

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO HEALTH AND HOUSING COMMITTEE

meeting date: 26 OCTOBER 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 September 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 September 2023. You will see an overall underspend of £147,342, or an underspend of £101,608 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 September 2023 £	Actual including Commitments to the end of September 2023 £	Variance £	
AFHOU	Affordable Rent Properties	4,140	-5,402	-618	4,784	A
APLAC	Alma Place Unit	2,990	8	910	902	G
AWARM	Affordable Warmth	0	0	12,093	12,093	R
CLAIR	Clean Air	4,460	390	384	-6	G
CLAND	Contaminated Land	10,860	0	0	0	G
CLCEM	Clitheroe Cemetery	62,300	9,865	17,386	7,521	R
CLDCY	Closed Churchyards	5,560	4,401	3,970	-431	G
CLMKT	Clitheroe Market	-17,520	-118,564	-132,863	-14,299	R
CMGHH	Community Groups - Health & Housing	8,570	0	0	0	G
COMNL	Common Land	5,040	386	435	49	G
CTBEN	Localised Council Tax Support Admin	245,880	17,072	-42,281	-59,353	R

Cost Centre	Cost Centre Name	Net Budget for the Full Year £	Net Budget to the end of September 2023 £	Actual including Commitments to the end of September 2023 £	Variance £	
DOGWD	Dog Warden & Pest Control	167,950	10,849	8,203	-2,646	A
ENVHT	Environmental Health Services	421,670	-11,758	-14,768	-3,010	A
HFORU	Homes for Ukraine	125,350	40,818	-9,319	-50,137	R
HGBEN	Housing Benefits	222,010	237,290	309,080	71,790	R
HOMEE	Home Energy Conservation	7,100	258	0	-258	G
HOMES	Homelessness Strategy	62,900	-34,796	-114,795	-79,999	R
HSASS	Housing Associations	8,100	0	0	0	G
HSTRA	Housing Strategy	55,280	120	-336	-456	G
IMPGR	Improvement Grants	106,480	-15,512	-12,450	3,062	A
JARMS	Joiners Arms	64,830	12,637	10,889	-1,748	G
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	146,562	-780	-147,342	
Transfers to/(from) Earmarked Reserves						
	Equipment Reserve - Joiners Arms	-500	0	0	0	
	Equipment Reserve – Clitheroe Cemetery	-6,060	-3,030	-5,392	-2,362	
	Government Grants – Homes for Ukraine	-125,350	-40,818	9,319	50,137	
	Government Grants – Supporting People	-9,100	0	0	0	
	Pensions Triennial Revaluation Reserve	2,500	0	0	0	
	Equipment Reserve – Dog Control Signs	0	0	-2,041	-2,041	
Total after transfers to/(from) Earmarked Reserves		1,449,790	102,714	1,106	-101,608	

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 September 2023 that are **unlikely** to be rectified by the end of the financial year:
- **Environmental Health Services/Private Water Samples Net Income (+£5,146):** 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 and Pitches Income (-£11,323):** Demand from traders higher than budgeted for in this demand-led fluctuating service area.
 - **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 September 2023 shows an underspend of £147,342, or an underspend of £101,608 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 (-£55,503) 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

HH14-23/LO/AC
18 October 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 September 2023	Actual including commitments to the end of September 2023	Variance	Reason for Variance	Action Plan as agreed between the Budget Holder and Accountant
AWARM/4676	Affordable Warmth/Grants to Individuals	0	0	12,093	12,093	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.	Budget will be provided for at the revised Estimate
CLCEM/2402	Clitheroe Cemetery/Repair & Maintenance - Buildings	3,450	1,728	10,276	8,548	The overspend relates to a replacement heating system that is needed at the cemetery gate house. These works are unplanned and reactive but required to be undertaken in our role as landlord.	Budget will be provided for at the revised Estimate
CLMKT/8825n	Clitheroe Market/Stalls	-16,110	-8,882	-14,888	-6,006	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	-1,928	-7,245	-5,317	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

Health and Housing Committee Revenue Monitoring – Red Variances

Ledger Code	Ledger Code Name	Budget for the Full Year	Budget to the end of September 2023	Actual including commitments to the end of September 2023	Variance	Reason for Variance	Action Plan as agreed between the Budget Holder and Accountant
CTBEN/8009z	Localised Council Tax Su/Housing Benefit & CT Ben	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
ENVHT/3081	Environmental Health Services/Water Samples	17,040	8,532	0	-8,532	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. This is directly linked to the lost income in the variance shown below.	The position will be reviewed should staffing levels change or resources allow for some of the work to be undertaken.

Health and Housing Committee Revenue Monitoring – Red Variances

Ledger Code	Ledger Code Name	Budget for the Full Year	Budget to the end of September 2023	Actual including commitments to the end of September 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	-13,678	0	13,678	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 are also savings on lab costs as shown in the variance above.	The position will be reviewed should staffing levels change or resources allow for some of the work to be undertaken.
HFORU/0100	Homes for Ukraine/Salaries	5,770	2,886	11,386	8,500	Overspend is as a result of the regrading of a post, and an extension to the term of the employment.	The budget will be amended at Revised Estimate to reflect the approved changes.
HFORU/3014	Homes for Ukraine/HFU Housing Grants	76,680	38,356	0	-38,356	Following approval of a scheme at last committee we now have two applications that are currently being progressed.	Budget will be adjusted 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 September 2023	Actual including commitments to the end of September 2023	Variance	Reason for Variance	Action Plan as agreed between the Budget Holder and Accountant
HFORU/3015	Homes for Ukraine/HFU Community Integration Grants	24,400	12,202	-11,583	-23,785	Report on spend included elsewhere on the agenda. We are currently waiting for LCC to invoice us. Once received this should reduce the variance shown	Invoice from LCC will be chased
HFORU/4692	Homes for Ukraine/Grants to individuals - HFU Sponsor Grant	33,600	16,806	60,772	43,966	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/8552z	Homes for Ukraine/LCC - Ukrainian Community Integration Funding	0	0	-9,000	-9,000	Invoice for this income has been raised in error and a credit note will be raised, which will offset the variance.	Credit note to be raised

Health and Housing Committee Revenue Monitoring – Red Variances

Ledger Code	Ledger Code Name	Budget for the Full Year	Budget to the end of September 2023	Actual including commitments to the end of September 2023	Variance	Reason for Variance	Action Plan as agreed between the Budget Holder and Accountant
HFORU/8600z	Homes for Ukraine/LCC - Ukrainian Sponsor Grant Funding	-33,600	-33,600	-68,004	-34,404	Adjustments to be made for the Quarter 4 2022/23 funding claim, but also claims have yet to be submitted for Quarter 1 and Quarter 2 of the 2023/24 financial year.	Invoices to be raised for the funding due to the council.
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 September 2023	Actual including commitments to the end of September 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	2,821,416	2,935,539	114,123	Rent Allowance payments are higher than budgeted for the year to date, after adjusting for recovery of benefits overpayments and non-cash transactions.	
HGBEN/8002z	Housing Benefits/Rent Allowances Grant	-5,042,890	-2,522,454	-2,542,476	-20,022	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/8814z	Housing Benefits/Recovery of Rent Allowance Payments	-41,720	23,697	3,228	-20,469		
HGBEN/8741z	Housing Benefits/DWP New Burdens - HB Extract returns SHBE API	0	0	-10,094	-10,094	This is a new grant received from the government. There will be associated software costs which will need to be budgeted for.	A budget for this income and associated expenditure will be brought in 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 September 2023	Actual including commitments to the end of September 2023	Variance	Reason for Variance	Action Plan as agreed between the Budget Holder and Accountant
HOMES/2450	Homelessness Strategy/Homelessness Temporary Accommodation	12,070	6,036	11,539	5,503	Increase in number of evictions through private landlords coupled with neighbouring authorities no longer allowing us to access their hostel accommodation for single males has resulted in a higher level of spend in this area.	The budget will be reviewed at the Revised Estimate. Other options will also be examined.
HOMES/8090z	Homelessness Strategy/MHCLG Homelessness Prevention Grant Homes for Ukraine Top Up	0	0	-63,710	-63,710	This grant was not expected at the time of setting the Original Estimate and so shows as a large variance on this committee. Expenditure budgets will be developed as part of the Revised Estimate which will negate this variance.	Income and expenditure budgets will be developed as part of the Revised Estimate
HOMES/8485z	Homelessness Strategy/Home Office - Asylum Dispersal Scheme Grant	0	0	-22,500	-22,500	New funding that has been received in year and is not budgeted to be used. Further review of likely associated spend will be undertaken and built into the Revised Estimate	Income and expenditure (where needed) budgets will be developed as part of 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 September 2023	Actual including commitments to the end of September 2023	Variance	Reason for Variance	Action Plan as agreed between the Budget Holder and Accountant
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 September 2023	Actual including Commitments to the end of September 2023	Variance	Reason for Variance
AFHOU/8802u	Affordable Rent Properties/Dwelling Rents	-12,640	-6,320	-2,311	4,009	Invoices for rental income due on managed affordable rent properties have yet to be raised for Quarter 1 of 2023/24.
CLCEM/5056	Clitheroe Cemetery/Grounds Maintenance	81,280	40,654	44,706	4,052	Slightly larger proportion of time spent on cemetery work to date, than originally budgeted for.
CLMKT/2432	Clitheroe Market/Electricity	19,690	8,206	5,750	-2,456	Increase in the cost of electricity is lower than forecast when the budget was prepared.
DOGWD/2401	Dog Warden & Pest Control/R & M Oncosted Wages	7,560	3,782	0	-3,782	The budget allows for time from the Works Administration team to undertake works on a commercial pest control contract. This work is now undertaken by the Pest Control Officer and so the budget is no longer needed. This will be reflected in 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 September 2023	Actual including Commitments to the end of September 2023	Variance	Reason for Variance
DOGWD/2809	Dog Warden & Pest Control/Non Recurring Purchases	0	0	2,041	2,041	These costs are in respect of improved dog control signage related to the updated Dog Control Public Space Protection Order. The costs of these works are to be funded set aside in earmarked reserves for this purpose at the end of last financial year.
DOGWD/5056	Dog Warden & Pest Control/Grounds Maintenance	19,000	9,500	13,561	4,061	<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>
DOGWD/8412n	Dog Warden & Pest Control/Wasps Nests Treatment	-5,190	-4,878	-8,380	-3,502	There has been a high level of wasp nest treatments provided to date. The budget will be adjusted at 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 September 2023	Actual including Commitments to the end of September 2023	Variance	Reason for Variance
HFORU/2881	Homes for Ukraine/Purchase of Equipment & Materials	7,000	3,502	0	-3,502	No spend required to date
HFORU/8493z	Homes for Ukraine/LCC - Ukrainian Housing Funding	0	0	4,500	4,500	Adjustments to be made for the Quarter 4 2022/23 funding claim which will largely correct this variance.
HGBEN/8007z	Housing Benefits/HRA Rent Rebate Grant	-48,860	-24,438	-21,732	2,706	The funding to be received under the Housing Subsidy claim for 2023/24 was lower than the estimate that was set earlier in the year, prior to the subsidy claim being submitted to the Department for Work and Pensions.
HGBEN/8630z	Housing Benefits/DWP-NB Supp Accom and Temp Accom MI	0	0	-2,027	-2,027	New grant income towards project costs. It is unlikely that there will be further costs associated with this work other than existing staff time. A budget will be brought in at Revised Estimate for this funding.

Health and Housing Committee Revenue Monitoring – Amber Variances

Ledger Code	Ledger Code Name	Budget for the Full Year	Budget to the end of the September 2023	Actual including Commitments to the end of September 2023	Variance	Reason for Variance
HGBEN/8765Z	Housing Benefits/DWP - Discretionary Hous	-3,600	-3,600	-6,139	-2,539	Lower Rent Rebate subsidy grant income received to date than budgeted for. The income received was 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.
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
JARMS/2432	Joiners Arms/Electricity	22,080	11,044	6,432	-4,612	Increase in the cost of electricity is lower than forecast when the budget was prepared.
JARMS/8802u	Joiners Arms/Dwelling Rents	-43,230	-20,123	-16,703	3,420	Rental income for the Joiners Arms is down on the Original Estimate as two units have been out of use due to water ingress. This has now been rectified as part of the roof replacement scheme and the units are now back in use again.