

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO HEALTH AND HOUSING COMMITTEE

meeting date: 31 AUGUST 2023
 title: REVENUE MONITORING 2023/24
 submitted by: DIRECTOR OF RESOURCES AND DEPUTY CHIEF EXECUTIVE
 principal author: LAWSON ODDIE

1 PURPOSE

1.1 To report on the progress of the 2023/24 revenue budget as at the end of June 2023.

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 2023/24

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 2023. You will see an overall underspend of £63,414, or an underspend of £79,958 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 2023 £	Actual including Commitments to the end of June 2023 £	Variance £	
AFHOU	Affordable Rent Properties	4,140	-2,699	165	2,864	A
APLAC	Alma Place Unit	2,990	10	1,065	1,055	G
AWARM	Affordable Warmth	0	0	4,550	4,550	A
CLAIR	Clean Air	4,460	195	448	253	G
CLAND	Contaminated Land	10,860	0	0	0	G
CLCEM	Clitheroe Cemetery	62,300	802	4,748	3,946	A
CLDCY	Closed Churchyards	5,560	2,202	1,569	-633	G
CLMKT	Clitheroe Market	-17,520	-125,323	-136,840	-11,517	R
CMGHH	Community Groups - Health & Housing	8,570	0	0	0	G
COMNL	Common Land	5,040	194	435	241	G
CTBEN	Localised Council Tax Support Admin	245,880	14,916	-42,864	-57,780	R
DOGWD	Dog Warden & Pest Control	167,950	5,974	5,387	-587	G

Cost Centre	Cost Centre Name	Net Budget for the Full Year £	Net Budget to the end of June 2023 £	Actual including Commitments to the end of June 2023 £	Variance £	
ENVHT	Environmental Health Services	421,670	588	2,065	1,477	G
HFORU	Homes for Ukraine	125,350	3,621	16,288	12,667	R
HGBEN	Housing Benefits	222,010	297,410	320,534	23,124	R
HOMEE	Home Energy Conservation	7,100	129	0	-129	G
HOMES	Homelessness Strategy	62,900	-48,259	-55,431	-7,172	R
HSASS	Housing Associations	8,100	0	0	0	G
HSTRA	Housing Strategy	55,280	60	-336	-396	G
IMPGR	Improvement Grants	106,480	-7,758	-7,780	-22	G
JARMS	Joiners Arms	64,830	15,445	15,290	-155	R
SHARE	Shared Ownership Rents	-480	-1,500	-1,507	-7	G
SUPPE	Supporting People	14,830	0	-35,193	-35,193	R
Total Health and Housing Committee		1,588,300	156,007	92,593	-63,414	
Transfers to/(from) Earmarked Reserves						
	Equipment Reserve - Joiners Arms	-500	0	0	0	
	Equipment Reserve – Clitheroe Cemetery	-6,060	-1,515	-5,392	-3,877	
	Government Grants – Homes for Ukraine	-125,350	-3,621	-16,288	-12,667	
	Government Grants – Supporting People	-9,100	0	0	0	
	Pensions Triennial Revaluation Reserve	2,500	0	0	0	
Total after transfers to/(from) Earmarked Reserves		1,449,790	150,871	70,913	-79,958	

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 2023 that are unlikely to be rectified by the end of the financial year:

- **Environmental Health Services/Private Water Samples Net Income (+£2,568):** 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 (-£6,349):** Higher stalls demand from traders than budgeted for in this demand-led fluctuating service area.
- **Clitheroe Market/Pitches and Other Income (-£6,112):** Increased income to date
- **Localised Council Tax Support Admin/LCTS Funding (-£55,503):** Policy and Finance Committee agreed a scheme where £45 would be allocated to each household in receipt of Local Council Tax Support where council tax liability is not nil. This government funding is to offset the costs of the scheme and was given to councils to allow the provision of such types of local reliefs. The cost in respect of this will fall on the Collection Fund rather than under this committee.

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 2023 shows an underspend of £63,414, or an underspend of £79,958 after allowing for transfers to and from earmarked reserves.
- 3.2 It must be noted that whilst there is a sizeable variance, much of this is in respect of funding for Local Council Tax Support. The impact of this will be through the Collection Fund rather than on this committee, and due to the mechanics of the Collection Fund, this will not be felt until 2024/25.

HEAD OF FINANCIAL SERVICES

DIRECTOR OF RESOURCES
AND DEPUTY CHIEF EXECUTIVE

HH10-23/LO/AC
21 August 2023

BACKGROUND PAPERS: None
For further information please ask for Lawson Oddie

Health and Housing Committee Revenue Monitoring – Red Variances

Ledger Code	Ledger Code Name	Budget for the Full Year	Budget to the end of June 2023	Actual including commitments to the end of June 2023	Variance	Reason for Variance	Action Plan as agreed between the Budget Holder and Accountant
CLMKT/8825n	Clitheroe Market/Stalls	-16,110	-4,031	-10,380	-6,349	Income is currently ahead of budget and reflects the higher level of uptake of the market stalls and pitches. This was also seen in the previous financial year	Income levels will continue to be monitored and reflected in the Revised Estimate
CLMKT/8826n	Clitheroe Market/Pitches & Other	-2,910	-703	-6,815	-6,112	Income is currently ahead of budget and reflects the higher level of uptake of the market stalls and pitches. This was also seen in the previous financial year	Income levels will continue to be monitored and reflected in the Revised Estimate
CTBEN/8009z	Localised Council Tax Support/LCTS Funding	0	0	-55,503	-55,503	Policy and Finance Committee agreed a scheme where £45 would be allocated to each household in receipt of Local Council Tax Support where council tax liability is not nil. This government funding is to offset the costs of the scheme and was given to councils to allow the provision of such types of local reliefs. The cost in respect of this will fall on the Collection Fund rather than under this committee.	A budget will be brought in for this income at the Revised Estimate

Health and Housing Committee Revenue Monitoring – Red Variances

Ledger Code	Ledger Code Name	Budget for the Full Year	Budget to the end of June 2023	Actual including commitments to the end of June 2023	Variance	Reason for Variance	Action Plan as agreed between the Budget Holder and Accountant
ENVHT/ 8417u	Environmental Health Ser/Private Water Samples	-27,350	-6,840	0	6,840	Due to current staffing vacancies within the service it has not been possible to undertake these works, resulting in a loss of income as shown. However, underspends are being seen due to the vacancies, which will offset any lost income. There will also be savings on lab costs.	The position will be reviewed should staffing levels change or resources allow for some of the work to be undertaken.
HFORU/ 3014	Homes for Ukraine/HFU Housing Grants	76,680	19,185	0	-19,185	To date there has been no spend in respect of the Homes for Ukraine Housing Grants (ie. housing bonds and deposits). This spend is demand led.	The budget position will be reassessed at revised estimate
HFORU/ 3015	Homes for Ukraine/HFU Community Integration Grants	24,400	6,102	-12,000	-18,102	There is a balance remaining on this budget which is in respect of last financial year, and will clear once the relevant invoice has been received from Lancashire County Council. Further invoices will also be requested in respect of the first quarter for this year.	Lancashire County Council are to be approached to chase the invoice so that the charges can be paid

Health and Housing Committee Revenue Monitoring – Red Variances

Ledger Code	Ledger Code Name	Budget for the Full Year	Budget to the end of June 2023	Actual including commitments to the end of June 2023	Variance	Reason for Variance	Action Plan as agreed between the Budget Holder and Accountant
HFORU/4692	Homes for Ukraine/Grants to individuals - HFU Sponsor Grant	33,600	8,406	27,896	19,490	There has been a higher level of grant payments to date than originally expected in the estimate. However, grant payments made are fully funded by the funding the council in turn receive via Lancashire County Council	Payments made will continue to be monitored and the estimate will be reviewed when the Revised Estimate is prepared
HFORU/8493z	Homes for Ukraine/LCC - Ukrainian Housing Funding	0	0	27,000	27,000	The variance here shows the accounting adjustment for the income from Quarter 4 of last year which has still yet to be paid by Lancashire County Council.	Invoice will be raised in respect of these charges so that Lancashire County Council can make the necessary payment.
HGBEN/2809	Housing Benefits/Non Recurring Purchases	0	0	11,596	11,596	This variance is in respect of software changes needed in respect of DWP legislation. The spend will be funded from monies previously set aside in earmarked reserves.	The budget will be reviewed at the Revised Estimate and the necessary funding budgeted for release from earmarked reserves.

Health and Housing Committee Revenue Monitoring – Red Variances

Ledger Code	Ledger Code Name	Budget for the Full Year	Budget to the end of June 2023	Actual including commitments to the end of June 2023	Variance	Reason for Variance	Action Plan as agreed between the Budget Holder and Accountant
HGBEN/4652	Housing Benefits/Rent Allowance Payments	5,079,060	1,582,127	1,623,781	41,654	Rent Allowance payments are higher than budgeted for the year to date, after adjusting for recovery of benefits overpayments and non-cash transactions.	
HGBEN/8814z	Housing Benefits/Recovery of Rent Allowance Payments	-41,720	34,128	17,671	-16,457	Any higher Rent Allowance payments for the year as a whole will be reflected in more Rent Allowance subsidy grant income received at year-end from the DWP (see HGBEN/8002z above), 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 overspend at year-end.	The budget for the individual elements shown here will be adjusted at the Revised Estimate.
HGBEN/8002z	Housing Benefits/Rent Allowances Grant	-5,042,890	-1,261,731	-1,271,238	-9,507		

Health and Housing Committee Revenue Monitoring – Red Variances

Ledger Code	Ledger Code Name	Budget for the Full Year	Budget to the end of June 2023	Actual including commitments to the end of June 2023	Variance	Reason for Variance	Action Plan as agreed between the Budget Holder and Accountant
HOMES/ 8485z	Homelessness Strategy/Home Office - Asylum Dispersal Scheme Grant	0	0	-12,000	-12,000	This is further funding that has been received in respect of Asylum Dispersal. It is unlikely that further additional spend will be needed to meet the requirements of the council as such work would likely fall under our existing resources.	A budget for this income will be brought into the revised estimate.
SUPPE/ 8961z	Supporting People/MHCLG - Domestic Abuse Support to Victims	0	0	-35,193	-35,193	This is additional funding that has been received in 2023/24. There is currently no expenditure budget to offset this, but this will be introduced at Revised Estimate. Staffing costs will be a large part of such costs. There are unresolved issues regarding the separation of responsibility between the tier 1 and Tier 2 authority.	A budget for this income will be brought into the revised estimate.

Health and Housing Committee Revenue Monitoring – Amber Variances

Ledger Code	Ledger Code Name	Budget for the Full Year	Budget to the end of the June 2023	Actual including commitments to the end of June 2023	Variance	Reason for Variance
AFHOU/ 8802u	Affordable Rent Properties/Dwelling Rents	-12,640	-3,160	0	3,160	Invoices have yet to be raised for the council's rent income share. Invoices are to be raised and the variance should then clear as the year progresses.
AWARM/ 4676	Affordable Warmth/Grants to Individuals	0	0	4,550	4,550	No budget currently set. These payments are funded by grant income received in 2022/23 and set aside in earmarked reserves. This funding will now be released and a budget set at the revised estimate.
CLCEM/ 2809	Clitheroe Cemetery/Non Recurring Purchases of Equipment etc	6,060	1,515	5,392	3,877	This variance is in respect of work on the concrete headstone beams. Funding will be released from earmarked reserves to fund this work.
CLMKT/ 8824n	Clitheroe Market/Cabins	-124,560	-124,560	-126,781	-2,221	Income on market cabins is slightly above budget. It is important to note that this is largely income that has been invoiced in respect of the whole year, but which is then paid monthly, so income could still fall if the occupant of a cabin were to vacate part way through the year.

Health and Housing Committee Revenue Monitoring – Amber Variances

Ledger Code	Ledger Code Name	Budget for the Full Year	Budget to the end of the June 2023	Actual including commitments to the end of June 2023	Variance	Reason for Variance
DOGWD/5056	Dog Warden & Pest Control/Grounds Maintenance	19,000	4,749	7,568	2,819	<p>Increased time input charges to dog bin emptying by the Grounds Maintenance team to date. Time input will be reviewed going forwards and the dog bin emptying costs will be managed within the overall Grounds Maintenance budgets across all Council sites.</p> <p>The budget will be reviewed at revised estimate budget stage to reflect the latest dog bin emptying costs forecast for the year.</p>
ENVHT/3081	Environmental Health Services/Water Samples	17,040	4,272	0	-4,272	<p>As previously highlighted under 'red' variances, due to current staffing vacancies within the service it has not been possible to undertake water sampling works, resulting in a loss of income. The costs budgeted here are lab costs and will be saved as a result of the water sampling work not being undertaken.</p>
ENVHT/8430u	Environmental Health Services/Street Trading Licence	-7,750	-5,156	-1,725	3,431	<p>There has been a low level of licences issued to the end of June, resulting in the variance shown.</p>
HFORU/0100	Homes for Ukraine/Salaries	5,770	1,443	5,692	4,249	<p>Increased hours have been approved for the role, funded by the grant income received for the purpose of providing support. The budget will be amended at revised estimate.</p>

Health and Housing Committee Revenue Monitoring – Amber Variances

Ledger Code	Ledger Code Name	Budget for the Full Year	Budget to the end of the June 2023	Actual including commitments to the end of June 2023	Variance	Reason for Variance
HGBEN/ 8630z	Housing Benefits/DWP-NB Supp Accom and Temp Accom MI	0	0	-2,027	-2,027	There has been additional New Burdens funding to meet the costs of action required to improve the quality of supported housing and temporary accommodation management information. It is unclear at this stage whether there will be any additional direct costs to offset against this grant income.
HOMES/ 8636z	Homelessness Strategy/DLUHC - Tenant Satisfaction Measures New Burdens	0	0	-2,400	-2,400	New grant income received in year which was not budgeted for. A budget will be set at revised estimate. There are no anticipated additional costs at this stage