

# Report

Report to:	<b>Community and Enterprise Resources Committee</b>
Date of Meeting:	<b>16 February 2021</b>
Report by:	<b>Executive Director (Finance and Corporate Resources) and Executive Director (Community and Enterprise Resources)</b>

Subject:	<b>Community and Enterprise Resources - Revenue Budget Monitoring 2020/2021</b>
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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 2020 to 1 January 2021 for Community and Enterprise Resources
- ♦ provide a forecast for the year to 31 March 2021.

## 2. Recommendation(s)

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

- (1) that the forecast to 31 March 2021 of an overspend of £8.722m before transfers to reserves, as detailed in Appendix A of the report, and the forecast, after transfers to reserves, of an overspend of £9.169m, be noted;
- (2) that an overspend of £5.875m as at 1 January 2021, as detailed in Appendix A of the report, and the overspend of £6.227m, after transfers to reserves, be noted; and
- (3) that the proposed budget virements as detailed in appendices B to G are approved.

## 3. Background

- 3.1. This is the third revenue budget monitoring report presented to the Community and Enterprise Resources Committee for the financial year 2020/2021.
- 3.2. The Resource has now completed its formal probable outturn exercise for the year identifying expected spend to the 31 March 2021. Details are outlined in section 5 below.
- 3.3. The report details the financial position for Community and Enterprise Resources in Appendix A and the individual services' reports in appendices B to G, including variance explanation. This year, the position includes the impact of COVID-19.

## 4. Employee Implications

4.1. None

## **5. Financial Implications**

5.1. **Probable Outturn:** Following the Council's probable outturn exercise, the Resource is reporting an overspend of £8.722m before transfers to reserves and £9.169m after transfers to reserves of £0.447m. This includes projected costs of COVID-19 as at 1 January 2021 of £9.199m. The Resource position is detailed in Appendix A and the transfers to reserves by service area are noted in appendices B to F.

5.2. The forecast cost of COVID-19 is £9.199m. This is the net effect of expenditure of £5.701m, as outlined in Appendix G, relating to increased staff costs in support of the COVID-19 response; additional costs from increased domestic waste tonnages, fly tipping costs, traffic management and security at civic amenity sites; additional fleet costs and the costs of additional PPE and enhanced cleaning regimes. Included within the Resource position is a £1.269m contribution to South Lanarkshire Leisure and Culture (SLLC) for loss of income, as approved by Executive Committee.

In addition, the Resource is projecting a significant impact as a result of loss of income due to the pandemic of £4.811m including parking charges, Planning Building Standards applications, Care of Gardens and school meals, as well as savings not achieved of £0.100m and an underspend in budget of £1.413m in the main due to expenditure not incurred in relation to food cost of school meals.

5.3. The core budget of the Resource has a minor underspend due to underspends in employee costs across all services offset by an overspend in Fleet due to the timing of efficiencies and the cost of waste contracts.

5.4. Position as at 1 January 2021: The Resource position as at 1 January 2021 is an overspend of £5.875m before transfers to reserves and £6.227m after transfers to reserves. Appendix A outlines this position. Detailed variance explanations by service area are included in appendices B to F.

5.5. Virements are proposed to realign budgets across budget categories and with other Resources. These movements are detailed in the appendices B to F of this report.

## **6. Climate Change, Sustainability and Environmental Implications**

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

## **7. Other Implications**

7.1. 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.

## **8 Equality Impact Assessment and Consultation Arrangements**

8.1. 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.

8.2. 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)**

22 January 2021

**Link(s) to Council Values/Ambitions/Objectives**

- ◆ Accountable, Effective, Efficient and Transparent

**Previous References**

- ◆ Community and Enterprise Resources Committee – 24 November 2020

**List of Background Papers**

- ◆ Financial ledger and budget monitoring results to 1 January 2021.

**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 10 Ended 1 January 2021 (No. 10)

## Community and Enterprise Resources Summary

<b>Budget Category</b>	<b>Annual Budget</b>	<b>Forecast for Year BEFORE Transfers</b>	<b>Annual Forecast Variance BEFORE Transfers</b>	<b>Annual Forecast Variance AFTER Transfers</b>	<b>Budget Proportion 01/01/21</b>	<b>Actual BEFORE Transfers 01/01/21</b>	<b>Variance 01/01/21</b>	<b>% Variance 01/01/21</b>	<b>Note</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>		
Employee Costs	83,900	82,795	1,105	1,105	61,274	60,024	1,250	under	2.0%
Property Costs	4,125	4,606	(481)	(481)	3,194	3,643	(449)	over	(14.1%)
Supplies & Services	15,022	13,411	1,611	1,611	10,597	8,913	1,684	under	15.9%
Transport & Plant	21,470	19,841	1,629	1,584	15,039	13,648	1,391	under	9.2%
Administration Costs	911	940	(29)	(54)	681	703	(22)	over	(3.2%)
Payments to Other Bodies	13,974	13,719	255	115	9,631	9,385	246	under	2.6%
Payments to Contractors	41,143	45,329	(4,186)	(4,353)	28,242	31,181	(2,939)	over	(10.4%)
Transfer Payments	595	595	0	0	448	448	0	-	0.0%
Financing Charges	184	176	8	8	131	125	6	under	4.6%
<b>Total Controllable Exp.</b>	181,324	181,412	(88)	(465)	129,237	128,070	1,167	under	0.9%
<b>Total Controllable Inc.</b>	(71,699)	(63,065)	(8,634)	(8,704)	(51,328)	(44,286)	(7,042)	under recovered	(13.7%)
<b>Net Controllable Exp.</b>	109,625	118,347	(8,722)	(9,169)	77,909	83,784	(5,875)	over	(7.5%)
<b>Transfer to Reserves (as at 01/01/21)</b>	-	-	(447)	-	-	352	(352)	over	
<b>Position After Transfers to Reserves (as at 01/01/21)</b>	109,626	118,347	(9,169)	(9,169)	77,909	84,136	(6,227)	over	(8.1%)

**Variance Explanations**

Detailed in Appendix B to G.

**Budget Virements**

Budget virements are shown in Appendices B to G.

**Transfers to Reserves**

Detailed in Appendix B to G

## SOUTH LANARKSHIRE COUNCIL

## Revenue Budget Monitoring Report

## Community and Enterprise Resources: Period 10 Ended 1 January 2021 (No. 10)

## Facilities, Streets and Waste (including Support)

Budget Category	Annual Budget £000	Forecast for Year BEFORE Transfers £000	Annual Forecast Variance BEFORE Transfers £000	Annual Forecast Variance AFTER Transfers £000	Budget Proportion 01/01/21 £000	Actual BEFORE Transfers 01/01/21 £000	Variance 01/01/21 £000		% Variance 01/01/21	Note
Employee Costs	54,406	53,870	536	536	39,856	39,409	447	under	1.1%	1,a,b,c,d
Property Costs	2,362	2,306	56	56	1,720	1,689	31	under	1.8%	2,a,b,h
Supplies & Services	6,533	5,782	751	751	4,269	3,538	731	under	17.1%	3,a,b
Transport & Plant	7,853	7,515	338	338	5,559	5,303	256	under	4.6%	4,a,e,f
Administration Costs	302	293	9	9	187	174	13	under	7.0%	a
Payments to Other Bodies	51	43	8	8	36	38	(2)	over	(5.6%)	a
Payments to Contractors	14,730	14,860	(130)	(297)	9,937	10,040	(103)	over	(1.0%)	5,a,f,g
Transfer Payments	0	0	0	0	0	0	0	-	n/a	
Financing Charges	77	63	14	14	55	43	12	under	21.8%	
<b>Total Controllable Exp.</b>	<b>86,314</b>	<b>84,732</b>	<b>1,582</b>	<b>1,415</b>	<b>61,619</b>	<b>62,234</b>	<b>1,385</b>	<b>under</b>	<b>2.2%</b>	
<b>Total Controllable Inc.</b>	<b>(19,116)</b>	<b>(17,369)</b>	<b>(1,747)</b>	<b>(1,817)</b>	<b>(16,215)</b>	<b>(14,880)</b>	<b>(1,335)</b>	<b>under recovered</b>	<b>(8.2%)</b>	<b>6,a,b,e</b>
<b>Net Controllable Exp.</b>	<b>67,198</b>	<b>67,363</b>	<b>(165)</b>	<b>(402)</b>	<b>45,404</b>	<b>45,354</b>	<b>50</b>	<b>under</b>	<b>0.1%</b>	
<b>Transfer to Reserves (as at 01/01/21)</b>	<b>-</b>	<b>-</b>	<b>(237)</b>	<b>-</b>	<b>-</b>	<b>182</b>	<b>(182)</b>	<b>over</b>		
<b>Position After Transfers to Reserves (as at 01/01/21)</b>	<b>67,198</b>	<b>67,363</b>	<b>(402)</b>	<b>(402)</b>	<b>45,404</b>	<b>45,536</b>	<b>(132)</b>	<b>over</b>	<b>(0.0%)</b>	

Variance Explanations

- The variance is mainly due to vacant posts within Facilities which are being actively recruited, partially offset by overtime costs.
- The variance is due to an under spend in rent as a result of vacating premises, partially offset by an over spend in rates associated with a former civic amenity site, Muttonhole Road and water utility charges being higher.
- The under spend is mainly due to food purchases within the Catering service due to school closures as a result of the COVID-19 pandemic. This is offset by a loss of school meals income during school closures. This is partially offset by greater material costs within Grounds for additional service requests and a greater spend on domestic waste bins which are partly offset by an over recovery of income.
- The variance relates to Streets, where leasing costs are less than budget due to the timing of replacing vehicles, fuel and vehicle maintenance costs. There is an over spend within Waste on hired vehicles.
- The over spend is due to the cost of the fibre contract being higher than budget within Waste and the cost of chemical toilets for allotment sites.
- The under recovery of income relates to Grounds, Waste and Facilities for services covering the care of gardens, bulky uplifts, school meals and coffee shops as a result of the COVID-19 pandemic.

Budget Virements

- Realignment of budgets to reflect service delivery. Net effect £0.000m: Employee Costs (£0.680m), Property Costs (£0.755m), Supplies & Services (£0.125m), Transport and Plant £0.139m, Admin £0.017m, Payment to Other Bodies £0.010m, Payment to Contractor £0.636m, Income £0.758m.
- Establish a budget to reflect additional service provision to Education by Facilities due to Covid-19. Net effect £0.000m: Employees £0.565m, Property £0.012m, Supplies £0.102m, Income (£0.679m).
- Reinstate saving within Grounds. Net effect £0.020m: Employees £0.020m.
- Realignment of property budgets. Net effect £0.032m: Employees £0.032m.
- Establish budget within Streets for government grant for electrical sweeper. Net effect £0.000m: Transport and Plant £0.193m, Income (£0.193m).
- Transfer from reserves for waste funding and electric vehicles. Net effect £0.162m: Transport and Plant £0.060m, Payment to Contractor £0.102m.
- Transfer to reserves in respect of James Hamilton Heritage Park, Sediment Barrier. Net effect (£0.013m): Payment to Contractor (£0.013m).
- Transfer of budget in respect of Utilities. Net effect £0.910m: Property Costs £0.910m.

Transfers to Reserves (£0.237m):

- Parent Pay development (£0.070m)
- Crematorium Sinking fund (£0.025m)
- Electric Sweeper - Payback (£0.065m)
- Restoration works – Alexander Park, Stonehouse (£0.077m)

## SOUTH LANARKSHIRE COUNCIL

## Revenue Budget Monitoring Report

Community and Enterprise Resources: Period 10 Ended 1 January 2021 (No. 10)

## Fleet and Environmental (Inc Projects)

Budget Category	Annual Budget £000	Forecast for Year BEFORE Transfers £000	Annual Forecast Variance BEFORE Transfers £000	Annual Forecast Variance AFTER Transfers £000	Budget Proportion 01/01/21 £000	Actual BEFORE Transfers 01/01/21 £000	Variance 01/01/21 £000		% Variance 01/01/21	Note
Employee Costs	8,976	8,498	478	478	6,562	6,221	341	under	5.2%	1,a,d
Property Costs	191	243	(52)	(52)	174	187	(13)	over	(7.5%)	
Supplies & Services	335	312	23	23	256	240	16	under	6.3%	a,b
Transport & Plant	9,285	7,884	1,401	1,356	6,739	5,674	1,065	under	15.8%	2,a,b,c
Administration Costs	92	95	(3)	(3)	50	51	(1)	over	(2.0%)	a
Payments to Other Bodies	192	147	45	45	138	101	37	under	26.8%	3,a
Payments to Contractors	1,140	1,188	(48)	(48)	722	751	(29)	over	(4.0%)	4,a
Transfer Payments	0	0	0	0	0	0	0	-	n/a	
Financing Charges	24	22	2	2	16	14	2	under	12.5%	
<b>Total Controllable Exp.</b>	<b>20,235</b>	<b>18,389</b>	<b>1,846</b>	<b>1,801</b>	<b>14,657</b>	<b>13,239</b>	<b>1,418</b>	<b>under</b>	<b>9.7%</b>	
<b>Total Controllable Inc.</b>	<b>(19,183)</b>	<b>(16,616)</b>	<b>(2,567)</b>	<b>(2,567)</b>	<b>(14,994)</b>	<b>(13,018)</b>	<b>(1,976)</b>	<b>under recovered</b>	<b>(13.2%)</b>	<b>5,a,c</b>
<b>Net Controllable Exp.</b>	<b>1,052</b>	<b>1,773</b>	<b>(721)</b>	<b>(766)</b>	<b>(337)</b>	<b>221</b>	<b>(558)</b>	<b>over</b>	<b>(165.6%)</b>	
<b>Transfer to Reserves (as at 01/01/21)</b>	<b>-</b>	<b>-</b>	<b>(45)</b>	<b>-</b>	<b>-</b>	<b>35</b>	<b>(35)</b>	<b>over</b>		
<b>Position After Transfers to Reserves (as at 01/01/21)</b>	<b>1,052</b>	<b>1,773</b>	<b>(766)</b>	<b>(766)</b>	<b>(337)</b>	<b>256</b>	<b>(593)</b>	<b>over</b>	<b>(178.9%)</b>	

**Variance Explanations**

1. The variance is mainly due to vacancies within the services that are actively being recruited.
2. The variance relates mainly to an underspend in fuel and casual hire which are offset by an under recovery in income, partially offset by greater than budgeted expenditure within the workshop and the timing of efficiencies.
3. The under spend is due to lower than anticipated payments for scientific services.
4. The over spend is due to the cost of clinical waste, which is demand led, and is offset by an over recovery of income.
5. The under recovery is mainly due less income from fuel, casual hire and taxi inspections due to the COVID19 pandemic, partially offset by an over recovery for clinical waste.

**Budget Virements**

- a. Realign budget to reflect service delivery within. Net effect £0.000m: Employees (£0.002m), Supplies £0.058m, Administration £0.013m, Payment to Other Bodies £0.014m, Payment to Contractors £0.084m, Income (£0.167m).
- b. Transfer from reserves for Tranman and Electric Vehicles for Fleet services. Net effect £0.079m: Supplies £0.003m, Transport and Plant £0.076m.
- c. Establish budget within Fleet services in respect of a government grant for Electrical Vehicles. Net effect £0.000m: Transport and Plant £0.089m, Income (£0.089m).
- d. Establish budget within Environmental services in respect of additional grant for Environmental Health Officer for COVID support. Net effect £0.048m: Employees £0.048m.

**Transfers to Reserves (£0.045m):**

- i. Fleet Sinking fund (£0.045m)

## SOUTH LANARKSHIRE COUNCIL

## Revenue Budget Monitoring Report

Community and Enterprise Resources: Period 10 Ended 1 January 2021 (No. 10)

## Leisure and Culture

<b>Budget Category</b>	<b>Annual Budget</b>	<b>Forecast for Year BEFORE Transfers</b>	<b>Annual Forecast Variance BEFORE Transfers</b>	<b>Annual Forecast Variance AFTER Transfers</b>	<b>Budget Proportion 01/01/21</b>	<b>Actual BEFORE Transfers 01/01/21</b>	<b>Variance 01/01/21</b>		<b>% Variance 01/01/21</b>	<b>Note</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>			
Employee Costs	4	5	(1)	(1)	3	4	(1)	over	(33.3%)	
Property Costs	207	192	15	15	190	178	12	under	6.3%	<b>1,a</b>
Supplies & Services	0	0	0	0	0	0	0	-	n/a	
Transport & Plant	0	0	0	0	0	0	0	-	n/a	
Administration Costs	8	8	0	0	8	8	0	-	0.0%	
Payments to Other Bodies	80	60	20	20	28	8	20	under	71.4%	<b>2</b>
Payments to Contractors	19,239	19,239	0	0	14,241	14,241	0	-	0.0%	<b>b</b>
Transfer Payments	0	0	0	0	0	0	0	-	n/a	
Financing Charges	0	0	0	0	0	0	0	-	n/a	
<b>Total Controllable Exp.</b>	<b>19,538</b>	<b>19,504</b>	<b>34</b>	<b>34</b>	<b>14,470</b>	<b>14,439</b>	<b>31</b>	<b>under</b>	<b>0.2%</b>	
<b>Total Controllable Inc.</b>	<b>0</b>	<b>(1)</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>(1)</b>	<b>1</b>	<b>over recovered</b>	<b>n/a</b>	
<b>Net Controllable Exp.</b>	<b>19,538</b>	<b>19,503</b>	<b>35</b>	<b>35</b>	<b>14,470</b>	<b>14,438</b>	<b>32</b>	<b>under</b>	<b>0.2%</b>	
<b>Transfer to Reserves (as at 01/01/21)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		
<b>Position After Transfers to Reserves (as at 01/01/21)</b>	<b>19,538</b>	<b>10,503</b>	<b>35</b>	<b>35</b>	<b>14,470</b>	<b>14,438</b>	<b>32</b>	<b>under</b>	<b>0.2%</b>	

**Variance Explanations**

- The variance relates to reduced service charges for East Kilbride Ice Rink.
- The variance relates to the cancellation of the Fireworks events as a result of the COVID-19 pandemic

**Budget Virements**

- Realignment of property costs budgets. Net effect (£0.032m): Property (£0.032m)
- Transfer of budget in respect of superannuation auto enrolment and Utilities. Net effect £0.249m: Payment to Contractors £0.249m

## SOUTH LANARKSHIRE COUNCIL

## Revenue Budget Monitoring Report

Community and Enterprise Resources: Period 10 Ended 1 January 2021 (No. 10)

## Planning and Economic Development

Budget Category	Annual Budget £000	Forecast for Year BEFORE Transfers £000	Annual Forecast Variance BEFORE Transfers £000	Annual Forecast Variance AFTER Transfers £000	Budget Proportion 01/01/21 £000	Actual BEFORE Transfers 01/01/21 £000	Variance 01/01/21 £000		% Variance 01/01/21	Note
Employee Costs	4,870	4,766	104	104	3,557	3,490	67	under	1.9%	1,a
Property Costs	607	650	(43)	(43)	441	460	(19)	over	(4.3%)	2
Supplies & Services	101	97	4	4	69	68	1	under	1.4%	
Transport & Plant	33	37	(4)	(4)	25	24	1	under	4.0%	
Administration Costs	104	82	22	(3)	83	62	21	under	25.3%	
Payments to Other Bodies	7,609	7,457	152	12	5,334	5,162	172	under	3.2%	3,a,b,d
Payments to Contractors	949	951	(2)	(2)	891	893	(2)	over	(0.2%)	c
Transfer Payments	0	0	0	0	0	0	0	-	n/a	
Financing Charges	34	34	0	0	25	26	(1)	over	(4.0%)	
<b>Total Controllable Exp.</b>	14,307	14,074	233	68	10,425	10,185	240	under	2.3%	
<b>Total Controllable Inc.</b>	(12,187)	(11,473)	(714)	(714)	(4,690)	(4,257)	(433)	under recovered	(9.2%)	4,a,b,c
<b>Net Controllable Exp.</b>	2,120	2,601	(481)	(646)	5,735	5,928	(193)	over	(3.4%)	
<b>Transfer to Reserves (as at 01/01/21)</b>	-	-	(165)	-	-	135	(165)	-		
<b>Position After Transfers to Reserves (as at 01/01/21)</b>	2,120	2,601	(646)	(646)	5,735	6,063	(328)	over	(6.2%)	

Variance Explanations

1. This variance is mainly due to flexible retirement arrangements within the service.
2. The over spend relates to additional rates costs for Economic Development rental properties as a result of vacant units.
3. The under spend is due to the cancellation of Christmas events as a result of COVID 19 and reduced spend on core business support grants due to COVID 19.
4. The under recovery relates to reduced income from planning and building standards applications as a result of the COVID-19 pandemic.

Budget Virements

- a. Establish budget in respect of COVID 19 Business Support grants: Break Restrictions, Business Loans Scotland, Self Employed Hardship Fund, Strategic Framework Business Fund, Contingency Fund and Furlough Support. Net effect £0.000m: Employees £0.037m, Payment to Other Bodies £3.758m, Income (£3.795m).
- b. Establish budget in respect of Strathaven CARS project, Crawfordjohn Open Space Project and LEADER. Net effect £0.000m: Payment to Other Bodies £0.140m, Income (£0.140m).
- c. Realign budget to reflect service delivery within Planning and Building Standards in relation to Restoration Bonds. Net effect £0.000m: Payment to Contractor £0.155m, Income (£0.155m).
- d. Transfer to reserves in respect of Smart Sustainable East Kilbride funding. Net effect (£0.020m): Payment to Other Bodies (£0.020m).

Transfers to Reserves (£0.165m):

- v. Local Plan (£0.025m)
- vi. Business Support Grants (£0.140m)



## SOUTH LANARKSHIRE COUNCIL

## Revenue Budget Monitoring Report

Community and Enterprise Resources: Period 10 Ended 1 January 2021 (No. 10)

## Roads Total (Inc Roads Constructing Services)

Budget Category	Annual Budget £000	Forecast for Year BEFORE Transfers £000	Annual Forecast Variance BEFORE Transfers £000	Annual Forecast Variance AFTER Transfers £000	Budget Proportion 01/01/21 £000	Actual BEFORE Transfers 01/01/21 £000	Variance 01/01/21 £000		% Variance 01/01/21	Note
Employee Costs	15,644	15,025	619	619	11,296	10,576	720	under	6.4%	1
Property Costs	758	820	(62)	(62)	669	706	(37)	over	(5.5%)	2
Supplies & Services	8,053	6,829	1,224	1,224	6,003	4,769	1,234	under	20.6%	3
Transport & Plant	4,299	3,933	366	366	2,716	2,369	347	under	12.8%	4,a
Administration Costs	405	411	(6)	(6)	353	361	(8)	over	(2.3%)	
Payments to Other Bodies	6,042	6,012	30	30	4,095	4,076	19	under	0.5%	a
Payments to Contractors	5,085	5,330	(245)	(245)	2,451	2,669	(218)	over	(8.9%)	5,a
Transfer Payments	595	595	0	0	448	448	0	-	0.0%	
Financing Charges	49	57	(8)	(8)	35	42	(7)	over	(20.0%)	
<b>Total Controllable Exp.</b>	40,930	39,012	1,918	1,918	28,066	26,016	2,050	under	7.3%	
<b>Total Controllable Inc.</b>	(21,213)	(17,606)	(3,607)	(3,607)	(15,429)	(12,130)	(3,299)	under recovered	(21.4%)	6,a
<b>Net Controllable Exp.</b>	19,717	21,406	(1,689)	(1,689)	12,637	13,886	(1,249)	over	(9.9%)	
<b>Transfer to Reserves (as at 01/01/21)</b>	-	-	-	-	-	-	-			
<b>Position After Transfers to Reserves (as at 01/01/21)</b>	19,717	21,406	(1,689)	(1,689)	12,637	13,886	(1,249)	over	(9.9%)	

**Variance Explanations**

1. The variance relates to vacant posts within the service which are actively being filled and reduced overtime costs through the initial lockdown period.
2. The over spend mainly relates to water utility charges and electricity costs for electrical vehicle charging points.
3. The under spend is due to reduced material costs as a result of reduced road maintenance works carried out during the pandemic, partially offset by an over spend on street lighting electrical power.
4. The variance is mainly due to the level of hired vehicles and fuel usage being less during the lockdown.
5. The over spend is due to a greater requirement for sub-contractors to support Roads programmes partially offset by less project spend within the Flooding section.
6. The under recovery is due to reduced works being carried out within the Construction Unit during lockdown and reduced fee income for parking.

**Budget Virements**

- a. Realign budget to reflect service delivery within Roads and Roads Construction in respect of WOSLA, Flooding Projects and Transport. Net effect £0.000m: Transport and Plant £0.098m, Payment to Other Bodies £0.820m, Payment to Contractor £0.053m, Income (£0.971m).

## SOUTH LANARKSHIRE COUNCIL

## Revenue Budget Monitoring Report

Community and Enterprise Resources: Period 10 Ended 1 January 2021 (No. 10)

## COVID-19

Budget Category	Annual Budget £000	Forecast for Year BEFORE Transfers £000	Annual Forecast Variance BEFORE Transfers £000	Annual Forecast Variance AFTER Transfers £000	Budget Proportion 01/01/21 £000	Actual BEFORE Transfers 01/01/21 £000	Variance 01/01/21 £000		% Variance 01/01/21	Note
Employee Costs	0	631	(631)	(631)	0	324	(324)	over	n/a	1
Property Costs	0	395	(395)	(395)	0	423	(423)	over	n/a	2
Supplies & Services	0	391	(391)	(391)	0	298	(298)	over	n/a	3
Transport & Plant	0	472	(472)	(472)	0	278	(278)	over	n/a	4
Administration Costs	0	51	(51)	(51)	0	47	(47)	over	n/a	5
Payments to Other Bodies	0	0	0	0	0	0	0	-	n/a	
Payments to Contractors	0	3,761	(3,761)	(3,761)	0	2,587	(2,587)	over	n/a	6
Transfer Payments	0	0	0	0	0	0	0	-	n/a	
Financing Charges	0	0	0	0	0	0	0	-	n/a	
<b>Total Controllable Exp.</b>	0	5,701	(5,701)	(5,701)	0	3,957	(3,957)	over	n/a	
<b>Total Controllable Inc.</b>	0	0	0	0	0	0	0	-	n/a	
<b>Net Controllable Exp.</b>	0	5,701	(5,701)	(5,701)	0	3,957	(3,957)	over	n/a	
<b>Transfer to Reserves (as at 01/01/21)</b>	-	-	-	-	-	-	-			
<b>Position After Transfers to Reserves (as at 01/01/21)</b>	0	5,701	(5,701)	(5,701)	0	3,957	(3,957)	over	n/a	

Variance Explanations

1. The variance is directly related to employee costs associated with the Resources' response to the pandemic.
2. The variance relates to additional cleaning costs and materials as a result of enhanced cleaning regimes.
3. The variance relates to additional costs for equipment, PPE and health and hygiene.
4. The variance relates to the purchase of equipment, fuel and vehicles costs directly related to the COVID-19 pandemic.
5. The variance relates to Health and Safety signage and posters costs.
6. The variance includes a payment made to South Lanarkshire Leisure to reflect loss of income and additional costs in relation to domestic waste tonnage, fly tipping costs and traffic management at civic amenity sites as a result of the pandemic.