

Report

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Report to:	Community Services Committee
Date of Meeting:	3 September 2013
Report by:	Executive Director (Finance and Corporate Resources) and Executive Director (Community and Enterprise Resources)

Subject:	Community Services - Revenue Budget Monitoring 2013/2014
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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 28 June 2013 for Community Services
- ◆ provide a forecast for the year to 31 March 2014.

2. Recommendation(s)

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

- (1) that the underspend on the Community Services' revenue budget of £0.019million (0.11%), as detailed in Appendices B to F of the report, and the forecast to 31 March 2014 of break even be noted;
- (2) that the proposed budget virements in respect of the Community Services as detailed in Appendices B to F of the report, be approved.

3. Background

- 3.1. This is the first revenue budget monitoring report presented to the Community Services Committee for the financial year 2013/2014.
- 3.2. The Community and Enterprise Resources' budget is managed in totality by the Resource. The individual Community Services reports are included, along with variance explanations, in Appendices B to F. For information, the report details the financial position for Community and Enterprise Resources in Appendix A. As Appendices B to F reflect Community Services only, the total of Appendix A does not balance to the total of these.
- 3.3. Support Services within the Resource provides support for all Services, however, this is monitored through the Community Services Committee.

4. Employee Implications

4.1. None.

5. Financial Implications

5.1. As at 28 June 2013, the Community Services variance from phased budget is an underspend of £0.019million (0.11%). The Community Services' forecast for the revenue budget to 31 March 2014 is a break even position.

- 5.2. Virements are also proposed to realign budgets across the services and with other Resources. These movements have been detailed in the appendices to this report.

6. Other Implications

- 6.1. The main risk associated with the Council's Revenue Budget is that there is an overspend. The risk has been assessed as low given the detailed budget management applied across the Resources. 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.
- 6.2 There are no implications for sustainability in terms of the information contained in this report.

7. Equality Impact Assessment and Consultation Arrangements

- 7.1. 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.
- 7.2. 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)

Colin McDowall

Executive Director (Community and Enterprise Resources)

10 July 2013

Link(s) to Council Values/Objectives

- ◆ Accountable, Effective and Efficient

Previous References

- ◆ None

List of Background Papers

- ◆ Financial ledger and budget monitoring results to 28 June 2013.

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

Community and Enterprise Resources: Period Ended 28 June 2013 (No.4)

Community and Enterprise Resources Summary

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 28/06/13	Actual 28/06/13	Variance 28/06/13		% Variance 28/06/13	Note
	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>									
Employee Costs	37,525	37,525	0	8,388	8,324	64	under	0.8%	
Property Costs	12,533	12,533	0	2,977	2,976	1	under	0.0%	
Supplies & Services	4,686	4,686	0	425	429	(4)	over	(0.9%)	
Transport & Plant	5,821	5,821	0	1,774	1,759	15	under	0.8%	
Administration Costs	937	937	0	127	136	(9)	over	(7.1%)	
Payments to Other Bodies	18,968	18,968	0	6,764	6,786	(22)	over	(0.3%)	
Payments to Contractors	58,786	58,786	0	11,947	11,908	39	under	0.3%	
Transfer Payments	586	586	0	146	147	(1)	over	(0.7%)	
Financing Charges	658	658	0	65	69	(4)	over	(6.2%)	
Total Controllable Exp.	140,500	140,500	0	32,613	32,534	79	under	0.2%	
Total Controllable Inc.	(26,691)	(26,691)	0	(4,246)	(4,176)	(70)	under recovered	(1.6%)	
Net Controllable Exp.	113,809	113,809	0	28,367	28,358	9	under	0.0%	

Variance Explanations

Variance explanations are shown in Appendices B to F.

Budget Virements

Budget virements are shown in Appendices B to F.

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Community and Enterprise Resources: Period Ended 28 June 2013 (No.4)

Facilities, Streets and Waste

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 28/06/13	Actual 28/06/13	Variance 28/06/13		% Variance 28/06/13	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	17,789	17,789	0	3,983	3,960	23	under	0.6%	1,a,b,c
Property Costs	11,475	11,475	0	2,839	2,831	8	under	0.3%	a,b
Supplies & Services	1,289	1,289	0	290	280	10	under	3.4%	a,b,c
Transport & Plant	5,193	5,193	0	1,686	1,676	10	under	0.6%	b
Administration Costs	183	183	0	31	27	4	under	12.9%	b,c,d
Payments to Other Bodies	27	27	0	12	22	(10)	over	(83.3%)	b
Payments to Contractors	15,170	15,170	0	3,856	3,846	10	under	0.3%	b,c
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	504	504	0	32	34	(2)	over	(6.3%)	b
Total Controllable Exp.	51,630	51,630	0	12,729	12,676	53	under	0.4%	
Total Controllable Inc.	(11,662)	(11,662)	0	(2,346)	(2,293)	(53)	under recovered	(2.3%)	2,a,b,c,d
Net Controllable Exp.	39,968	39,968	0	10,383	10,383	0	-	0.0%	

Variance Explanations**1. Employee Costs**

The underspend is within Refuse and Disposal Services and is mainly due to vacancies, with the recruitment process underway to fill a number of posts. In addition, overtime costs are less than anticipated.

2. Income

The under recovery is mainly due to income from disposal vouchers and trade waste containers being less than anticipated.

Budget Virements

- Reallocation of budget to reflect current service delivery to Leisure and Culture (£0.004m), Enterprise Services (£0.026m), Education (£0.120m), Housing and Technical (£0.022m) and Social Work (£0.004m) – Total (£0.176m): Employee Costs (£0.158m), Property Costs £0.011m, Supplies and Services £0.001m, Income (£0.030m).
- Realignment of Facilities, Streets and Bereavement budget to reflect current service delivery: Net Effect £0: Employee Costs (£0.101m), Property Costs (£0.024m), Supplies and Services £0.028m, Transport and Plant £0.003m, Administration Costs (£0.005m), Payments to Other Bodies £0.008m, Payments to Contractors (£0.003m), Financing Charges £0.016m, Income £0.078m.
- Realignment of Waste budget to reflect current service delivery: Net Effect £0: Employee Costs £0.114m, Supplies and Services (£0.061m), Administration Costs (£0.018m), Payments to Contractors (£0.114m), Income £0.079m.
- Community Services Internal Management and Support Realignment to Support (£3.272m): Administration Costs (£3.858m), Income £0.586m.

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Community and Enterprise Resources: Period Ended 28 June 2013 (No.4)

Environmental

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 28/06/13	Actual 28/06/13	Variance 28/06/13		% Variance 28/06/13	Note
	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>									
Employee Costs	3,840	3,840	0	857	848	9	under	1.1%	
Property Costs	12	12	0	7	7	0	-	0.0%	
Supplies & Services	165	165	0	26	31	(5)	over	(19.2%)	
Transport & Plant	121	121	0	23	25	(2)	over	(8.7%)	
Administration Costs	98	98	0	15	14	1	under	6.7%	a
Payments to Other Bodies	151	151	0	29	33	(4)	over	(13.8%)	
Payments to Contractors	239	239	0	59	58	1	under	1.7%	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	25	25	0	4	4	0	-	0.0%	
Total Controllable Exp.	4,651	4,651	0	1,020	1,020	0	-	0.0%	
Total Controllable Inc.	(414)	(414)	0	(111)	(111)	0	-	0.0%	a
Net Controllable Exp.	4,237	4,237	0	909	909	0	-	0.0%	

Budget Virements

a. Community Services Internal Management and Support Realignment to Support (£2.033m): Administration Costs (£2.168m), Income £0.135m.

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Community and Enterprise Resources: Period Ended 28 June 2013 (No.4)

Leisure and Culture

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 28/06/13	Actual 28/06/13	Variance 28/06/13	% Variance 28/06/13	Note
	£000	£000	£000	£000	£000	£000		
<u>Budget Category</u>								
Employee Costs	4	4	0	1	1	0	-	0.0%
Property Costs	232	232	0	52	52	0	-	0.0%
Supplies & Services	0	0	0	0	0	0	-	n/a
Transport & Plant	0	0	0	0	0	0	-	n/a
Administration Costs	11	11	0	0	0	0	-	n/a a
Payments to Other Bodies	112	112	0	0	0	0	-	n/a
Payments to Contractors	21,199	21,199	0	5,303	5,303	0	-	0.0% b, c
Transfer Payments	0	0	0	0	0	0	-	n/a
Financing Charges	0	0	0	0	0	0	-	n/a
Total Controllable Exp.	21,558	21,558	0	5,356	5,356	0	-	0.0%
Total Controllable Inc.	0	0	0	0	0	0	-	n/a
Net Controllable Exp.	21,558	21,558	0	5,356	5,356	0	-	0.0%

Budget Virements

- Community Services Internal Management and Support Realignment to Support (£1.747m): Administration Costs (£1.747m).
- Reallocation of budget to reflect current service delivery from Facilities, Streets and Waste £0.004m: Payments to Contractors £0.004m.
- Transfer from Support in respect of Revenue Consequences of Capital budget £0.771m: Payments to Contractors £0.771m.

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Community and Enterprise Resources: Period Ended 28 June 2013 (No.4)

Projects

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 28/06/13	Actual 28/06/13	Variance 28/06/13		% Variance 28/06/13	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	501	501	0	152	152	0	-	0.0%	a
Property Costs	0	0	0	0	0	0	-	n/a	
Supplies & Services	16	16	0	7	6	1	under	14.3%	a
Transport & Plant	153	153	0	6	6	0	-	0.0%	a
Administration Costs	0	0	0	0	0	0	-	n/a	
Payments to Other Bodies	0	0	0	0	0	0	-	n/a	
Payments to Contractors	596	596	0	0	0	0	-	n/a	a, b
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	0	0	0	0	0	0	-	n/a	
Total Controllable Exp.	1,266	1,266	0	165	164	1	under	0.6%	
Total Controllable Inc.	(1,007)	(1,007)	0	(165)	(164)	(1)	under recovered	(0.6%)	a
Net Controllable Exp.	259	259	0	0	0	0	-	n/a	

Budget Virements

- a. Budget realignment to reflect additional funding for Greenspace Health, Air Quality, Low Carbon Vehicle and Future Jobs Fund projects: Net Effect £0: Employee Costs £0.501m, Supplies and Services £0.016m, Transport and Plant £0.153m, Payments to Contractors £0.337m, Income (£1.007m).
- b. Transfer from Support in respect of Revenue Consequences of Capital budget £0.259m: Payments to Contractors £0.259m.

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Community and Enterprise Resources: Period Ended 28 June 2013 (No.4)

Support Services

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 28/06/13	Actual 28/06/13	Variance 28/06/13		% Variance 28/06/13	Note
	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>									
Employee Costs	4,515	4,515	0	1,030	1,008	22	under	2.1%	1
Property Costs	295	295	0	2	2	0	-	0.0%	
Supplies & Services	158	158	0	7	7	0	-	0.0%	
Transport & Plant	73	73	0	3	1	2	under	66.7%	
Administration Costs	164	164	0	20	23	(3)	over	(15.0%)	
Payments to Other Bodies	0	0	0	0	0	0	-	n/a	
Payments to Contractors	0	0	0	0	0	0	-	n/a	a
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	51	51	0	9	9	0	-	0.0%	
Total Controllable Exp.	5,256	5,256	0	1,071	1,050	21	under	2.0%	
Total Controllable Inc.	(1,427)	(1,427)	0	(2)	0	(2)	under recovered	(100.0%)	b
Net Controllable Exp.	3,829	3,829	0	1,069	1,050	19	under	1.8%	

Variance Explanations**1. Employee Costs**

The underspend is mainly due to vacancies that exist across the Service which are being filled in line with service requirements.

Budget Virements

- a. Transfers in respect of Revenue Consequences of Capital budget to Leisure and Culture (£0.771m) and Projects (£0.259m): Payments to Contractors (£1.030m).
- b. Community Services Internal Management and Support Realignment from Facilities, Streets and Waste £3.272m, Environmental £2.033m, Leisure £1.747m – Total £7.052m: Income £7.052m.