

FINANCIAL RESOURCES SCRUTINY FORUM

2009/10 Budget Issues	Outlook for 2010/11
<p>Community Resources : Facilities and Cultural / Projects - Employee Costs</p> <p>General underspends in Basic Pay and related Superannuation and National Insurance have been experienced primarily within Facilities and Cultural Services and Projects.</p> <p>The underspend in Facilities Concierge basic pay is partially offset by additional overtime to cover the vacancies.</p> <p>Within Projects, the underspend is the result of vacancies within the Anti-Social Behaviour project and less than anticipated numbers participating in the Environmental Task Force / Social Inclusion Partnership projects.</p>	<p>The employee budget is based on the established posts within each Service. Vacancies which may arise during the course of the financial year are managed across the Services.</p> <p>Some realignment has been included for permanent additions to service, however, any ad-hoc requests for service during the year will result in overtime with additional income offsetting this cost.</p> <p>In 2010/11, the Environmental Task Force and Social Inclusion Partnership projects have come to an end. Employee and Income budgets have been re-aligned to reflect this.</p>
<p>Community Resources : Facilities & Cultural - Property Costs</p> <p>Underspend in water rates within Facilities and Cultural partially offset by overspends in repairs and maintenance and legislative compliance.</p> <p>The rates underspend was due to lower than anticipated charges whilst the overspend on repairs was due to expenditure on Chatelherault Country Park. Additional expenditure was also incurred in respect of legislative compliance work on Halls.</p>	<p>2010/11 water rates budget will be reviewed once charges can be verified for all facilities, particularly new builds.</p> <p>There will continue to be pressure on the repairs and maintenance budgets within Facilities and Cultural from the boiler replacement programme and the general need to maintain assets. In addition, the impact of the requirements of legislative compliance will add to the pressure. The service is continuing to identify ways to fund these pressures.</p>

FINANCIAL RESOURCES SCRUTINY FORUM

2009/10 Budget Issues	Outlook for 2010/11
<p>Community Resources : Facilities & Cultural / Projects - Supplies and Services / Income Overspends on Foodstuffs General and costs of a garden competition within Facilities are both offset by additional income.</p> <p>In Projects, additional expenditure in relation to Air Quality is also offset by additional income.</p>	<p>Variances on food / income may continue due to the demand led nature of the Service. A budget has been uploaded for the garden competition.</p> <p>Any expenditure on Air Quality is dictated by the level of grant income received.</p>
<p>Community Resources : Land Services - Transport and Plant Overspends mainly within Fleet Services Hired Vehicles.</p> <p>The overspend in Fleet Services Hired Vehicles relates mainly to a greater than anticipated level of hires being required to carry out refuse collection services. In 2009/10, these costs were offset by reduced fuel charges.</p>	<p>This overspend is expected to continue, to some extent, in 2010/11. However, it is anticipated that the overspend will be less than that experienced in 2009/10. Any overspend on hires will be managed by the Service.</p>
<p>Community Resources : Land Services - Payment to Private Contractors The net overspend on payments to private contractors within Land Services is mainly due expenditure on Zero Waste, partially offset by a reduction in bulky uplifts and domestic waste.</p>	<p>Expenditure on landfill tax and the management of the Civic Amenity sites will put pressure on the budget in 2010/11. Work is ongoing to determine the likely levels of expenditure which will be incurred.</p>
<p>Community Resources : Land Services - Income The under recovery of income in bereavement services relates to the sale of commemorative items being less than anticipated.</p>	<p>The under recovery is anticipated to continue, to some extent, in 2010/11. The loss of income will be managed by the Service.</p>

FINANCIAL RESOURCES SCRUTINY FORUM

2009/10 Budget Issues	Outlook for 2010/11
<p>Corporate Resources : Services & Support - Employee Costs – Basic/Superannuation and National Insurance</p> <p>There has been an underspend against basic pay and on-costs across both Support and Services.</p>	<p>The underspend against basic salaries and on-costs was due to staff turnover within the Services. The underspends in District Court will disappear in 2010/11 when the District Courts transfer to the Scottish Court Service.</p> <p>The underspend against basic pay and on-costs will continue in 2010/11 as the effects of the centralisation of Licensing and Registration come through. The posts generating the underspend have been included as part of the National Diagnostics exercise and the impact will be realised over 2 years.</p>
<p>Corporate Resources : Services & Support - Income</p> <p>Over recovery of income from Fees and Charges.</p> <p>The over-recovery of income within Services is primarily from licensing income due to a change in legislation and also print room income.</p>	<p>Licensing income is a demand led service and the level of income generated will continue to be monitored in 2010/11. No further changes to legislation are anticipated at present. Income targets will be realigned on the basis of last year's changes and constantly monitored. However, it should be noted that this is a demand led service.</p> <p>The print room over recovery is offset by additional expenditure in Supplies and Services. This is a demand led / ad hoc works based budget and budgets will be realigned during 2010/11 to reflect the current service levels.</p>

FINANCIAL RESOURCES SCRUTINY FORUM

2009/10 Budget Issues	Outlook for 2010/11
<p>The over recovery of income within Support relates recharges for medicals, physiotherapy, external training and income from other Resources.</p>	<p>These budgets will be realigned in 2010/11 to reflect current service levels.</p>

FINANCIAL RESOURCES SCRUTINY FORUM

2009/10 Budget Issues	Outlook for 2010/11
<p>Education Resources : Employee Costs - Teachers Salaries and On-Costs, APT&C Salaries and On-Costs</p> <p>Overspends against teachers' basic salaries and on-costs. The overspend is due to the costs of cover, including maternity leave cover during the year.</p> <p>Overspends in the APT&C support staff salaries and on-costs are a result of the increased average salary relating to School Support and Early Years employees. This overspend was anticipated as no additional budget had been allocated here in 2009/10.</p>	<p>The overspend in both Teachers and APT&C salaries is likely to occur again in 2010/11. Management action is being pursued to manage the overall budget.</p>
<p>Education Resources : Property Costs - Scottish Water, and Other Property Costs</p> <p>Overspend on Scottish Water as a result of increased transfers from unmetered to metered charges and also an increase in drainage costs for new schools due to increased rateable values.</p> <p>Underspends on Other Property Costs in relation to project underspends.</p>	<p>Additional funding has been allocated to this budget in 10/11 and it will continue to be monitored.</p> <p>The majority of the budget within Other Property Costs has now been realigned to pay for the unitary charge in 2010/11 in relation to the Secondary Schools Modernisation.</p>
<p>Education Resources : Payment to Other Bodies – Independent Schools</p> <p>The underspend is due to a reduction in the number of children requiring placements during the year</p>	<p>This is a demand led service and will be closely monitored in 10/11.</p>

FINANCIAL RESOURCES SCRUTINY FORUM

2009/10 Budget Issues	Outlook for 2010/11
<p>Enterprise : All Services - Employee Costs - Basic Salaries and On-Costs, Other Employee Costs and Income</p> <p>Underspends in basic salaries across Planning and Building Standards, Regeneration, and Support, due to turnover of staff and also management actions to assist in managing the loss of income within Planning and Building standards due to the economic downturn.</p>	<p>As part of the management action to minimise the effect of the reduction in income, the Resource Management Team continues to scrutinise all vacancies and authorisation is given to recruit where it is demonstrated that the post is essential for the efficient delivery of front line services.</p>
<p>Enterprise : Roads - Supplies and Services – Major Supply of Electrical Power</p> <p>This overspend is the result of the revised contract costs which commenced in October 2009.</p>	<p>Based on current tariff information, an overspend is anticipated for 2010/11 and the Roads budget will be realigned to manage this increased cost.</p>
<p>Enterprise : Roads - Payment to Other Bodies – Winter Maintenance Fund</p> <p>The overspend reported during the year was due to adverse weather conditions over a number of months. The overspend was partially offset by an increased surplus from the Roads Trading Service and a reduction in routine works within the Roads Client to manage the additional expenditure.</p>	<p>Additional funding of £1.670m has been added to the Winter Maintenance Fund in 2010/11 and the winter maintenance expenditure will be monitored closely throughout the year.</p>
<p>Enterprise : Roads - Payment to Contractors</p> <p>Underspend in payment to Trading Service offset by an overspend on payment to private contractor and an under recovery of income from rechargeable works.</p> <p>The underspend in the payment to Trading contractor is due to a reduction in the level of anticipated Revenue works to focus on capital</p>	<p>The variance against budget is due to changes in the level and type of work carried out by the Trading Service. No realignment has taken</p>

FINANCIAL RESOURCES SCRUTINY FORUM

2009/10 Budget Issues	Outlook for 2010/11
<p>programme jobs.</p> <p>The overspend in private contractors is a result of higher than anticipated rechargeable works carried out. This is offset by an over recovery of income from Resources and the capital programme.</p>	<p>place for 2010/11.</p> <p>The variances against budget are again the result of the unpredictable level of rechargeable work which is generated from other Resources, Scottish Government and external bodies. The budgets have not been realigned for 2010/11 as a significant proportion of the rechargeable private contractors work is demand led / ad hoc and thus not easily predicted.</p>
<p>Enterprise Resources : Planning and Building Standards - Income</p> <p>Under recovery of income from planning applications and building warrants as a result of the economic downturn. Management action was taken across the Resource to minimise the financial impact of this under recovery.</p>	<p>It is anticipated that the impact of the adverse economic conditions will continue in 2010/11 and that there will continue to be a significant under recovery of Planning and Building Standards income.</p> <p>Management action is ongoing to minimise the financial impact.</p>

FINANCIAL RESOURCES SCRUTINY FORUM

2009/10 Budget Issues	Outlook for 2010/11
<p>Finance and IT Resources : Finance Services / IT Services / Procurement - Employee Costs - Basic Salaries and On-Costs Underspend as a result of vacancies across the Resource.</p>	<p>The underspend during 2009/10 was a result of vacancies and turnover of staff throughout the year. Early indications in 2010/11 show that turnover of staff may lead to a further underspend in the new year.</p>
<p>Finance and IT Resources / IT Services : Supplies and Services, and Income Additional expenditure incurred on electronic messaging offset by the income generated through recharging these costs.</p>	<p>Budget realignments have taken place and work will continue during the year to realign budgets for any permanent changes to service requests.</p>
<p>Finance and IT Resources / IT Services : Administration Costs and Income Additional expenditure incurred on telephones and mobile phones offset by the income generated through recharging these costs.</p>	<p>Budget realignments have taken place and work will continue during the year to realign budgets for any permanent changes to service requests.</p>

FINANCIAL RESOURCES SCRUTINY FORUM

2009/10 Budget Issues	Outlook for 2010/11
<p>Housing and Technical Resources Non HRA : All Services - Employee Costs</p> <p>Underspend in Basic Salaries and related costs in Area Services, Property Services and Finance, Benefits and Revenues.</p> <p>The underspend in all areas reflects the current levels of vacancies within the Services.</p>	<p>The underspend is a combination of turnover and non-filling of vacancies to manage budget pressures. Turnover has showed signs of decreasing.</p> <p>The vacancies in Property Services have been filled where possible. The vacancies in Area Services have been used to manage budget pressures in 2010/11 and identified as potential savings for future years. The Best Value Review for Benefits and Revenues is progressing and implementation begins in July 2010.</p>
<p>Housing and Technical Resources Non HRA : Area Services - Property Costs - Grounds Maintenance</p> <p>This overspend relates to the costs of the Care of Gardens Scheme to owner occupiers.</p>	<p>No additional budget has been allocated to this area and an overspend is anticipated in 2010/11 due to demand for the service. The list has been closed and there will be no new entrants to the scheme. A reduction is being experienced, however, it is not significant enough to eliminate the overspend.</p>
<p>Housing and Technical Resources Non HRA : Area Services / Property Services - Payments to Private Contractors and External Consultants</p> <p>The underspend in payment to contractors relates to payments for homeless accommodation and support services due to the requirement to increase service provision to meet demand.</p> <p>The payment to external consultants is to cover vacancies within Property Services and the procurement of energy services. This is</p>	<p>Budgets have been realigned in 2010/11 to reflect current service provision.</p> <p>It is hoped that the requirement to use consultants in 2010/11 will be minimised as a result of vacancies being filled. There are still some</p>

FINANCIAL RESOURCES SCRUTINY FORUM

2009/10 Budget Issues	Outlook for 2010/11
offset by underspends in employee costs.	vacancies and so there may still be a requirement to purchase these services externally.
<p>Housing and Technical Resources / Non HRA : Transfer Payments and Income</p> <p>Overspend in Rent Allowances and Rent Rebates which reflects demand for housing benefit payments. There are corresponding over and recoveries of the Rent Allowance and Rent Rebate Subsidy income.</p>	<p>The 2010/11 budget has been realigned based on predicted demand. However, due to the demand led nature of these payments further variances are likely in 2010/11.</p>
<p>Housing and Technical Resources; HRA - Property Costs</p> <p>Underspend in rent due to change in occupancy at Cambuslang Gate, offset by an overspend in General Services rent.</p> <p>There is also an underspend in repairs and maintenance due to demand for repairs on housing stock being less than anticipated.</p> <p>There is also an overspend in rent written off – unlet periods due to void lets within garage stock, and rent written off – bad periods as a result of the level of former rent arrears.</p>	<p>The occupancy of Cambuslang Gate has changed and budgets will be reviewed during the year to ensure they reflect the current position.</p> <p>The repairs and maintenance budget was re-aligned in 2009/10, but as this is a demand led service, it is difficult to predict and variances are likely to occur.</p> <p>There is an annual provision made for debt write-offs, and the level required each year is difficult to predict. However, it is monitored closely throughout the year.</p>
<p>Housing and Technical Resources / HRA : CFCR</p> <p>Overspend due to additional contributions to fund the capital programme due to council house sales being less than anticipated.</p>	<p>The increased CFCR contribution was required as an alternative funding mechanism when the projection for Council House Sales income was reduced.</p> <p>Budgets for 2010/11 have been realigned to reflect current</p>

FINANCIAL RESOURCES SCRUTINY FORUM

2009/10 Budget Issues	Outlook for 2010/11
<p>Housing and Technical Resources / HRA : Income</p> <p>There is an over recovery in respect of income from rechargeable repairs, heating and court expenses.</p> <p>Over recovery of house rent income due to house sales being less than anticipated.</p>	<p>expectations for house and land sales.</p> <p>Some of this income is one-off and will not be repeated in 2010/11. Where the items will reoccur, the budgets have been realigned accordingly in 2010/11.</p> <p>Some realignment has taken place in 2010/11 and the situation will be monitored closely throughout the year.</p>

FINANCIAL RESOURCES SCRUTINY FORUM

2009/10 Budget Issues	Outlook for 2010/11
<p>Social Work Resources : All Services - Employee Costs and Income Underspend of approximately £1.3m, across all categories of staff in respect of basic salaries plus on costs and overtime.</p> <p>The underspend in Children & Family (approx. £210k) is a result of vacancies.</p> <p>The underspend in Older People (approx £786k) is a result of vacancies which are in the process of being filled.</p> <p>The underspend in Adult Services (approx. £364k) is a result of vacant posts.</p>	<p>The underspend in employee costs is of a similar value experienced at the same time in 2009/10.</p> <p>It is anticipated that there will be an underspend in employee costs as a result of the closure of a children's unit.</p> <p>It is not anticipated that there will be a significant underspend in Older People's Services.</p> <p>In Adult Services, it is anticipated that there will be an underspend in employee costs as a result of the part year operation of a new day care centre.</p>
<p>Social Work Resources : Adults - Supplies and Services – Aids and Adaptations There is an overspend on Aids and Adaptations as a result of the increased demand for equipment for daily living and adaptations.</p>	<p>Based on current levels of expenditure, it is forecast that there will be an overspend in equipment for daily living.</p>
<p>Social Work Resources : Children and Family - Payment to Other Bodies - Other Local Authorities There is an underspend partly due to a reduction in the number of secure placements required.</p>	<p>This budget has been combined with external placements as placements are no longer provided by local authorities.</p>
<p>Social Work Resources : Children and Family / Adults - Payment to Other Bodies - Payment to Other Bodies The underspend in Children and Family relates to respite which is used as an alternative to care. The demand for this service is variable</p>	<p>This area of spend is under review but it is not anticipated that there will be an underspend in 2010/11.</p>

FINANCIAL RESOURCES SCRUTINY FORUM

2009/10 Budget Issues	Outlook for 2010/11
<p>and so difficult to predict.</p> <p>The underspend in Adults relates to the funding for the expansion of a Mental Health Care Project which is in the process of being reviewed.</p>	<p>This underspend will continue in 2010/11 and will be identified as a potential efficiency saving for 2011/12.</p>
<p>Social Work Resources : Children & Family / Adults / Older People : Payment to Private Contractor – Long Term Care and Home Care</p> <p>Overspend in Children and Families in respect of Long Term Care due to an increase in the number of young people in external placements.</p> <p>Underpends in Older People in Long Term Care due to a reduction in assessed need and an underspend in Home Care due to a lack of available providers. This is partially offset by an overspend in Free Personal Care.</p> <p>Underspend in Adults Long Term Care due to timing differences between placements becoming available and service users moving into placements. There has also been a reduction in residential costs through an agreement reached with another authority. This is partially offset by an overspend on Home Care through due to current commitments based on assessed need.</p>	<p>The budget from Other Local Authorities has been moved here and will be treated as one budget from 2010/11 onwards. A small overspend is being projected based on current placements.</p> <p>In 2010/11 both of these service areas are currently showing an overspend. Based on previous years' trends, this position can often reverse itself in the latter part of the year. It is not anticipated that either area will underspend.</p> <p>The underspend in care home placements will continue in 2010/11 and the homecare budget will continue to overspend.</p>
<p>Social Work Resources : Adults - Payment to Private Contractor - Home Support</p> <p>Overspend due to increased demand for the service.</p>	<p>This overspend has increased in 2010/11.</p>

FINANCIAL RESOURCES SCRUTINY FORUM

2009/10 Budget Issues	Outlook for 2010/11
Social Work Resources : Older People - Income Over recovery of fees and charges income within Older People based on outcome of financial assessments for service users.	This over recovery will not continue and is subject to a revised charging policy being implemented.