2022 shows a net underspend of £81,750, after allowing for transfers to and from earmarked reserves.
- 3.2 The largest underspend to date is the Housing Benefits rent allowance payments underspend of £41,769. This is likely to be broadly matched by reduced Housing Benefits subsidy grant income at year-end, meaning there is unlikely to be a significant underspend at year-end.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

HH1-22/AC/AC

4 March 2022

1-22hh

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Health and Housing Committee Revenue Monitoring – Red Variances

Ledger Code	Ledger Code Name	Net Budget for the Full Year £	Net Budget to end of January 2022 £	Actual including Commitments to end of January 2022 £	Variance £	Reason for Variance	Action Plan as agreed between the Budget Holder and Accountant	
HGBEN/4652	Housing Benefits/Rent Allowance Payments	5,301,510	4,547,635	4,508,387	-41,769	R	Rent Allowance payments are 0.9% lower than budgeted for at revised estimate stage, after adjusting for recovery of benefits overpayments and non-cash transactions. We budgeted for Rent Allowance caseload to reduce and associated payments to reduce, mainly due to the on-going caseload migration from Housing Benefits to Universal Credit in Ribble Valley. The caseload reduction impact on actual payments to date in 2021/22 is higher than budgeted for.	Any lower Rent Allowance payments for the year as a whole will be reflected in less Rent Allowance subsidy grant income received at year-end from the DWP, 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 net underspend at year-end.
HGBEN/8814z	Housing Benefits/Recovery of Rent Allowance Payments	-27,060	16,300	13,779				
HOMES/2450	Homelessness Strategy/Homelessness Temporary Accommodation	10,470	8,724	0	-8,724	R	There is an on-going impact from Covid-19 on homelessness, alongside many other factors, and the Council has incurred homelessness temporary accommodation costs for the year to date. However, those costs are currently being covered by un-ring fenced MHCLG Covid-19 funding under the Policy and Finance Committee budget. The impact for this Committee is therefore an underspend to date on the normal homelessness temporary accommodation budget.	The budget and allocation of homelessness temporary accommodation costs will be kept under review until financial year-end.

## Health and Housing Committee Revenue Monitoring – Red Variances

Ledger Code	Ledger Code Name	Net Budget for the Full Year £	Net Budget to end of January 2022 £	Actual including Commitments to end of January 2022 £	Variance £		Reason for Variance	Action Plan as agreed between the Budget Holder and Accountant
HOMES/ 4660	Homelessness Strategy/Grants to Individuals - Accommodation for Ex-Offenders Scheme	10,000	7,500	0	-7,500	R	The Council has received £10,000 ring-fenced grant funding from DLUHC to help ex-offenders secure rented accommodation, via payments of, for example, advance rent, rent deposits and/or help with furniture costs. This scheme runs until July 2022. At the end of January 2022 no payments had been made.	Support is being provided to some ex-offenders and some payments will be made in-year. Any unspent grant funding at financial year-end will be set aside in an earmarked reserve for use between April and July 2022.

## Health and Housing Committee Revenue Monitoring – Amber Variances

Ledger Code	Ledger Code Name	Net Budget for the Full Year £	Net Budget to end of January 2022 £	Actual including Commitments to end of January 2022 £	Variance £		Reason for Variance
HOMES/4661	Homelessness Strategy/Grants to Individuals - HPG Winter Covid-19 rent arrears support scheme	14,240	4,747	0	-4,747	A	<p>In October 2021, the Council received £14,240 additional ring-fenced grant funding from DLUHC to support low-income private renters with Covid-19 related rent arrears to avoid eviction or find a new home. This funding must be spent or committed by 31 March 2022. The Council has a scheme in place to assess any applications for this support, but at the end of January 2022 no payments had been made. Financial support will be provided to any applications deemed to be eligible under the Council's grant scheme up until 31 March 2022.</p> <p>Any unspent funding at financial year-end is likely to be repaid to DLUHC, unless further approval for use in future time periods is received from DLUHC, so there will be no significant net underspend at year-end.</p>
HOMES/8802u	Homelessness Strategy/Dwelling Rents	0	0	-4,027	-4,027	A	<p>This is rental income that the Council now receives for use of 23 Wellbrow Drive as homelessness temporary accommodation. Subject to any void periods, this income is used to help cover the rental costs that the Council incurs from the licence agreement entered into to formally rent the property from Onward Homes (see HOMES/2446 below).</p> <p>No formal budget is in place for this property currently. However, use of the property was approved by this Committee in January 2022 and approval for the property's budget, including this rent income amount, is being considered by Policy and Finance Committee at its next meeting in March 2022. If the budget is approved, there will be no significant over-recovery of income variance for this rent income at year-end.</p>

Health and Housing Committee Revenue Monitoring – Amber Variances

Ledger Code	Ledger Code Name	Net Budget for the Full Year £	Net Budget to end of January 2022 £	Actual including Commitments to end of January 2022 £	Variance £		Reason for Variance
CLMKT/8825n	Clitheroe Market/Stalls	-18,710	-15,596	-18,927	-3,331	A	There has been a continuing higher demand for stalls from traders in-year in this demand-led fluctuating service area.
CLCEM/5056	Clitheroe Cemetery/Grounds Maintenance	64,760	53,970	57,156	3,186	A	Increased grounds maintenance time input costs for the year to date. This is due to an increase in estimated net expenditure for the grounds maintenance service in 2021/22 that was not reflected in the Clitheroe Cemetery revised estimate budget.
HOMES/2446	Homelessness Strategy/Rent of Buildings	0	0	3,445	3,445	A	<p>The Council incurs rent costs from the licence agreement entered into with Onward Homes for use of 23 Wellbrow Drive as homelessness temporary accommodation. The Council also receives rental income from use of the building as a homelessness unit (see HOMES/8802u above) to help cover these rental costs, subject to any void periods.</p> <p>No formal budget is in place for this property currently. However, use of the property was approved by this Committee in January 2022 and approval for the property's budget, including these rental costs, is being considered by Policy and Finance Committee at its next meeting in March 2022. If the budget is approved, there will be no significant overspend variance for these rent costs at year-end.</p>