

Report

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Report to:	Community Services Committee
Date of Meeting:	29 September 2015
Report by:	Executive Director (Finance and Corporate Resources) Executive Director (Community and Enterprise Resources)

Subject:	Community Services - Revenue Budget Monitoring 2015/2016
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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 24 July 2015 for Community Services
- ◆ provide a forecast for the year to 31 March 2016

2. Recommendation(s)

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

- (1) that the breakeven position of the Community Services' revenue budget, as detailed in Appendices B to F of the report, be noted;
- (2) that the forecast to 31 March 2016 of break even be noted; and
- (3) that the proposed budget virements, as detailed in Appendix B of the report, be approved.

3. Background

- 3.1. This is the second revenue budget monitoring report presented to the Community Services Committee for the financial year 2015/2016.
- 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, where appropriate, 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 24 July 2015, the Community Services' variance from phased budget is a breakeven position. The Community Services' forecast for the revenue budget to 31 March 2016 is a break even position.

5.2. Virements are proposed to realign budgets. These movements are detailed in the attached 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)

26 August 2015

Link(s) to Council Values/Objectives

♦ Accountable, Effective and Efficient

Previous References

♦ Community Services Committee, 30 June 2015

List of Background Papers

♦ Financial ledger and budget monitoring results to 24 July 2015.

Contact for Further Information

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

Lorraine O'Hagan, Accounting and Budgeting Manager

Ext: 4617 (Tel: 01698 454617)

E-mail: lorraine.o'hagan@southlanarkshire.gov.uk

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Community and Enterprise Resources: Period Ended 24 July 2015 (No.5)

Community and Enterprise Resources Summary

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 24/07/15	Actual 24/07/15	Variance 24/07/15		% Variance 24/07/15	Note
	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>									
Employee Costs	37,748	37,748	0	10,960	10,889	71	under	0.6%	
Property Costs	12,909	12,909	0	4,072	4,058	14	under	0.3%	
Supplies & Services	4,904	4,904	0	1,194	1,188	6	under	0.5%	
Transport & Plant	6,610	6,610	0	1,792	1,789	3	under	0.2%	
Administration Costs	1,169	1,169	0	187	191	(4)	over	(2.1%)	
Payments to Other Bodies	15,805	15,805	0	4,554	4,548	6	under	0.1%	
Payments to Contractors	55,330	55,330	0	17,534	17,566	(32)	over	(0.2%)	
Transfer Payments	586	586	0	293	293	0	-	0.0%	
Financing Charges	493	493	0	312	311	1	under	0.3%	
Total Controllable Exp.	135,554	135,554	0	40,898	40,833	65	under	0.2%	
Total Controllable Inc.	(27,796)	(27,796)	0	(6,104)	(6,042)	(62)	under recovery	(1.0%)	
Net Controllable Exp.	107,758	107,758	0	34,794	34,791	3	under	0.0%	

Variance Explanations

Variance explanations are shown in Appendices B and F.

Budget Virements

Budget virements are shown in Appendix B.

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Revenue Budget Monitoring Report

Community and Enterprise Resources: Period Ended 24 July 2015 (No.5)

Facilities, Streets and Waste

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 24/07/15	Actual 24/07/15	Variance 24/07/15		% Variance 24/07/15	Note
	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>									
Employee Costs	18,500	18,500	0	5,345	5,357	(12)	over	(0.2%)	a
Property Costs	11,583	11,583	0	3,945	3,933	12	under	0.3%	a
Supplies & Services	1,732	1,732	0	698	683	15	under	2.1%	a
Transport & Plant	5,920	5,920	0	1,626	1,618	8	under	0.5%	a
Administration Costs	424	424	0	77	77	0	-	0.0%	a
Payments to Other Bodies	62	62	0	22	15	7	under	31.8%	a
Payments to Contractors	13,533	13,533	0	4,595	4,636	(41)	over	(0.9%)	1,a
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	363	363	0	264	262	2	under	0.8%	
Total Controllable Exp.	52,117	52,117	0	16,572	16,581	(9)	over	(0.1%)	
Total Controllable Inc.	(10,838)	(10,838)	0	(2,998)	(2,977)	(21)	under recovery	(0.7%)	a
Net Controllable Exp.	41,279	41,279	0	13,574	13,604	(30)	over	(0.2%)	

Variance Explanations**1. Payments to Contractors**

The overspend is due to temporary seasonal variations in the level of domestic waste disposal costs incurred to date.

Budget Virements

- a. Budget realignment to reflect current service delivery: Net effect £0: Employee Costs £0.210m, Property Costs £0.018m, Supplies and Services (£0.114m), Transport and Plant £0.257m, Administration Costs £0.157m, Payments to Other Bodies (£0.001m), Payments to Contractors (£0.185m) and Income (£0.342m).

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Revenue Budget Monitoring Report

Community and Enterprise Resources: Period Ended 24 July 2015 (No.5)

Environmental

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 24/07/15	Actual 24/07/15	Variance 24/07/15		% Variance 24/07/15	Note
	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>									
Employee Costs	3,904	3,904	0	1,137	1,143	(6)	over	(0.5%)	
Property Costs	12	12	0	1	1	0	-	0.0%	
Supplies & Services	113	113	0	44	45	(1)	over	(2.3%)	
Transport & Plant	118	118	0	28	27	1	under	3.6%	
Administration Costs	64	64	0	15	15	0	-	0.0%	
Payments to Other Bodies	173	173	0	44	44	0	-	0.0%	
Payments to Contractors	224	224	0	93	92	1	under	1.1%	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	25	25	0	8	8	0	-	0.0%	
Total Controllable Exp.	4,633	4,633	0	1,370	1,375	(5)	over	(0.4%)	
Total Controllable Inc.	(999)	(999)	0	(166)	(167)	1	over recovery	0.6%	
Net Controllable Exp.	3,634	3,634	0	1,204	1,208	(4)	over	(0.3%)	

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Revenue Budget Monitoring Report

Community and Enterprise Resources: Period Ended 24 July 2015 (No.5)

Leisure and Culture

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 24/07/15	Actual 24/07/15	Variance 24/07/15		% Variance 24/07/15	Note
	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>									
Employee Costs	4	4	0	1	2	(1)	over	(100.0%)	
Property Costs	236	236	0	59	58	1	under	1.7%	
Supplies & Services	0	0	0	0	0	0	-	n/a	
Transport & Plant	0	0	0	0	0	0	-	n/a	
Administration Costs	10	10	0	0	0	0	-	n/a	
Payments to Other Bodies	102	102	0	8	8	0	-	0.0%	
Payments to Contractors	19,073	19,073	0	9,458	9,458	0	-	0.0%	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	0	0	0	0	0	0	-	n/a	
Total Controllable Exp.	19,425	19,425	0	9,526	9,526	0	-	0.0%	
Total Controllable Inc.	0	0	0	0	0	0	-	n/a	
Net Controllable Exp.	19,425	19,425	0	9,526	9,526	0	-	0.0%	

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Revenue Budget Monitoring Report

Community and Enterprise Resources: Period Ended 24 July 2015 (No.5)

Projects

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 24/07/15	Actual 24/07/15	Variance 24/07/15		% Variance 24/07/15	Note
	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>									
Employee Costs	0	0	0	0	0	0	-	n/a	
Property Costs	0	0	0	0	0	0	-	n/a	
Supplies & Services	0	0	0	0	0	0	-	n/a	
Transport & Plant	194	194	0	77	77	0	-	0.0%	
Administration Costs	0	0	0	0	1	(1)	over	n/a	
Payments to Other Bodies	0	0	0	0	1	(1)	over	n/a	
Payments to Contractors	469	469	0	39	39	0	-	0.0%	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	0	0	0	0	0	0	-	n/a	
Total Controllable Exp.	663	663	0	116	118	(2)	over	(1.7%)	
Total Controllable Inc.	(531)	(531)	0	(116)	(118)	2	over recovery	1.7%	
Net Controllable Exp.	132	132	0	0	0	0	-	n/a	

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Revenue Budget Monitoring Report

Community and Enterprise Resources: Period Ended 24 July 2015 (No.5)

Support Services

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 24/07/15	Actual 24/07/15	Variance 24/07/15		% Variance 24/07/15	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	4,423	4,423	0	1,291	1,254	37	under	2.9%	1
Property Costs	248	248	0	3	2	1	under	33.3%	
Supplies & Services	180	180	0	19	24	(5)	over	(26.3%)	
Transport & Plant	62	62	0	2	2	0	-	0.0%	
Administration Costs	220	220	0	23	20	3	under	13.0%	
Payments to Other Bodies	0	0	0	0	0	0	-	n/a	
Payments to Contractors	0	0	0	0	0	0	-	n/a	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	31	31	0	12	12	0	-	0.0%	
Total Controllable Exp.	5,164	5,164	0	1,350	1,314	36	under	2.7%	
Total Controllable Inc.	(1,833)	(1,833)	0	(2)	0	(2)	under recovery	(100.0%)	
Net Controllable Exp.	3,331	3,331	0	1,348	1,314	34	under	2.5%	

Variance Explanations**1. Employee Costs**

The underspend reflects vacancies within Administration Services and Change and Development Services which are being considered in line with service requirements.