

Report

Report to:	Community Resources Committee
Date of Meeting:	11 November 2008
Report by:	Executive Director (Finance and Information Technology Resources) Executive Director (Community Resources)

Subject:	Revenue Budget Monitoring 2008/2009 - Community Resources
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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 2008 to 3 October 2008 for Community Resources
- ◆ provide a forecast for the year to 31 March 2009

2. Recommendation(s)

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

- (1) that the overspend on Community Resources' revenue budget of £0.049 million (0.1%), as detailed in Appendix A of the report, and the forecast to 31 March 2009 of break even be noted.
- (2) that the proposed budget virements, as detailed in the appendices to the report, be approved

3. Background

3.1. This is the second revenue budget monitoring report presented to the Community Resources Committee for the financial year 2008/2009. Further reports will follow throughout the financial year.

3.2. The report details the financial position for Community Resources on Appendix A, and then details the individual services, along with variance explanations, in Appendices B to G.

4. Employee Implications

4.1. None

5. Financial Implications

5.1. As at 3 October 2008, the variance from phased budget to date is an overspend of £0.049 million (0.1%). The forecast for the revenue budget to 31 March 2009 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. None

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 was also no requirement to undertake any consultation in terms of the information contained in this report.

Linda Hardie

Executive Director (Finance and Information Technology Resources)

Norrie Anderson

Executive Director (Community Resources)

17 October 2008

Link(s) to Council Objectives

♦ Accountable, Effective and Efficient

Previous References

♦ Community Resources Committee, 2 September 2008

List of Background Papers

♦ Financial Ledger and budget monitoring results to 3 October 2008

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 Resources Committee: Period Ended 3 October 2008 (No.7)

Community Resources Summary

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 03/10/08	Actual 03/10/08	Variance 03/10/08		% Variance 03/10/08	Note
	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>									
Employee Costs	30,096	30,096	0	15,017	14,980	37	under	0.2%	
Property Costs	15,172	15,172	0	8,399	8,486	(87)	over	(1.0%)	
Supplies & Services	2,551	2,551	0	1,236	1,415	(179)	over	(14.5%)	
Transport & Plant	4,802	4,802	0	2,285	2,486	(201)	over	(8.8%)	
Administration Costs	8,680	8,680	0	4,381	4,399	(18)	over	(0.4%)	
Payments to Other Bodies	1,438	1,438	0	861	815	46	under	5.3%	
Payments to Contractors	20,840	20,840	0	13,666	13,507	159	under	1.2%	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	583	583	0	346	366	(20)	over	(5.8%)	
Total Controllable Exp.	84,162	84,162	0	46,191	46,454	(263)	over	(0.6%)	
Total Controllable Inc.	(23,359)	(23,359)	0	(12,278)	(12,492)	214	over recovered	1.7%	
Net Controllable Exp.	60,803	60,803	0	33,913	33,962	(49)	over	(0.1%)	

Variance Explanations

Variance explanations are shown in Appendices B-G.

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Community Resources Committee: Period Ended 3 October 2008 (No.7)

Environmental and Strategic Services

Budget Category	Annual Budget £000	Forecast for Year £000	Annual Forecast Variance £000	Budget Proportion 03/10/08 £000	Actual 03/10/08 £000	Variance 03/10/08 £000		% Variance 03/10/08	Note
Employee Costs	4,270	4,270	0	2,125	2,180	(55)	over	(2.6%)	1
Property Costs	149	149	0	99	117	(18)	over	(18.2%)	
Supplies & Services	201	201	0	62	77	(15)	over	(24.2%)	
Transport & Plant	24	24	0	4	4	0	-	0.0%	
Administration Costs	1,164	1,164	0	595	609	(14)	over	(2.4%)	a
Payments to Other Bodies	830	830	0	601	557	44	under	7.3%	2
Payments to Contractors	189	189	0	98	105	(7)	over	(7.1%)	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	44	44	0	29	34	(5)	over	(17.2%)	
Total Controllable Exp.	6,871	6,871	0	3,613	3,683	(70)	over	(1.9%)	
Total Controllable Inc.	(572)	(572)	0	(226)	(283)	57	over recovered	25.2%	3
Net Controllable Exp.	6,299	6,299	0	3,387	3,400	(13)	over	(0.4%)	

Variance Explanations

- Employee Costs**
The overspend is mainly due to backdated payments in respect of car allowances.
- Payments to Other Bodies**
The underspend is due to charges for Scientific Services currently being less than anticipated.
- Income**
The over recovery relates to income from Food Safety, Environmental Protection and Consumer and Trading Standards.

Budget Virements

- Additional General Revenue Grant from the Scottish Government for Tobacco Sales Enforcement – Administration Costs £57k.

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Community Resources Committee: Period Ended 3 October 2008 (No.7)

Facilities and Cultural Services

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 03/10/08	Actual 03/10/08	Variance 03/10/08		% Variance 03/10/08	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	11,756	11,756	0	5,877	5,886	(9)	over	(0.2%)	a, c
Property Costs	4,379	4,379	0	2,485	2,544	(59)	over	(2.4%)	1 b, c
Supplies & Services	1,789	1,789	0	859	1,013	(154)	over	(17.9%)	2 a, c
Transport & Plant	134	134	0	60	61	(1)	over	(1.7%)	
Administration Costs	4,503	4,503	0	2,378	2,384	(6)	over	(0.3%)	a, c
Payments to Other Bodies	513	513	0	215	216	(1)	over	(0.5%)	c
Payments to Contractors	1	1	0	0	7	(7)	over	n/a	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	237	237	0	121	128	(7)	over	(5.8%)	
Total Controllable Exp.	23,312	23,312	0	11,995	12,239	(244)	over	(2.0%)	
Total Controllable Inc.	(10,254)	(10,254)	0	(5,233)	(5,491)	258	over recovered	4.9%	3 a, c
Net Controllable Exp.	13,058	13,058	0	6,762	6,748	14	under	0.2%	

Variance Explanations**1. Property Costs**

The overspend is mainly due to the repair of the air conditioning units at Rutherglen Townhall and the design and installation costs associated with museum staff moves to Brandongate.

2. Supplies and Services

The overspend is due to Food Costs within Commercial Catering and school milk purchases. These costs are offset by an over recovery in income.

3. Income

This is mainly due to additional income from Countryside Services and Rutherglen Townhall in relation to food and hospitality. There has also been unbudgeted income from Halls.

Budget Virements

- Local Action Funding for arts projects – Employee Costs £22k, Supplies & Services £44k, Administration Costs £4k and Income (£70k).
- Budget transfer in relation to additional budget for Energy Costs – Property Cost £140k.
- Budgets transferred from Education Resources £19k, Social Work Resources £12k and budget re-alignment from Leisure Services £367k for Fairhill Integrated Facility – Employee costs £77k, Property Costs £276k, Supplies & Services £13k, Administration Costs £26k, Payment to Other Bodies £2k and Income (£4k).

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Community Resources Committee: Period Ended 3 October 2008 (No.7)

Land Services

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 03/10/08	Actual 03/10/08	Variance 03/10/08		% Variance 03/10/08	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	11,009	11,009	0	5,521	5,524	(3)	over	(0.1%)	
Property Costs	10,303	10,303	0	5,765	5,773	(8)	over	(0.1%)	a, b
Supplies & Services	446	446	0	281	299	(18)	over	(6.4%)	
Transport & Plant	4,499	4,499	0	2,185	2,370	(185)	over	(8.5%)	1
Administration Costs	2,575	2,575	0	1,376	1,370	6	under	0.4%	
Payments to Other Bodies	11	11	0	5	5	0	-	0.0%	
Payments to Contractors	10,140	10,140	0	5,953	5,784	169	under	2.8%	2
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	262	262	0	186	186	0	-	0.0%	
Total Controllable Exp.	39,245	39,245	0	21,272	21,311	(39)	over	(0.2%)	
Total Controllable Inc.	(4,868)	(4,868)	0	(2,508)	(2,472)	(36)	under recovered	(1.4%)	
Net Controllable Exp.	34,377	34,377	0	18,764	18,839	(75)	over	(0.4%)	

Variance Explanations

- Transport & Plant**
The overspend is mainly attributable to fuel costs.
- Payments to Contractors**
The underspend will be used to offset the overspend in fuel above.

Budget Virements

- Budget transfer in relation to Grounds Maintenance re-alignment – Property Costs £48k.
- Budget transfer in relation to additional budget for Energy Costs – Property Costs £39k.

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Revenue Budget Monitoring Report

Community Resources Committee: Period Ended 3 October 2008 (No.7)

Leisure

Budget Category	Annual Budget £000	Forecast for Year £000	Annual Forecast Variance £000	Budget Proportion 03/10/08 £000	Actual 03/10/08 £000	Variance 03/10/08 £000		% Variance 03/10/08	Note
Employee Costs	4	4	0	2	2	0	-	0.0%	
Property Costs	69	69	0	38	37	1	under	2.6%	
Supplies & Services	0	0	0	0	0	0	-	n/a	
Transport & Plant	16	16	0	5	10	(5)	over	(100.0%)	
Administration Costs	0	0	0	0	1	(1)	over	n/a	
Payments to Other Bodies	60	60	0	36	36	0	-	0.0%	
Payments to Contractors	10,370	10,370	0	7,602	7,597	5	under	0.1%	a, 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.	10,519	10,519	0	7,683	7,683	0	-	0.0%	
Total Controllable Inc.	(525)	(525)	0	(525)	(525)	0	-	0.0%	
Net Controllable Exp.	9,994	9,994	0	7,158	7,158	0	-	0.0%	

Budget Virements

- Budget transfer from Reserves for loss of income at Carluke and Strathaven Leisure Centres – Payment to Contractors £98k.
- Budget transfer in relation to additional budget for Energy Costs – Payment to Contractors £245k.
- Budget transfer to Facilities and Cultural for Fairhill Integrated Facility – Payment to Contractors (£367k).

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Community Resources Committee: Period Ended 3 October 2008 (No.7)

Projects

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 03/10/08	Actual 03/10/08	Variance 03/10/08		% Variance 03/10/08	Note
	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>									
Employee Costs	727	727	0	363	300	63	under	17.4%	1
Property Costs	17	17	0	12	15	(3)	over	(25.0%)	
Supplies & Services	36	36	0	2	3	(1)	over	(50.0%)	
Transport & Plant	69	69	0	31	41	(10)	over	(32.3%)	
Administration Costs	9	9	0	1	2	(1)	over	(100.0%)	
Payments to Other Bodies	19	19	0	4	4	0	-	0.0%	
Payments to Contractors	140	140	0	13	14	(1)	over	(7.7%)	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	1	1	0	0	0	0	-	n/a	
Total Controllable Exp.	1,018	1,018	0	426	379	47	under	11.0%	
Total Controllable Inc.	(495)	(495)	0	(201)	(155)	(46)	under recovered	(22.9%)	2
Net Controllable Exp.	523	523	0	225	224	1	under	0.4%	

Variance Explanations**1. Employee Costs**

The underspend is due to less than anticipated numbers being employed to date and also partly due to vacancies. The underspend is offset by an under recovery of grant income.

2. Income

The grant income reflects expenditure incurred. The under recovery reflects the underspend in employee costs.

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

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Support Services

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 03/10/08	Actual 03/10/08	Variance 03/10/08		% Variance 03/10/08	Note
	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>									
Employee Costs	2,330	2,330	0	1,129	1,088	41	under	3.6%	1
Property Costs	255	255	0	0	0	0	-	n/a	
Supplies & Services	79	79	0	32	23	9	under	28.1%	
Transport & Plant	60	60	0	0	0	0	-	n/a	
Administration Costs	429	429	0	31	33	(2)	over	(6.5%)	a
Payments to Other Bodies	5	5	0	0	(3)	3	under	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	39	39	0	10	18	(8)	over	(80.0%)	
Total Controllable Exp.	3,197	3,197	0	1,202	1,159	43	under	3.6%	
Total Controllable Inc.	(6,645)	(6,645)	0	(3,585)	(3,566)	(19)	under recovered	(0.5%)	
Net Controllable Exp.	(3,448)	(3,448)	0	(2,383)	(2,407)	24	under	1.0%	

Variance Explanations

1. Employee Costs

The underspend is mainly due to vacancies across Support Services.

Budget Virements

- a. Budget transfer to Corporate Resources in relation to Archives – Administration Costs (£12k).