

Report

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Report to:	Community Services Committee
Date of Meeting:	12 November 2013
Report by:	Executive Director (Finance and Corporate Resources) and Executive Director (Community and Enterprise Resources)

Subject:	Community Services - Revenue Budget Monitoring 2013/2014
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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 to 20 September 2013 for Community Services
- ◆ provide a forecast for the year to 31 March 2014.

2. Recommendation(s)

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

- (1) that the underspend on the Community Services' revenue budget of £0.021million (0.06%), as detailed in Appendices B to F of the report, be noted; and the forecast to 31 March 2014 of break even be noted;
- (2) that the proposed budget virements in respect of Community Services, as detailed in Appendices B to F of the report, be approved.

3. Background

- 3.1. This is the second revenue budget monitoring report presented to the Community Services Committee for the financial year 2013/2014.
- 3.2. The Community and Enterprise Resources' budget is managed in totality by the Resource. The individual Community Services' reports are included, along with variance explanations, in Appendices B to F. For information, the report details the financial position for Community and Enterprise Resources in Appendix A. As Appendices B to F reflect Community Services only, the total of Appendix A does not balance to the total of these.
- 3.3. Support Services within the Resource provides support for all Services, however, this is monitored through the Community Services Committee.

4. Employee Implications

4.1. None

5. Financial Implications

5.1. As at 20 September 2013, the Community Services' variance from phased budget is an underspend of £0.021million (0.06%). The Community Services' forecast for the revenue budget to 31 March 2014 is a break even position.

- 5.2. Virements are also proposed to realign budgets across the services and with other Resources. These movements have been detailed in the appendices to this report.

6. Other Implications

- 6.1. 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.
- 6.2 There are no implications for sustainability in terms of the information contained in this report.

7. Equality Impact Assessment and Consultation Arrangements

- 7.1. This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy and therefore no impact assessment is required.
- 7.2. There is also no requirement to undertake any consultation in terms of the information contained in this report.

Paul Manning

Executive Director (Finance and Corporate Resources)

Colin McDowall

Executive Director (Community and Enterprise Resources)

2 October 2013

Link(s) to Council Values/Objectives

- ◆ Accountable, Effective and Efficient

Previous References

- ◆ Community Services Committee, 3 September 2013

List of Background Papers

- ◆ Financial ledger and budget monitoring results to 20 September 2013.

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 Ended 20 September 2013 (No.7)

Community and Enterprise Resources Summary

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 20/09/13	Actual 20/09/13	Variance 20/09/13		% Variance 20/09/13	Note
	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>									
Employee Costs	38,282	38,282	0	17,113	17,021	92	under	0.5%	
Property Costs	12,484	12,484	0	6,658	6,721	(63)	over	(0.9%)	
Supplies & Services	4,654	4,654	0	1,189	1,202	(13)	over	(1.1%)	
Transport & Plant	5,821	5,821	0	3,003	3,030	(27)	over	(0.9%)	
Administration Costs	965	965	0	232	312	(80)	over	(34.5%)	
Payments to Other Bodies	19,572	19,572	0	10,368	10,410	(42)	over	(0.4%)	
Payments to Contractors	58,579	58,579	0	25,261	25,124	137	under	0.5%	
Transfer Payments	586	586	0	293	293	0	-	0.0%	
Financing Charges	660	660	0	351	354	(3)	over	(0.9%)	
Total Controllable Exp.	141,603	141,603	0	64,468	64,467	1	under	0.0%	
Total Controllable Inc.	(26,689)	(26,689)	0	(8,015)	(8,014)	(1)	under recovered	0.0%	
Net Controllable Exp.	114,914	114,914	0	56,453	56,453	0	-	0.0%	

Variance Explanations

Variance explanations are shown in Appendices B to F.

Budget Virements

Budget virements are shown in Appendices B to F.

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Community and Enterprise Resources: Period Ended 20 September 2013 (No.7)

Facilities, Streets and Waste

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 20/09/13	Actual 20/09/13	Variance 20/09/13		% Variance 20/09/13	Note
	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>									
Employee Costs	18,517	18,517	0	8,105	8,053	52	under	0.6%	1, a
Property Costs	11,433	11,433	0	6,106	6,114	(8)	over	(0.1%)	b
Supplies & Services	1,259	1,259	0	505	502	3	under	0.6%	
Transport & Plant	5,193	5,193	0	2,688	2,719	(31)	over	(1.2%)	2
Administration Costs	178	178	0	55	63	(8)	over	(14.5%)	
Payments to Other Bodies	27	27	0	15	34	(19)	over	(126.7%)	
Payments to Contractors	15,176	15,176	0	6,753	6,760	(7)	over	(0.1%)	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	507	507	0	288	290	(2)	over	(0.7%)	
Total Controllable Exp.	52,290	52,290	0	24,515	24,535	(20)	over	(0.1%)	
Total Controllable Inc.	(11,615)	(11,615)	0	(4,132)	(4,138)	6	over recovered	0.1%	
Net Controllable Exp.	40,675	40,675	0	20,383	20,397	(14)	over	(0.1%)	

Variance Explanations**1. Employee Costs**

The underspend is within Refuse and Disposal Services and is mainly due to vacancies, with the recruitment process underway to fill a number of posts. In addition, overtime costs are less than anticipated.

2. Transport and Plant

The overspend is due to greater than anticipated fuel requirements mainly within Waste Services.

Budget Virements

- a. Transfer from centrally held funds in respect of 2013/14 Living Wage allocation £0.754m: Employee Costs £0.754m.
- b. Transfer to Housing and Technical Resources in respect of Legislative Compliance / Planned Maintenance (£0.037m): Property Costs (£0.037m).

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Community and Enterprise Resources: Period Ended 20 September 2013 (No.7)

Environmental

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 20/09/13	Actual 20/09/13	Variance 20/09/13		% Variance 20/09/13	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	3,860	3,860	0	1,710	1,699	11	under	0.6%	a
Property Costs	12	12	0	11	12	(1)	over	(9.1%)	
Supplies & Services	165	165	0	54	57	(3)	over	(5.6%)	
Transport & Plant	121	121	0	45	49	(4)	over	(8.9%)	
Administration Costs	96	96	0	25	25	0	-	0.0%	
Payments to Other Bodies	151	151	0	57	60	(3)	over	(5.3%)	
Payments to Contractors	239	239	0	154	152	2	under	1.3%	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	25	25	0	8	9	(1)	over	(12.5%)	
Total Controllable Exp.	4,669	4,669	0	2,064	2,063	1	under	0.0%	
Total Controllable Inc.	(414)	(414)	0	(269)	(276)	7	over recovered	2.6%	
Net Controllable Exp.	4,255	4,255	0	1,795	1,787	8	under	0.4%	

Budget Virements

a. Transfer from centrally held funds in respect of 2013/14 Living Wage allocation £0.020m: Employee Costs £0.020m.

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Community and Enterprise Resources: Period Ended 20 September 2013 (No.7)

Leisure and Culture

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 20/09/13	Actual 20/09/13	Variance 20/09/13	% Variance 20/09/13	Note
	£000	£000	£000	£000	£000	£000		
<u>Budget Category</u>								
Employee Costs	4	4	0	2	2	0	-	0.0%
Property Costs	232	232	0	88	87	1	under	1.1%
Supplies & Services	0	0	0	0	0	0	-	n/a
Transport & Plant	0	0	0	0	0	0	-	n/a
Administration Costs	11	11	0	0	1	(1)	over	n/a
Payments to Other Bodies	112	112	0	12	12	0	-	0.0%
Payments to Contractors	20,990	20,990	0	10,606	10,606	0	-	0.0% 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.	21,349	21,349	0	10,708	10,708	0	-	0.0%
Total Controllable Inc.	0	0	0	0	(1)	1	over recovered	n/a
Net Controllable Exp.	21,349	21,349	0	10,708	10,707	1	under	0.0%

Budget Virements

- a. Transfer from centrally held funds in respect of 2013/14 Living Wage allocation £0.051m: Payments to Contractors £0.051m.
- b. Transfer to Housing and Technical Resources in respect of Legislative Compliance / Planned Maintenance (£0.233m): Payments to Contractors (£0.233m).

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Community and Enterprise Resources: Period Ended 20 September 2013 (No.7)

Projects

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 20/09/13	Actual 20/09/13	Variance 20/09/13		% Variance 20/09/13	Note
	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>									
Employee Costs	501	501	0	306	309	(3)	over	(1.0%)	
Property Costs	0	0	0	0	0	0	-	n/a	
Supplies & Services	16	16	0	9	8	1	under	11.1%	
Transport & Plant	153	153	0	153	153	0	-	0.0%	
Administration Costs	0	0	0	0	3	(3)	over	n/a	
Payments to Other Bodies	0	0	0	0	0	0	-	n/a	
Payments to Contractors	596	596	0	34	28	6	under	17.6%	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	0	0	0	0	0	0	-	n/a	
Total Controllable Exp.	1,266	1,266	0	502	501	1	under	0.2%	
Total Controllable Inc.	(1,007)	(1,007)	0	(502)	(501)	(1)	under recovered	(0.2%)	
Net Controllable Exp.	259	259	0	0	0	0	-	n/a	

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Community and Enterprise Resources: Period Ended 20 September 2013 (No.7)

Support Services

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 20/09/13	Actual 20/09/13	Variance 20/09/13		% Variance 20/09/13	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	4,523	4,523	0	2,076	2,060	16	under	0.8%	1, a
Property Costs	294	294	0	6	0	6	under	100.0%	b
Supplies & Services	161	161	0	40	47	(7)	over	(17.5%)	
Transport & Plant	73	73	0	6	5	1	under	16.7%	
Administration Costs	250	250	0	39	36	3	under	7.7%	
Payments to Other Bodies	0	0	0	0	1	(1)	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	51	51	0	17	16	1	under	5.9%	
Total Controllable Exp.	5,352	5,352	0	2,184	2,165	19	under	0.9%	
Total Controllable Inc.	(1,427)	(1,427)	0	(4)	(11)	7	over recovered	175.0%	
Net Controllable Exp.	3,925	3,925	0	2,180	2,154	26	under	1.2%	

Variance Explanations**1. Employee Costs**

The underspend is mainly due to vacancies that exist across the Service which are being filled in line with service requirements.

Budget Virements

- a. Transfer from centrally held funds in respect of 2013/14 Living Wage allocation £0.008m: Employee Costs £0.008m.
- b. Transfer to Housing and Technical Resources in respect of Legislative Compliance / Planned Maintenance (£0.001m): Property Costs (£0.001m).