

Report

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Report to:	Housing and Technical Resources Committee
Date of Meeting:	16 September 2009
Report by:	Executive Director (Finance and Information Technology Resources) Executive Director (Housing and Technical Resources)

Subject:	Revenue Budget Monitoring 2009/2010 - Housing and Technical Resources (Excl HRA)
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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 2009 to 7 August 2009 for Housing and Technical Resources (excl HRA)
- ◆ provide a forecast for the year to 31 March 2010.

2. Recommendation(s)

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

- (1) that the overspend on Housing and Technical Resources' (excl HRA) revenue budget of £0.001m as detailed in Appendix A of the report, and the forecast to 31 March 2010, 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 Housing and Technical Resources Committee for the financial year 2009/2010.

3.2. The report details the financial position for Housing and Technical Resources (excl HRA) on Appendix A, and then details the individual services, along with variance explanations, in Appendices B to E.

4. Employee Implications

4.1. None.

5. Financial Implications

5.1. As at 7 August 2009, the variance from phased budget to date is an overspend of £0.001m. The forecast for the revenue budget to 31 March 2010 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 is 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)

Jim Hayton

Executive Director (Housing and Technical Resources)

18 August 2009

Link(s) to Council Objectives

♦ Value: Accountable, Effective and Efficient

Previous References

♦ Executive Committee, 12 February 2009

List of Background Papers

♦ Financial ledger and budget monitoring results to 7 August 2009

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

Housing and Technical Resources Committee: Period Ended 7 August 2009 (No 5)

Housing and Technical Resources Summary (excl HRA)

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 07/08/09	Actual 07/08/09	Variance 07/08/09		% Variance 07/08/09	Note
	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>									
Employee Costs	21,360	21,360	0	7,459	7,165	294	under	3.9%	
Property Costs	9,696	9,696	0	3,656	3,889	(233)	over	(6.4%)	
Supplies & Services	1,041	1,041	0	289	332	(43)	over	(14.9%)	
Transport & Plant	107	107	0	33	28	5	under	15.2%	
Administration Costs	2,956	2,956	0	818	776	42	under	5.1%	
Payments to Other Bodies	16,158	16,158	0	6,373	6,385	(12)	over	(0.2%)	
Payments to Contractors	75	75	0	38	98	(60)	over	(157.9%)	
Transfer Payments	91,524	91,524	0	28,738	28,738	0	-	n/a	
Financing Charges	497	497	0	178	190	(12)	over	(6.7%)	
Total Controllable Exp.	143,414	143,414	0	47,582	47,601	(19)	over	0.0%	
Total Controllable Inc.	(118,126)	(118,126)	0	(36,901)	(36,919)	18	over recovered	0.0%	
Net Controllable Exp.	25,288	25,288	0	10,681	10,682	(1)	over	0.0%	

Variance Explanations

Variance explanations are shown in Appendices B-E.

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Housing and Technical Resources Committee: Period Ended 7 August 2009 (No 5)

Area Services

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 07/08/09	Actual 07/08/09	Variance 07/08/09		% Variance 07/08/09	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	10,571	10,571	0	3,651	3,503	148	under	4.1%	1, a
Property Costs	8,397	8,397	0	3,289	3,543	(254)	over	(7.7%)	2, a
Supplies & Services	254	254	0	92	110	(18)	over	(19.6%)	a
Transport & Plant	107	107	0	33	23	10	under	30.3%	
Administration Costs	557	557	0	135	95	40	under	29.6%	a
Payments to Other Bodies	3,568	3,568	0	1,123	1,130	(7)	over	(0.6%)	a
Payments to Contractors	75	75	0	38	38	0	-	n/a	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	143	143	0	65	55	10	under	15.4%	
Total Controllable Exp.	23,672	23,672	0	8,426	8,497	(71)	over	(0.8%)	
Total Controllable Inc.	(15,116)	(15,116)	0	(2,790)	(2,647)	(143)	under recovered	(5.1%)	3, a, b
Net Controllable Exp.	8,556	8,556	0	5,636	5,850	(214)	over	(3.8%)	

Variance Explanations**1. Employee Costs**

The underspend reflects the high level of vacancies within the Service.

2. Property Costs

The overspend relates mainly to expenditure on the 'Care of Gardens Scheme' for owner occupiers. There is also an underspend on Other Accommodation which reflects the current homeless provision and is offset by an under recovery in house rents (see below)

3. Income

This under recovery reflects the current level of accommodation available for let by the homeless service (see above).

Budget Virements

- a. Realignment of budgets to reflect current homeless business plan: Employee Costs (£0.083m), Property Costs £0.529m, Supplies and Services (£0.007m), Administration Costs £0.020m, Payments to Other Bodies £0.569m and Income (£1.028m).
- b. The transfer of the Legal team from Housing and Technical Resources to Corporate Resources has resulted in a realignment of internal support budgets across Housing and Technical Resources (£0.357m): Income (£0.357m). (See Finance Services)

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Housing and Technical Resources Committee: Period Ended 7 August 2009 (No 5)

Supporting People

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 07/08/09	Actual 07/08/09	Variance 07/08/09		% Variance 07/08/09	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	2	(2)	over	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	1	(1)	over	n/a	
Payments to Other Bodies	8,668	8,668	0	3,199	3,199	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	0	0	0	0	0	0	-	n/a	
Total Controllable Exp.	8,668	8,668	0	3,199	3,202	(3)	over	(0.1%)	
Total Controllable Inc.	(455)	(455)	0	(47)	(47)	0	-	n/a	
Net Controllable Exp.	8,213	8,213	0	3,152	3,155	(3)	over	(0.1%)	

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Housing and Technical Resources Committee: Period Ended 7 August 2009 (No 5)

Property Services

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 07/08/09	Actual 07/08/09	Variance 07/08/09		% Variance 07/08/09	Note
	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>									
Employee Costs	3,627	3,627	0	1,282	1,088	194	under	15.1%	1, a
Property Costs	1,114	1,114	0	322	301	21	under	6.5%	a, b
Supplies & Services	61	61	0	11	39	(28)	over	(254.5%)	
Transport & Plant	0	0	0	0	0	0	-	n/a	
Administration Costs	168	168	0	77	73	4	under	5.2%	a
Payments to Other Bodies	256	256	0	0	0	0	-	n/a	c
Payments to Contractors	0	0	0	0	60	(60)	over	n/a	2
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	65	65	0	18	30	(12)	over	(66.7%)	
Total Controllable Exp.	5,291	5,291	0	1,710	1,591	119	under	7.0%	
Total Controllable Inc.	(833)	(833)	0	(112)	(147)	35	over recovered	31.3%	a, b
Net Controllable Exp.	4,458	4,458	0	1,598	1,444	154	under	9.6%	

Variance Explanations**1. Employee Costs**

This underspend reflects the high level of vacancies within the service experienced at the start of the financial year. The majority of these posts have now been filled.

2. Payments to Contractors

This overspend relates to the cost of appointing consultants to cover staff vacancies and is offset by an underspend in employee costs (see 1 above).

Budget Virements

- Transfer of CCTV budget from Community Resources £0.318m : Employee Costs (£0.060m), Property Costs (£0.036m), Administration Costs (£0.007m), and Income £0.421m
- Transfer of Legislative Compliance Budgets from Resources £0.434m : Property Costs £0.693m, Income (£0.259m)
- The transfer of the Legal team from Housing and Technical Resources to Corporate Resources has resulted in a realignment of internal support budgets across Housing and Technical Resources (£0.028m); Payments to Other Bodies (£0.028m). (See Finance Services)

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Housing and Technical Resources Committee: Period Ended 7 August 2009 (No 5)

Finance Services

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 07/08/09	Actual 07/08/09	Variance 07/08/09		% Variance 07/08/09	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	7,162	7,162	0	2,526	2,574	(48)	over	(1.9%)	1, a, b
Property Costs	185	185	0	45	43	2	under	4.4%	
Supplies & Services	726	726	0	186	183	3	under	1.6%	a, b
Transport & Plant	0	0	0	0	5	(5)	over	n/a	a
Administration Costs	2,231	2,231	0	606	607	(1)	over	(0.2%)	a, b
Payments to Other Bodies	3,666	3,666	0	2,051	2,056	(5)	over	(0.2%)	
Payments to Contractors	0	0	0	0	0	0	-	n/a	
Transfer Payments	91,524	91,524	0	28,738	28,738	0	-	n/a	
Financing Charges	289	289	0	95	105	(10)	over	(10.5%)	b
Total Controllable Exp.	105,783	105,783	0	34,247	34,311	(64)	over	(0.2%)	
Total Controllable Inc.	(101,722)	(101,722)	0	(33,952)	(34,078)	126	over recovered	0.4%	2, b
Net Controllable Exp.	4,061	4,061	0	295	233	62	under	21.0%	

Variance Explanations**1. Employee Costs**

This overspend relates to employee costs in connection with a Fairer Scotland Fund project and is offset by an over recovery of income.

2. Income

This over recovery relates to income received in relation to a Fairer Scotland Fund project and is partly offset by the overspend in employee costs. In addition to this additional funding has been secured in relation to Discretionary Housing Payments which will be offset by additional expenditure in due course.

Budget Virements

- Transfer of recruitment team to Corporate Resources (£0.104m) : Employee Costs (£0.100m), Supplies and Services (£0.002m), Transport Costs (£0.001m) and Administration Costs (£0.001m)
- Realignment of budgets to reflect the transfer of the Legal team to Corporate Resources as a result of the Best Value Service Review (£0.557m) : Employee Costs (£0.472m), Supplies and Services (£0.009m), Administration Costs (£0.097m), Financing Charges (£0.004m) and Income £0.025m
- As a result of the above transfer to Corporate Resources there has been a realignment of internal support budgets across Housing and Technical Resources Services £0.385m : Income £0.385m.