

## REVENUE MONITORING 2023/24 - Period 6 to 30th September 2023 (Variances in excess of £5K)

NB: Some budget variances occurring as a result of budget profiling issues where no variance is expected to remain by year-end, or variances to be resolved by virements, are excluded from the list below.

Key

|       |
|-------|
| BLUE  |
| GREEN |
| AMBER |
| RED   |

|   |
|---|
| Variance currently showing but expected to be on target at year end |
| Favourable variance against latest budget                           |
| Adverse variance against latest budget                              |
| Projected adverse outturn variance                                  |

### FINANCE & RESOURCES PORTFOLIO

| Service Area         | Detailed Description   | Full Year Budget | Budget as at Period 6 | Actual Spend & Commitments as at Period 6 | Variance as at Period 6 | ADVERSE / FAVOURABLE | Alert | Budget Holder      | Budget Holder Comments  |
|----------------------|--|------------------|-----------------------|---|-------------------------|----------------------|-------|--------------------|---|
| All Council services | Employee costs including basic pay, pension, NI, and overtime, plus agency costs | 10,890,233       | 5,498,061             | 5,578,947                                 | 80,886                  | ADVERSE              | RED   | All Budget Holders | The budget forecast which was approved by Council in March 2023 assumed employee cost savings (including vacancy savings arising from delays in the recruitment to vacant posts) of £300,000 per annum from 2023/24 onwards. The budget also includes an estimate for pay award of 4% for the current year, and accordingly the actual spend to date figure includes an estimated commitment of pay award of 4% (pro-rata'd for the year to date) which is in line with the estimate. The adverse variance reflects increased costs of agency staff employed largely to deliver waste, parks, cemetery and crematorium and Fairhaven Lake services. The pay award has recently been settled at £1,925 per pay point which equates to c6.75% on the pay-bill. The employee cost budgets will be updated in the next update of the council's financial forecast to reflect the agreed pay award and updated estimates of agency labour costs. |

### CORPORATE AND ECONOMIC DEVELOPMENT PORTFOLIO

| Service Area           | Detailed Description      | Full Year Budget | Budget as at Period 6 | Actual & Commitments as at Period 6 | Variance as at Period 6 | ADVERSE / FAVOURABLE | Alert | Budget Holder | Budget Holder Comments  |
|------------------------|---------------------------|------------------|-----------------------|-------------------------------------|-------------------------|----------------------|-------|---------------|---|
| Development Management | Planning Application Fees | -550,000         | -275,000              | -235,254                            | 39,746                  | ADVERSE              | RED   | Andrew Stell  | There are two reasons for the current adverse variance. Firstly, application numbers have been slightly depressed over the normal average in the past few months which is not untypical for the summer quarter. Secondly, fees are set nationally and the government announced in spring 2023 that the fee levels would increase 'this summer' - but that promised increase has yet to be introduced. The submission of additional applications, both in number and scale, during the second half of the year may recover this position. This budget will be kept under review. |
| Planning Enforcement   | Enforcement Costs         | 45,000           | 22,500                | 13,333                              | -9,167                  | FAVOURABLE           | GREEN |               | A couple of cases that were expected to require external support and legal assistance were resolved without that being required, resulting in this favourable variance. The budget will be reviewed as part of the budget right-sizing exercise and adjusted as required.   |

| Service Area  | Detailed Description              | Full Year Budget | Budget as at Period 6 | Actual Spend & Commitments as at Period 6 | Variance as at Period 6 | ADVERSE / FAVOURABLE | Alert | Budget Holder  | Budget Holder Comments  |
|---|-----------------------------------|------------------|-----------------------|---|-------------------------|----------------------|-------|----------------|---|
| Development Management Team                           | Consultants Fees                  | 5,000            | 2,500                 | 29,070                                    | 26,570                  | ADVERSE              | RED   | Andrew Stell   | As a consequence of staff departures, maternity leave and recruitment challenges consultants have been appointed to assist with caseload, focussing on delivering high-priority but long-standing applications to a decision. A bid for government funding to support this expenditure has been submitted, the outcome of which is awaited. |
| Local Plan  | Consultants Fees                  | 38,000           | 19,000                | 0   | -19,000                 | FAVOURABLE           | GREEN | Mark Evans     | Consultants have been engaged to update the evidence base that will inform the review of the local plan. Work is ongoing with payment due on satisfactory completion of the work.   |
| Planning Policy                                       | Local Development Framework Costs | 30,000           | 15,000                | 0   | -15,000                 | FAVOURABLE           | GREEN | Julie Glaister | Not all of these budget may be required for 2023/24. The budgets will be kept under review and updated as necessary,  |
| Repairs and Maintenance Budget - Council owned assets | Other Miscellaneous Repairs       | 188,445          | 94,223                | 196,917                                   | 102,695                 | ADVERSE              | RED   | Peter Downs    | There have been additional essential, but unbudgeted, works that have been required during the year, including works on St Annes Pool and the town hall basement. This budget will be reviewed as part of the budget right-sizing process and adjusted as necessary.  |
| Business Rates - Council owned assets                 | Business Rates                    | 224,856          | 224,856               | 247,116                                   | 22,260                  | ADVERSE              | RED   | Philip Haworth | There has been an increase in the level of business rates payable by the council as a result of a national revaluation by Valuation Office Agency. This budget will be adjusted as part of the budget right-sizing process.   |
| North Beach Windsports Centre                         | Rent                              | -11,000          | -5,500                | 0   | 5,500                   | ADVERSE              | RED   |                | Under the terms of the negotiated lease the tenant has been granted a rent-free period to April 2024. This budget will be adjusted as part of the budget right-sizing process.  |
| St Annes Public Offices                               | Rent                              | -30,000          | -15,000               | 0   | 15,000                  | ADVERSE              | RED   |                | Under the terms of the negotiated lease the tenant has been granted a rent-free period to April 2024. This budget will be adjusted as part of the budget right-sizing process.  |

#### **CUSTOMER & OPERATIONAL SERVICES PORTFOLIO**

| Service Area        | Detailed Description                 | Full Year Budget | Budget as at Period 6 | Actual & Commitments as at Period 6 | Variance as at Period 6 | ADVERSE / FAVOURABLE | Alert | Budget Holder | Budget Holder Comments   |
|---------------------|--------------------------------------|------------------|-----------------------|-------------------------------------|-------------------------|----------------------|-------|---------------|--|
| Fylde Waste Schemes | Other Sales                          | -62,000          | -31,000               | -48,497                             | -17,497                 | FAVOURABLE           | GREEN | Clare Blyth   | There has been additional income arising from the increased sale of chargeable wheeled bins in respect of newly built properties. This budget will be reviewed and adjusted as appropriate as part of the budget right-sizing process. |
|                     | Household Refuse Special Collections | -42,000          | -21,000               | -26,926                             | -5,926                  | FAVOURABLE           | GREEN |               | The increase in income is due to the increased demand for bulky household waste collections. This budget will be reviewed and adjusted as appropriate as part of the budget right-sizing process.                                      |
|                     | Green Waste Subscription Charge      | -673,400         | -673,400              | -683,720                            | -10,320                 | FAVOURABLE           | GREEN |               | There has been an increase in income due to increased customer demand for the green bin subscription service. This budget will be reviewed and adjusted as appropriate as part of the budget right-sizing process.                     |

| Service Area                   | Detailed Description                  | Full Year Budget | Budget as at Period 6 | Actual Spend & Commitments as at Period 6 | Variance as at Period 6 | ADVERSE / FAVOURABLE | Alert | Budget Holder | Budget Holder Comments   |
|--------------------------------|---------------------------------------|------------------|-----------------------|---|-------------------------|----------------------|-------|---------------|--|
| Trade Waste Service            | Purchase of Bulk Recycling Containers | 2,000            | 2,000                 | 7,409                                     | 5,409                   | ADVERSE              | RED   | Clare Blyth   | Due to an increase in demand from new commercial customers and contract amendments it has been necessary to purchase additional bulk bins. This adverse variance will be offset in due course by additional bin lease income from customers to whom the bins will be leased.   |
| Public Conveniences            | Miscellaneous Receipts                | -51,000          | -25,500               | -16,500                                   | 9,000                   | ADVERSE              | RED   |               | Income for the first half of the year is below the budget, largely as a result of poor weather conditions during the summer months which has an adverse effect on visitor numbers. This budget will be reviewed and adjusted as appropriate as part of the budget right-sizing process.  |
| Fleet & Plant                  | FMS Materials Cost                    | 140,670          | 70,335                | 87,891                                    | 17,556                  | ADVERSE              | RED   |               | Essential vehicle repairs and maintenance costs are incurred to keep the fleet operational to support service delivery. There are a number of adverse variances in the year to date, including as a result of inflation. These budgets will be kept under review during the remainder of the financial year and adjusted as necessary as part of the budget right-sizing exercise. |
|                                | Repairs by Commercial Garages         | 43,400           | 21,700                | 40,666                                    | 18,966                  | ADVERSE              | RED   |               |  |
|                                | Hire of Transport                     | 63,357           | 31,679                | 41,851                                    | 10,173                  | ADVERSE              | RED   |               |  |
|                                | Hire of Plant                         | 0                | 0                     | 10,470                                    | 10,470                  | ADVERSE              | RED   |               |  |
| Off-Street Parking Enforcement | Penalty Charge Notices                | -45,000          | -22,500               | -32,123                                   | -9,623                  | FAVOURABLE           | GREEN | Andrew Loynd  | Penalty Charge Notice numbers are higher than anticipated and income is showing a favourable variance as a consequence.  |
| Car Parking Charges            | Car Parking Charges                   | -750,000         | -375,000              | -424,825                                  | -49,825                 | FAVOURABLE           | RED   |               | Although income is currently in excess of the budget, the seasonal profile indicates that total income for the year is unlikely to meet the annual total budget. This is most likely due to poor weather during the summer months leading to a reduction in visitor numbers. The budget will be reviewed as part of the budget right-sizing process and adjusted as required.      |
| Utilities                      | Water Charges - metered               | 89,900           | 44,950                | 39,071                                    | -5,879                  | FAVOURABLE           | GREEN |               | Metered water costs are lower than anticipated, possibly as a result of a wetter summer resulting in less watering of plants and open spaces being required.   |
| Computer Services              | Computer - Telephone Charges          | 20,000           | 10,000                | 0   | -10,000                 | FAVOURABLE           | BLUE  | Ross McKelvie | This budget will contribute towards the development of the telephony infrastructure across the Council. This will offer resiliency ahead of future decommission of the current telephone connections system as part of the council's core communications infrastructure. It is anticipated that this budget will be used during the 2023/24 financial year.                        |
|                                | Computer - Program Licence Charges    | 129,000          | 64,500                | 54,524                                    | -9,976                  | FAVOURABLE           | BLUE  |               | This budget will be fully spent by year end and will include expenditure on website development and the rollout of fully managed devices for business continuity.  |
|                                | Computer Maintenance - Contract       | 10,000           | 5,000                 | 0   | -5,000                  | FAVOURABLE           | BLUE  |               | Expenditure on maintenance costs is based on demand and may increase with the upcoming projects due throughout the remainder of the year.  |
|                                | Computer - Development Costs          | 247,000          | 123,500               | 106,561                                   | -16,939                 | FAVOURABLE           | BLUE  |               | This budget will contribute towards the development of the telephony infrastructure across the Council, along with the rollout of fully managed devices which will reduce the current licensing costs.   |

| Service Area                      | Detailed Description   | Full Year Budget | Budget as at Period 6 | Actual Spend & Commitments as at Period 6 | Variance as at Period 6 | ADVERSE / FAVOURABLE | Alert | Budget Holder   | Budget Holder Comments   |
|-----------------------------------|--|------------------|-----------------------|---|-------------------------|----------------------|-------|-----------------|--|
| <b>ENVIRONMENT PORTFOLIO</b>      |  |                  |                       |   |                         |                      |       |                 |  |
| Land Charges                      | LC - CON29 Fees  | -60,000          | -30,000               | -19,895                                   | 10,105                  | ADVERSE              | RED   | Keith Vernon    | There has been a reduction in income for the year to date as a result of lower customer usage for the service resulting from interest rate rises over the last year which is suppressing housing transactions and also as a consequence of outside competition from search providers who undercut the Council fee for the service.   |
| Pollution Control                 | Works Completed in Default of Notice                                     | -1,000           | -500                  | -6,035                                    | -5,535                  | FAVOURABLE           | GREEN | David Kessack   | Income from works completed in default is above the anticipated level. It is difficult to predict when enforcement action will be required and the scale of the works in default costs.  |
| <b>SOCIAL WELLBEING PORTFOLIO</b> |  |                  |                       |   |                         |                      |       |                 |  |
| Service Area                      | Detailed Description   | Full Year Budget | Budget as at Period 6 | Actual & Commitments as at Period 6       | Variance as at Period 6 | ADVERSE / FAVOURABLE | Alert | Budget Holder   | Budget Holder Comments   |
| Cemetery and Crematorium          | Medical Fees   | 13,000           | 6,500                 | 13,206                                    | 6,706                   | ADVERSE              | RED   | Rebecca Riley   | There has been a national increase in the statutory medical examination fees leading to this adverse variance. This budget will be revised as part of the budget rightsizing process.  |
|                                   | Interments   | -201,792         | -100,896              | -122,502                                  | -21,606                 | FAVOURABLE           | GREEN |                 | These variances are a result of the seasonal profile of the requirements for the services. The budgets will be reviewed as part of the budget rightsizing process and adjusted as necessary.   |
|                                   | Cremations   | -1,176,039       | -588,020              | -530,193                                  | 57,827                  | ADVERSE              | RED   |                 |  |
|                                   | Memorial Income  | -50,000          | -25,000               | -16,705                                   | 8,295                   | ADVERSE              | RED   |                 |  |
| Homelessness                      | Temporary accommodation costs  | 220,089          | 110,072               | 228,968                                   | 118,896                 | ADVERSE              | RED   | Kirstine Riding | The high level of demand for this service experienced during 2022/23 continues into 2023/24. Increased costs are partially offset by additional income from Housing Benefit and Universal Credit contributions. The budgets will be reviewed as part of the budget rightsizing process and adjusted as necessary.  |
|                                   | Housing Benefit/Universal Credit Repayment Income                        | -45,000          | -22,500               | -55,455                                   | -32,955                 | FAVOURABLE           | GREEN |                 |  |
|                                   | Miscellaneous Income - contributions towards interim accommodation costs | -2,000           | -1,000                | -16,804                                   | -15,804                 | FAVOURABLE           | GREEN |                 |  |
| Housing Standards                 | Contribution to Wyre - Care & Repair                                     | 30,000           | 15,000                | 8,851                                     | -6,149                  | FAVOURABLE           | GREEN | Kirstine Riding | Expenditure on this service is dependent on the number of clients accessing the support. It is possible that full budget for the year will not be required. The budget will be kept under review during the remainder of the year and adjusted as appropriate.   |
|                                   | Disabled Facilities Grant Fees   | -160,000         | -80,000               | -97,887                                   | -17,887                 | FAVOURABLE           | GREEN |                 | The level of revenue income is determined by the number and value of capital grants delivered during the year and those for which the 15% management fee is levied. The Council has received an additional allocation of capital grant for 2023/24 and consequently revenue income for the year is anticipated to be in excess of the budget. This budget will be reviewed as part of the budget right-sizing process. |

| Service Area                                    | Detailed Description            | Full Year Budget | Budget as at Period 6 | Actual Spend & Commitments as at Period 6 | Variance as at Period 6 | ADVERSE / FAVOURABLE | Alert | Budget Holder   | Budget Holder Comments  |
|---|---------------------------------|------------------|-----------------------|---|-------------------------|----------------------|-------|---|---|
| <b>TOURISM, LEISURE &amp; CULTURE PORTFOLIO</b> |                                 |                  |                       |   |                         |                      |       |   |   |
| Fairhaven Lake and Gardens                      | Adventure Golf                  | -164,000         | -82,000               | -105,139                                  | -23,139                 | FAVOURABLE           | RED   | Tim Dixon   | Although income is currently in excess of the budget, the seasonal profile indicates that total income for the year may not meet the annual estimate. This is most likely due to poor weather during the summer months leading to a reduction in visitor numbers. Additional marketing is being undertaken to promote the facility and the budget will be reviewed as part of the budget right-sizing process and adjusted as required. |
| Management of the Arts & Heritage Assets        | Festival Support/Club Days      | 10,800           | 10,800                | 16,955                                    | 6,155                   | ADVERSE              | RED   |   | This budget is overspent as a result of the unbudgeted costs for the King's Coronation (banners, flags, bunting and lighting columns).  |
| Fylde Tourism and Events                        | 1940's Lytham Wartime Festival  | 35,000           | 35,000                | 49,645                                    | 14,645                  | ADVERSE              | RED   |   | The costs of the Wartime Festival have increased as the event has grown in popularity. This combined with the impact of inflationary increases on the overall costs of running the event have resulted in this overspend. The events programme is currently under review.   |
|   | Income - Kite Festival          | -20,000          | -20,000               | -7,000                                    | 13,000                  | ADVERSE              | RED   | The event incomes and expenditure is under separate review. |   |
| St. Annes-Parks (Strategic)                     | Irrigation Systems and Drainage | 2,000            | 1,000                 | 7,455                                     | 6,455                   | ADVERSE              | RED   | Lisa Foden  | This budget overspend has occurred due to the unanticipated water pump failure at the Ashton Garden lake which required a new water pump to be fitted.  |
| Splash and Paddling Pool                        | Splash Entry Fee                | -65,000          | -32,500               | -18,603                                   | 13,897                  | ADVERSE              | RED   |   | The original income target for the facility has not been met for 2023/24. The adverse weather conditions over the main summer period adversely impacted user attendance, as did snagging issues with the booking and payment system.  |