

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO PLANNING AND DEVELOPMENT COMMITTEE

meeting date: 24 AUGUST 2023
 title: REVENUE MONITORING 2023/24
 submitted by: DIRECTOR OF RESOURCES AND DEPUTY CHIEF EXECUTIVE
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1 PURPOSE

1.1 To let you know the position for the period April 2023 to July 2023 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 £6,642 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 £15,336.

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	18,710	0	0	0	G
BCFEE	Building Control Fee Earning	5,360	-68,903	-63,645	5,258	R
BCNON	Building Control Non-Fee Earning	88,480	559	1,015	456	G
CONSV	Conservation Areas	7,930	0	0	0	G
COUNT	Countryside Management	61,750	9,691	10,775	1,084	G
ECPLA	Economic Development and Planning Dept	0	471,260	445,980	-25,280	R
LPLAN	Local Plan	273,040	33,960	36,083	2,123	A

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	280,200	-164,159	-139,478	24,681	R
PLANP	Planning Policy	95,690	978	250	-728	G
PLSUB	Grants & Subscriptions - Planning	11,650	11,650	10,698	-952	G
	Sum	842,810	295,036	301,678	6,642	

Transfers to/from Earmarked Reserves				
Building Regulation Reserve	-5,360	68,903	63,645	-5,258
Local Plan Reserve	-101,780	-33,960	-50,680	-16,720
Total after Transfers to/from Earmarked Reserves	735,670	329,979	314,643	-15,336

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 2023 £
<p>Economic Development & Planning Department (ECPLA) – Salaries, National Insurance and Superannuation</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 5%.</p> <p>The underspend for the period will partly resolve following the conclusion of national pay negotiations and subsequent payment of backpay owed. Based on budget assumptions this accounts for around £20k of the variance.</p> <p>The remainder is mainly due to vacancy underspends which are higher than assumptions built into the budget estimates, mainly within the forward planning section. These underspends are partially offset by overspends on recruitment advertising (£3k) and consultants (£7k after movements in reserve).</p>	-42,603

3 CONCLUSION

- 3.1 The comparison between actual and budgeted expenditure shows an overspend of £6,642 to July 2023 of the financial year 2023/24. After allowing for transfers to/from earmarked reserves there is an underspend of £15,336.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES
AND DEPUTY CHIEF EXECUTIVE

PD8-23/VT/AC
August 2023

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	1,054,830	351,888	319,728	-32,160	Direct employee budget estimates assume a pay award of 5% for the 2023/24 financial year. As the pay award has yet to be confirmed this accounts for around £20k of the variance. The remainder is mainly caused by vacancy underspends within the forward planning section.	The variance will partially resolve later on in the financial year once pay negotiations are concluded. Recruitment is ongoing for vacant posts and budgets will be reviewed and updated at revised estimate.
ECPLA/0109	Economic Development and Planning Dept/ Superannuation Salaries	155,060	51,728	46,352	-5,376		
ECPLA/0108	Economic Development and Planning Dept/ National Insurance Salaries	104,980	35,020	29,953	-5,067		

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/3085	Economic Development and Planning Dept/Consultants	0	0	21,000	21,000	The cost of engaging a consultant to work within the forward planning section during a period of vacancies in order to progress the local plan.	There is £14k set aside in reserves to partly fund the expenditure, with the remainder being met from associated vacancy underspends.
ECPLA/8583z	Economic Development and Planning Dept/ Rechargeable Works (Non-Vatable)	0	0	-5,750	-5,750	Recovery of the cost of qualification training following termination of an employment contract.	The budget will be updated at revised estimate.
BCFEE/8405n	Building Control Fee Earning/ Building Regulation Fees	-205,010	-71,858	-62,900	8,958	Building control fee income for the period is lower than estimated. This is likely due to inflation within the building industry that is impacting on the number of applications being received.	We will continue to monitor the level of building control 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 – 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	-540,000	-180,144	-156,892	23,252	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
					£	
COUNT/4678	Countryside Management/ Grants to Voluntary, Comm & Soc Ent Orgs	13,840	2,961	0	-2,961	There have not been any applications to the countryside management grant fund for the financial year to date.
PLANG/3261	Planning Control & Enforcement/ Statutory Notices	28,380	7,133	4,620	-2,513	The size of planning application newspaper notices has been reviewed and reduced. The estimate will be updated when the budgets are revised later in the financial year.
PLANG/8495n	Planning Control & Enforcement/ Pre-Application Advice	-38,500	-12,840	-10,772	2,068	Demand for the pre-application advice service is lower than estimated. The budget will be reviewed at revised estimate and updated if necessary.
ECPLA/1020	Economic Development and Planning Dept/ Advertising	940	316	3,295	2,979	Expenditure on recruitment advertising during the period. To be funded from underspends within the direct employee cost budgets.
LPLAN/3085	Local Plan/ Consultants	97,780	32,616	36,083	3,467	Actuals for the period include an order of £35k for the engagement of consultancy services to produce the Sustainability Appraisal and Habitats Regulation Assessment to support the new local plan. The budget profile for the Local Plan Programme will be reviewed and updated at revised estimate.