

Report

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Report to:	Community Services Committee
Date of Meeting:	19 June 2012
Report by:	Executive Director (Finance and Corporate Resources) Executive Director (Community and Enterprise Resources)

Subject:	Community and Enterprise Resources - Revenue Budget Monitoring 2012/2013
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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 11 May 2012 for Community and Enterprise Resources
- ♦ provide a forecast for the year to 31 March 2013

2. Recommendation(s)

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

- (1) that the breakeven position on Community and Enterprise Resources' revenue budget as detailed in Appendix A of the report, be noted; and the forecast to 31 March 2013 of break even be noted.
- (2) that the proposed budget virements be approved.

3. Background

- 3.1. This is the first revenue budget monitoring report presented to the Community Services Committee for the financial year 2012/2013. The position will also be reported to the Enterprise Services Committee.
- 3.2. The report details the financial position for Community and Enterprise Resources on Appendix A, and then details the individual services, along with variance explanations, in Appendices B to J.

4. Employee Implications

4.1. None

5. Financial Implications

- 5.1. As at 11 May 2012, the variance from phased budget is a break even position. The forecast for the revenue budget to 31 March 2013 is also 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 was 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)

22 May 2012

Link(s) to Council Values/Improvement Themes/Objectives

- ◆ Accountable, Effective and Efficient

Previous References

- ◆ None

List of Background Papers

- ◆ Financial ledger and budget monitoring results to 11 May 2012.

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 11 May 2012 (No.2)

Community and Enterprise Summary

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 11/05/12	Actual 11/05/12	Variance 11/05/12		% Variance 11/05/12	Note
	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>									
Employee Costs	36,642	36,642	0	2,654	2,582	72	under	2.7%	
Property Costs	12,194	12,194	0	818	812	6	under	0.7%	
Supplies & Services	4,078	4,078	0	184	192	(8)	over	(4.3%)	
Transport & Plant	5,416	5,416	0	971	985	(14)	over	(1.4%)	
Administration Costs	8,939	8,939	0	1,177	1,180	(3)	over	(0.3%)	
Payments to Other Bodies	20,028	20,028	0	5,923	5,922	1	under	0.0%	
Payments to Contractors	61,255	61,255	0	7,443	7,416	27	under	0.4%	
Transfer Payments	533	533	0	133	133	0	-	0.0%	
Financing Charges	809	809	0	56	53	3	under	5.4%	
Total Controllable Exp.	149,894	149,894	0	19,359	19,275	84	under	0.4%	
Total Controllable Inc.	(35,828)	(35,828)	0	(3,739)	(3,655)	(84)	under recovered	(2.2%)	
Net Controllable Exp.	114,066	114,066	0	15,620	15,620	0	-	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 11 May 2012 (No.2)

Facilities, Streets and Bereavement

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 11/05/12	Actual 11/05/12	Variance 11/05/12		% Variance 11/05/12	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	11,930	11,930	0	841	831	10	under	1.2%	a,b
Property Costs	11,068	11,068	0	803	805	(2)	over	(0.2%)	b
Supplies & Services	1,054	1,054	0	78	71	7	under	9.0%	b
Transport & Plant	1,519	1,519	0	226	227	(1)	over	(0.4%)	b
Administration Costs	4,034	4,034	0	561	560	1	under	0.2%	b
Payments to Other Bodies	9	9	0	0	1	(1)	over	n/a	b
Payments to Contractors	98	98	0	9	8	1	under	11.1%	b
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	229	229	0	16	15	1	under	6.3%	
Total Controllable Exp.	29,941	29,941	0	2,534	2,518	16	under	0.6%	
Total Controllable Inc.	(11,342)	(11,342)	0	(1,495)	(1,484)	(11)	under recovered	0.7%	b
Net Controllable Exp.	18,599	18,599	0	1,039	1,034	5	under	0.5%	

Budget Virements

- a. Transfer from centrally held budget in respect of Living Wage £0.489m: Employee Costs £0.498m.
- b. Budget realignment to reflect service provision Net effect 0 : Employee Costs (£0.211m), Property Costs (£0.051m), Supplies & Services £0.066m, Transport and Plant £0.069m, Administration Costs (£0.005m), Payments to Other Bodies £0.002m, Payment to Contractors £0.024m and Income £0.106m.

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Revenue Budget Monitoring Report

Community and Enterprise Resources: Period Ended 11 May 2012 (No.2)

Waste and Environmental

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 11/05/12	Actual 11/05/12	Variance 11/05/12		% Variance 11/05/12	Note
	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>									
Employee Costs	9,794	9,794	0	714	667	47	under	6.6%	1, a
Property Costs	114	114	0	3	2	1	under	33.3%	
Supplies & Services	580	580	0	30	29	1	under	3.3%	
Transport & Plant	3,569	3,569	0	674	686	(12)	over	(1.8%)	
Administration Costs	2,319	2,319	0	319	315	4	under	1.3%	
Payments to Other Bodies	223	223	0	31	29	2	under	6.5%	
Payments to Contractors	15,958	15,958	0	1,948	1,946	2	under	0.1%	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	338	338	0	6	5	1	under	16.7%	
Total Controllable Exp.	32,895	32,895	0	3,725	3,679	46	under	1.2%	
Total Controllable Inc.	(2,443)	(2,443)	0	(162)	(95)	(67)	under recovered	(41.4%)	2
Net Controllable Exp.	30,452	30,452	0	3,563	3,584	(21)	over	(0.6%)	

Variance Explanations**1. Employee Costs**

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

2. Income

The under recovery is due to less than anticipated income from special uplifts.

Budget Virements

- a. Transfer from centrally held budget in respect of Living Wage £0.060m: Employee Costs £0.060m.

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Community and Enterprise Resources: Period Ended 11 May 2012 (No.2)

Leisure & Culture

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 11/05/12	Actual 11/05/12	Variance 11/05/12		% Variance 11/05/12	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	4	4	0	0	0	0	-	n/a	
Property Costs	230	230	0	0	(4)	4	under	n/a	
Supplies & Services	0	0	0	0	0	0	-	n/a	
Transport & Plant	0	0	0	0	0	0	-	n/a	
Administration Costs	1,758	1,758	0	269	269	0	-	0.0%	
Payments to Other Bodies	112	112	0	0	0	0	-	n/a	
Payments to Contractors	21,005	21,005	0	5,305	5,306	(1)	over	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.	23,109	23,109	0	5,574	5,571	3	under	0.1%	
Total Controllable Inc.	0	0	0	0	0	0	-	n/a	
Net Controllable Exp.	23,109	23,109	0	5,574	5,571	3	under	0.1%	

Budget Virements

- a. Transfer from centrally held budget in respect of Living Wage £0.195m: Payment to Contractors £0.195m.

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Community and Enterprise Resources: Period Ended 11 May 2012 (No.2)

Projects

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 11/05/12	Actual 11/05/12	Variance 11/05/12		% Variance 11/05/12	Note
	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>									
Employee Costs	419	419	0	38	39	(1)	over	(2.6%)	a
Property Costs	0	0	0	0	0	0	-	n/a	
Supplies & Services	70	70	0	10	10	0	-	0.0%	a
Transport & Plant	153	153	0	56	56	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	306	306	0	61	61	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.	948	948	0	165	166	(1)	over	(0.6%)	
Total Controllable Inc.	(948)	(948)	0	(165)	(166)	1	Under recovered	0.6%	a
Net Controllable Exp.	0	0	0	0	0	0	-	n/a	

Budget Virements

- a. Budget realignment to reflect additional funding for Green Space, Air Quality project, Low Carbon Vehicle project and Future Jobs Fund Net effect 0: Employee Cost £0.419m, Supplies and Services £0.070m, Transport Costs £0.153m, Payment to Contractors £0.306m and Income (£0.948m).

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Community and Enterprise Resources: Period Ended 11 May 2012 (No.2)

Planning and Building Standards

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 11/05/12	Actual 11/05/12	Variance 11/05/12		% Variance 11/05/12	Note
	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>									
Employee Costs	3,043	3,043	0	221	219	2	under	0.9%	
Property Costs	38	38	0	0	0	0	-	n/a	
Supplies & Services	50	50	0	23	27	(4)	over	(17.4%)	
Transport & Plant	0	0	0	0	1	(1)	over	n/a	
Administration Costs	754	754	0	10	10	0	-	0.0%	
Payments to Other Bodies	125	125	0	4	4	0	-	0.0%	
Payments to Contractors	300	300	0	0	0	0	-	n/a	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	49	49	0	5	5	0	-	0.0%	
Total Controllable Exp.	4,359	4,359	0	263	266	(3)	over	(1.1%)	
Total Controllable Inc.	(3,727)	(3,727)	0	(416)	(417)	1	over recovered	0.2%	
Net Controllable Exp.	632	632	0	(153)	(151)	(2)	over	(1.3%)	

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Revenue Budget Monitoring Report

Community and Enterprise Resources: Period Ended 11 May 2012 (No.2)

Regeneration

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 11/05/12	Actual 11/05/12	Variance 11/05/12		% Variance 11/05/12	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	2,194	2,194	0	162	159	3	under	1.9%	a,b,d
Property Costs	0	0	0	0	2	(2)	over	n/a	
Supplies & Services	28	28	0	3	3	0	-	0.0%	
Transport & Plant	0	0	0	0	1	(1)	over	n/a	
Administration Costs	433	433	0	1	1	0	-	0.0%	
Payments to Other Bodies	4,197	4,197	0	77	77	0	-	0.0%	a,b,c
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	4	3	1	under	25.0%	
Total Controllable Exp.	6,891	6,891	0	247	246	1	under	0.4%	
Total Controllable Inc.	(2,638)	(2,638)	0	(41)	(42)	1	over recovered	2.4%	b,c
Net Controllable Exp.	4,253	4,253	0	206	204	2	under	1.0%	

Budget Virements

- Transfer from Tackling Poverty Programme for project realignments £0.425m: Employee Costs £0.320m, Payment to Other Bodies £0.105m.
- Budget Realignment to reflect European Grant Funding: Net Effect £0: Employee Costs £0.090m, Payment to Other Bodies £2.072m, Income (£2.162m).
- Budget Realignment to reflect Scottish Government Funding: Net Effect £0: Payment to Other Bodies £0.283m, Income (£0.283m).
- Transfer from centrally held budget in respect of Living Wage £0.001m: Employee Costs £0.001m.

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Community and Enterprise Resources: Period Ended 11 May 2012 (No.2)

Roads

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 11/05/12	Actual 11/05/12	Variance 11/05/12		% Variance 11/05/12	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	4,871	4,871	0	357	359	(2)	over	(0.6%)	a
Property Costs	449	449	0	12	7	5	under	41.7%	
Supplies & Services	2,109	2,109	0	26	38	(12)	over	(46.2%)	
Transport & Plant	103	103	0	14	13	1	under	7.1%	
Administration Costs	1,290	1,290	0	7	15	(8)	over	(114.3%)	
Payments to Other Bodies	10,807	10,807	0	5,492	5,492	0	-	0.0%	
Payments to Contractors	22,358	22,358	0	120	95	25	under	20.8%	1, a
Transfer Payments	533	533	0	133	133	0	-	0.0%	
Financing Charges	80	80	0	13	13	0	-	0.0%	
Total Controllable Exp.	42,600	42,600	0	6,174	6,165	9	under	0.1%	
Total Controllable Inc.	(6,251)	(6,251)	0	(360)	(351)	(9)	under recovered	(2.5%)	
Net Controllable Exp.	36,349	36,349	0	5,814	5,814	0	-	0.0%	

Variance Explanations

1. Payments to Contractors
The underspend is due to less than anticipated rechargeable and specialist work carried out to date.

Budget Virements

- a. Transfer from centrally held budget in respect of Living Wage £0.062m: Employee Costs £0.005m, Payments to Contractors £0.057m.

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Community and Enterprise Resources: Period Ended 11 May 2012 (No.2)

Tackling Poverty Programme

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 11/05/12	Actual 11/05/12	Variance 11/05/12	% Variance 11/05/12	Note
	£000	£000	£000	£000	£000	£000		
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	0	0	0	0	0	0	-	n/a
Administration Costs	0	0	0	0	0	0	-	n/a
Payments to Other Bodies	4,555	4,555	0	319	319	0	-	0.0% a
Payments to Contractors	0	0	0	0	0	0	-	n/a
Transfer Payments	0	0	0	0	0	0	-	n/a
Financing Charges	0	0	0	0	0	0	-	n/a
Total Controllable Exp.	4,555	4,555	0	319	319	0	-	0.0%
Total Controllable Inc.	0	0	0	0	0	0	-	n/a
Net Controllable Exp.	4,555	4,555	0	319	319	0	-	0.0%

Budget Virements

- a. Transfer to Regeneration for project realignments (£0.425m): Payment to Other Bodies (£0.425m).

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Community and Enterprise Resources: Period Ended 11 May 2012 (No.2)

Support Services

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 11/05/12	Actual 11/05/12	Variance 11/05/12		% Variance 11/05/12	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	4,387	4,387	0	321	308	13	under	4.0%	a
Property Costs	295	295	0	0	0	0	-	n/a	
Supplies & Services	187	187	0	14	14	0	-	0.0%	
Transport & Plant	72	72	0	1	1	0	-	0.0%	
Administration Costs	(1,649)	(1,649)	0	10	10	0	-	0.0%	
Payments to Other Bodies	0	0	0	0	0	0	-	n/a	
Payments to Contractors	1,230	1,230	0	0	0	0	-	n/a	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	74	74	0	12	12	0	-	0.0%	
Total Controllable Exp.	4,596	4,596	0	358	345	13	under	3.6%	
Total Controllable Inc.	(8,479)	(8,479)	0	(1,100)	(1,100)	0	-	n/a	
Net Controllable Exp.	(3,883)	(3,883)	0	(742)	(755)	13	under	1.8%	

Budget Virements.

- a. Transfer from centrally held budget in respect of Living Wage £0.032m: Employee Costs £0.032m.