

# RIBBLE VALLEY BOROUGH COUNCIL REPORT TO PLANNING AND DEVELOPMENT COMMITTEE

meeting date: 25 AUGUST 2022  
 title: REVENUE MONITORING 2022/23  
 submitted by: DIRECTOR OF RESOURCES  
 principal author: VALERIE TAYLOR

## 1 PURPOSE

1.1 To let you know the position for the period April 2022 to July 2022 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 overspend of £63,946 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 overspend of £67,726.

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	17,130	0	0	0	G
BCFEE	Building Control Fee Earning	23,610	-61,176	-74,065	-12,889	R
BCNON	Building Control Non-Fee Earning	78,540	972	1,497	525	G
CONSV	Conservation Areas	9,420	0	0	0	G
COUNT	Countryside Management	56,980	6,425	10,165	3,740	A
ECPLA	Economic Development and Planning Dept	2,380	350,283	336,977	-13,306	R
LPLAN	Local Plan	188,930	25,624	34,733	9,109	R
PLANG	Planning Control & Enforcement	98,260	-218,898	-141,280	77,618	R
PLANP	Planning Policy	111,260	938	87	-851	G
PLSUB	Grants & Subscriptions - Planning	11,110	0	0	0	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
	Sum	597,620	104,168	168,114	63,946

Transfers to/from Earmarked Reserves				
Building Control Fee Earning Reserve	-23,610	61,176	74,065	12,889
Local Plan Reserve	0	0	-9,109	-9,109
<b>Total after Transfers to/from Earmarked Reserves</b>	<b>574,010</b>	<b>165,344</b>	<b>233,070</b>	<b>67,726</b>

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)	<b>R</b>
Variance between £2,000 and £4,999 (Amber)	<b>A</b>
Variance less than £2,000 (Green)	<b>G</b>

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 2022 £
<p align="center"><b>Economic Development &amp; Planning Department (ECPLA) – Salaries</b></p> <p>Council staffing budgets at original estimate assume average vacancy underspends of 4% across the authority on estimated costs and a pay award of 2%.</p> <p>Actual underspends within the department through the April to July period have resulted in a variance of -£21k compared to the original estimate. The variance is partly due to the late implementation of the pay award which is yet to be agreed, and partly due to a number of vacancies, mainly within the planning section.</p> <p>These underspends have been partially offset by an establishment restructure that has moved a position into this department from the Community Services Department, leaving a final net variance of £11k</p>	-10,752

3 CONCLUSION

- 3.1 The comparison between actual and budgeted expenditure shows an overspend of £63,946 to July 2022 of the financial year 2022/23. After allowing for transfers to/from earmarked reserves there is an overspend of £67,726.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

PD5-22/VT/AC  
11 August 2022

## 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
ECPLA/0100	Economic Development and Planning Dept/Salaries	782,610	261,076	250,324	-10,752	Underspends on the departmental salary budget for the period to July exceeded the vacancy estimate built into the budget for the period, mainly due to vacancies within the planning section.	Recruitment is ongoing for vacant posts and budgets will be updated at revised estimate.
BCFEE/8405n	Building Control Fee Earning/Building Regulation Fees	-183,040	-66,679	-74,034	-7,355	Higher income from building control services is continuing to be driven by alterations and extensions to domestic properties. Built up demand due to covid is still fuelling the market and also major investment from people outside the Borough buying housing stock in the valley and spending large sums on remodelling their properties. RVBC building control retains a healthy share of the market due to preference of local builders in the council carrying out building control services rather than private inspectors.	The budget estimate will be updated at revised estimate.

## 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
COUNT/2880	Countryside Management /Tree Management Works	9,430	3,144	9,683	6,539	<p>Tree risk assessments have been carried out in order to identify trees falling into the unacceptable risk category and therefore requiring emergency works to ensure that the council complies with HSE Trees in the Public Domains Guidance on Trees and Public Safety.</p> <p>A recent increase in the frequency of storms has highlighted the need to ensure that risk surveys are up to date and have therefore been carried out at several locations within the Ribble Valley. It is possible that further tree risk assessments will be required this year.</p>	<p>Quotations are to be obtained for any further tree risk assessment surveys that are needed in the current financial year.</p> <p>Approval for works and additional budget is to be secured in advance of purchase orders being placed in accordance with the council's financial regulations. A separate budget is available to fund any emergency tree works that are required and so the budget action plan does not result in a risk to the general public.</p>
ECPLA/1020	Economic Development and Planning Dept/ Advertising	910	304	6,867	6,563	<p>Recruitment costs to advertise for the vacant post of Head of Development Management and Building Control. The overspend has been met from salary budget underspends (ECPLA/0100).</p>	<p>The budget will be updated at revised estimate.</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/8495n	Planning Control & Enforcement/ Pre-Application Advice	-57,940	-19,328	-11,078	8,250	<p>Due to vacancies within the planning section the fast-track pre-application advice service has been suspended and the standard service is unable to guarantee specific timescales for advice.</p> <p>Whilst resources are being redirected towards the provision of mandatory services the income budgeted for under this budget heading is unlikely to be achieved. Salary underspends for the period offset the reduced income received.</p>	<p>It is expected that the full service will resume in due course, but the timing for this is uncertain as it is dependent upon recruitment and training timescales within the planning section.</p>
LPLAN/3085	Local Plan/ Consultants	69,790	23,280	34,733	11,453	<p>A revised Local Development Scheme was approved by this Committee in May 2022 following delays to the programme during the 2021/22 financial year. This year's consultancy budget is now likely to be exceeded as expenditures that were originally planned for in the last financial year occur during 2022/23. The budget will be reviewed and updated at revised estimate.</p>	<p>The new local plan has an approved budget of £300k that is forecast to be expended over a 3-year timeframe. Remaining funds of £271k were set aside in earmarked reserves at the end of the 2021/22 financial year, and will be released to smooth out the budget variations as expenditures occur. After movements in earmarked reserves the variance is nil.</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	-156,584	69,900	Planning income levels fluctuate month to month and vary greatly depending on whether applications are received in respect of major developments. While it is still too early in the financial year to estimate if outturn will be lower than the estimate overall, it is possible that the rising cost of living crisis will result in a reduction to the number of planning applications received as we move through the financial year.	We will continue to 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.

### 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/3013	Economic Development and Planning Dept/ Subscriptions	4,800	4,800	0	-4,800	This budget is available for an online subscription to a planning resource. As a recent value for money exercise has identified that the resource is not being utilised the annual renewal has not been taken forward.
BCFEE/8401z	Building Control Fee Earning/ Building Reg Fees Non vatable	-2,070	-773	-3,853	-3,080	Higher than average building regulation fee income for the period to July (for retrospective approval of work). The budget will be updated to reflect the current position at revised estimate.
COUNT/4678	Countryside Management/ Grants to Voluntary, Comm & Soc Ent Orgs	13,840	2,960	0	-2,960	The cost of grants awarded for countryside management grant assistance are lower than that allowed for in the budget for the period to July. There is no formal countryside management grant scheme in place, with any requests for support being considered by committee on an ad-hoc basis as applications are received.