

# Report

Report to:	<b>Housing and Technical Resources Committee</b>
Date of Meeting:	<b>24 April 2024</b>
Report by:	<b>Executive Director (Finance and Corporate Resources) Executive Director (Housing and Technical Resources)</b>

Subject:	<b>Revenue Budget Monitoring 2023/2024 - Housing and Technical Resources (Excl Housing Revenue Account (HRA))</b>
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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 2023 to 26 January 2024 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 26 January 2024 on Housing and Technical Resources (excl HRA) Revenue Budget, and the forecast to 31 March 2024 of a breakeven position after approved transfers to reserves, 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 fourth 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. **Probable Outturn:** Following the Council's formal Probable Outturn exercise, the forecast for the budget to 31 March 2024 is a breakeven position after approved transfers to reserves of £1.510 million. This is made up of overspends in the Estates and Property Maintenance services, offset by an underspend in Office Accommodation.
- 5.2. As at 26 January 2024, there is a breakeven position against the phased budget.

## **6. Climate Change, Sustainability and Environmental Implications**

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

## **7 Other Implications**

- 7.1 The main risk associated with the Council's Revenue Budget is that there is an overspend. The risk is managed through four 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.
- 7.2 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.

## **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.

**Jackie Taylor**

**Executive Director (Finance and Corporate Resources)**

**Stephen Gibson**

**Executive Director (Housing and Technical Resources)**

27 March 2024

### **Link(s) to Council Values/Priorities/Outcomes**

- ◆ Accountable, Effective, Efficient and Transparent

### **Previous References**

- ◆ Executive Committee, 20 March 2024

### **List of Background Papers**

- ◆ Financial ledger and budget monitoring results to 26 January 2024

### **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 26 January 2024 (No.11)

## Housing and Technical Resources Summary (excl HRA)

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 26/01/24	Actual 26/01/24	Variance 26/01/24		% Variance 26/01/24	Notes
<b><u>Budget Category</u></b>									
Employee Costs	50,062	48,205	1,858	40,227	38,517	1,710	under	4.3%	
Property Costs	19,319	21,038	(1,719)	16,104	17,575	(1,471)	over	(9.1%)	
Supplies & Services	13,832	14,010	(178)	9,778	9,967	(189)	over	(1.9%)	
Transport & Plant	4,723	4,408	315	3,567	3,375	192	under	5.4%	
Administration Costs	3,754	3,734	20	477	580	(103)	over	(21.6%)	
Payments to Other Bodies	8,600	8,625	(25)	6,288	6,253	35	under	0.6%	
Payments to Contractors	12,865	12,625	240	9,427	9,221	206	under	2.2%	
Transfer Payments	0	0	0	0	0	0	-	0.0%	
Financing Charges	154	181	(27)	41	62	(21)	over	(51.2%)	
<b>Total Controllable Exp.</b>	113,309	112,826	484	85,909	85,550	359	under	0.4%	
<b>Total Controllable Inc.</b>	(95,717)	(96,743)	1,026	(59,433)	(59,074)	(359)	under recovered	(0.6%)	
<b>Net Controllable Exp.</b>	17,592	16,082	1,510	26,476	26,476	0	-	0.0%	
<b>Transfer to Reserves as at (26/01/24)</b>	0	1,510	(1,510)	0	0	0	-		
<b>Position After Transfers to Reserves (26/01/24)</b>	17,592	17,592	0	26,476	26,476	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.

**Approved Transfers to Reserves**

Detailed in Appendix B and C

## SOUTH LANARKSHIRE COUNCIL

## Revenue Budget Monitoring Report

Housing and Technical Resources Committee: Period Ended 26 January 2024 (No.11)

## Housing Services

<b>Budget Category</b>	<b>Annual Budget</b>	<b>Forecast for Year</b>	<b>Annual Forecast Variance</b>	<b>Budget Proportion 26/01/24</b>	<b>Actual 26/01/24</b>	<b>Variance 26/01/24</b>		<b>% Variance 26/01/24</b>	<b>Notes</b>
Employee Costs	4,034	4,016	18	3,231	3,187	44	under	1.4%	
Property Costs	6,638	7,305	(667)	5,194	5,813	(619)	over	(11.9%)	1
Supplies & Services	217	212	5	241	237	4	under	1.7%	
Transport & Plant	194	154	40	178	143	35	under	19.7%	
Administration Costs	156	145	11	56	65	(9)	over	(16.1%)	
Payments to Other Bodies	4,728	4,626	102	3,856	3,737	119	under	3.1%	2
Payments to Contractors	2,709	2,468	241	1,855	1,651	204	under	11.0%	3
Transfer Payments	0	0	0	0	0	0	-	0.0%	
Financing Charges	11	20	(9)	3	2	1	under	33.3%	
<b>Total Controllable Exp.</b>	18,687	18,946	(259)	14,614	14,835	(221)	over	(1.5%)	
<b>Total Controllable Inc.</b>	(8,458)	(10,273)	1,815	(5,851)	(6,133)	282	over recovered	4.8%	4
<b>Net Controllable Exp.</b>	10,229	8,673	1,556	8,763	8,702	61	under	(0.7%)	
<b>Transfer to Reserves as at (26/01/24)</b>	0	1,485	(1,485)	0	0	0	-		
<b>Position After Transfers to Reserves (26/01/24)</b>	10,229	10,158	71	8,763	8,702	61	under	(0.7%)	

**Variance Explanations**

1. The overspend relates to the cost of works on temporary accommodation to meet current demand.
2. The underspend relates to commissioned services in the homelessness budget where expenditure varies according to service requirements.
3. The underspend relates to commissioned services in the homelessness budget where expenditure varies according to service requirements.
4. The over recovery relates mainly to rent from temporary accommodation stock.

**Budget Virements**

There are no virements to report.

**Approved Transfers to Reserves (£1.485m):**

- i. Ukraine Resettlement Funding. (£1.485m)

## SOUTH LANARKSHIRE COUNCIL

## Revenue Budget Monitoring Report

Housing and Technical Resources Committee: Period Ended 26 January 2024 (No.11)

## Property Services

<u>Budget Category</u>	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 26/01/24	Actual 26/01/24	Variance 26/01/24		% Variance 26/01/24	Notes
Employee Costs	46,029	44,189	1,840	36,996	35,330	1,666	under	4.5%	1
Property Costs	12,681	13,733	(1,052)	10,910	11,762	(852)	over	(7.8%)	2
Supplies & Services	13,615	13,798	(183)	9,537	9,730	(193)	over	(2.0%)	3
Transport & Plant	4,529	4,254	275	3,389	3,232	157	under	4.6%	4
Administration Costs	3,598	3,589	9	421	515	(94)	over	(22.3%)	
Payments to Other Bodies	3,872	3,999	(127)	2,432	2,516	(84)	over	(3.5%)	
Payments to Contractors	10,156	10,157	(1)	7,572	7,570	2	under	0.0%	
Transfer Payments	0	0	0	0	0	0	-	0.0%	
Financing Charges	143	161	(18)	38	60	(22)	over	(57.9%)	
<b>Total Controllable Exp.</b>	94,623	93,880	743	71,295	70,715	580	under	0.8%	
<b>Total Controllable Inc.</b>	(87,260)	(86,471)	(789)	(53,582)	(52,941)	(641)	under recovered	(1.2%)	5
<b>Net Controllable Exp.</b>	7,363	7,409	(46)	17,713	17,774	(61)	over	0.3%	
<b>Transfer to Reserves as at (26/01/24)</b>	0	25	(25)	0	0	0	-		
<b>Position After Transfers to Reserves (26/01/24)</b>	7,363	7,434	(71)	17,713	17,774	(61)	over	0.3%	

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 level of expenditure on scaffolding, plant and other transportation costs 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

There are no virements to report.

Approved Transfers to Reserves (£0.025m):

- i) Local Heat and Energy Efficiencies Strategies (LHEES). (£0.025m)