

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO HEALTH AND HOUSING COMMITTEE

meeting date: 1 SEPTEMBER 2022
 title: REVENUE MONITORING 2022/23
 submitted by: DIRECTOR OF RESOURCES
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1 PURPOSE

1.1 To report on the progress of the 2022/23 revenue budget as at the end of June 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.
- Other Considerations – none identified.

2 REVENUE MONITORING 2022/23

2.1 Shown below, by cost centre, is a comparison between actual expenditure and the original estimate budget for the period to the end of June 2022. You will see an overall underspend of £53,341 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 the end of June 2022 £	Actual including Commitments to the end of June 2022 £	Variance £	
AFHOU	Affordable Rent Properties	-960	-2,735	-2,311	424	G
APLAC	Alma Place Unit	2,570	-50	979	1,029	G
CLAIR	Clean Air	2,180	183	473	290	G
CLAND	Contaminated Land	10,030	0	0	0	G
CLCEM	Clitheroe Cemetery	43,510	-392	-5,974	-5,582	R
CLDCY	Closed Churchyards	5,480	2,170	2,581	411	G
CLMKT	Clitheroe Market	-44,380	-116,098	-126,242	-10,144	R
CMGHH	Community Groups - Health & Housing	7,440	0	0	0	G
COMNL	Common Land	2,480	179	0	-179	G
CTBEN	Localised Council Tax Support Admin	182,610	-18,864	-24,557	-5,693	R
DOGWD	Dog Warden & Pest Control	134,040	5,818	4,332	-1,486	G
ENVHT	Environmental Health Services	356,550	-8,181	-8,613	-432	G
HFORU	Homes for Ukraine	0	0	9,051	9,051	R

Cost Centre	Cost Centre Name	Net Budget for the Full Year £	Net Budget to the end of June 2022 £	Actual including Commitments to the end of June 2022 £	Variance £	
HGBEN	Housing Benefits	182,580	343,009	333,465	-9,544	R
HOMEE	Home Energy Conservation	5,750	114	0	-114	G
HOMES	Homelessness Strategy	37,860	-71,367	-73,059	-1,692	G
HSASS	Housing Associations	7,020	0	0	0	G
HSTRA	Housing Strategy	48,770	42	-131	-173	G
IMPGR	Improvement Grants	82,560	-7,410	-6,076	1,334	G
JARMS	Joiners Arms	47,520	3,221	5,964	2,743	A
SHARE	Shared Ownership Rents	-430	-1,370	-1,369	1	G
SUPPE	Supporting People	7,820	210	-33,379	-33,589	R
UCRED	Universal Credit	25,180	-820	-816	4	G
Total Health and Housing Committee		1,146,180	127,659	74,318	-53,341	
Transfers to/(from) Earmarked Reserves						
Equipment Reserve - Joiners Arms Furniture and Equipment		-500	0	0	0	
Total after transfers to/(from) Earmarked Reserves		1,145,680	127,659	74,318	-53,341	

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 Outlined below are the main variances to the end of June 2022 that are unlikely to be rectified by the end of the financial year:

- **Supporting People/DLUHC – Domestic Abuse Support to Victims Funding (-£33,379):** Additional New Burdens funding received in-year from DLUHC to reflect the burden on the Council in 2022/23 of working with and supporting Lancashire County Council, who now have a statutory duty to provide support to victims of domestic abuse and their children residing within safe accommodation. The budget will be updated at revised estimate stage to reflect this additional income and also to reflect any relevant planned expenditure in-year under this duty.
- **Environmental Health Services/Private Water Samples Net Income (+£2,417):** No private water supplies risk assessment and samples work has been undertaken for the year to date, due to on-going vacancies within the Environmental Health team meaning that available staff time has been focussed on other priority areas of work for the year to date.
- **Clitheroe Market/Stalls Income (-£3,873):** Higher stalls demand from traders than budgeted for in this demand-led fluctuating service area.
- **Clitheroe Market/Pitches and Other Income (-£2,684):** Increased income to date is from two traders hiring pitches for significant time periods in-year.
- **Localised Council Tax Support Admin/Admin Grant (-£3,768):** Local Council Tax Support Administration funding received from DLUHC for 2022/23 is higher than budgeted for. The Council was not notified of the yearly funding level until after the original estimate budget was set.

3 CONCLUSION

3.1 The comparison between actual expenditure and the original estimate budget for this Committee for the period to the end of June 2022 shows an underspend of £53,341 after allowing for transfers to and from earmarked reserves.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

HH5-22/AC/AC
22 August 2022

BACKGROUND PAPERS: None
For further information please ask for Andrew Cook

Health and Housing Committee Revenue Monitoring – Red Variances

Ledger Code	Ledger Code Name	Net Budget for the Full Year £	Net Budget to the end of June 2022 £	Actual including Commitments to the end of June 2022 £	Variance £		Reason for Variance	Action Plan as agreed between the Budget Holder and Accountant
SUPPE/ 8961z	Supporting People/DLUHC - Domestic Abuse Support to Victims	0	0	-33,379	-33,379	R	Additional New Burdens funding received in-year from DHULC to reflect the burden on the Council in 22/23 of working with and supporting Lancashire County Council, who now have a statutory duty to provide support to victims of domestic abuse and their children residing within safe accommodation. The Council was not informed of this funding until after the original estimate budget was set.	The budget will be updated at revised estimate stage to reflect this additional income and also to reflect any planned expenditure in-year under this duty.
HGBEN/ 8814z	Housing Benefits/Recovery of Rent Allowance Payments	-27,060	71,669	54,016	-17,929	R	Rent Allowance payments were 1.1% lower than the £1.657m budgeted for the year to date, after adjusting for recovery of benefits overpayments and non-cash transactions. This is mainly due to a higher level of housing benefits overpayments being invoiced for recovery in the year to date than budgeted for.	The budget will be amended at revised estimate stage to reflect the latest full-year estimate for Rent Allowance payments.
HGBEN/ 4652	Housing Benefits/Rent Allowance Payments	5,089,450	1,585,364	1,585,088			Any lower Rent Allowance payments for the year as a whole will be reflected in lower Rent Allowance subsidy grant income received at year-end from the DWP (see HGBEN/8002z variance), 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.	

Health and Housing Committee Revenue Monitoring – Red Variances

Ledger Code	Ledger Code Name	Net Budget for the Full Year £	Net Budget to the end of June 2022 £	Actual including Commitments to the end of June 2022 £	Variance £		Reason for Variance	Action Plan as agreed between the Budget Holder and Accountant
HGBEN/8060z	Housing Benefits/DWP - Discretionary Housing Payments Inc	-51,420	-17,139	-11,903	5,236	R	The actual to date is the first of two payments in-year from DWP. The full-year allocation of Discretionary Housing Payments grant funding from DWP has been confirmed as £35,708, which is £15,712 less than the full-year amount budgeted for. This is because the full-year allocation was notified to the Council after the original estimate budget was set. This grant funds additional discretionary housing benefits spend in-year by the Council and the Council will make less discretionary housing benefits payments in-year to reflect the reduced funding. Thus, there will be no significant net under-recovery of income at year-end.	The budget will be updated at revised estimate stage to reflect the latest full-year estimate for Discretionary Housing Payments grant funding and related payments in-year.

Health and Housing Committee Revenue Monitoring – Red Variances

Ledger Code	Ledger Code Name	Net Budget for the Full Year £	Net Budget to the end of June 2022 £	Actual including Commitments to the end of June 2022 £	Variance £		Reason for Variance	Action Plan as agreed between the Budget Holder and Accountant
ENVHT/ 8417u	Environmental Health Services/Private Water Samples	-25,450	-6,368	0	6,368	R	No private water supplies risk assessment and samples work has been undertaken for the year to date, meaning there is no private water samples income. This is due to on-going vacancies within the Environmental Health team meaning that available staff time has been focussed on other priority areas of work for the year to date. The resulting under-recovery of income to the end of June 2022 is partly offset by reduced water sample lab test costs of £3,951 (see ENVHT/3081 variance), the net under-recovery of income to date being £2,417. In addition, lower staff costs for the Environmental Health team, due to staff vacancies, will also offset this under-recovery of income. It is likely that Environmental Health staff time will continue to focus on other priority areas of work until staff vacancies are filled.	The budget will be amended at revised estimate stage to reflect the latest full-year estimate for both private water samples income and water samples costs.
HFORU/ 4692	Homes for Ukraine/Grants to individuals - HFU Sponsor Grant	0	0	9,051	9,051	R	This is the total to date of the £350 per month "Thank You" payments to sponsors of Ukrainian refugees under the DLUHC Homes for Ukraine scheme. This scheme was set up in Spring 2022, after the Original Estimate budget was set. The "Thank You" payments are expected to be covered by grant funding received in-year from DLUHC, so there is unlikely to be a significant net overspend at year-end.	The budget will be amended at revised estimate stage to reflect the latest full-year estimate for Homes for Ukraine grant payments and any associated funding from DLUHC in-year.

Health and Housing Committee Revenue Monitoring – Amber Variances

Ledger Code	Ledger Code Name	Net Budget for the Full Year £	Net Budget to the end of June 2022 £	Actual including Commitments to the end of June 2022 £	Variance £		Reason for Variance
ENVHT/ 3081	Environmental Health Services/Water Samples	15,760	3,951	0	-3,951	A	No private water supplies risk assessments and samples work has been undertaken for the year to date, meaning there are no lab tests costs. This is due to on-going vacancies within the Environmental Health team meaning that staff time has been focussed on other priority areas of work for the year to date. This underspend partly offsets the under-recovery of private water samples income for the year to date (see ENVHT/8417u variance). It is likely that Environmental Health staff time will continue to focus on other priority areas of work until staff vacancies are filled. The budget will be amended at revised estimate stage to reflect the latest full-year estimate for both water samples costs and private water samples income.
CLMKT/ 8825n	Clitheroe Market/Stalls	-12,540	-3,135	-7,008	-3,873	A	There has been a higher demand for stalls from traders than budgeted for in this demand-led fluctuating service area. The majority of the increased income to date is from one trader hiring stalls for the first six months of the year. The budget will be amended at revised estimate stage to reflect the latest full-year estimate for market stalls income.
CTBEN/ 8009z	Localised Council Tax Support Admin/Housing Benefit & CT Benefit Admin Grant	-33,390	-33,390	-37,158	-3,768	A	Higher Local Council Tax Support Administration Grant received from DLUHC for 2022/23 than budgeted for. The Council was not notified of the yearly funding level until after the original estimate budget was set. The budget will be updated at revised estimate stage to reflect this increased income.

Health and Housing Committee Revenue Monitoring – Amber Variances

Ledger Code	Ledger Code Name	Net Budget for the Full Year £	Net Budget to the end of June 2022 £	Actual including Commitments to the end of June 2022 £	Variance £		Reason for Variance
CLCEM/5056	Clitheroe Cemetery/Grounds Maintenance	66,700	16,686	13,555	-3,131	A	Less grounds maintenance staff time input to the cemetery for the year to date. More time charges are expected in late Summer and Autumn as more end of summer tasks are undertaken.
CLMKT/8826n	Clitheroe Market/Pitches & Other	-3,090	-744	-3,428	-2,684	A	The increased income to date in this demand-led fluctuating service area is from two traders hiring pitches for significant time periods in-year. The budget will be amended at revised estimate stage to reflect the latest full-year estimate for pitches income.
DOGWD/5056	Dog Warden & Pest Control/Grounds Maintenance	20,480	5,118	2,994	-2,124	A	Less grounds maintenance staff time input to dog bin emptying for the year to date.
CLCEM/8447u	Clitheroe Cemetery/Exclusive Burial Rights	-28,310	-7,083	-4,983	2,100	A	There have been a lower number of requests for grave plots than budgeted for in this demand-led fluctuating income area. The budget will be reviewed at revised estimate stage to reflect the latest full-year estimate for exclusive burial rights income.
HGBEN/8002z	Housing Benefits/Rent Allowances Grant	-5,066,050	-1,267,526	-1,264,446	3,080	A	Rent Allowance subsidy grant income was 0.2% lower than the £1,268m budgeted for the year to date. The reduced income is in line with the estimate prepared for the 2022/23 DWP subsidy grant initial estimate claim, which was completed after the original estimate budget was set. Rent Allowance subsidy grant received at year-end will be updated to broadly reflect the actual Rent Allowance payments for the year as a whole (see HGBEN/4652 variance). As a result, there is unlikely to be a significant under-recovery of income at year-end. The budget will be amended at revised estimate stage to reflect the latest full-year estimate for Rent Allowance subsidy grant income.

Health and Housing Committee Revenue Monitoring – Amber Variances

Ledger Code	Ledger Code Name	Net Budget for the Full Year £	Net Budget to the end of June 2022 £	Actual including Commitments to the end of June 2022 £	Variance £		Reason for Variance
JARMS/ 2402	Joiners Arms/Repair & Maintenance - Buildings	10,930	2,733	6,856	4,123	A	<p>This is mainly due to costs to replace the electric card sub-meters in each flat to ensure that the KW/h rate charged on the sub-meters can be varied to reflect the KW/h rate paid by the Council at Joiners Arms. The works have cost more than initially expected because more works were required in practice than originally planned. Some additional repairs costs to date are also likely to be due to the regular full occupancy at Joiners Arms for the year to date.</p> <p>NOTE - Repairs costs have continued to increase in July 2022 and the majority of the original estimate yearly budget has been spent. Any suggested further repairs and maintenance spend for the rest of the year will be considered by the Head of Regeneration and Housing and the Council Surveyor to ensure it can be completed within the budget available at the time.</p>