

Report

Report to:	Housing and Technical Resources Committee
Date of Meeting:	8 November 2023
Report by:	Executive Director (Finance and Corporate Resources) Executive Director (Housing and Technical Resources)

Subject:	Revenue Budget Monitoring 2023/2024 - Housing and Technical Resources (Excl Housing Revenue Account (HRA))
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ provide information on the actual expenditure measured against the revenue budget for the period 1 April to 8 September 2023 for Housing and Technical Resources (excl HRA)

2. Recommendation(s)

2.1. The Committee is asked to approve the following recommendation(s):-

- (1) that the breakeven position as at 8 September 2023 on Housing and Technical Resources (excl HRA) revenue budget, as detailed in Appendix A of the report, be noted; and
- (2) that the proposed budget virements be approved

3. Background

- 3.1. This is the second revenue budget monitoring report presented to the Housing and Technical Resources Committee for the financial year 2023/2024.
- 3.2. The report details the financial position for Housing and Technical Resources (excl HRA) on Appendix A, then details the individual services in appendices B and C.

4. Employee Implications

4.1. There are no employee implications as a result of this report.

5. Financial Implications

5.1. As at 8 September 2023, there is a breakeven position against the phased budget.

6. Other Implications

- 6.1. The main risk associated with the Council's revenue budget is that there is an overspend. The risk is managed through 4-weekly Budget Monitoring meetings at which any variance is analysed. In addition, the probable outturn exercise ensures early warning for corrective action to be taken where appropriate.
- 6.2. Inflationary and budget pressures this year increase the risk of overspend, however, we have mitigated through providing additional funds in future years' budget strategy and in this year, through some reserve funds available.

7. Climate Change, Sustainability and Environmental Implications

- 7.1. There are no climate change, sustainability and environmental implications in terms of the information contained within this report.

8. Equality Impact Assessment and Consultation Arrangements

- 8.1. This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy and therefore no impact assessment is required.
- 8.2. There is also no requirement to undertake any consultation in terms of the information contained in this report.

Paul Manning

Executive Director (Finance and Corporate Resources)

Stephen Gibson

Executive Director (Housing and Technical Resources)

11 October 2023

Link(s) to Council Values/Priorities/Outcomes

- ◆ Accountable, effective, efficient and transparent

Previous References

- ◆ Executive Committee, 11 October 2023

List of Background Papers

- ◆ Financial ledger and budget monitoring results to 8 September 2023

Contact for Further Information

If you would like to inspect the background papers or want further information, please contact: -

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SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Housing and Technical Resources Committee: Period Ended 8 September 2023 (No.6)

Housing and Technical Resources Summary (excl HRA)

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 08/09/23	Actual 08/09/23	Variance 08/09/23		% Variance 08/09/23	Notes
Employee Costs	46,968	46,968	0	19,443	18,741	702	under	3.6%	
Property Costs	18,368	18,368	0	9,335	9,678	(343)	over	(3.7%)	
Supplies & Services	14,210	14,210	0	5,981	5,908	73	under	1.2%	
Transport & Plant	4,722	4,722	0	1,895	1,896	(1)	over	(0.1%)	
Administration Costs	3,756	3,756	0	121	91	30	under	24.8%	
Payments to Other Bodies	6,853	6,853	0	2,537	2,496	41	under	1.6%	
Payments to Contractors	15,790	15,790	0	5,000	3,596	1,404	under	28.1%	
Transfer Payments	0	0	0	0	0	0	-	0.0%	
Financing Charges	153	153	0	15	13	2	under	13.3%	
Total Controllable Exp.	110,820	110,820	0	44,327	42,419	1,908	under	4.3%	
Total Controllable Inc.	(96,644)	(96,644)	0	(30,482)	(28,574)	(1,908)	under recovered	(6.3%)	
Net Controllable Exp.	14,176	14,176	0	13,845	13,845	0	-	0.0%	
Transfer to Reserves as at (08/09/23)	0	0	0	0	0	0	-		
Position After Transfers to Reserves (08/09/23)	14,176	14,176	0	13,845	13,845	0	-	0.0%	

Variance Explanations

Variances are shown in Appendix B and C as appropriate.

Budget Virements

Virements are shown in Appendix B and C as appropriate.

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Housing and Technical Resources Committee: Period Ended 8 September 2023 (No.6)

Housing Services

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 08/09/23	Actual 08/09/23	Variance 08/09/23		% Variance 08/09/23	Notes
Employee Costs	3,756	3,756	0	1,372	1,356	16	under	1.2%	a
Property Costs	6,260	6,260	0	3,013	3,082	(69)	over	(2.3%)	1, a
Supplies & Services	211	211	0	130	138	(8)	over	(6.2%)	
Transport & Plant	193	193	0	63	72	(9)	over	(14.3%)	
Administration Costs	157	157	0	15	16	(1)	over	(6.7%)	
Payments to Other Bodies	3,981	3,981	0	1,637	1,596	41	under	2.5%	
Payments to Contractors	2,709	2,709	0	285	285	0	-	0.0%	
Transfer Payments	0	0	0	0	0	0	-	0.0%	
Financing Charges	11	11	0	2	1	1	under	50.0%	
Total Controllable Exp.	17,278	17,278	0	6,517	6,546	(29)	over	(0.4%)	
Total Controllable Inc.	(8,814)	(8,814)	0	(3,143)	(3,172)	29	over recovered	0.9%	a
Net Controllable Exp.	8,464	8,464	0	3,374	3,374	0	-	0.0%	
Transfer to Reserves as at (08/09/23)	0	0	0	0	0	0	-		
Position After Transfers to Reserves (08/09/23)	8,464	8,464	0	3,374	3,374	0	-	0.0%	

Variance Explanations

- The overspend relates to the cost of works on temporary accommodation to meet current demand.

Budget Virements

- Ukraine refugee budget funding realignments Net £0.000m: Employee costs £0.081m, Property costs (£0.010m) and Income (£0.071m).

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Housing and Technical Resources Committee: Period Ended 8 September 2023 (No.6)

Property Services

<u>Budget Category</u>	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 08/09/23	Actual 08/09/23	Variance 08/09/23		% Variance 08/09/23	Notes
Employee Costs	43,212	43,212	0	18,071	17,385	686	under	3.8%	1
Property Costs	12,108	12,108	0	6,322	6,596	(274)	over	(4.3%)	2
Supplies & Services	13,999	13,999	0	5,851	5,770	81	under	1.4%	3
Transport & Plant	4,529	4,529	0	1,832	1,824	8	under	0.4%	
Administration Costs	3,599	3,599	0	106	75	31	under	29.2%	
Payments to Other Bodies	2,872	2,872	0	900	900	0	-	0.0%	
Payments to Contractors	13,081	13,081	0	4,715	3,311	1,404	under	29.8%	4, a
Transfer Payments	0	0	0	0	0	0	-	0.0%	
Financing Charges	142	142	0	13	12	1	under	7.7%	
Total Controllable Exp.	93,542	93,542	0	37,810	35,873	1,937	under	5.1%	
Total Controllable Inc.	(87,830)	(87,830)	0	(27,339)	(25,402)	(1,937)	under recovered	(7.1%)	5, a
Net Controllable Exp.	5,712	5,712	0	10,471	10,471	0	-	0.0%	
Transfer to Reserves as at (08/09/23)	0	0	0	0	0	0	-		
Position After Transfers to Reserves (08/09/23)	5,712	5,712	0	10,471	10,471	0	-	0.0%	

Variance Explanations

1. The variance relates to vacancies which are actively being recruited or are still under consideration whilst service requirements are determined.
2. The overspend relates primarily to service charges within the estates service.
3. The level of expenditure on materials varies depending on the current workload demands and timing of works on a wide variety of capital and revenue works.
4. The use of private contractors varies depending on the current workload demands and timing of works on a wide variety of capital and revenue works.
5. The level of income recovered varies depending on the current workload and timing for the recovery of income on a wide variety of major capital and revenue works.

Budget Virements

- a. Realignment of budget within Building Services. Net £0.000m: Payments to Contractors (£3.000m) and Income £3.000m.