

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO ECONOMIC DEVELOPMENT COMMITTEE

meeting date: 28 SEPTEMBER 2023
 title: REVENUE OUTTURN 2022/23
 submitted by: DIRECTOR OF RESOURCES
 principal author: HELEN SEEDALL

1 PURPOSE

1.1 To report on the outturn for the financial year 2022/23 in respect of the Revenue Budget for this Committee.

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 and meets the objective within this priority to maintain critical financial management controls, ensuring the authority provides council tax payers with value for money.
- Other Considerations – none identified.

2 BACKGROUND

2.1 Our full Statement of Accounts were signed off for audit by the Director of Resources on 2 June 2023 and are now subject to audit.

2.2 The Statement of Accounts are expected to be submitted for approval to Accounts and Audit Committee at their meeting on 27 September 2023.

3 FINANCIAL INFORMATION

3.1 Shown below, by cost centre, is a comparison with the revised estimate. You will see an overall underspend of -£27,897 on the net cost of services. After transfers to and from earmarked reserves overall there is an underspend of -£27,897.

3.2 The table below provides a summary of actual spend against the revised estimate budget and the associated variance.

Cost Centre	Cost Centre Name	Revised Estimate 2022/23 £	Actual 2022/23 £	Variation £	Associated Earmarked Reserves Variance £	Net Variance £
ALBNM	Albion Mill	-1,630	-4,898	-3,268	0	-3,268
INDDV	Economic Development	204,120	184,306	-19,814	3	-19,811
CFDFT	Clitheroe Food Festival 2022	12,970	13,262	292	-3	289
RHSSF	Reopening High Streets Safely Fund	0	254	254	0	254
TURSM	Tourism & Events	133,960	128,599	-5,361	0	-5,361
NET COST OF SERVICES		349,420	321,523	-27,897	0	-27,897

4 EARMARKED RESERVES

4.1 Reserves are important to local authorities as, unlike central government, we cannot borrow money over the medium term, other than for investment in assets, and we are required to balance our budgets on an annual basis.

4.2 Reserves can be held for three main purposes:

- A working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing;
- A contingency to cushion the impact of unexpected events or emergencies. This also forms part of general reserves;
- A means of building up funds or accounting for funds we are committed to spend (i.e. grants received), this is done through our earmarked reserves to meet known or predicted requirements; our earmarked reserves are accounted for separately but remain legally part of the General Fund.

4.3 The table below provides details of the Revised Estimate, our actual outturn and the impact in both cases on the movement in earmarked reserves. Full details are provided below of the earmarked reserves that have been impacted and the reasons for the movements.

	Revised Estimate 2022/23 £	Outturn £	Variance £	Reason for Movement on Earmarked Reserve
Committee Net Cost of Services	349,420	321,523	-27,897	
CPBAL/H330 Capital Reserve The capital reserve is a reserve where resources are set aside to fund future capital programme spend. Income from the sale of assets of a value less than £10,000 is credited to the revenue account and then transferred to this earmarked reserve.	-10,470	-10,467	3	To fund appraisal work carried out by consultants regarding the possible purchase of a piece of land along the A59 that was originally part of a capital project. However, as the purchase did not proceed the consultancy work has been charged to the revenue account in line with accounting rules.

	Revised Estimate 2022/23 £	Outturn £	Variance £	Reason for Movement on Earmarked Reserve
EDBAL/H283 Clitheroe Food Festival Reserve Food Festival resources set aside to help support the costs associated with the Clitheroe Food Festival.	-8,530	-8,533	-3	The deficit from the 2022 Food Festival has been funded from surplus monies set aside in the reserve from previous years.
Committee Net Cost of Services after Movements on Earmarked Reserves	330,420	302,523	-27,897	

5 KEY MOVEMENTS FROM REVISED ESTIMATE TO OUTTURN

- 5.1 The main variations have been extracted and are shown with the Budget Holder's comments at Annex 1. However, a summary of the major variations is set out in the table below.

Service Area	Description of Variance	Amount £
Economic Development and Tourism: Service Recharge	The recharge of the Economic Development and Planning Department costs to Economic Development -£5,187 and Tourism and Events -£2,134 were lower than estimated due to decreased salary costs as a result of vacancy savings and reduced support service costs.	-£7,321

6 CONCLUSION

- 6.1 There have been a number of variations in both income and expenditure during the year, and this has given rise to an overall underspend of -£27,897 on the net cost of services, including after transfers to/from earmarked reserves.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

ED8-23HS/AC
21 August 2023

BACKGROUND PAPERS

*Revised Estimates approved by Committee on 26 January 2023
Closedown Working Papers*

For further information please ask for Helen Seedall.

ECONOMIC DEVELOPMENT COMMITTEE – REVENUE OUTTURN 2022/23 VARIANCES

	Variance in Expenditure £	Variance in Income £	Variance in Support Services £	Variance in Capital Costs £	Total Variance £	Associated Earmarked Reserves Variance £	Net Variance £
<u>ALBNM: Albion Mill</u>							
A saving was achieved in legal fees due to there being no changes in tenants during the year.	-£1,980				-£1,980		-£1,980
The allowance for repairs and maintenance to buildings was not required during the year resulting in an underspend.	-£1,200				-£1,200		-£1,200
Total Albion Mill	-£3,180				-£3,180		-£3,180
<u>INDDV: Economic Development</u>							
Reduced requirement for use of the subscriptions budget in 2022/23.	-£2,979				-£2,979		-£2,979
Opportunities for expenditure on promotional activities have been lower during the year resulting in a saving on this budget.	-£3,245				-£3,245		-£3,245
The recharge of the Economic Development and Planning Department costs were lower than estimated due to decreased salary costs as a result of vacancy savings and reduced support service costs.			-£5,187		-£5,187		-£5,187
Total Economic Development	-£6,224		-£5,187		-£11,411		-£11,411

	Variance in Expenditure £	Variance in Income £	Variance in Support Services £	Variance in Capital Costs £	Total Variance £	Associated Earmarked Reserves Variance £	Net Variance £
TURSM: Tourism & Events							
Increase in expenditure on publicity to support Ribble Valley presence at major tourism promotional events. The overspend is offset by increased income received relating to the events as mentioned below.	£826				£826		£826
The recharge of the Economic Development and Planning Department costs were lower than estimated due to decreased salary costs as a result of vacancy savings and reduced support service costs.			-£2,134		-£2,134		-£2,134
Increased advertising income was received for the 2023 Visitor Guide.		-£1,215			-£1,215		-£1,215
Additional income was received relating to joint promotional activities to support Ribble Valley presence at the major events British Travel and Tourism Show and National Outdoor Expo.		-£2,950			-£2,950		-£2,950
Total Tourism & Events	£826	-£4,165	-£2,134		-£5,473		-£5,473
	-£8,578	-£4,165	-£7,321	£0	-£20,064	£0	-£20,064
				Total of other Variances	£7,833	£0	£7,833
Total Variances for Economic Development Committee (Net Cost of Services)					-£27,897	£0	-£27,897