

Report

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Report to:	Community Services Committee
Date of Meeting:	8 December 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 16 October 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 position be noted; and
- (3) that the proposed budget virements, as detailed in Appendices B, C and D of the report, be approved.

3. Background

- 3.1. This is the third 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 16 October 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, where appropriate.

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)

Michael McGlynn

Executive Director (Community and Enterprise Resources)

30 October 2015

Link(s) to Council Values/Objectives

♦ Accountable, Effective and Efficient

Previous References

♦ Community Services Committee 29 September 2015

List of Background Papers

♦ Financial ledger and budget monitoring results to 16 October 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

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SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Community and Enterprise Resources: Period Ended 16 October 2015 (No.8)

Community and Enterprise Resources Summary

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 16/10/15	Actual 16/10/15	Variance 16/10/15		% Variance 16/10/15	Note
	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>									
Employee Costs	37,925	37,925	0	19,539	19,360	179	under	0.9%	
Property Costs	13,530	13,530	0	8,605	8,617	(12)	over	(0.1%)	
Supplies & Services	4,981	4,981	0	2,137	2,154	(17)	over	(0.8%)	
Transport & Plant	6,610	6,610	0	2,741	2,750	(9)	over	(0.3%)	
Administration Costs	1,278	1,278	0	710	725	(15)	over	(2.1%)	
Payments to Other Bodies	11,858	11,858	0	7,506	7,498	8	under	0.1%	
Payments to Contractors	59,154	59,154	0	24,910	24,986	(76)	over	(0.3%)	
Transfer Payments	586	586	0	440	440	0	-	0.0%	
Financing Charges	493	493	0	375	375	0	-	0.0%	
Total Controllable Exp.	136,415	136,415	0	66,963	66,905	58	under	0.1%	
Total Controllable Inc.	(28,419)	(28,419)	0	(10,666)	(10,617)	(49)	under recovered	(0.5%)	
Net Controllable Exp.	107,996	107,996	0	56,297	56,288	9	under	0.0%	

Variance Explanations

Variance explanations are shown in Appendices B and F.

Budget Virements

Budget virements are shown in Appendices B, C and D.

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Community and Enterprise Resources: Period Ended 16 October 2015 (No.8)

Facilities, Streets and Waste

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 16/10/15	Actual 16/10/15	Variance 16/10/15		% Variance 16/10/15	Note
	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>									
Employee Costs	18,559	18,559	0	9,537	9,544	(7)	over	(0.1%)	
Property Costs	11,598	11,598	0	7,338	7,350	(12)	over	(0.2%)	
Supplies & Services	1,737	1,737	0	876	868	8	under	0.9%	
Transport & Plant	5,920	5,920	0	2,435	2,432	3	under	0.1%	
Administration Costs	465	465	0	158	163	(5)	over	(3.2%)	
Payments to Other Bodies	62	62	0	23	17	6	under	26.1%	
Payments to Contractors	13,718	13,718	0	7,619	7,703	(84)	over	(1.1%)	1,a
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	363	363	0	295	296	(1)	over	(0.3%)	
Total Controllable Exp.	52,422	52,422	0	28,281	28,373	(92)	over	(0.3%)	
Total Controllable Inc.	(10,855)	(10,855)	0	(4,929)	(4,930)	1	over recovered	0.0%	
Net Controllable Exp.	41,567	41,567	0	23,352	23,443	(91)	over	(0.4%)	

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. Transfer of budgets to reflect the 2015/2016 Trade Waste saving from Leisure (£0.058m), Education Resources (£0.181m), Finance and Corporate Resources (£0.001m), Housing and Technical Resources (£0.015m), Social Work Resources (£0.019m) and Property Services Trading Operation (£0.003m): £0.277m: Payments to Contractors £0.277m.

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Community and Enterprise Resources: Period Ended 16 October 2015 (No.8)

Environmental

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 16/10/15	Actual 16/10/15	Variance 16/10/15		% Variance 16/10/15	Note
	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>									
Employee Costs	3,904	3,904	0	2,021	2,012	9	under	0.4%	
Property Costs	12	12	0	6	6	0	-	0.0%	
Supplies & Services	114	114	0	56	65	(9)	over	(16.1%)	
Transport & Plant	118	118	0	52	51	1	under	1.9%	
Administration Costs	42	42	0	23	26	(3)	over	(13.0%)	
Payments to Other Bodies	141	141	0	71	69	2	under	2.8%	
Payments to Contractors	459	459	0	203	204	(1)	over	(0.5%)	a
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	25	25	0	13	13	0	-	0.0%	
Total Controllable Exp.	4,815	4,815	0	2,445	2,446	(1)	over	0.0%	
Total Controllable Inc.	(1,181)	(1,181)	0	(313)	(315)	2	over recovered	0.6%	a
Net Controllable Exp.	3,634	3,634	0	2,132	2,131	1	under	0.0%	

Budget Virements

- a. Increase expenditure and income budget to reflect current service delivery in relation to house sites and clinical waste: Net Effect £0.000m: Payments to Contractors £0.235m and Income (£0.235m)

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Community and Enterprise Resources: Period Ended 16 October 2015 (No.8)

Leisure and Culture

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 16/10/15	Actual 16/10/15	Variance 16/10/15	% Variance 16/10/15	Note
	£000	£000	£000	£000	£000	£000		
Employee Costs	4	4	0	2	2	0	-	0.0%
Property Costs	232	232	0	113	113	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	10	10	0	10	10	0	-	0.0%
Payments to Other Bodies	102	102	0	15	15	0	-	0.0%
Payments to Contractors	19,019	19,019	0	9,458	9,458	0	-	0.0% a
Transfer Payments	0	0	0	0	0	0	-	n/a
Financing Charges	0	0	0	0	0	0	-	n/a
Total Controllable Exp.	19,367	19,367	0	9,598	9,598	0	-	0.0%
Total Controllable Inc.	0	0	0	0	0	0	-	n/a
Net Controllable Exp.	19,367	19,367	0	9,598	9,598	0	-	0.0%

Budget Virements

a. Transfer of budget to Facilities, Streets and Waste for 2015/2016 Trade Waste saving: (£0.058m): Payments to Contractors (£0.058m).

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Community and Enterprise Resources: Period Ended 16 October 2015 (No.8)

Projects

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 16/10/15	Actual 16/10/15	Variance 16/10/15	% Variance 16/10/15	Note
	£000	£000	£000	£000	£000	£000		
<u>Budget Category</u>								
Employee Costs	9	9	0	4	4	0	-	0.0%
Property Costs	0	0	0	0	0	0	-	n/a
Supplies & Services	71	71	0	56	56	0	-	0.0%
Transport & Plant	194	194	0	83	83	0	-	0.0%
Administration Costs	3	3	0	1	1	0	-	0.0%
Payments to Other Bodies	7	7	0	6	6	0	-	0.0%
Payments to Contractors	398	398	0	10	10	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.	682	682	0	160	160	0	-	0.0%
Total Controllable Inc.	(550)	(550)	0	(160)	(160)	0	-	0.0%
Net Controllable Exp.	132	132	0	0	0	0	-	n/a

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Community and Enterprise Resources: Period Ended 16 October 2015 (No.8)

Support Services

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 16/10/15	Actual 16/10/15	Variance 16/10/15		% Variance 16/10/15	Note
	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>									
Employee Costs	4,423	4,423	0	2,265	2,166	99	under	4.4%	1
Property Costs	248	248	0	242	242	0	-	0.0%	
Supplies & Services	180	180	0	29	37	(8)	over	(27.6%)	
Transport & Plant	62	62	0	50	53	(3)	over	(6.0%)	
Administration Costs	220	220	0	165	164	1	under	0.6%	
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	21	20	1	under	4.8%	
Total Controllable Exp.	5,164	5,164	0	2,772	2,682	90	under	3.2%	
Total Controllable Inc.	(1,833)	(1,833)	0	(4)	(4)	0	-	0.0%	
Net Controllable Exp.	3,331	3,331	0	2,768	2,678	90	under	3.3%	

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.