

Report

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Report to:	Community Resources Committee
Date of Meeting:	2 September 2008
Report by:	Executive Director (Finance and Information Technology Resources) Executive Director (Community Resources)

Subject:	Revenue Budget Monitoring 2008/2009 - Community Resources
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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 2008 to 11 July 2008 for Community Resources
- ◆ provide a forecast for the year to 31 March 2009

2. Recommendation(s)

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

- (1) that the underspend on Community Resources' revenue budget of £0.007 million (0.04%), as detailed in Appendix A of the report, and the forecast to 31 March 2009 of break even be noted.
- (2) that the proposed budget virements be approved.

3. Background

- 3.1. This is the first revenue budget monitoring report presented to the Community Resources Committee for the financial year 2008/2009. Further reports will follow throughout the financial year.
- 3.2. The report details the financial position for Community Resources on Appendix A, and then details the individual services, along with variance explanations, in Appendices B to G.

4. Employee Implications

4.1. None

5. Financial Implications

- 5.1. As at 11 July 2008, the variance from phased budget to date is an underspend of £0.007 million (0.04%). The forecast for the revenue budget to 31 March 2009 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. None

7. Equality Impact Assessment and Consultation Arrangements

7.1. This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy and therefore no impact assessment is required.

7.2. There was also no requirement to undertake any consultation in terms of the information contained in this report.

Linda Hardie

Executive Director (Finance and Information Technology Resources)

Norrie Anderson

Executive Director (Community Resources)

25 July 2008

Link(s) to Council Objectives

♦ Accountable, Effective and Efficient

Previous References

♦ Education Committee 1 July 2008

List of Background Papers

♦ Financial ledger and budget monitoring results to 11 July 2008

Contact for Further Information

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

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SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Community Resources Committee: Period Ended 11 July 2008 (No.4)

Community Resources Summary

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 11/07/08	Actual 11/07/08	Variance 11/07/08		% Variance 11/07/08	Note
	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>									
Employee Costs	29,975	29,975	0	8,167	8,198	(31)	over	(0.4%)	
Property Costs	14,750	14,750	0	2,859	2,854	5	under	0.2%	
Supplies & Services	2,511	2,511	0	723	787	(64)	over	(8.9%)	
Transport & Plant	4,782	4,782	0	1,224	1,308	(84)	over	(6.9%)	
Administration Costs	8,660	8,660	0	2,429	2,445	(16)	over	(0.7%)	
Payments to Other Bodies	1,449	1,449	0	454	357	97	under	21.4%	
Payments to Contractors	20,863	20,863	0	8,642	8,662	(20)	over	(0.2%)	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	583	583	0	110	112	(2)	over	(1.8%)	
Total Controllable Exp.	83,573	83,573	0	24,608	24,723	(115)	over	(0.5%)	
Total Controllable Inc.	(23,264)	(23,264)	0	(7,209)	(7,331)	122	over recovered	(1.7%)	
Net Controllable Exp.	60,309	60,309	0	17,399	17,392	7	under	0.0%	

Variance Explanations

Variance explanations are shown in Appendices B-G.

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Community Resources Committee: Period Ended 11th July 2008 (No.4)

Environmental and Strategic Services

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 11/07/08	Actual 11/07/08	Variance 11/07/08		% Variance 11/07/08	Note
	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>									
Employee Costs	4,270	4,270	0	1,146	1,192	(46)	over	(4.0%)	1
Property Costs	149	149	0	52	51	1	under	1.9%	
Supplies & Services	201	201	0	39	39	0	-	0.0%	
Transport & Plant	24	24	0	2	2	0	-	0.0%	
Administration Costs	1,164	1,164	0	324	326	(2)	over	(0.6%)	
Payments to Other Bodies	830	830	0	329	236	93	under	28.3%	2
Payments to Contractors	189	189	0	66	75	(9)	over	(13.6%)	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	44	44	0	16	16	0	-	0.0%	
Total Controllable Exp.	6,871	6,871	0	1,974	1,937	37	under	1.9%	
Total Controllable Inc.	(572)	(572)	0	(138)	(159)	21	over recovered	(15.2%)	
Net Controllable Exp.	6,299	6,299	0	1,836	1,778	58	under	3.2%	

Variance Explanations**1. Employee Costs**

The overspend is mainly due to backdated salary payments in respect of changes to the car allowance scheme.

2. Payments to Other Bodies

The underspend is due to charges for Scientific Services currently being less than anticipated.

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Revenue Budget Monitoring Report

Community Resources Committee: Period Ended 11 July 2008 (No.4)

Facilities and Cultural Services

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 11/07/08	Actual 11/07/08	Variance 11/07/08		% Variance 11/07/08	Note
	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>									
Employee Costs	11,635	11,635	0	3,177	3,233	(56)	over	(1.8%)	1a
Property Costs	3,949	3,949	0	531	529	2	under	0.4%	
Supplies & Services	1,731	1,731	0	471	528	(57)	over	(12.1%)	2
Transport & Plant	134	134	0	36	34	2	under	5.6%	
Administration Costs	4,471	4,471	0	1,339	1,356	(17)	over	(1.3%)	
Payments to Other Bodies	509	509	0	108	110	(2)	over	(1.9%)	
Payments to Contractors	1	1	0	0	0	0	-	n/a	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	237	237	0	27	31	(4)	over	(14.8%)	
Total Controllable Exp.	22,667	22,667	0	5,689	5,821	(132)	over	(2.3%)	
Total Controllable Inc.	(10,159)	(10,159)	0	(2,919)	(3,050)	131	over recovered	(4.5%)	3a
Net Controllable Exp.	12,508	12,508	0	2,770	2,771	(1)	over	0.0%	

Variance Explanations

- Employee Costs**
The overspend mainly relates to greater than anticipated spend on overtime and unbudgeted agency staff within Halls and Countryside & Heritage Services. This is partially offset by vacancies within Operations Management and School Crossing Patrollers.
- Supplies and Services**
The overspend is due to Food Costs within Commercial Catering and school milk purchases. These costs are offset by an over recovery in income.
- Income**
The favourable variance is mainly due to over recoveries of income within Countryside Services and Hamilton Townhouse for greater than anticipated café income, resaleables and functions. There has also been unbudgeted income for Halls.

Budget Virements

- Budget Transfer from Education to Community Resources for Free School Lets for under 16's £345K – Employee cost £15k and Income £100k. The remaining £230k budget uploaded to Leisure Services.

SOUTH LANARKSHIRE COUNCIL
Revenue Budget Monitoring Report

Community Resources Committee: Period Ended 11 July 2008 (No.4)

Land Services

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 11/07/08	Actual 11/07/08	Variance 11/07/08		% Variance 11/07/08	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	11,009	11,009	0	3,031	3,032	(1)	over	0.0%	
Property Costs	10,311	10,311	0	2,260	2,260	0	-	0.0%	
Supplies & Services	479	479	0	201	210	(9)	over	(4.5%)	a
Transport & Plant	4,479	4,479	0	1,164	1,243	(79)	over	(6.8%)	1a
Administration Costs	2,575	2,575	0	785	781	4	under	0.5%	
Payments to Other Bodies	11	11	0	5	5	0	-	0.0%	
Payments to Contractors	10,140	10,140	0	3,444	3,454	(10)	over	(0.3%)	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	262	262	0	61	60	1	under	(1.6%)	
Total Controllable Exp.	39,266	39,266	0	10,951	11,045	(94)	over	(0.9%)	
Total Controllable Inc.	(4,868)	(4,868)	0	(1,470)	(1,475)	5	over recovered	(0.3%)	a
Net Controllable Exp.	34,398	34,398	0	9,481	9,570	(89)	over	(0.9%)	

Variance Explanations

- Transport & Plant**
The overspend is mainly attributable to fuel costs being greater than anticipated.

Budget Virements

- Waste budget realigned in line with new contract for disposal £206k – Payment to contractors decreased by 206k, Supplies & Services increased by 94k and income decreased by £112k

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Revenue Budget Monitoring Report

Community Resources Committee: Period Ended 11 July 2008 (No.4)

Leisure

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 11/07/08	Actual 11/07/08	Variance 11/07/08		% Variance 11/07/08	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	4	4	0	1	1	0	-	0.0%	
Property Costs	69	69	0	16	14	2	under	12.5%	
Supplies & Services	0	0	0	0	0	0	-	n/a	
Transport & Plant	16	16	0	4	6	(2)	over	(50.0%)	
Administration Costs	0	0	0	0	1	(1)	over	n/a	
Payments to Other Bodies	60	60	0	10	9	1	under	10.0%	
Payments to Contractors	10,393	10,393	0	5,119	5,119	0	-	0.0%	a, b, c
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	0	0	0	0	0	0	-	n/a	
Total Controllable Exp.	10,542	10,542	0	5,150	5,150	0	-	0.0%	
Total Controllable Inc.	(525)	(525)	0	(525)	(525)	0	-	0.0%	c
Net Controllable Exp.	10,017	10,017	0	4,625	4,625	0	-	0.0%	

Budget Virements

- Budget Transfer from Education to Community Resources for Free School Lets for under 16's £345K – Payment to Contractors £230k. The remaining 115k budget uploaded to Facilities & Cultural Services.
- Budget transferred from Education to Community Resources for Joint Use Facilities £299k – Payment to Contractors £299k.
- Income and expenditure increased due to additional grant awarded for Active Schools £525k – Payments to Contractors £525k and Income £525k

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Community Resources Committee: Period Ended 11 July 2008 (No.4)

Projects

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 11/07/08	Actual 11/07/08	Variance 11/07/08		% Variance 11/07/08	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	727	727	0	198	160	38	under	19.2%	1
Property Costs	17	17	0	0	0	0	-	n/a	
Supplies & Services	36	36	0	1	1	0	-	0.0%	
Transport & Plant	69	69	0	18	23	(5)	over	(27.8%)	
Administration Costs	9	9	0	0	1	(1)	over	n/a	
Payments to Other Bodies	19	19	0	2	2	0	-	0.0%	
Payments to Contractors	140	140	0	13	14	(1)	over	(7.7%)	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	1	1	0	0	0	0	-	n/a	
Total Controllable Exp.	1,018	1,018	0	232	201	31	under	13.4%	
Total Controllable Inc.	(495)	(495)	0	(111)	(82)	(29)	under recovered	26.1%	2
Net Controllable Exp.	523	523	0	121	119	2	under	1.7%	

Variance Explanations1. **Employee Costs**

The underspend is due to less than anticipated numbers being employed to date and also partly due to vacancies. The underspend is offset by an under recovery of grant income.

2. **Income**

The grant income reflects expenditure incurred. The under recovery therefore reflects the underspend shown above.

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Community Resources Committee: Period Ended 11 July 2008 (No.4)

Support Services

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 11/07/08	Actual 11/07/08	Variance 11/07/08		% Variance 11/07/08	Note
	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>									
Employee Costs	2,330	2,330	0	614	580	34	under	5.5%	1
Property Costs	255	255	0	0	0	0	-	n/a	
Supplies & Services	64	64	0	11	9	2	under	18.2%	
Transport & Plant	60	60	0	0	0	0	-	n/a	
Administration Costs	441	441	0	(19)	(20)	1	under	(5.3%)	
Payments to Other Bodies	20	20	0	0	(5)	5	under	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	39	39	0	6	5	1	under	16.7%	
Total Controllable Exp.	3,209	3,209	0	612	569	43	under	7.0%	
Total Controllable Inc.	(6,645)	(6,645)	0	(2,046)	(2,040)	(6)	under recovered	0.3%	
Net Controllable Exp.	(3,436)	(3,436)	0	(1,434)	(1,471)	37	under	(2.6%)	

Variance Explanations**1. Employee Costs**

The underspend is mainly due to vacancies across Support Services.