

RIBBLE VALLEY BOROUGH COUNCIL

REPORT TO POLICY AND FINANCE COMMITTEE

meeting date: 9 APRIL 2024
 title: REVENUE MONITORING 2023/24
 submitted by: DIRECTOR OF RESOURCES
 principal author: VALERIE TAYLOR

1 PURPOSE

1.1 To let you know the position for the period April to February 2024 of this year's revised 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 revised budget estimate for the period to the end of February. You will see an overall underspend of £85,361 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 £50,148.

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	
CEXEC	Chief Executives Department	0	1,105,346	1,102,925	-2,421	A
CIVCF	Civic Functions	56,670	38,159	41,351	3,192	A
CIVST	Civic Suite	0	20,407	20,037	-370	G
CLOFF	Council Offices	0	263,846	265,637	1,791	G
CLTAX	Council Tax	488,080	78,074	78,721	647	G
COMPR	Computer Services	0	120,481	114,740	-5,741	R
CORON	Coronation of King Charles	22,560	22,560	22,567	7	G
CORPM	Corporate Management	413,080	0	0	0	G
COSDM	Cost of Democracy	595,640	293,683	288,550	-5,133	R
COVID	Covid-19 Response	0	-14,050	-14,050	0	G
CSERV	Corporate services	205,250	26,419	7,160	-19,259	R

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	
CTENP	Council Tax Energy Rebates - Acting as Principal	0	-780	-780	0	G
DISTC	District Elections	114,540	114,540	114,513	-27	G
ELADM	Election Administration	44,660	4,340	3,102	-1,238	G
ELECT	Register of Electors	105,780	52,853	49,767	-3,086	A
EMERG	Community Safety	80,950	5,170	4,272	-898	G
ESTAT	Estates	121,210	2,129	-3,619	-5,748	R
FGSUB	Grants & Subscriptions - Policy and Fin	114,120	91,258	92,634	1,376	G
FMISC	Policy & Finance Miscellaneous	284,190	116,678	116,085	-593	G
HSUPF	Household Support Fund	-23,140	-23,140	-23,139	1	G
LANDC	Land Charges	22,100	-52,299	-52,404	-105	G
LICSE	Licensing	88,250	-77,463	-76,061	1,402	G
LUNCH	Luncheon Clubs	18,810	11,783	12,900	1,117	G
NNDRC	National Non-Domestic Rates	47,470	13,582	12,796	-786	G
PARIS	Parish Elections	8,750	8,750	8,741	-9	G
RESOR	Resources Department	0	2,402,265	2,388,408	-13,857	R
SUPDF	Superannuation Deficiency Payments	100,310	86,579	87,108	529	G
UKSPF	UK Shared Prosperity Fund - Management and Admin	-26,050	-19,100	-55,252	-36,152	R
	Net cost of services	2,883,230	4,692,070	4,606,709	-85,361	

Transfers to/from Earmarked Reserves				
Reserve	Net Budget for the Full Year	Net budget to the end of the period	Actual to the end of the period	Variance
Audit Reserve	-16,120	0	0	0
Elections Fund Reserve	-105,380	-123,290	-123,253	37
Revaluation of Assets Reserve	8,000	0	0	0
Cyber Resilience Grant Reserve	-1,210	-1,210	-1,210	0
Electoral Integrity Reserve	-7,480	-7,480	-6,242	1,238
UK Shared Prosperity Fund Reserve	26,050	19,100	55,252	36,152
Performance Reward Grant Reserve	-5,610	-5,610	-5,610	0
Community Right to Bid/Challenge Reserve	-1,700	-1,700	-1,700	0
Parish Grants Reserve	-10,000	-10,000	-10,000	0
EBSS & AFP alternative Funding	25,930	15,560	15,560	0

Transfers to/from Earmarked Reserves				
Reserve	Net Budget for the Full Year	Net budget to the end of the period	Actual to the end of the period	Variance
New Burdens Reserve				
Equipment Reserve	0	0	-2,213	-2,213
Total after Transfers to/from Earmarked Reserves	2,795,710	4,577,440	4,527,292	-50,148

- 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 show with budget holders comments at Annex 2.
- 2.5 In summary the **main** areas of service cost centre variances that are **unlikely** to rectify themselves by the end of the financial year is shown below:

Description	Variance to end February 2024 £
<p><u>Corporate Surveys (CSERV – Corporate Services)</u> All work to complete surveys/ consultations this financial year has been undertaken in-house resulting in underspends compared to the revised budget estimate that will not resolve by the end of the financial year. Further information concerning the work undertaken is set out in Annex 1 of the report.</p>	-7,930
<p><u>Departmental employee costs</u> Salary, national insurance and superannuation costs within the Resources and Chief Executive's Departments are -£9k lower than the revised budget estimates for the period to February, mainly due to a prolonged vacancy within the accounts section during the year.</p>	-9,174

3 CONCLUSION

- 3.1 The comparison between actual and budgeted expenditure at the revised estimate shows a total underspend of £85,361 to February 2024 of the financial year 2024/25. After allowing for transfers to/from earmarked reserves there is an underspend of £50,148.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

PF25-24/VT/AC
25 March 2024

Policy and Finance 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
UKSPF/ 8503z	UK Shared Prosperity Fund - Management and Admin/DLUHC - UKSPF Revenue Grant	-45,150	-19,100	-55,252	-36,152	<p>£116k of UKSPF revenue grant funding was received during the 2023/24 financial year.</p> <ul style="list-style-type: none"> - £19k of the grant is to remain on this cost centre as a contribution towards the council's cost of administering the scheme; - £61k has been allocated across approved revenue schemes to support expenditures/ financial commitments during the period to February (£30k to Business Support and Net Zero, £30k for Enhanced Website & Marketing Opportunities and £1k to EV Charging Points/CCTV provision); and - £36k of grant funds remain to be allocated to future expenditures (i.e. the variance shown) 	The balance of funds remaining at the end of the financial year will be set aside in the UK Shared Prosperity Fund earmarked reserve to support associated expenditures occurring during future financial periods.
CSERV/ 3264	Corporate services/ Ribble Valley News	11,180	10,249	0	-10,249	<p>Publication of the council newspaper is on hold pending a shift to digital channels. Following a review of the publication, future editions will be produced in both digital and print formats.</p> <p>Costings so far for a digital content management system are expensive and further work is planned pending appointment into a vacant post.</p>	Some of the budget may be required to contribute towards the cost of RVBC golden jubilee promotional expenditure before the end of the financial year.

Policy and Finance 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
CSERV/ 3166	Corporate services/ Surveys	8,650	7,930	0	-7,930	A number of surveys/ consultations have been undertaken this financial year in-house including the Dog Control Public Spaces Protection Order 2023, the Polling Districts / Places Review, and the Disability Workforce Reporting 2024 developed by HR. The next staff survey is currently in development and is due to launch in April, work is also underway to develop a communications survey as a follow up from the 2023 People's Survey – Life in Ribble Valley (which was commissioned externally during the 2022/23 financial year).	As all work has been undertaken in-house the revised estimate budget for surveys will underspend this financial year.
ESTAT/ 2402	Estates/ Repair & Maintenance - Buildings	35,430	32,479	25,635	-6,844	£10k was diverted to this cost centre from other repair and maintenance areas at revised estimate for the estimated cost of work on columns at the Longridge Youth Zone. As actual costs were lower than estimated this has created the underspend shown.	Outturn will be reported to committee following the end of the financial year and expenditures will be used to inform future estimates.

Policy and Finance 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
RESOR/0100	Resources Department/ Salaries	1,765,990	1,618,388	1,611,785	-6,603	Council staffing budgets at revised estimate assume average vacancy underspends of 2% across the authority on estimated costs. The underspend on salaries for the period to February was higher than that estimated within the resources department, mainly due to a vacancy within the accounts section.	Salary budgets at revised estimate will continue to be monitored and final outturn will be reported to committee following the end of the financial year.

Policy and Finance 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
COMPR/2991	Computer Services/Communication Equipment	19,710	19,710	16,611	-3,099	The revised estimate budget on this code allows for a small element of contingency for any unforeseen costs. To date this has not been needed this year.
COSDM/2998	Cost of Democracy/Software Maintenance	16,190	16,190	13,129	-3,061	The annual charge from the software provider was lower than predicted at revised estimate.
RESOR/2881	Resources Department/Purchase of Equipment & Materials	6,940	6,362	3,886	-2,476	Departmental expenditure on the purchase of equipment and materials for the period to February is lower than allowed for within the budget at revised estimate.
CEXEC/1013	Chief Executives Department/Tuition Fees	6,700	5,883	3,438	-2,445	Training requirements within the Chief Executives Department and the Resources Department have been lower than the budget available at revised estimate.
RESOR/1013	Resources Department/Tuition Fees	7,930	7,270	4,076	-3,194	Staff appraisals continue to be rolled out across council departments and any training needs identified will be addressed through provision of external training if required.
RESOR/1023	Resources Department/Corporate Training	14,730	14,730	16,943	2,213	Overspend on the corporate training budget at revised estimate due to first time expenditure on a Learning Management System for the delivery of online training and development modules for council officers. The overspend is to be met from funds set aside in earmarked reserves in 2020/21 from underspends under this budget heading.

Policy and Finance 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
LICSE/8438u	Licensing/Taxi Licences	-43,090	-40,594	-38,286	2,308	Income received during the Nov-Feb period was lower than the 2-year average that formed the basis for the revised estimate. Outturn will be used to inform future estimates.
HSUPF/4691	Household Support Fund/Grants to Individuals - Gift Vouchers	209,000	209,000	211,680	2,680	The budget forecast at revised estimate for 2023/24 was that £209k of household support grant funds would be spent of food vouchers and £7k on the cost of employing a temporary debt advisor.
HSUPF/various	Household Support Fund/Grants to Individuals - Employee costs	7,000	7,000	4,319	-2,681	As employee costs were lower than estimated during the period a greater proportion of funds have been allocated to the purchase of vouchers. This has created offsetting under/overspends in the associated budgets for the year.