

Report

Report to:	Financial Resources Scrutiny Forum
Date of Meeting:	1 September 2022
Report by:	Executive Director (Finance and Corporate Resources)

Subject:	Revenue Budget Monitoring 2021/2022
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ advise the Forum of the overall financial position of the Council's General Fund Revenue Account and Housing Revenue Account for the period 1 April 2021 to 31 March 2022.

2. Recommendation(s)

2.1. The Forum is asked to note the following recommendation(s):-

- (1) that across Resources, Corporate Items and Council Tax, the Council is showing a year end underspend of £6.109 million after proposed transfers to reserves (section 4 and Appendix 1), be noted;
- (2) that the probable outturn transfers approved by members has now been revised to £55.062 million (previously (£49.636 million) (Appendix 3), be noted;
- (3) that the Resources requests for transfers to reserves to spend on commitments against specific streams of funding during the final part of the year totalling £4.902 million (Appendix 4), be approved;
- (4) that the overfunding position on the IJB contribution as detailed at section 4.5 be noted;
- (5) that after using Scottish Government funding and reserves brought forward from 2020/2021, the position on COVID expenditure is break-even (section 4.9) be noted;
- (6) that the £6.109 million underspend after proposed transfers to reserves, be allocated as detailed in section 4.12, resulting in a break-even position for the Council, be approved; and
- (7) that the break-even position on the Housing Revenue Account (section 5), be noted.

3. Background

- 3.1. This overview report will summarise the 2021/2022 Year-End position for the Council's General Fund Revenue Account and Housing Revenue Account.
- 3.2. Section 4 provides details the final position for the financial year, as well as the movement from the previously reported Probable Outturn position for the Council. The Housing Revenue position is shown in Section 5.
- 3.3. Appendix 1 to the report details the overall spend position for the current year. This position includes the cost of COVID as well as all proposed transfers to reserves: the

transfers to Reserves approved at Probable (Executive Committee, February 2022) are shown in Appendix 3 and those new proposed Transfers to Reserves requested by Resources at Year-End are shown in Appendix 4.

4. Summary of Previously Reported Probable Outturn

- 4.1. For reference, the Council's overall probable outturn position for the year (including COVID and approved Transfers to Reserves), was last reported to Committee as an underspend of £4.794 million (Executive Committee, 2 March 2022). This assumed full funding of COVID expenditure and an underspend of £4.794 million on the Council's General Services.
- 4.2. The Year-End position is an underspend of £6.109 million. This is after proposed transfers to reserves. This final position also includes COVID expenditure and funding. This is shown in Table 1 along with the movement from Probable Outturn to Year-End – an improvement of £1.315 million (from an underspend of £4.794 million to an underspend of £6.109 million at financial Year-End).

**Table 1 – General Service Year-End 2021/2022
(after Transfers to Reserves)**

	Probable Outturn	Year-End	Movement from Probable to Outturn
	£m	£m	£m
Resource Position (Appendix 2, section 1 to 7)	(0.585)	0.122	0.707
Loan Charges (Appendix 2, section 8)	-	0.049	0.049
Corporate Items (Appendix 2, sections 9 to 12)	2.471	2.880	0.409
Council Tax (Appendix 2, section 13)	2.908	3.058	0.150
General Services Underspend 2021/2022	4.794	6.109	1.315

- 4.3. This report and appendices provide a detailed analysis of the Council's financial position at the end of the year. Appendices 1 and 2 provide detail of the Year-End position with a summary of the £6.109 million noted in sections 4.4 to 4.13.
- 4.4. **Resources:** The underspend position of £0.122 million is after taking into account the Transfers to Reserves agreed at the Probable Outturn as well as the additional transfers being proposed by the Resources as part of the Year-End position. The Transfers at Probable Outturn and Year-End are detailed in Appendices 3 and 4 respectively. The Resources' Transfers to Reserves agreed at Probable Outturn were originally £8.420 million and are now £8.196 million being a reduction of £0.224 million. This reflects the increase in spend achieved in year, and therefore a reduced level of budget to transfer to reserves.
- 4.5. The Resource position includes an underspend on Core funding from the Council to the IJB, and it is proposed that this is dealt with as overfunding in year. This is permissible in the IJB financial regulations. It is proposed to transfer to reserves the over-provision of funding to the Integrated Joint Board of £2.051 million and that this money will be held in reserves and utilised to manage pressures within Children and Family Services. The Year-End position also includes an amount of specific funding received in relation to the IJB that will be retained in the Council's Balance Sheet and will be available for use by the IJB (£6.840 million) which includes funding from the Scottish Government for Care at Home, Delayed Discharge and Mental health capacity

- 4.6. **Loan Charges:** There is an underspend of £0.049 million after the proposed Transfers to Reserves approved at Year-End. This relates to additional interest received during the year.
- 4.7. **Corporate Items:** There is a net underspend of £2.880 million for Corporate Items after known commitments, which includes the underspend in relation to pay award reported at Probable Outturn. The improvement since the Probable Outturn is mainly due to the bad debt provision for the year being lower than anticipated.
- 4.8. **Council Tax:** The over recovery for the year is £3.058 million, representing an improvement of £0.150 million since the Probable Outturn. The increase comprises a reduction in the level of Council Tax Reduction Scheme expenditure.
- 4.9. **COVID Year-End:** The Year-End position includes COVID expenditure which has been funded by Scottish Government funding received and funding carried forward in reserves from 2020/2021. It also includes the transfer to reserves of unspent funding, resulting in a breakeven position. The funding carried forward will be used to manage the ongoing budget pressures resulting from COVID into 2022/2023.
- 4.10. **Transfers to Reserves:** The Year-End underspend of £6.109 million includes Transfers to Reserves of £59.964 million. This includes the Transfers to Reserves approved as part of the Probable Outturn (£49.636 million) adjusted for movements totalling £5.426 million to reflect the final position. The revision to the Probable Outturn Transfers are shown in Appendix 3 (giving a total of £55.062 million for Probable Outturn Transfers).
- 4.11. There are also additional Transfers to Reserves proposed at Year-End total £4.902 million. This reflects the carry forward of funding in Reserves to allow committed areas of spend to be incurred in 2022/2023. Details of these additional proposed transfers are detailed in Appendix 4. This takes the total Transfers to Reserves at Year-End to £59.964 million (being Probable Outturn Revised Transfers of £55.062 million and Year-End Transfers of £4.902 million).
- 4.12. The final underspend of £6.109 million is now confirmed and it is proposed that this is transferred to the Earmarked General Fund to be used in the 2023/2024 Revenue Budget Strategy.
- 4.13. If this proposal is agreed, then these monies will be Transferred to Reserves for use in future years' budget strategies, including 2023/2024, and will mean that the Council will return a break-even position for financial year 2021/2022.

5. Housing Revenue Account Position

- 5.1. As at 31 March 2022, the position on the Housing Revenue Account is a breakeven position. This is after a transfer to the HRA Reserve of £2.917 million, which is £1.946 million higher than budgeted.
- 5.2. The details of the variances across the Housing Revenue Account are shown in Appendix 5 and in the main are the net of an underspend on Property Costs and an under-recovery of Income.

6. Employee Implications

- 6.1. None.

7. Financial Implications

- 7.1. As detailed within this report.

8. Climate Change, Sustainability and Environmental Implications

- 8.1. There are no implications for climate change, sustainability or the environment in terms of the information contained in this report.

9. Other Implications

- 9.1. 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.
- 9.2. There are no implications for sustainability in terms of the information contained in this report.

10. Equality Impact Assessment and Consultation Arrangements

- 10.1. 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.
- 10.2. 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)

24 August 2022

Link(s) to Council Values/Priorities/Outcomes

- ◆ Accountable, Effective, Efficient and Transparent

Previous References

- ◆ None

List of Background Papers

- ◆ Financial ledger and budget monitoring results to 31 March 2022

Contact for Further Information

If you would like to inspect the background papers or want further information, please contact:-

Jackie Taylor, Head of Finance (Strategy)

Ext: 5637 (Tel: 01698 455637)

E-mail: jackie.taylor@southlanarkshire.gov.uk

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report (including COVID and AFTER Transfers)

Period Ended 31 March 2022

Committee

Departments:

Community and Enterprise Resources

Facilities Streets, Waste and Grounds

Fleet, Environmental and Projects

Leisure and Culture Services

Planning and Economic Development

Roads

COVID-19

Education Resources

Education Resources

COVID-19

Finance and Corporate Resources

Finance Services - Strategy

Finance Services - Transactions

Audit and Compliance Services

Information Technology Services

Communications and Strategy Services

Administration and Licensing Services

Personnel Services

COVID-19

Housing and Technical Resources

Housing Services

Property Services

COVID-19

Social Work Resources

Performance and Support Services

Children and Family

Adults and Older People

Justice and Substance Misuse

COVID-19

Joint Boards**Total Resources**

			Annual Forecast Variance (After Transfers)
Annual Budget £m <i>Col 1</i>	Forecast Before Transfers £m <i>Col 2</i>	Forecast After Transfers £m <i>Col 3</i>	
119.475	124.218	124.941	(5.466)
70.587	70.349	70.727	(0.140)
(0.462)	0.497	0.537	(0.999)
20.155	20.122	20.122	0.033
2.229	1.555	1.860	0.369
22.070	23.400	23.400	(1.330)
4.896	8.295	8.295	(3.399)
376.791	371.524	378.819	(2.028)
365.619	358.413	365.638	(0.019)
11.172	13.111	13.181	(2.009)
43.738	52.345	52.458	(8.720)
2.340	2.340	2.340	0.000
18.133	17.999	17.999	0.134
0.394	0.394	0.394	0.000
4.733	4.790	4.790	(0.057)
2.547	2.682	2.682	(0.135)
4.207	4.646	4.709	(0.502)
11.384	10.870	10.920	0.464
0.000	8.624	8.624	(8.624)
18.141	18.870	19.159	(1.018)
8.896	8.942	8.942	(0.046)
8.822	8.487	8.776	0.046
0.423	1.441	1.441	(1.018)
186.372	189.519	189.519	(3.147)
8.113	7.709	7.709	0.404
35.228	36.237	36.237	(1.009)
141.369	141.339	141.339	0.030
1.662	1.692	1.692	(0.030)
0.000	2.542	2.542	(2.542)
2.314	2.314	2.314	0.000
746.831	758.790	767.210	(20.379)

Actual to 31/03/22 Before Transfers £m <i>Col 5</i>	Variance Annual Budget To Actual Before Transfers £m <i>Col 6</i>	Actual to 31/03/22 After Transfers £m <i>Col 7</i>	Variance Annual Budget To Actual After Transfers £m <i>Col 8</i>
122.767	(3.292)	123.982	(4.507)
70.026	0.561	70.849	(0.262)
0.093	(0.555)	0.163	(0.625)
20.115	0.040	20.115	0.040
0.947	1.282	1.269	0.960
23.513	(1.443)	23.513	(1.443)
8.073	(3.177)	8.073	(3.177)
370.610	6.181	378.493	(1.702)
357.754	7.865	365.637	(0.018)
12.856	(1.684)	12.856	(1.684)
51.094	(7.356)	51.967	(8.229)
2.318	0.022	2.318	0.022
17.897	0.236	17.897	0.236
0.154	0.240	0.154	0.240
5.914	(1.181)	5.914	(1.181)
2.760	(0.213)	2.760	(0.213)
4.658	(0.451)	4.721	(0.514)
9.184	2.200	9.994	1.390
8.209	(8.209)	8.209	(8.209)
18.682	(0.541)	19.080	(0.939)
8.861	0.035	8.861	0.035
8.459	0.363	8.857	(0.035)
1.362	(0.939)	1.362	(0.939)
187.288	(0.916)	189.339	(2.967)
7.636	0.477	7.636	0.477
36.145	(0.917)	36.145	(0.917)
139.287	2.082	141.338	0.031
1.647	0.015	1.647	0.015
2.573	(2.573)	2.573	(2.573)
2.313	0.001	2.313	0.001
752.754	(5.923)	765.174	(18.343)

Total Resources

CFCR

Loan Charges

Corporate Items

Corporate Items - COVID

Corporate Items - 22/23 Strategy

Corporate Items - 21/22 Investments

Total Expenditure

Council Tax

Less: Council Tax Reduction Scheme

Net Council Tax

General Revenue Grant

General Revenue Grant - COVID

Non-Domestic Rates

Transfer from Reserves

Total Income**Net Expenditure / (Surplus) Before
Transfers to Reserves**

Annual Budget £m	Forecast Before Transfers £m	Forecast After Transfers £m	Annual Forecast Variance (After Transfers) £m
746.831	758.790	767.210	(20.379)
1.743	1.743	1.743	0.000
34.343	32.976	34.343	0.000
6.994	2.278	4.523	2.471
42.321	3.916	22.527	19.794
13.550	0.000	13.550	0.000
5.884	0.441	5.884	0.000
851.666	800.144	849.780	1.886
161.805	164.521	164.521	2.716
(21.391)	(21.199)	(21.199)	0.192
140.414	143.322	143.322	2.908
296.269	296.269	296.269	0.000
31.582	31.582	31.582	0.000
319.312	319.312	319.312	0.000
64.089	64.089	64.089	0.000
851.666	854.574	854.574	2.908
0.000	(54.430)	(4.794)	4.794

Actual to 31/03/22 Before Transfers £m	Variance Annual Budget To Actual Before Transfers £m	Actual to 31/03/22 After Transfers £m	Variance Annual Budget To Actual After Transfers £m
752.754	(5.923)	765.174	(18.343)
1.743	0.000	1.743	0.000
32.922	1.421	34.294	0.049
1.231	5.763	4.114	2.880
0.000	42.321	23.856	18.465
0.000	13.550	13.550	0.000
0.000	5.884	5.884	0.000
788.650	63.016	848.615	3.051
164.397	2.592	164.397	2.592
(20.925)	0.466	(20.925)	0.466
143.472	3.058	143.472	3.058
296.269	0.000	296.269	0.000
31.582	0.000	31.582	0.000
319.312	0.000	319.312	0.000
64.089	0.000	64.089	0.000
854.724	3.058	854.724	3.058
(66.074)	66.074	(6.109)	6.109

**Net Expenditure / (Surplus) Before
Transfers to Reserves**

Transfers to Specific Reserves

**(Surplus) After Transfers to Specific
Reserves**

Transfer to Earmarked General Fund

**Surplus for Year Transferred to
Uncommitted General Fund**

	Annual Budget £m	Forecast Before Transfers £m	Forecast After Transfers £m	Annual Forecast Variance (After Transfers) £m
	0.000	(54.430)	(54.430)	54.430
	0.000	0.000	0.862	(0.862)
	0.000	(54.430)	(53.568)	53.568
	0.000	0.000	48.774	(47.774)
	0.000	(54.430)	(4.794)	4.794

Actual to 31/03/22 Before Transfers £m	Variance Annual Budget To Actual Before Transfers £m	Actual to 31/03/22 After Transfers £m	Variance Annual Budget To Actual After Transfers £m
(66.074)	66.074	(66.074)	66.074
0.000	0.000	2.305	(2.305)
(66.074)	66.074	(63.769)	63.769
0.000	0.000	57.660	(57.660)
(66.074)	66.074	(6.109)	6.109

Detail of Year-End Position Across Resources and Centrally Held Budgets

1. **Movement from Last Reported Position:** The previously reported position for General Services was an underspend of £4.794 million. At financial Year-End, the position is now an underspend of £6.109 million – an improvement of £1.315 million. This is made up of an improvement in Resources of £0.707 million, an improvement in the Centrally Held budgets of Corporate Items and Loan Charges (£0.458 million) and an increase in the over-recovery of Council Tax (£0.150 million). Each of the individual areas of the Council's General Services budgets are detailed in the remainder of this Appendix.
2. **Resources and Centrally Held Budgets:** Details of the Resource positions, including any assumptions are detailed below. These figures include the costs associated with COVID and include Transfers to Reserves.
3. **Community and Enterprise Resources:** The Year-End position after transfers to reserves is an overspend of £4.507 million. Removing the cost of COVID leaves an underspend of £0.515 million. This is an improved position of £0.495 million on the Resource's probable outturn position. This is mainly due to an over recovery of income for Planning and Building Standards applications and an improved spend position within the Fleet service.
4. **Education Resources:** The Year-End position after transfers to reserves is an overspend of £1.702 million. Removing the cost of COVID leaves a breakeven position which is comparable to the Resource's Probable Outturn position.
5. **Finance and Corporate Resources:** The Year-End position after transfers to reserves is an overspend of £8.229 million. Removing the cost of COVID leaves a breakeven position which is in line with the reported Probable Outturn position.
6. **Housing and Technical Resources:** The Year-End position after transfers to reserves is an overspend of £0.939 million. Removing the cost of COVID leaves a breakeven position which is in line with the reported Probable Outturn position.
7. **Social Work Resources:** The Year-End position is a net overspend of £2.967 million. Removing the cost of COVID leaves an overspend of £0.394 million which is an improved position of £0.211 million on the reported Probable Outturn overspend position of £0.605 million. This position includes the transfer to reserves of an over-provision of funding to the Integrated Joint Board. This money will be held in reserves and utilised to manage pressures within Children and Family Services (£2.051 million). In addition, the Year-End position also includes an amount of specific funding received in relation to the IJB that will be retained in the Council's Balance Sheet and will be available for use by the IJB (£6.840 million).
8. **Loan Charges:** After taking into account the £1.362 million agreed transfer to reserves (Executive Committee, 2 February 2022), the loan charges Year-End position is an underspend of £0.049 million.
9. **Corporate Items - Non COVID:** The Year-End position after proposed transfers to reserves is a net underspend of £2.880 million, including the commitment for Council Tax Second Homes.
10. **Corporate Items - COVID-19:** The underspend of £18.465 million represents the

COVID funding held centrally to fund the COVID expenditure that is included within Resource Year-End positions.

11. **Corporate Items - 2022/2023 Strategy:** The Executive Committee (24 June 2020) approved the transfer of funds totalling £13.550 million to reserves, from the Loans Fund Review for use in future strategies, leaving a breakeven position after transfers to reserves.
 12. **Investments 2021/2022:** The Executive Committee (2 February 2022) approved the transfer of funds totalling £5.443 million to reserves to reflect the commitments in relation to the 2021/2022 investments being incurred over 3 financial years, leaving a breakeven position after transfers. The final position is a transfer to reserves of £5.884 million, representing a net additional transfer of £0.441 million from probable.
 13. **Council Tax including Council Tax Reduction Scheme (CTRS):** The Council Tax is showing an over recovery of £3.058 million, comprising an over recovery of Council Tax of £2.592 million and an underspend on CTRS of £0.466 million. This is an increase of £0.150 million on the position reported as part of the Probable Outturn.
 14. The Council Tax over recovery of £2.592 million is due to the following:
 - Empty Property charges - £0.452 million,
 - Arrears collection - £1.086 million
 - Additional in-year properties - £1.062 million
 - Income from Council Tax Second Homes - (£0.008) million which is offset by a corresponding underspend on commitment in Corporate Items
 15. The underspend of £0.466 million on the CTRS reflects current demand for these payments.
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Transfers to Reserves - Approved At Probable

Purpose / Description	Resource	Value £m
Resources		
Primary 4 and 5 Free School Meals Funding to be carried forward to meet the expansion programme of FSM for P4 and P5 into 2022/2023 for April to June 2022.	Community and Enterprise	0.273
Good Food Nation / Food Development Officer Funding required to support outcome of the new Good Food Nation's Bill introduced by the SG and the Food Development officer post.	Community and Enterprise	0.080
Crematorium Sink Fund Annual contribution to the Crematorium sinking fund to maintain asset replacement programme.	Community and Enterprise	0.025
Electric Sweeper – Payback Ring-fenced reserves used to manage purchase of electric vehicles in short term which have to be repaid over next few years. This contribution is the second repayment.	Community and Enterprise	0.015
Fleet Sinking Fund Annual contribution to the Fleet sinking fund to maintain asset replacement programme.	Community and Enterprise	0.025
Legal Costs – Planning Building Standards Funding to support exceptional legal costs as a result of public inquiries and planning appeals in 2022/23.	Community and Enterprise	0.075
Approved Building Standards Staffing Structure This is funding required to fund the temporary staffing structure in Planning Building Standards service as approved at Community and Enterprise Committee December 2021.	Community and Enterprise	0.230
Total Community and Enterprise Resources		0.723
Adjust: increase in transfer to reflect decreased spend achieved during the financial year.		0.017
Revised Community and Enterprise Resources		0.740
Pupil Equity Fund The funding received from the Government can be used up to the end of the school term (June 2022). The underspend reflects the element of the funding that will be utilised in April to June 2022.	Education	3.500
Early Years 1140 This transfer relates to the underspend on the current year specific grant allocation to be carried forward to meet the commitments in line with the spend profile of the project.	Education	2.797
Additional Teachers Funding (April-June element) This transfer relates to the underspend on the current year grant allocation to be carried forward to meet the cost of the additional teachers up to the end of the school term (April to June 2022).	Education	0.845
Child Disability Payment Support The funding received covers the new burden associated with the introduction of Child Disability Payment with staffing not expected to be in post until 2022/23 following Committee approval in February 2022.	Education	0.083
COVID – CO2 Monitors The transfer relates to COVID funding received to assist with CO2 monitors in schools has not been fully utilised in the current year which requires to be carried forward to meet commitments in 2022/2023.	Education - COVID	0.070
Total Education Resources		7.295
Adjust: reduction in transfers to reflect increased spend achieved during the financial year.		(0.350)
Revised Education Resources		6.945
Area Committee Grants This transfer reflects the underspend in Area Grants monies in 2021/2022.	Finance and Corporate	0.063
National Trauma Training Post Funding from the Scottish Government for a post but due to timing of recruitment, post will not be filled in the current year and transfer is required to meet commitment in 2022/2023.	Finance and Corporate	0.050
Total Finance and Corporate Resources		0.113
Scheme of Assistance The Scheme of Assistance funding was not fully utilised in 2021/2022, and it is proposed that the funding is carry forward to meet commitments in future years.	Housing and Technical	0.289
Total Housing and Technical Resources		0.289
Adjust: reduction in transfers to reflect reduced spend achieved during the financial year.		0.109
Revised Housing and Technical Resources		0.398
Total Resource Transfers to Reserves		8.420
Adjust: Total reduction in transfers to reflect increased spend during the financial year.		(0.224)
Revised Resource Transfers to Reserves at Year-End		8.196

Loan Charges		
Loan Charges – Additional Underspend In 2021/2022, there is an additional underspend due to lower than anticipated interest costs as a result of not taking any long-term borrowing during 2021/2022.	Loan Charges	1.362
Interest on Revenue Balances – Reserves This is the interest on Reserves balances and the transfer will be added to the balances on each Balance Sheet Reserve as appropriate.	Loan Charges	0.005
Total Loan Charges Transfers to Reserves		1.367
Adjust: Total increase in transfers to reflect additional interest received during the financial year.		0.005
Revised Loan Charges Transfers to Reserves		1.372
Corporate Items		
Utilities An amount was included in the Strategy for anticipated increases in utility prices. Due the way that energy has been purchase, this funding is not required in the current year and the underspend will be carried forward to assist in managing price increases into 2022/2023.	Corporate Items	1.228
Business Rates Incentive Scheme The Council has been notified of a refund in relation to the 2019/2020 Business Rates Incentive Scheme. The transfer is to allow this benefit to be used in the 2022/2023 Strategy.	Corporate Items	0.225
Central Energy Efficiency Fund (CEEF) Resources are allocated funding from the CEEF Reserve to pay for spend to save projects which they repay over future years from the revenue savings generated by the project. This transfer represents the payback of savings from Resources and allows the Reserve to be regenerated for use on future projects.	Corporate Items	0.222
Council Tax Second Homes This transfer represents the over recovery of income from Council Tax on second homes included in the Council's Council Tax income line. This is required to be transferred to the Housing Revenue Account for use on social housing.	Corporate Items	0.570
Total Corporate Transfers to Reserves		2.245
Adjust: Total increase in transfers to reflect reduced income received during the year		(0.030)
Corporate Transfers to Reserves at Year-End		2.215
Corporate Items - COVID		
COVID - Non Specific Funding The 2021/2022 costs of COVID recovery have been managed primarily using the funding in reserves carried forward from 2020/2021. This allows elements of the new funding received in 2021/2022 to be carried forward to meet the costs of recovery moving forward.		15.600
COVID Specific Funding Funding was received in 2021/2022 to assist with Education Recovery. This transfer represents the element required to assist with the costs for the remainder of the school year.		3.011
Total Corporate Items - COVID Transfers to Reserves		18.611
Adjust: Total increase in transfers to reflect reduced expenditure during the year		5.234
Revised Corporate Items - COVID Transfers to Reserves		23.845
Corporate Items - 22/23 Strategy		
Loans Funds Review The Executive committee approved a transfer to reserves in respect of the Loans Fund Review.		13.550
Total Corporate Items - 22/23 Strategy		13.550
Investments		
Investments 2021/2022 A report to the Executive Committee (22 September 2021) highlighted that the investment monies would be spent across multiple years. This transfer is to meet the commitments in future years.	Investments	5.443
Total Investments Transfers to Reserves		5.443
Adjust: Total increase in transfers to reflect reduced expenditure during the year		0.441
Revised Investments Transfers to Reserves		5.884
Total Transfers to Reserves Approved at Probable Year-End		49.636
Adjust: Total net increase in transfers to reflect Year-End position (Resources and Corporate Items). This is the total of all the amounts under "adjust" in the table above		5.426
Revised Transfers to Reserves Approved at Probable Outturn		55.062

Transfers to Reserves – Additional Proposed Transfers at Year-End

Purpose / Description	Resource	Value £m
Resources		
Training Laptops Transfer to fund the 101 training laptops for primary schools which were ordered in 2021/22 but due to COVID and supply chain delays, will not be delivered until 2022/23.	Community and Enterprise	0.062
Office Accommodation Moves – Montrose House Staff Due to delay in the move to Almada Street by Montrose House staff due to vaccination centre and election accommodation requirements, planned repair works and equipment requirements have been delayed until July 2022.	Community and Enterprise	0.050
Chatelherault – Rock Slope Inspection This is to fund inspection work on dangerous rock slopes within Chatelherault Country park. This is a contractual commitment.	Community and Enterprise	0.026
Lammermoor Funding required to complete the contractual commitment in relation to upgrading of allotment works at Lammermoor.	Community and Enterprise	0.005
Environmental Flare System This funding is required to meet the IT costs in relation to Environmental Services Flare system as a result of system upgrade and parallel running costs.	Community and Enterprise	0.030
Strategic Waste Fund The contribution is the result of higher than anticipated income from Fibre and recycle contracts and is required to support future contract costs for waste streams in 2022/23.	Community and Enterprise	0.302
Total Community and Enterprise Resources Proposed Transfers		0.475
Teachers NQT Group 2 This transfer reflects the prepayment of funding in 2021/22 for Newly Qualified Teachers for the period April to June 2022.	Education	0.293
School Support Job Evaluation This transfer relates to funding required to support outcomes of the job evaluation in Support Services.	Education	0.086
Education – Capital Items Replacement Fund In line with Delegated School Management guidelines within schools, this reflects spend to be incurred up to the end of school term (June 2022) and contribution to the Replacement Equipment Fund. The transfer is required to allow the spend to be undertaken in April to June 2022.	Education	0.571
Total Education Resources Proposed Transfers		0.950
Employability Projects Due to the timing of monies received and the timetable for project delivery, this external Employability Project funding requires to be carried forward to ensure the projects can continue in 2022/2023. The projects are No-one Left Behind £0.114m, Parental Employability Support £0.156m, and Youth Guarantee £0.490m.	Finance and Corporate	0.760
Total Finance and Corporate Resources Proposed Transfers		0.760
Adults and Older People This transfer represents an over provision of funding to the Integrated Joint Board which will be transferred to reserves and utilised to manage pressures within Children and Family Services.	Social Work	2.051
Total Social Work Resources		2.051
Total Resource Proposed Transfers to Reserves		4.236
Corporate Items		
Feed In Tariff Carry forward income received from energy transferred back to the grid for use on future energy efficiency projects.	Corporate Items	0.051
Renewable Heat Initiative Income Carry forward subsidy income received from the Government for use on future energy efficiency related projects.	Corporate Items	0.369
Whole of Family Wellbeing GRG This transfer reflects General Revenue Grant received late in the financial year which requires to be carried forward to meet commitments in 2022/2023.	Corporate Items	0.187
Telecare Fire Safety GRG This transfer reflects General Revenue Grant received late in the financial year which requires to be carried forward to meet commitments in 2022/2023.	Corporate Items	0.059
Total Corporate Items Proposed Transfers to Reserves		0.666
Total Proposed Transfers to Reserves at Year-End (Resources and Corporate Items)		4.902

SOUTH LANARKSHIRE COUNCIL
Revenue Budget Monitoring Report
Year Ended 31 March 2022
Housing Revenue Account

Budget Category	Annual Budget	Forecast for Year BEFORE Transfers	Annual Forecast Variance BEFORE Transfers	Annual Forecast Variance AFTER Transfers	Budget Proportion 31/03/22	Actual 31/03/22	Variance 31/03/22		% Variance 31/03/22	Notes
Employee Costs	14.090	13.842	0.248	0.248	14.090	13.957	0.133	under	0.9%	1
Property Costs	46.061	45.666	(0.605)	(0.605)	46.061	46.893	(0.832)	over	(1.8%)	2
Supplies & Services	0.879	0.841	0.038	0.038	0.879	0.701	0.178	under	20.3%	
Transport & Plant	0.195	0.167	0.028	0.028	0.195	0.153	0.042	under	21.5%	
Administration Costs	5.465	5.633	0.012	0.012	5.465	5.485	0.160	under	2.8%	
Payments to Other Bodies	3.076	3.113	(0.037)	(0.037)	3.076	3.130	(0.054)	over	(1.8%)	
Payments to Contractors	0.100	0.097	0.003	0.003	0.100	0.069	0.031	under	31.0%	
Transfer Payments	0.000	0.000	0.000	0.000	0.000	0.000	0.000	-	0.0%	
Financing Charges	19.637	19.662	(0.025)	(0.025)	19.637	19.744	(0.107)	over	(0.5%)	
Total Controllable Exp.	89.683	90.021	(0.338)	(0.338)	89.683	90.132	(0.449)	over	(0.5%)	
Total Controllable Inc.	(106.485)	(106.823)	0.338	0.338	(106.485)	(108.765)	2.280	over recovered	2.1%	3
Transfer to/(from) Balance Sheet	0.971	0.971	0.000	0.000	0.971	2.917	(1.946)	over	200.4%	4
Net Controllable Exp.	(15.831)	(15.831)	0.000	0.000	(15.831)	(15.716)	(0.115)	over	(0.7%)	
Loan Charges	15.831	15.831	0.000	0.000	15.831	15.716	0.115	under	0.7%	
Net Controllable Exp.	0.000	0.000	0.000	0.000	0.000	0.000	0.000	-	0.0%	

Variance Explanations

1. Employee Costs

This underspend reflects higher than anticipated staff turnover within the Service, partially offset by the additional costs of the agreed pay award.

2. Property Costs

This overspend reflects demand in relation to repairs and grounds maintenance.

3. Income

This over recovery reflects income from house rents being higher than anticipated and also income from repairs and insurance recoveries, offset by additional expenditure.

4. Transfer to / (from) Balance Sheet

The net overspend across expenditure has resulted in a lower transfer to reserves being anticipated to date, mainly due to the additional costs of the agreed pay award.