

Report

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| Report to: | Community Resources Committee |
| Date of Meeting: | 15 September 2009 |
| Report by: | Executive Director (Finance and Information Technology Resources) Executive Director (Community Resources) |

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| Subject: | Community Resources - Revenue Budget Monitoring 2009/2010 |
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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 Community Resources
- ◆ 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 underspend on Community Resources' revenue budget of £0.071 million (0.3%), as detailed in Appendix A of the report, and the forecast to 31 March 2010 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 Resources Committee for the financial year 2009/2010. 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 7 August 2009, the variance from phased budget to date is an underspend of £0.071 million (0.3%). The forecast for the revenue budget to 31 March 2010 is a break even position.

5.2. An allocation of £1.209 million has been included in the annual budget to fund the anticipated spend on the rollout of the co-mingled and glass collection routes. These funds have been provided from the Scottish Government's Zero Waste Fund, with a balance of £0.238 million being realigned within Community Resources. The rollout represents the next stage in the council's strategy towards achieving the new recycling target for 2010.

5.3. 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)

19 August 2009

Link(s) to Council Objectives

♦ Value: Accountable, Effective and Efficient

Previous References

♦ None

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:-

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SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Community Resources Committee: Period Ended 7 August 2009 (No.5)

Community Resources Summary

| | 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 | 31,072 | 31,072 | 0 | 10,908 | 10,877 | 31 | under | 0.3% | |
| Property Costs | 14,874 | 14,874 | 0 | 4,574 | 4,611 | (37) | over | (0.8%) | |
| Supplies & Services | 3,259 | 3,259 | 0 | 896 | 957 | (61) | over | (6.8%) | |
| Transport & Plant | 5,386 | 5,386 | 0 | 1,675 | 1,643 | 32 | under | 1.9% | |
| Administration Costs | 9,771 | 9,771 | 0 | 3,553 | 3,538 | 15 | under | 0.4% | |
| Payments to Other Bodies | 866 | 866 | 0 | 208 | 228 | (20) | over | (9.6%) | |
| Payments to Contractors | 21,223 | 21,223 | 0 | 9,483 | 9,468 | 15 | under | 0.2% | |
| Transfer Payments | 0 | 0 | 0 | 0 | 0 | 0 | - | n/a | |
| Financing Charges | 806 | 806 | 0 | 233 | 242 | (9) | over | (3.9%) | |
| Total Controllable Exp. | 87,257 | 87,257 | 0 | 31,530 | 31,564 | (34) | over | (0.1%) | |
| Total Controllable Inc. | (24,007) | (24,007) | 0 | (8,891) | (8,996) | 105 | over recovered | 1.2% | |
| Net Controllable Exp. | 63,250 | 63,250 | 0 | 22,639 | 22,568 | 71 | under | 0.3% | |

Variance Explanations

Variance explanations are shown in Appendices B to G.

Budget Virements

Budget virements are shown in Appendices B to G

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Community Resources Committee: Period Ended 7 August (No.5)

Environmental and Strategic 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 | 3,984 | 3,984 | 0 | 1,397 | 1,391 | 6 | under | 0.4% | a |
| Property Costs | 109 | 109 | 0 | 42 | 45 | (3) | over | (7.1%) | a |
| Supplies & Services | 210 | 210 | 0 | 52 | 55 | (3) | over | (5.8%) | a |
| Transport & Plant | 28 | 28 | 0 | 4 | 2 | 2 | under | 50.0% | |
| Administration Costs | 1,226 | 1,226 | 0 | 440 | 442 | (2) | over | (0.5%) | a |
| Payments to Other Bodies | 258 | 258 | 0 | 9 | 12 | (3) | over | (33.3%) | a |
| Payments to Contractors | 157 | 157 | 0 | 62 | 62 | 0 | - | 0.0% | |
| Transfer Payments | 0 | 0 | 0 | 0 | 0 | 0 | - | n/a | |
| Financing Charges | 49 | 49 | 0 | 23 | 25 | (2) | over | (8.7%) | |
| Total Controllable Exp. | 6,021 | 6,021 | 0 | 2,029 | 2,034 | (5) | over | (0.2%) | |
| Total Controllable Inc. | (405) | (405) | 0 | (150) | (158) | 8 | over recovered | 5.3% | a |
| Net Controllable Exp. | 5,616 | 5,616 | 0 | 1,879 | 1,876 | 3 | under | 0.2% | |

Budget Virements

- a. Transfer of Close Circuit Television and Community Well-Being to Housing & Technical Resources (£0.322m) : Employee (£0.315m), Property (£0.040m), Supplies and Services (£0.037m), Administration (£0.033m), Payment to Other Bodies (£0.005m), Income £0.108m

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Community Resources Committee: Period Ended 7 August 2009 (No.5)

Facilities and Cultural 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 | 12,263 | 12,263 | 0 | 4,310 | 4,340 | (30) | over | (0.7%) | 1,a,b |
| Property Costs | 4,213 | 4,213 | 0 | 997 | 1,024 | (27) | over | (2.7%) | b |
| Supplies & Services | 1,800 | 1,800 | 0 | 630 | 679 | (49) | over | (7.8%) | 2,b |
| Transport & Plant | 138 | 138 | 0 | 38 | 37 | 1 | under | 2.6% | |
| Administration Costs | 5,250 | 5,250 | 0 | 2,003 | 1,992 | 11 | under | 0.5% | b |
| Payments to Other Bodies | 512 | 512 | 0 | 161 | 169 | (8) | over | (5.0%) | |
| Payments to Contractors | 34 | 34 | 0 | 7 | 20 | (13) | over | (185.7%) | |
| Transfer Payments | 0 | 0 | 0 | 0 | 0 | 0 | - | n/a | |
| Financing Charges | 246 | 246 | 0 | 113 | 117 | (4) | over | (3.5%) | b |
| Total Controllable Exp. | 24,456 | 24,456 | 0 | 8,259 | 8,378 | (119) | over | (1.4%) | |
| Total Controllable Inc. | (10,294) | (10,294) | 0 | (3,716) | (3,838) | 122 | over recovered | 3.3% | 3 |
| Net Controllable Exp. | 14,162 | 14,162 | 0 | 4,543 | 4,540 | 3 | under | 0.1% | |

Budget Virements

- a. Transfer from Reserves for i-procurement posts £0.037m: Employee £0.037m
- b. Internal staff restructuring from Land Services £0.130m : Employee £0.116m, Property £0.013m, Supplies and Services (£0.001m), Administration (£0.003m) and Financing Charges (£0.005m).

Variance Explanations**1. Employee Costs**

The overspend is mainly due to additional staffing expenditure within Cafes and Parks and events and shows in Rutherglen and Hamilton Town Halls. This is offset by an over recovery of income (see 3 below).

2. Supplies & Services

The overspend is mainly due to additional food and shop purchases within Countryside Services, offset by additional income (see 3 below).

4. Income

The over recovery relates to income from cafes within Countryside Services and functions at Rutherglen and Hamilton Town Halls (see 1 and 2 above).

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Community Resources Committee: Period Ended 7 August 2009 (No.5)

Land 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 | 11,669 | 11,669 | 0 | 4,110 | 4,044 | 66 | under | 1.6% | 1,a,b |
| Property Costs | 10,211 | 10,211 | 0 | 3,504 | 3,511 | (7) | over | (0.2%) | c |
| Supplies & Services | 643 | 643 | 0 | 184 | 182 | 2 | under | 1.1% | a,b |
| Transport & Plant | 5,075 | 5,075 | 0 | 1,608 | 1,572 | 36 | under | 2.2% | 2,a |
| Administration Costs | 2,445 | 2,445 | 0 | 917 | 910 | 7 | under | 0.8% | a,b |
| Payments to Other Bodies | 11 | 11 | 0 | 11 | 16 | (5) | over | (45.5%) | |
| Payments to Contractors | 10,970 | 10,970 | 0 | 4,451 | 4,424 | 27 | under | 0.6% | a |
| Transfer Payments | 0 | 0 | 0 | 0 | 0 | 0 | - | n/a | |
| Financing Charges | 466 | 466 | 0 | 85 | 87 | (2) | over | (2.4%) | a,b |
| Total Controllable Exp. | 41,490 | 41,490 | 0 | 14,870 | 14,746 | 124 | under | 0.8% | |
| Total Controllable Inc. | (5,038) | (5,038) | 0 | (1,864) | (1,786) | (78) | under recovered | (4.2%) | 3 |
| Net Controllable Exp. | 36,452 | 36,452 | 0 | 13,006 | 12,960 | 46 | under | 0.4% | |

Budget Virements

- Zero Waste Funding £1.209m : Employee £0.574m, Supplies and Services £0.212m, Transport and Plant £0.504m, Administration £0.023m, Payment to Contractors (£0.313m), Financing Charges £0.209m.
- Internal staff restructuring to Facilities and Cultural Services (£0.130m) : Employee (£0.117)m, Supplies and Services (£0.006m), Administration (£0.002m) and Financing Charges (£0.005m).
- Transfer of Grounds Maintenance Budget for Secondary Schools to Education Resources (£0.273m) : Property Costs (£0.273m)

Variance Explanations

- Employee Costs**
The underspend is mainly due to vacancies and the impact of staff absence.
- Transport & Plant**
The underspend is mainly due to less than anticipated expenditure on fuel and vehicle maintenance.
- Income**
The under recovery of income is due to the demand for bereavement services being less than anticipated.

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Community Resources Committee: Period Ended 7 August 2009 (No.5)

Leisure

| 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 | 4 | 4 | 0 | 1 | 1 | 0 | - | 0.0% | |
| Property Costs | 69 | 69 | 0 | 31 | 29 | 2 | under | 6.5% | |
| Supplies & Services | 2 | 2 | 0 | 0 | 0 | 0 | - | n/a | |
| Transport & Plant | 16 | 16 | 0 | 1 | 4 | (3) | over | (300.0%) | |
| Administration Costs | 497 | 497 | 0 | 191 | 191 | 0 | - | 0.0% | |
| Payments to Other Bodies | 60 | 60 | 0 | 25 | 27 | (2) | over | (8.0%) | |
| Payments to Contractors | 10,043 | 10,043 | 0 | 4,963 | 4,960 | 3 | under | 0.1% | a,b |
| Transfer Payments | 0 | 0 | 0 | 0 | 0 | 0 | - | n/a | |
| Financing Charges | 0 | 0 | 0 | 0 | 0 | 0 | - | n/a | |
| Total Controllable Exp. | 10,691 | 10,691 | 0 | 5,212 | 5,212 | 0 | - | 0.0% | |
| Total Controllable Inc. | 0 | 0 | 0 | 0 | 0 | 0 | - | n/a | |
| Net Controllable Exp. | 10,691 | 10,691 | 0 | 5,212 | 5,212 | 0 | - | 0.0% | |

Budget Virements

- a. Transfer from Support Services in respect of budgets for the new and refurbished facilities at Carluke, Uddingston and Alistair McCoist Facility, East Kilbride £0.414m : Payment to Contractors £0.414m.
- b. CFCR transfer to Capital in respect of contribution to Coalburn (£0.078m) : Payment to Contractors (£0.078m)

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Community Resources Committee: Period Ended 7 August (No.5)

Projects

| | 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 | 749 | 749 | 0 | 264 | 292 | (28) | over | (10.6%) | 1 |
| Property Costs | 17 | 17 | 0 | 0 | 0 | 0 | - | n/a | |
| Supplies & Services | 21 | 21 | 0 | 3 | 3 | 0 | - | 0.0% | a |
| Transport & Plant | 69 | 69 | 0 | 24 | 28 | (4) | over | (16.7%) | |
| Administration Costs | 9 | 9 | 0 | 1 | 1 | 0 | - | 0.0% | |
| Payments to Other Bodies | 19 | 19 | 0 | 2 | 2 | 0 | - | 0.0% | |
| Payments to Contractors | 19 | 19 | 0 | 0 | 2 | (2) | over | n/a | a |
| Transfer Payments | 0 | 0 | 0 | 0 | 0 | 0 | - | n/a | |
| Financing Charges | 2 | 2 | 0 | 0 | 0 | 0 | - | n/a | |
| Total Controllable Exp. | 905 | 905 | 0 | 294 | 328 | (34) | over | (11.6%) | |
| Total Controllable Inc. | (359) | (359) | 0 | (120) | (164) | 44 | over recovered | 36.7% | 2,a |
| Net Controllable Exp. | 546 | 546 | 0 | 174 | 164 | 10 | under | 5.7% | |

Budget Virements

a. Realignment of Active Futures Budget : Supplies and Services (£0.015m), Payment to Contractors (£0.121m), Income £0.136m.

Variance Explanations**1. Employee Costs**

The overspend is mainly due to the numbers employed under the Environmental Task Force / Social Inclusion Partnership projects being higher than anticipated. This is offset by additional grant income (see 2 below).

2. Income

The over recovery relates to grant income for the Environmental Task Force / Social Inclusion Partnership projects which offsets additional expenditure (see Employee Costs).

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Community Resources Committee: Period Ended 7 August 2009 (No.5)

Support 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 | 2,403 | 2,403 | 0 | 826 | 809 | 17 | under | 2.1% | a |
| Property Costs | 255 | 255 | 0 | 0 | 2 | (2) | over | n/a | |
| Supplies & Services | 583 | 583 | 0 | 27 | 38 | (11) | over | (40.7%) | b |
| Transport & Plant | 60 | 60 | 0 | 0 | 0 | 0 | - | n/a | |
| Administration Costs | 344 | 344 | 0 | 1 | 2 | (1) | over | (100.0%) | |
| Payments to Other Bodies | 6 | 6 | 0 | 0 | 2 | (2) | over | 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 | 43 | 43 | 0 | 12 | 13 | (1) | over | (8.3%) | |
| Total Controllable Exp. | 3,694 | 3,694 | 0 | 866 | 866 | 0 | - | 0.0% | |
| Total Controllable Inc. | (7,911) | (7,911) | 0 | (3,041) | (3,050) | 9 | over recovered | 0.3% | |
| Net Controllable Exp. | (4,217) | (4,217) | 0 | (2,175) | (2,184) | 9 | under | 0.4% | |

Budget Virements

- a. Transfer of budget to Finance and Information Technology Resources to reflect the transfer of employees to Payables (£0.028) : Employee (£0.028m).
- b. Transfer to Leisure in respect of budgets for the new and refurbished facilities at Carluke, Uddingston and Alistair McCoist Facility, East Kilbride (£0.414m) : Payment to Contractors (£0.414m).