

# Report

Report to:	<b>Financial Resources Scrutiny Forum</b>
Date of Meeting:	<b>5 March 2020</b>
Report by:	<b>Executive Director (Finance and Corporate Resources)</b>

Subject:	<b>Revenue Budget Monitoring 2019/2020</b>
----------	--

## 1. Purpose of Report

### 1.1. The purpose of the report is to:-

- ◆ update members of the Financial Resources Scrutiny Forum of progress on the Council's revenue budget for the period covering 1 April 2019 to 3 January 2020.

## 2. Recommendation(s)

### 2.1. The Forum is asked to note the following recommendation(s):-

- (1) that the 2019/2020 Financial Position as at period 10 (3 January 2020) and the forecast to 31 March 2020, for General Services and the Housing Revenue Account (as detailed in Appendices 1 to 3), be noted.

## 4. Background

### 4.1. The Revenue reports attached provide detail on the most recent Executive Committee report dated 26 February 2020. The reports detail the position as at 3 January 2020 for General Services and the Housing Revenue Account, comparing actual expenditure and income to the budget for the same period.

### 4.2. The papers have been split into separate Appendices as shown below:

- ◆ Appendix 1a - 2019/2020 Financial Position **after** transfers to reserves as at Period 10 (3 January 2020) for General Services on a Service basis
- ◆ Appendix 1b - 2019/2020 Financial Position **after** transfers to reserves as at Period 10 (3 January 2020) for General Services on a Subjective basis
- ◆ Appendix 2a - 2019/2020 Financial Position **before** transfers to reserves as at Period 10 (3 January 2020) for General Services on a Service basis
- ◆ Appendix 2b - 2019/2020 Financial Position **before** transfers to reserves as at Period 10 (3 January 2020) for General Services on a Subjective basis
- ◆ Appendix 3 - 2019/2020 Financial Position as at Period 10 (3 January 2020) for Housing Revenue Account

## 5. Financial Position

### 5.1. General Fund Revenue Account Position

This overview report will summarise the 2019/2020 Probable Outturn position for the Council's General Fund Revenue Account to 31 March 2020 (Section 4). It will also provide the position on the General Fund Account and the Housing Revenue Account for the current period 1 April 2019 to 3 January 2020 (Section 5).

## **6. 2019/2020 General Services Probable Outturn**

- 6.1. As reported previously, the probable outturn position for the Council shows a forecast underspend of £2.658m after transfers to reserves.
- 6.2. The report to the Executive Committee (29 January 2020) approved that this £2.658 million underspend is transferred to the Uncommitted General Fund for use in future Budget Strategies.

## **7. 2019/2020 General Services Monitoring Position**

### **7.1. Financial Position as at 3 January 2020 (Period 10)**

As at 3 January 2020, the position on the General Fund after approved transfers to reserves is an underspend of £2.650 million (Appendix 1). Appendix 2 shows the position before transfers to reserves. This is in line with the probable outturn position being reported. The position of each Resource is detailed below.

- 7.2. **Community and Enterprise Resources:** As at period 10, the Resource is showing an overspend of £0.194 million after transfers to reserves (£0.110m overspend before transfers to reserves). The actual net overspend position at period 10 reflects the legal costs from the food safety case and the timing of efficiencies within Fleet, Environmental and Project Services, as previously reported. These are partially offset by an underspend in employee costs and an over recovery of income within Planning and Economic Development.
- 7.3. **Education Resources:** As at period 10, the Resource is showing an underspend of £0.035m after transfers to reserves (£2.988m underspend before transfers to reserves). The actual net underspend position at period 10 before transfers reflects the previously reported timing of Pupil Equity Fund expenditure, the timing of expenditure on the delivery of Early Years 1140 hours expansion and school counselling projects as well as an over recovery of income from Early Years fees. This is partially offset by an overspend on school transport costs.
- 7.4. **Finance and Corporate Resources:** The position as at period 10 is a breakeven position. There are no transfers to reserves. The breakeven position reflects underspends in employee costs in Finance (Transactions) and underspends on employability and sanitary products within Personnel Services. These are offset by overspends due to lower than anticipated turnover in Finance (Strategy) and IT Services, and a reduction in external income within Communications and Strategy.
- 7.5. **Housing and Technical Resources:** As at period 10, the Resource is showing a breakeven position after the approved transfers to reserves (£0.160m underspend before transfers to reserves). This reflects an underspend in Housing Services within the homeless services and is also due to the timing of the rollout of the Rapid Rehousing Transition Programme. This is partially offset by an overspend in Property Services due to CCTV upgrades and staff costs.
- 7.6. **Social Work Resources:** The position at period 10 is a net overspend of £1.541 million. There are no proposed transfers to reserves. This reflects the overspend in Children and Families due to demand, as previously reported, and an overspend in Adults and Older People due to demand for community based services. This overspend is partially offset by an underspend in Justice Services.
- 7.7. The Chief Financial Officer of the Health and Social Care Partnership has been asked to consider the option of a non-recurring contribution from the Health and Social Care Partnership to cover the additional costs within Adults and Older People Services.

- 7.8. In addition, following the outcome of the recent inspection of Home Care services, work is ongoing to deliver improvements to the service. Additional costs are expected from this improvement work, which may impact on the outturn position for the Council. Further information will be provided when confirmation on the level of these costs is received.
- 7.9. **Loan Charges:** The position at period 10 is showing an underspend of £1.903m after transfers to reserves (£8.512 million underspend before transfers to reserves). The underspend position before transfers reflects the previously reported re-phasing of the principal repayment on debt and the impact on 2019/2020 of the interest rates on the borrowing taken in 2018/2019. In addition, the Council will not require to borrow this year and instead, cash balances have been used to fund capital spend incurred. The balance of the underspend relates to an estimate of interest from deposits and interest on the balances held in the Council's reserves during the year.
- 7.10. This position does not take into account the outcome of the work that has taken place in the Loans Fund Review. Members were previously advised that a report showing the potential impact of the debt re-profiling for the Council will be developed and reported to a future meeting of the Executive Committee. Any benefit realised will be identified to Members, with a proposal to use this to assist in supporting future Budget Strategies.
- 7.11. **Corporate Items:** The position being reported at period 10 is an overspend of £0.587m after transfers to reserves (£0.324 overspend million before transfers to reserves). The net overspend before transfers, reflects the previously reported additional costs of Auto Enrolment partially offset by the over recovery of income in relation to spend to save project repayments which will be transferred back to the Central Energy Efficiency Fund Reserve at the year end.
- 7.12. The period 10 position does not yet include the impact of the year end entries including the bad debt provision and Council Tax Second Home commitment which will not be known until the end of the financial year.
- 7.13. **Corporate Items – 2020/2021 Strategy:** The period 10 position is a breakeven position after transfers to reserves (£0.490 million underspend before transfers to reserves). The underspend reflects the previously reported budgets not required in the current year which is being transferred to reserves for use in the 2020/2021 budget strategy.
- 7.14. **Council Tax and Council Tax Reduction Scheme:** The period 10 position is showing an over recovery of £3.104 million. This over recovery reflects the collection of arrears, property numbers and income from empty long term properties. There is also income from second homes which will be offset by an expenditure commitment within Corporate Items. In addition, there is an underspend as a result of the reduction in demand for the Council Tax Reduction Scheme.
- 7.15. **Additional General Revenue Grant**  
Since the last report, Education Resources have been notified of an allocation of £0.959 million for Additional Support for Learning. This has been included in the budget figures included in the Appendices. Due to the timing of the notification, this funding is unlikely to be spent in the current year. Any underspend will be transferred to reserves to meet commitments in future years.

#### **7.16. Other Funding**

There has been no additional funding notified since the last report.

#### **8. Housing Revenue Account Position**

8.1. As at 3 January 2020, Appendix 3 of the report shows a breakeven position against the phased budget on the Housing Revenue Account.

8.2. The forecast to 31 March 2020 on the Housing Revenue Account is a breakeven position

#### **9. Employee Implications**

9.1. None.

#### **10. Financial Implications**

10.1. As detailed within this report.

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

11.1. There are no implications for climate change, sustainability or the environment in terms of the information contained in this report.

#### **12. Other Implications**

12.1. 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.

12.2. There are no implications for sustainability in terms of the information contained in this report.

#### **13. Equality Impact Assessment and Consultation Arrangements**

13.1. 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.

13.2. 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)**

26 February 2020

#### **Link(s) to Council Values/Ambitions/Objectives**

◆ Accountable, Effective, Efficient and Transparent

#### **Previous References**

◆ None

#### **List of Background Papers**

◆ Financial ledger and budget monitoring results to 3 January 2020

**Contact for Further Information**

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

Jackie Taylor, Head of Finance (Strategy)

Ext: 5637 (Tel: 01698 455637)

E-mail: [jackie.taylor@southlanarkshire.gov.uk](mailto:jackie.taylor@southlanarkshire.gov.uk)

## SOUTH LANARKSHIRE COUNCIL

## Revenue Budget Monitoring Report (AFTER Transfers)

Period Ended 3 January 2020 (No.10)

<u>Committee</u>	Annual Budget	Annual Forecast AFTER Transfers	Annual Forecast Variance AFTER Transfers	Budget Proportion to 03/01/20	Actual to Period 10 03/01/20	Variance to 03/01/20		%
	£m	£m	£m	£m	£m	£m		
<b>Departments:</b>								
<b>Community and Enterprise Resources</b>	<b>108.691</b>	<b>108.835</b>	<b>(0.144)</b>	<b>77.572</b>	<b>77.766</b>	<b>(0.194)</b>	<b>over</b>	<b>(0.3%)</b>
Facilities Streets and Waste (Inc. Support)	66.377	66.431	(0.054)	46.973	47.040	(0.067)	over	(0.1%)
Fleet, Environmental and Projects	1.479	2.117	(0.638)	1.013	1.557	(0.544)	over	(53.7%)
Leisure and Culture Services	19.505	19.460	0.045	14.568	14.532	0.036	under	0.2%
Planning and Economic Development	1.955	1.433	0.522	4.699	4.301	0.398	under	8.5%
Roads	19.375	19.394	(0.019)	10.319	10.336	(0.017)	over	(0.2%)
<b>Education Resources</b>	<b>338.155</b>	<b>338.193</b>	<b>(0.038)</b>	<b>241.395</b>	<b>241.430</b>	<b>(0.035)</b>	<b>over</b>	<b>0.0%</b>
<b>Finance and Corporate Resources</b>	<b>34.336</b>	<b>34.336</b>	<b>0.000</b>	<b>33.742</b>	<b>33.742</b>	<b>0.000</b>	<b>-</b>	<b>0.0%</b>
Finance Services - Strategy	2.139	2.218	(0.079)	2.585	2.644	(0.059)	over	(2.3%)
Finance Services - Transactions	12.618	12.368	0.250	13.178	12.979	0.199	under	1.5%
Audit and Compliance Services	0.365	0.362	0.003	0.426	0.431	(0.005)	over	(1.2%)
Information Technology Services	4.995	5.102	(0.107)	5.479	5.574	(0.095)	over	(1.7%)
Communications and Strategy Services	1.034	1.204	(0.170)	1.044	1.188	(0.144)	over	(13.8%)
Administration and Licensing Services	3.773	3.814	(0.041)	4.156	4.148	0.008	under	0.2%
Personnel Services	9.412	9.268	0.144	6.874	6.778	0.096	under	1.4%
<b>Housing and Technical Resources</b>	<b>17.086</b>	<b>17.086</b>	<b>0.000</b>	<b>15.259</b>	<b>15.259</b>	<b>0.000</b>	<b>-</b>	<b>0.0%</b>
Housing Services	8.515	8.449	0.066	5.765	5.728	0.037	under	0.6%
Property Services	8.571	8.637	(0.066)	9.494	9.531	(0.037)	over	(0.4%)
<b>Social Work Resources</b>	<b>164.668</b>	<b>166.907</b>	<b>(2.239)</b>	<b>132.315</b>	<b>133.856</b>	<b>(1.541)</b>	<b>over</b>	<b>(1.2%)</b>
Performance and Support Services	7.682	7.701	(0.019)	6.005	5.983	0.022	under	0.4%
Children and Families	33.059	34.989	(1.930)	24.797	26.164	(1.367)	over	(5.5%)
Adults and Older People	122.632	123.078	(0.446)	100.732	101.050	(0.318)	over	(0.3%)
Justice and Substance Misuse	1.295	1.139	0.156	0.781	0.659	0.122	under	15.6%
<b>Joint Boards</b>	<b>2.151</b>	<b>2.151</b>	<b>0.000</b>	<b>1.634</b>	<b>1.634</b>	<b>0.000</b>	<b>-</b>	<b>0.0%</b>
	<b>665.087</b>	<b>667.508</b>	<b>(2.421)</b>	<b>501.917</b>	<b>503.687</b>	<b>(1.770)</b>	<b>over</b>	<b>(0.4%)</b>

  

<u>Committee</u>	Annual Budget	Annual Forecast AFTER Transfers	Annual Forecast Variance AFTER Transfers	Budget Proportion to 03/01/20	Actual to Period 10 03/01/20	Variance to 03/01/20		%
	£m	£m	£m	£m	£m	£m		
Service Departments Total	665.087	667.508	(2.421)	501.917	503.687	(1.770)	over	(0.4%)
CFCR	0.000	0.000	0.000	0.000	0.000	0.000	-	n/a
Loan Charges	53.916	52.013	1.903	53.916	52.013	1.903	under	3.5%
Corporate Items	2.187	3.356	(1.169)	(0.231)	0.356	(0.587)	over	254.1%
Corporate Items - 2020/2021 Strategy	0.540	0.540	0.000	0.540	0.540	0.000	-	0.0%
Transfer to Reserves	0.000	0.000	0.000	0.000	0.000	0.000	-	n/a
<b>Total Expenditure</b>	<b>721.730</b>	<b>723.417</b>	<b>(1.687)</b>	<b>556.142</b>	<b>556.596</b>	<b>(0.454)</b>	<b>over</b>	<b>(0.1%)</b>
Council Tax	152.487	155.994	3.507	108.919	111.424	2.505	over rec	2.3%
Less: Council Tax Reduction Scheme	(20.480)	(19.642)	0.838	(14.629)	(14.030)	0.599	under	4.1%
Net Council Tax	132.007	136.352	4.345	94.290	97.394	3.104	over rec	3.3%
General Revenue Grant	221.339	221.339	0.000	158.375	158.375	0.000	-	0.0%
Non Domestic Rates	341.166	341.166	0.000	262.435	262.435	0.000	-	0.0%
Transfer from Reserves	27.218	27.218	0.000	27.218	27.218	0.000	-	0.0%
<b>Total Income</b>	<b>721.730</b>	<b>726.075</b>	<b>4.345</b>	<b>542.318</b>	<b>545.422</b>	<b>3.104</b>	<b>over rec</b>	<b>0.6%</b>
<b>Net Expenditure / (Income)</b>	<b>0.000</b>	<b>(2.658)</b>	<b>2.658</b>	<b>13.824</b>	<b>11.174</b>	<b>2.650</b>	<b>under</b>	<b>19.2%</b>

**SOUTH LANARKSHIRE COUNCIL**  
**Revenue Budget Monitoring Report (AFTER Transfers)**  
**Period Ended 3 January 2020 (No.10)**

<u>Budget Category</u>	Annual Budget	Annual Forecast AFTER Transfers	Annual Forecast Variance AFTER Transfers	Budget Proportion to 03/01/20	Actual to Period 10 03/01/20	Variance to 03/01/20		%
<b>Service Departments:</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>		
<b>Expenditure</b>								
Employee Cost	510.394	510.619	(0.225)	375.568	375.262	0.306	under	0.1%
Property Costs	54.903	53.944	0.959	44.040	43.213	0.827	under	1.9%
Supplies and Services	52.528	53.201	(0.673)	36.279	36.921	(0.642)	over	(1.8%)
Transport Costs	41.614	41.592	0.022	30.393	30.654	(0.261)	over	(0.9%)
Administration Costs	16.365	16.516	(0.151)	10.818	11.036	(0.218)	over	(2.0%)
Payments to Other Bodies	63.565	64.747	(1.182)	43.584	44.425	(0.841)	over	(1.9%)
Payments to Contractors	196.178	196.709	(0.531)	130.483	131.018	(0.535)	over	(0.4%)
Transfer Payments	5.235	5.588	(0.353)	4.477	4.644	(0.167)	over	(3.7%)
Housing Benefits	70.154	69.462	0.692	53.223	52.739	0.484	under	0.9%
Financing Charges (controllable)	1.986	2.026	(0.040)	1.352	1.385	(0.033)	over	(2.4%)
<b>Total</b>	<b>1,012.922</b>	<b>1,014.404</b>	<b>(1.482)</b>	<b>730.217</b>	<b>731.297</b>	<b>(1.080)</b>	<b>over</b>	<b>(0.1%)</b>
Service Departments Total	1,012.922	1,014.404	(1.482)	730.217	731.297	(1.080)	over	(0.1%)
CFCR	0.000	0.000	0.000	0.000	0.000	0.000	-	n/a
Loan Charges	53.916	52.013	1.903	53.916	52.013	1.903	under	3.5%
Corporate Items	2.187	3.356	(1.169)	(0.231)	0.356	(0.587)	over	254.1%
Corporate Items - 2020/2021 Strategy	0.540	0.540	0.000	0.540	0.540	0.000	-	0.0%
Transfer to Reserves	0.000	0.000	0.000	0.000	0.000	0.000	-	n/a
<b>Total Expenditure</b>	<b>1,069.565</b>	<b>1,070.313</b>	<b>(0.748)</b>	<b>784.442</b>	<b>784.206</b>	<b>0.236</b>	<b>under</b>	<b>0.0%</b>
<b>Income</b>								
Housing Benefit Subsidy	65.158	65.158	0.000	48.212	48.212	0.000	-	0.0%
Other Income	282.677	281.738	(0.939)	180.088	179.398	(0.690)	under rec	(0.4%)
Council Tax (Net of Council Tax Reduction Scheme)	132.007	136.352	4.345	94.290	97.394	3.104	over rec	3.3%
General Revenue Grant	221.339	221.339	0.000	158.375	158.375	0.000	-	0.0%
Non Domestic Rates	341.166	341.166	0.000	262.435	262.435	0.000	-	0.0%
Transfer from Reserves	27.218	27.218	0.000	27.218	27.218	0.000	-	0.0%
<b>Total Income</b>	<b>1,069.565</b>	<b>1,072.971</b>	<b>3.406</b>	<b>770.618</b>	<b>773.032</b>	<b>2.414</b>	<b>over rec</b>	<b>0.3%</b>
<b>Net Expenditure / (Income)</b>	<b>0.000</b>	<b>(2.658)</b>	<b>2.658</b>	<b>13.824</b>	<b>11.174</b>	<b>2.650</b>	<b>under</b>	<b>19.2%</b>

**SOUTH LANARKSHIRE COUNCIL**  
**Revenue Budget Monitoring Report (BEFORE Transfers)**  
**Period Ended 3 January 2020 (No.10)**

Committee	Annual Budget	Annual Forecast BEFORE Transfers	Annual Forecast Variance BEFORE Transfers	Budget Proportion to 03/01/20	Actual to Period 10 03/01/20	Variance to 03/01/20		%
	£m	£m	£m	£m	£m	£m		
Departments:								
Community and Enterprise Resources	108.691	108.725	(0.034)	77.572	77.682	(0.110)	over	(0.1%)
Facilities Streets and Waste (Inc. Support)	66.377	66.321	0.056	46.973	46.956	0.017	under	0.0%
Fleet, Environmental and Projects	1.479	2.117	(0.638)	1.013	1.557	(0.544)	over	(53.7%)
Leisure and Culture Services	19.505	19.460	0.045	14.568	14.532	0.036	under	0.2%
Planning and Economic Development	1.955	1.433	0.522	4.699	4.301	0.398	under	8.5%
Roads	19.375	19.394	(0.019)	10.319	10.336	(0.017)	over	(0.2%)
Education Resources	338.155	335.170	2.985	241.395	238.407	2.988	under	1.2%
Finance and Corporate Resources	34.336	34.336	0.000	33.742	33.742	0.000	-	0.0%
Finance Services - Strategy	2.139	2.218	(0.079)	2.585	2.644	(0.059)	over	(2.3%)
Finance Services - Transactions	12.618	12.368	0.250	13.178	12.979	0.199	under	1.5%
Audit and Compliance Services	0.365	0.362	0.003	0.426	0.431	(0.005)	over	(1.2%)
Information Technology Services	4.995	5.102	(0.107)	5.479	5.574	(0.095)	over	(1.7%)
Communications and Strategy Services	1.034	1.204	(0.170)	1.044	1.188	(0.144)	over	(13.8%)
Administration and Licensing Services	3.773	3.814	(0.041)	4.156	4.148	0.008	under	0.2%
Personnel Services	9.412	9.268	0.144	6.874	6.778	0.096	under	1.4%
Housing and Technical Resources	17.086	16.833	0.253	15.259	15.099	0.160	under	1.0%
Housing Services	8.515	8.196	0.319	5.765	5.568	0.197	under	3.4%
Property Services	8.571	8.637	(0.066)	9.494	9.531	(0.037)	over	(0.4%)
Social Work Resources	164.668	166.907	(2.239)	132.315	133.856	(1.541)	over	(1.2%)
Performance and Support Services	7.682	7.701	(0.019)	6.005	5.983	0.022	under	0.4%
Children and Families	33.059	34.989	(1.930)	24.797	26.164	(1.367)	over	(5.5%)
Adults and Older People	122.632	123.078	(0.446)	100.732	101.050	(0.318)	over	(0.3%)
Justice and Substance Misuse	1.295	1.139	0.156	0.781	0.659	0.122	under	15.6%
Joint Boards	2.151	2.151	0.000	1.634	1.634	0.000	-	0.0%
	665.087	664.122	0.965	501.917	500.420	1.497	under	0.3%

Committee	Annual Budget	Annual Forecast BEFORE Transfers	Annual Forecast Variance BEFORE Transfers	Budget Proportion to 03/01/20	Actual to Period 10 03/01/20	Variance to 03/01/20		%
	£m	£m	£m	£m	£m	£m		
Service Departments Total	665.087	664.122	0.965	501.917	500.420	1.497	under	0.3%
CFCR	0.000	0.000	0.000	0.000	0.000	0.000	-	n/a
Loan Charges	53.916	45.404	8.512	53.916	45.404	8.512	under	15.8%
Corporate Items	2.187	3.093	(0.906)	(0.231)	0.093	(0.324)	over	140.3%
Corporate Items - 2020/2021 Strategy	0.540	0.050	0.490	0.540	0.050	0.490	under	100.0%
Transfer to Reserves	0.000	0.000	0.000	0.000	0.000	0.000	-	n/a
Total Expenditure	721.730	712.669	9.061	556.142	545.967	10.175	under	1.8%
Council Tax	152.487	155.994	3.507	108.919	111.424	2.505	over rec	2.3%
Less: Council Tax Reduction Scheme	(20.480)	(19.642)	0.838	(14.629)	(14.030)	0.599	under	4.1%
Net Council Tax	132.007	136.352	4.345	94.290	97.394	3.104	over rec	3.3%
General Revenue Grant	221.339	221.339	0.000	158.375	158.375	0.000	-	0.0%
Non Domestic Rates	341.166	341.166	0.000	262.435	262.435	0.000	-	0.0%
Transfer from Reserves	27.218	27.218	0.000	27.218	27.218	0.000	-	0.0%
Total Income	721.730	726.075	4.345	542.318	545.422	3.104	over rec	0.6%
Net Expenditure / (Income)	0.000	(13.406)	13.406	13.824	0.545	13.279	under	96.4%



**SOUTH LANARKSHIRE COUNCIL**  
**Revenue Budget Monitoring Report (BEFORE Transfers)**  
**Period Ended 3 January 2020 (No.10)**

<u>Budget Category</u>	Annual Budget	Annual Forecast BEFORE Transfers	Annual Forecast Variance BEFORE Transfers	Budget Proportion to 03/01/20	Actual to Period 10 03/01/20	Variance to 03/01/20		%
<b>Service Departments:</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>		
<b>Expenditure</b>								
Employee Cost	510.394	510.473	(0.079)	375.568	375.135	0.433	under	0.1%
Property Costs	54.903	53.828	1.075	44.040	43.130	0.910	under	2.1%
Supplies and Services	52.528	51.700	0.828	36.279	35.420	0.859	under	2.4%
Transport Costs	41.614	41.592	0.022	30.393	30.654	(0.261)	over	(0.9%)
Administration Costs	16.365	16.516	(0.151)	10.818	11.036	(0.218)	over	(2.0%)
Payments to Other Bodies	63.565	63.301	0.264	43.584	42.979	0.605	under	1.4%
Payments to Contractors	196.178	196.638	(0.460)	130.483	130.965	(0.482)	over	(0.4%)
Transfer Payments	5.235	5.588	(0.353)	4.477	4.644	(0.167)	over	(3.7%)
Housing Benefits	70.154	69.462	0.692	53.223	52.739	0.484	under	0.9%
Financing Charges (controllable)	1.986	2.026	(0.040)	1.352	1.385	(0.033)	over	(2.4%)
<b>Total</b>	<b>1,012.922</b>	<b>1,011.124</b>	<b>1.798</b>	<b>730.217</b>	<b>728.087</b>	<b>2.130</b>	<b>under</b>	<b>0.3%</b>
Service Departments Total	1,012.922	1,011.124	1.798	730.217	728.087	2.130	under	0.3%
CFCR	0.000	0.000	0.000	0.000	0.000	0.000	-	n/a
Loan Charges	53.916	45.404	8.512	53.916	45.404	8.512	under	15.8%
Corporate Items	2.187	3.093	(0.906)	(0.231)	0.093	(0.324)	over	140.3%
Corporate Items - 2020/2021 Strategy	0.540	0.050	0.490	0.540	0.050	0.490	under	100.0%
Transfer to Reserves	0.000	0.000	0.000	0.000	0.000	0.000	-	n/a
<b>Total Expenditure</b>	<b>1,069.565</b>	<b>1,059.671</b>	<b>9.894</b>	<b>784.442</b>	<b>773.634</b>	<b>10.808</b>	<b>under</b>	<b>1.4%</b>
<b>Income</b>								
Housing Benefit Subsidy	65.158	65.158	0.000	48.212	48.212	0.000	-	0.0%
Other Income	282.677	281.844	(0.833)	180.088	179.455	(0.633)	under rec	(0.4%)
Council Tax (Net of Council Tax Reduction Scheme)	132.007	136.352	4.345	94.290	97.394	3.104	over rec	3.3%
General Revenue Grant	221.339	221.339	0.000	158.375	158.375	0.000	-	0.0%
Non Domestic Rates	341.166	341.166	0.000	262.435	262.435	0.000	-	0.0%
Transfer from Reserves	27.218	27.218	0.000	27.218	27.218	0.000	-	0.0%
<b>Total Income</b>	<b>1,069.565</b>	<b>1,073.077</b>	<b>3.512</b>	<b>770.618</b>	<b>773.089</b>	<b>2.471</b>	<b>over rec</b>	<b>0.3%</b>
<b>Net Expenditure / (Income)</b>	<b>0.000</b>	<b>(13.406)</b>	<b>13.406</b>	<b>13.824</b>	<b>0.545</b>	<b>13.279</b>	<b>under</b>	<b>96.4%</b>

**SOUTH LANARKSHIRE COUNCIL**  
**Revenue Budget Monitoring Report**  
**Period Ended 3 January 2020 (No.10)**  
**Housing Revenue Account**

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion to 03/01/20	Actual to Period 10 03/01/20	Variance to 03/01/20		%	Note
	£m	£m	£m	£m	£m	£m			
Employee Costs	13.526	12.785	0.741	10.007	9.531	0.476	under	4.8%	1
Property Costs	44.604	44.435	0.169	27.201	27.084	0.117	under	0.4%	2
Supplies & Services	1.475	1.475	0.000	0.687	0.688	(0.001)	over	(0.1%)	
Transport & Plant	0.195	0.195	0.000	0.159	0.159	0.000	-	0.0%	
Administration Costs	5.702	5.656	0.046	0.407	0.370	0.037	under	9.1%	
Payments to Other Bodies	3.174	3.126	0.048	0.020	0.020	0.000	-	0.0%	
Payments to Contractors	0.100	0.105	(0.005)	0.077	0.088	(0.011)	over	(14.3%)	
Transfer Payments	0.000	0.000	0.000	0.000	0.000	0.000	-	n/a	
Financing Charges	20.589	20.599	(0.010)	0.050	0.057	(0.007)	over	(14.0%)	
Total Controllable Expenditure	89.365	88.376	0.989	38.608	37.997	0.611	under	1.6%	
Total Controllable Income	(102.379)	(102.185)	(0.194)	(69.838)	(69.659)	(0.179)	under rec	(0.3%)	3
Transfer to/(from) Balance Sheet	(2.150)	(1.355)	(0.795)	(1.625)	(1.193)	(0.432)	under rec	(26.6%)	4
Net Controllable Expenditure	(15.164)	(15.164)	0.000	(32.855)	(32.855)	0.000		0.0%	
Add: Non Controllable Budgets									
Financing Charges	15.164	15.164	0.000	0.000	0.000	0.000		0.0%	
Total Budget	0.000	0.000	0.000	(32.855)	(32.855)	0.000		0.0%	

**Variance Explanations**

**1. Employee Costs**

The variance in Employee Costs relates to an underspend in pension contributions and vacancies, which are being actively recruited or being held whilst service requirements are determined.

**2. Property Costs**

The underspend relates to the bad debt provision due to the demands following the rollout of Universal Credit and better than anticipated collection rates for rental income. This is partially offset by higher than anticipated spend on repairs and grounds maintenance works, which are demand led.

**3. Income**

The under recovery in rental income is due to the timing of completion of new build properties.

**4. Transfer to/(from) Balance Sheet**

The net impact of the underspends within the service has resulted in a reduced requirement to drawdown from reserves in the current year.