

# Report

Report to:	<b>Financial Resources Scrutiny Forum</b>
Date of Meeting:	<b>9 May 2019</b>
Report by:	<b>Executive Director (Finance and Corporate Resources)</b>

Subject:	<b>Revenue Budget Monitoring 2018/2019</b>
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## 1. Purpose of Report

1.1. The purpose of the report is to:-

- ♦ update members of the Financial Resources Scrutiny Forum of progress on the Council's revenue budget for the period covering 1 April 2018 to 1 March 2019.

## 2. Recommendation(s)

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

- (1) that the 2018/2019 Financial Position as at period 13 (1 March 2019) and the forecast to 31 March 2019, for General Services, Housing Revenue Account and Trading Operations (as detailed in Appendices A to D), be noted.

## 3. Background

3.1. The Revenue reports attached provide detail on the most recent Executive Committee report dated 1 May 2019. The reports detail the position as at 1 March 2019 for General Services, Housing Revenue Account and the Council's Trading Operations.

3.2. The papers have been split into separate Appendices as shown below:

- ♦ Appendix A - 2018/2019 Financial Position **before** Transfers to Reserves as at Period 13 (1 March 2019) for General Services
- ♦ Appendix B - 2018/2019 Financial Position **after** Transfers to Reserves as at Period 13 (1 March 2019) for General Services
- ♦ Appendix C - 2018/2019 Financial Position as at Period 13 (1 March 2019) for Housing Revenue Account
- ♦ Appendix D - 2018/2019 Financial Position as at Period 13 (1 March 2019) for the Council's Trading Operations

## 4. Employee Implications

4.1. None

## 5. Financial Implications

5.1. The financial position of the General Services Revenue Budget, Housing Revenue Account and the Council's Trading Operations are detailed in Appendices A to D.

5.2. This report summarises the 2018/2019 forecast spend for the Council's General Fund Revenue Account to 31 March 2019 (section 6). This is known as the Probable Outturn position. It will also provide details of the General Services Monitoring

Position regarding actual expenditure and income to 1 March 2019, compared with the budget for the same period (section 7).

## 6. 2018/2019 General Services Probable Outturn

- 6.1. As reported previously, the probable outturn position for the Council shows a forecast before Transfers to Reserves of an underspend £13.257 million. This position takes into account the £5.191 million in the Transfers to Reserves budget line in respect of the Priorities and Investments. After taking into account all the approved Transfers to Reserves (Executive Committee, 13 February 2019), the outturn position is an underspend of £7.063 million. **This is unchanged from the outturn position reported in the last report to the Executive Committee on 13 March 2019.**
- 6.2. There are a number of corporate pressures that require to be managed from this underspend. After taking these into account leaves an underspend of £0.758 million after transfers to Reserves, as detailed in Table 1 below.

**Table 1: Corporate Pressures Funding**

	£m
Outturn Position ( <i>section 4.1</i> )	7.063
2019/2020 Strategy ( <i>approved Executive Committee - 13 February 2019</i> )	(4.000)
2018/2019 Pay Award - additional 0.5%	(1.305)
<b>Outturn after known commitments and Transfers to Reserves</b>	<b>1.758</b>
2019/2020 Strategy ( <i>approved Council Meeting - 27 February 2019</i> )	(1.000)
<b>Revised Outturn after known commitments and Transfers to Reserves</b>	<b>0.758</b>

## 2018/2019 General Services Monitoring Position

### 7. Financial Position as at 1 March 2019 (Period 13)

- 7.1. **General Fund Revenue Account:** As at period 13 (1 March 2019), the position on the General Fund before transfers to reserves is an underspend of £12.530 million (Appendix A). Appendix B shows the position after the approved transfers to reserves (Executive Committee, 13 February 2019), as an underspend of £7.030 million. **This is in line with the probable outturn position being reported and there are no significant changes from period 12. The position of each Resource is detailed below. These are also in line with the position reported in the last report.**
- 7.2. **Community and Enterprise Resources:** As at period 13, the Resource is showing an underspend of £1.426 million before transfers to reserves and an underspend of £1.029 million after transfers. The actual underspend position at period 13 is due to vacancies, turnover and additional planning and building standards income. This position does not include the additional payment to be made to SLLC in respect of their budget pressures, as this will be made at the end of the financial year. The position also excludes potential additional legal costs in respect of the food safety case, as these have not yet been agreed.
- 7.3. This Resource underspend position is offset by an under recovery of Trading surplus within the Roads and Fleet Trading Operations. Both Trading Operations are showing a higher under recovery of surplus than reported as part of their probable outturn. For Roads, this is due to the use of external contractors as a result of vacancies and also the timing of work on capital projects, whilst in Fleet, this is the result of higher expenditure on materials and external repair costs.

- 7.4. **Education Resources:** As at period 13, the Resource is showing an underspend of £3.848 million before transfers to reserves and an underspend of £0.032 million after transfers. The actual net underspend position at period 13 before transfers is due to the underspends in Pupil Equity Fund and the timing of recruitment within the Early Years' Service including the 1,140 expansion. This is partially offset by overspends in transport and demand led external placements.
- 7.5. **Finance and Corporate Resources:** The position as at period 13 is a breakeven position. There are no proposed transfers to reserves. This is in line with the forecast position being reported.
- 7.6. **Housing and Technical Resources:** As at period 13, the Resource is showing an underspend of £1.020 million before transfers to reserves reflecting the underspend on the Scottish Government funding for Temporary Accommodation within the Homeless Service. This is the result of implementation timing and the level of bad debts being lower than anticipated. This underspend forms part of the approved transfer to reserves agreed by the Executive Committee (13 February 2019).
- 7.7. The Resource is also experiencing underspends in respect of the Rapid Housing Programme funding which will not spend in the current year due to the timing of the recruitment of staff, and also an underspend in respect of the scheme of assistance payments to homeowners. As part of the final outturn position, approval will be sought to transfer these underspends to reserves to be carried forward for use in future years.
- 7.8. After the approved transfer to reserves in respect of the Homelessness funding, the position at period 13 is an underspend of £0.207 million, reflecting the underspends in section 7.7 above.
- 7.9. **Social Work Resources:** The position at period 13 is a net overspend of £0.913 million. There are no transfers to reserves. This overspend relates to Children and Families (external residential places, foster places as well as the level of kinship care payments) and Adults and Older People (employee costs). These are partially offset by underspends in Performance and Support and Justice due to turnover of staff. The overall overspend position is in line with that reported during the year, and the forecast outturn.
- 7.10. **Loan Charges:** The position at period 13 is showing an underspend of £5.900 million. This is the same position that has been reported to Committee previously and reflects the timing of borrowing (delayed due to using cash balances) and the interest rates achieved.
- 7.11. **Corporate Items:** The position being reported at period 13 is an underspend of £1.308 million before transfers to reserves. This relates to the underspend in Superannuation on Overtime which has been previously reported, and underspends in the Rates, Utilities, Carbon Reduction and Pay Grade Restructure budgets which are not required in 2018/2019. This is partially offset by the commitment for Council Tax Second Homes. After taking account of the approved transfer to reserves for utilities, the period 13 position is an underspend of £0.874 million. This position does not yet take account of interest on balances or the bad debt provision which will not be confirmed until the end of the financial year.
- 7.12. **Council Tax and Council Tax Reduction Scheme:** The period 13 position is showing an over-recovery of £2.513 million, including Council Tax Second Homes income. This is in line with the forecast outturn position.

- 7.13. **2018/2019 Additional General Revenue Grant:** Since the last report, the Local Government Finance (Scotland) Order 2019 was approved, which included additional funding for 2018/2019 of £0.010 million for Seatbelts on School Transport and £0.005 million for Child Poverty Action Reports. The annual budget and outturn figures included in the Appendices to this report include this additional funding.
- 7.14. **Other Funding:** There has been no other additional funding notified to the Council since the last report to the Executive Committee (13 March 2019).
- 8. Housing Revenue Account Position**
- 8.1. As at 1 March 2019, Appendix C of the report shows a breakeven position against the phased budget on the Housing Revenue Account. The forecast to 31 March 2019 on the Housing Revenue Account is a breakeven position.
- 9. Trading Operations**
- 9.1. Included within the position for the General Fund Revenue is an actual surplus before transfers to reserves of £7.521 million, representing an under recovery of £2.572 million against phased budget. The position after transfers to reserves is a surplus of £7.481 million, representing an under recovery against phased budget of £2.612 million. These are detailed in Appendix D of the report.
- 9.2. The under recovery lies within the Property Trading Operation due to the timing of works in relation to Early Years, Central Heating Programmes and Growth and Capacities in Schools and also within the Fleet Trading Operation due to higher expenditure on materials, external repair costs and timing of efficiencies. In addition, the Roads Trading Operation is showing an under recovery due to the use of external contractors as a result of vacancies and also the timing of work on capital projects. The under recovery in the Fleet and Roads Trading Operations are offset by an underspend in Community and Enterprise Resources.
- 10. Other Implications**
- 10.1. 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.
- 10.2. There are no implications for sustainability in terms of the information contained in this report.
- 11. Equality Impact Assessment and Consultation Arrangements**
- 11.1. 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.
- 11.2. 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)**

1 May 2019

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

- ◆ Accountable, Effective, Efficient and Transparent

**Previous References**

- ◆ None

**List of Background Papers**

- ◆ Financial ledger and budget monitoring results to 1 March 2019

**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 (BEFORE Transfers)**  
**Period Ended 1 March 2019 (No.13)**

<u>Committee</u>	Annual Budget	Annual Forecast BEFORE Transfers	Annual Forecast Variance BEFORE Transfers	Budget Proportion to 01/03/19	Actual to Period 13 01/03/19	Variance to 01/03/19	
	£m	£m	£m	£m	£m	£m	
<b>Departments:</b>							
<b>Community and Enterprise Resources</b>	<b>115.926</b>	<b>115.196</b>	<b>0.730</b>	<b>105.465</b>	<b>104.039</b>	<b>1.426</b>	<b>under</b>
Facilities Streets and Waste (Inc. Support)	64.074	63.969	0.105	56.338	56.199	0.139	under
Environmental Services (Inc. Projects)	3.963	3.882	0.081	3.551	3.352	0.199	under
Leisure and Culture Services	18.902	19.269	(0.367)	18.116	18.086	0.030	under
Planning and Economic Development	2.958	2.683	0.275	6.418	6.254	0.164	under
Roads	26.029	25.393	0.636	21.042	20.148	0.894	under
<b>Education Resources</b>	<b>310.391</b>	<b>305.929</b>	<b>4.462</b>	<b>271.557</b>	<b>267.709</b>	<b>3.848</b>	<b>under</b>
<b>Finance and Corporate Resources</b>	<b>33.908</b>	<b>33.908</b>	<b>0.000</b>	<b>35.941</b>	<b>35.941</b>	<b>0.000</b>	<b>-</b>
Finance Services	15.412	15.109	0.303	16.224	15.849	0.375	under
Audit and Compliance Services	0.347	0.352	(0.005)	0.463	0.480	(0.017)	over
Information Technology Services	4.278	4.344	(0.066)	5.184	5.250	(0.066)	over
Communications and Strategy Services	1.099	1.402	(0.303)	1.200	1.459	(0.259)	over
Administration and Licensing Services	4.495	4.618	(0.123)	4.784	4.988	(0.204)	over
Personnel Services	8.277	8.083	0.194	8.086	7.915	0.171	under
<b>Housing and Technical Resources</b>	<b>19.912</b>	<b>19.013</b>	<b>0.899</b>	<b>18.351</b>	<b>17.331</b>	<b>1.020</b>	<b>under</b>
Housing Services	7.456	6.523	0.933	6.115	5.160	0.955	under
Property Services	12.456	12.490	(0.034)	12.236	12.171	0.065	under
<b>Social Work Resources</b>	<b>152.206</b>	<b>153.315</b>	<b>(1.109)</b>	<b>125.739</b>	<b>126.652</b>	<b>(0.913)</b>	<b>over</b>
Performance and Support Services	7.891	7.166	0.725	6.784	6.092	0.692	under
Children and Families	29.685	31.466	(1.781)	27.120	28.687	(1.567)	over
Adults and Older People	113.535	113.730	(0.195)	91.662	91.839	(0.177)	over
Justice and Substance Misuse	1.095	0.953	0.142	0.173	0.034	0.139	under
<b>Joint Boards</b>	<b>2.363</b>	<b>2.363</b>	<b>0.000</b>	<b>2.212</b>	<b>2.212</b>	<b>0.000</b>	<b>-</b>
	<b>634.706</b>	<b>629.724</b>	<b>4.982</b>	<b>559.265</b>	<b>553.884</b>	<b>5.381</b>	<b>under</b>

<u>Committee</u>	Annual Budget	Annual Forecast BEFORE Transfers	Annual Forecast Variance BEFORE Transfers	Budget Proportion to 01/03/19	Actual to Period 13 01/03/19	Variance to 01/03/19	
	£m	£m	£m	£m	£m	£m	
Service Departments Total	634.706	629.724	4.982	559.265	553.884	5.381	under
Trading Accounts Surplus	(11.919)	(9.693)	(2.226)	(10.093)	(7.521)	(2.572)	over
CFCR	0.000	0.000	0.000	0.000	0.000	0.000	-
Loan Charges	57.505	51.605	5.900	57.505	51.605	5.900	under
Corporate Items	4.220	2.325	1.895	1.818	0.510	1.308	under
Transfer to Reserves	5.191	5.191	0.000	5.191	5.191	0.000	-
<b>Total Expenditure</b>	<b>689.703</b>	<b>679.152</b>	<b>10.551</b>	<b>613.686</b>	<b>603.669</b>	<b>10.017</b>	<b>under</b>
Council Tax	146.058	148.566	2.508	135.625	137.954	2.329	over rec
Less: Council Tax Reduction Scheme	(19.670)	(19.472)	0.198	(18.265)	(18.081)	0.184	under
Net Council Tax	126.388	129.094	2.706	117.360	119.873	2.513	over rec
General Revenue Grant	253.434	253.434	0.000	229.595	229.595	0.000	-
Non Domestic Rates	295.500	295.500	0.000	272.769	272.769	0.000	-
Transfer from Reserves	14.381	14.381	0.000	14.381	14.381	0.000	-
<b>Total Income</b>	<b>689.703</b>	<b>692.409</b>	<b>2.706</b>	<b>634.105</b>	<b>636.618</b>	<b>2.513</b>	<b>over rec</b>
<b>Net Expenditure / (Surplus)</b>	<b>0.000</b>	<b>(13.257)</b>	<b>13.257</b>	<b>(20.419)</b>	<b>(32.949)</b>	<b>12.530</b>	<b>under</b>

<u>Corporate Pressures</u>	Annual Budget	Annual Forecast BEFORE Transfers	Annual Forecast Variance BEFORE Transfers
	£m	£m	£m
Net Expenditure / (Surplus)	0.000	(13.257)	13.257
2019/2020 Strategy	0.000	4.000	(4.000)
2018/2019 Pay Award - additional 0.5%	0.000	1.305	(1.305)
2019/2020 Strategy - additional	0.000	1.000	(1.000)
<b>Total Expenditure</b>	<b>0.000</b>	<b>(6.952)</b>	<b>6.952</b>

**SOUTH LANARKSHIRE COUNCIL**  
**Revenue Budget Monitoring Report (BEFORE Transfers)**  
**Period Ended 1 March 2019 (No.13)**

**Budget Category****Service Departments:****Expenditure**

	Annual Budget £m	Annual Forecast BEFORE Transfers £m	Annual Forecast Variance BEFORE Transfers £m	Budget Proportion to 01/03/19 £m	Actual to Period 13 01/03/19 £m	Variance to 01/03/19 £m	
Employee Cost	420.256	417.695	2.561	369.346	366.069	3.277	under
Property Costs	52.156	50.889	1.267	47.252	46.108	1.144	under
Supplies and Services	32.437	30.776	1.661	26.783	25.723	1.060	under
Transport Costs	23.071	23.686	(0.615)	21.066	21.550	(0.484)	over
Administration Costs	12.132	12.645	(0.513)	9.860	10.134	(0.274)	over
Payments to Other Bodies	55.375	56.759	(1.384)	48.606	49.519	(0.913)	over
Payments to Contractors	186.847	186.990	(0.143)	161.598	161.554	0.044	under
Transfer Payments	3.465	3.656	(0.191)	3.353	3.567	(0.214)	over
Housing Benefits	80.897	79.220	1.677	73.798	72.240	1.558	under
Financing Charges (controllable)	2.110	2.073	0.037	1.639	1.593	0.046	under
<b>Total</b>	<b>868.746</b>	<b>864.389</b>	<b>4.357</b>	<b>763.301</b>	<b>758.057</b>	<b>5.244</b>	<b>under</b>
Service Departments Total	868.746	864.389	4.357	763.301	758.057	5.244	under
Trading Accounts Surplus	(11.919)	(9.693)	(2.226)	(10.093)	(7.521)	(2.572)	over
CFCR	0.000	0.000	0.000	0.000	0.000	0.000	-
Loan Charges	57.505	51.605	5.900	57.505	51.605	5.900	under
Corporate Items	4.220	2.325	1.895	1.818	0.510	1.308	under
Transfer to Reserves	5.191	5.191	0.000	5.191	5.191	0.000	-
<b>Total Expenditure</b>	<b>923.743</b>	<b>913.817</b>	<b>9.926</b>	<b>817.722</b>	<b>807.842</b>	<b>9.880</b>	<b>under</b>
<b>Income</b>							
Housing Benefit Subsidy	75.435	73.950	(1.485)	70.495	69.056	(1.439)	under rec
Other Income	158.605	160.715	2.110	133.541	135.117	1.576	over rec
Council Tax (Net of Council Tax Reduction Scheme)	126.388	129.094	2.706	117.360	119.873	2.513	over rec
General Revenue Grant	253.434	253.434	0.000	229.595	229.595	0.000	-
Non Domestic Rates	295.500	295.500	0.000	272.769	272.769	0.000	-
Transfer from Reserves	14.381	14.381	0.000	14.381	14.381	0.000	-
<b>Total Income</b>	<b>923.743</b>	<b>927.074</b>	<b>3.331</b>	<b>838.141</b>	<b>840.791</b>	<b>2.650</b>	<b>over rec</b>
<b>Net Expenditure / (Income)</b>	<b>0.000</b>	<b>(13.257)</b>	<b>13.257</b>	<b>(20.419)</b>	<b>(32.949)</b>	<b>12.530</b>	<b>under</b>

## SOUTH LANARKSHIRE COUNCIL

## Revenue Budget Monitoring Report (AFTER Transfers)

Period Ended 1 March 2019 (No.13)

Committee

	Annual Budget	Annual Forecast AFTER Transfers	Annual Forecast Variance AFTER Transfers	Budget Proportion to 01/03/19	Actual to Period 13 01/03/19	Variance to 01/03/19	
Departments:	£m	£m	£m	£m	£m	£m	
<b>Community and Enterprise Resources</b>	<b>115.926</b>	<b>115.593</b>	<b>0.333</b>	<b>105.465</b>	<b>104.436</b>	<b>1.029</b>	<b>under</b>
Facilities Streets and Waste (Inc. Support)	64.074	64.254	(0.180)	56.338	56.484	(0.146)	over
Environmental Services (Inc. Projects)	3.963	3.934	0.029	3.551	3.404	0.147	under
Leisure and Culture Services	18.902	19.269	(0.367)	18.116	18.086	0.030	under
Planning and Economic Development	2.958	2.743	0.215	6.418	6.314	0.104	under
Roads	26.029	25.393	0.636	21.042	20.148	0.894	under
<b>Education Resources</b>	<b>310.391</b>	<b>310.353</b>	<b>0.038</b>	<b>271.557</b>	<b>271.525</b>	<b>0.032</b>	<b>under</b>
<b>Finance and Corporate Resources</b>	<b>33.908</b>	<b>33.908</b>	<b>0.000</b>	<b>35.941</b>	<b>35.941</b>	<b>0.000</b>	<b>-</b>
Finance Services	15.412	15.109	0.303	16.224	15.849	0.375	under
Audit and Compliance Services	0.347	0.352	(0.005)	0.463	0.480	(0.017)	over
Information Technology Services	4.278	4.344	(0.066)	5.184	5.250	(0.066)	over
Communications and Strategy Services	1.099	1.402	(0.303)	1.200	1.459	(0.259)	over
Administration and Licensing Services	4.495	4.618	(0.123)	4.784	4.988	(0.204)	over
Personnel Services	8.277	8.083	0.194	8.086	7.915	0.171	under
<b>Housing and Technical Resources</b>	<b>19.912</b>	<b>19.912</b>	<b>0.000</b>	<b>18.351</b>	<b>18.144</b>	<b>0.207</b>	<b>under</b>
Housing Services	7.456	7.422	0.034	6.115	5.973	0.142	under
Property Services	12.456	12.490	(0.034)	12.236	12.171	0.065	under
<b>Social Work Resources</b>	<b>152.206</b>	<b>153.315</b>	<b>(1.109)</b>	<b>125.739</b>	<b>126.652</b>	<b>(0.913)</b>	<b>over</b>
Performance and Support Services	7.891	7.166	0.725	6.784	6.092	0.692	under
Children and Families	29.685	31.466	(1.781)	27.120	28.687	(1.567)	over
Adults and Older People	113.535	113.730	(0.195)	91.662	91.839	(0.177)	over
Justice and Substance Misuse	1.095	0.953	0.142	0.173	0.034	0.139	under
<b>Joint Boards</b>	<b>2.363</b>	<b>2.363</b>	<b>0.000</b>	<b>2.212</b>	<b>2.212</b>	<b>0.000</b>	<b>-</b>
	<b>634.706</b>	<b>635.444</b>	<b>(0.738)</b>	<b>559.265</b>	<b>558.910</b>	<b>0.355</b>	<b>under</b>

Committee

	Annual Budget	Annual Forecast AFTER Transfers	Annual Forecast Variance AFTER Transfers	Budget Proportion to 01/03/19	Actual to Period 13 01/03/19	Variance to 01/03/19	
	£m	£m	£m	£m	£m	£m	
Service Departments Total	634.706	635.444	(0.738)	559.265	558.910	0.355	under
Trading Accounts Surplus	(11.919)	(9.653)	(2.266)	(10.093)	(7.481)	(2.612)	over
CFCR	0.000	0.000	0.000	0.000	0.000	0.000	-
Loan Charges	57.505	51.605	5.900	57.505	51.605	5.900	under
Corporate Items	4.220	2.759	1.461	1.818	0.944	0.874	under
Transfer to Reserves	5.191	5.191	0.000	5.191	5.191	0.000	-
<b>Total Expenditure</b>	<b>689.703</b>	<b>685.346</b>	<b>4.357</b>	<b>613.686</b>	<b>609.169</b>	<b>4.517</b>	<b>under</b>
Council Tax	146.058	148.566	2.508	135.625	137.954	2.329	over rec
Less: Council Tax Reduction Scheme	(19.670)	(19.472)	0.198	(18.265)	(18.081)	0.184	under
Net Council Tax	126.388	129.094	2.706	117.360	119.873	2.513	over rec
General Revenue Grant	253.434	253.434	0.000	229.595	229.595	0.000	-
Non Domestic Rates	295.500	295.500	0.000	272.769	272.769	0.000	-
Transfer from Reserves	14.381	14.381	0.000	14.381	14.381	0.000	-
<b>Total Income</b>	<b>689.703</b>	<b>692.409</b>	<b>2.706</b>	<b>634.105</b>	<b>636.618</b>	<b>2.513</b>	<b>over rec</b>
<b>Net Expenditure / (Surplus)</b>	<b>0.000</b>	<b>(7.063)</b>	<b>7.063</b>	<b>(20.419)</b>	<b>(27.449)</b>	<b>7.030</b>	<b>under</b>

Corporate Pressures

	Annual Budget	Annual Forecast AFTER Transfers	Annual Forecast Variance AFTER Transfers
	£m	£m	£m
Net Expenditure / (Surplus)	0.000	(7.063)	7.063
2019/2020 Strategy	0.000	4.000	(4.000)
2018/2019 Pay Award - additional 0.5%	0.000	1.305	(1.305)
2019/2020 Strategy - additional	0.000	1.000	(1.000)
<b>Total Expenditure</b>	<b>0.000</b>	<b>(0.758)</b>	<b>0.758</b>



**SOUTH LANARKSHIRE COUNCIL**  
**Revenue Budget Monitoring Report (AFTER Transfers)**  
**Period Ended 1 March 2019 (No.13)**

**Budget Category****Service Departments:****Expenditure**

	Annual Budget £m	Forecast AFTER Transfers £m	Annual Forecast Variance AFTER Transfers £m	Budget Proportion to 01/03/19 £m	Actual to Period 13 01/03/19 £m	Variance to 01/03/19 £m	
Employee Cost	420.256	418.913	1.343	369.346	367.324	2.022	under
Property Costs	52.156	50.899	1.257	47.252	46.138	1.114	under
Supplies and Services	32.437	33.703	(1.266)	26.783	28.190	(1.407)	over
Transport Costs	23.071	23.686	(0.615)	21.066	21.550	(0.484)	over
Administration Costs	12.132	12.645	(0.513)	9.860	10.134	(0.274)	over
Payments to Other Bodies	55.375	57.001	(1.626)	48.606	49.619	(1.013)	over
Payments to Contractors	186.847	187.090	(0.243)	161.598	161.654	(0.056)	over
Transfer Payments	3.465	3.656	(0.191)	3.353	3.567	(0.214)	over
Housing Benefits	80.897	79.220	1.677	73.798	72.240	1.558	under
Financing Charges (controllable)	2.110	2.073	0.037	1.639	1.593	0.046	under
<b>Total</b>	<b>868.746</b>	<b>868.886</b>	<b>(0.140)</b>	<b>763.301</b>	<b>762.009</b>	<b>1.292</b>	<b>under</b>
Service Departments Total	868.746	868.886	(0.140)	763.301	762.009	1.292	under
Trading Accounts Surplus	(11.919)	(9.653)	(2.266)	(10.093)	(7.481)	(2.612)	over
CFCR	0.000	0.000	0.000	0.000	0.000	0.000	-
Loan Charges	57.505	51.605	5.900	57.505	51.605	5.900	under
Corporate Items	4.220	2.759	1.461	1.818	0.944	0.874	under
Transfer to Reserves	5.191	5.191	0.000	5.191	5.191	0.000	-
<b>Total Expenditure</b>	<b>923.743</b>	<b>918.788</b>	<b>4.955</b>	<b>817.722</b>	<b>812.268</b>	<b>5.454</b>	<b>under</b>
<b>Income</b>							
Housing Benefit Subsidy	75.435	73.950	(1.485)	70.495	69.056	(1.439)	under rec
Other Income	158.605	159.492	0.887	133.541	134.043	0.502	over rec
Council Tax (Net of Council Tax Reduction Scheme)	126.388	129.094	2.706	117.360	119.873	2.513	over rec
General Revenue Grant	253.434	253.434	0.000	229.595	229.595	0.000	-
Non Domestic Rates	295.500	295.500	0.000	272.769	272.769	0.000	-
Transfer from Reserves	14.381	14.381	0.000	14.381	14.381	0.000	-
<b>Total Income</b>	<b>923.743</b>	<b>925.851</b>	<b>2.108</b>	<b>838.141</b>	<b>839.717</b>	<b>1.576</b>	<b>over rec</b>
<b>Net Expenditure / (Income)</b>	<b>0.000</b>	<b>(7.063)</b>	<b>7.063</b>	<b>(20.419)</b>	<b>(27.449)</b>	<b>7.030</b>	<b>under</b>

## SOUTH LANARKSHIRE COUNCIL

## Revenue Budget Monitoring Report

Period Ended 1 March 2019 (No.13)

## Housing Revenue Account

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion to 01/03/19	Actual to Period 13 01/03/19	Variance to 01/03/19		%	Note
	£m	£m	£m	£m	£m	£m			
Employee Costs	12.718	12.544	0.174	11.501	11.390	0.111	under	1.0%	1
Property Costs	42.507	42.465	0.042	32.971	32.924	0.047	under	0.1%	2
Supplies & Services	0.610	0.554	0.056	0.546	0.495	0.051	under	9.3%	
Transport & Plant	0.194	0.174	0.020	0.182	0.162	0.020	under	11.0%	
Administration Costs	5.713	5.677	0.036	0.627	0.617	0.010	under	1.6%	
Payments to Other Bodies	3.221	3.221	0.000	0.066	0.043	0.023	under	34.8%	
Payments to Contractors	0.100	0.129	(0.029)	0.095	0.123	(0.028)	over	(29.5%)	
Transfer Payments	0.000	0.000	0.000	0.000	0.000	0.000	-	n/a	
Financing Charges	23.730	23.761	(0.031)	0.051	0.046	0.005	under	9.8%	
Total Controllable Expenditure	88.793	88.525	0.268	46.039	45.800	0.239	under	0.5%	
Total Controllable Income	(98.991)	(98.432)	(0.559)	(82.693)	(82.454)	(0.239)	under recovered	(0.3%)	3
Transfer to/(from) Balance Sheet	(4.603)	(4.604)	0.001	(4.249)	(4.249)	0.000	under	0.0%	
Net Controllable Expenditure	(14.801)	(14.511)	(0.290)	(40.903)	(40.903)	0.000	-	0.0%	
Add: Non Controllable Budgets									
Financing Charges	14.801	14.511	0.290	0.000	0.000	0.000	-	0.0%	
Total Budget	0.000	0.000	0.000	(40.903)	(40.903)	0.000	-	0.0%	

## Variance Explanations

## 1. Employee Costs

This underspend reflects the current turnover levels and vacancies across the service.

## 2. Property Costs

This underspend relates to bad debt provision being lower than anticipated, partially offset by reflects expenditure on repairs which are demand led.

## 3. Income

This under recovery relates to rental income and reflects the timing of the completion of new build properties.

**SOUTH LANARKSHIRE COUNCIL**  
**Revenue Budget Monitoring Report**  
**Period Ended 1 March 2019 (No.13)**  
**Fleet Trading Operation**

<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 01/03/19</b>	<b>Actual BEFORE Transfers 01/03/19</b>	<b>Variance 01/03/19</b>	<b>% Variance 01/03/19</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	4.758	4.425	0.333	0.333	4.162	3.835	0.327	under	7.9% <b>1</b>
Property Costs	0.210	0.234	(0.024)	(0.024)	0.203	0.212	(0.009)	over	(4.4%)
Supplies & Services	0.209	0.142	0.067	0.027	0.197	0.133	0.064	under	32.5% <b>2</b>
Transport & Plant	9.158	10.221	(1.063)	(1.063)	7.596	8.897	(1.301)	over	(17.1%) <b>3</b>
Administration Costs	0.005	0.015	(0.010)	(0.010)	0.005	0.013	(0.008)	over	(160.0%) <b>4</b>
Payments to Other Bodies	0.004	0.004	0.000	0.000	0.004	0.003	0.001	under	25.0%
Payments to Contractors	0.000	0.000	0.000	0.000	0.000	0.000	0.000	-	n/a
Transfer Payments	0.000	0.000	0.000	0.000	0.000	0.000	0.000	-	n/a
Financing Charges	0.049	0.051	(0.002)	(0.002)	0.045	0.043	0.002	under	4.4%
<b>Total Controllable Exp.</b>	<b>14.393</b>	<b>15.092</b>	<b>(0.699)</b>	<b>(0.739)</b>	<b>12.212</b>	<b>13.136</b>	<b>(0.924)</b>	<b>over</b>	<b>(7.6%)</b>
<b>Total Controllable Inc.</b>	<b>(17.269)</b>	<b>(17.192)</b>	<b>(0.077)</b>	<b>(0.077)</b>	<b>(14.826)</b>	<b>(14.769)</b>	<b>(0.057)</b>	<b>under recovered</b>	<b>(0.4%)</b>
<b>Net Controllable Exp.</b>	<b>(2.876)</b>	<b>(2.100)</b>	<b>(0.776)</b>	<b>(0.816)</b>	<b>(2.614)</b>	<b>(1.633)</b>	<b>(0.981)</b>	<b>under surplus</b>	<b>(37.5%)</b>
<b>Transfer to Reserves (as at 01/02/19)</b>					<b>-</b>	<b>0.040</b>	<b>(0.040)</b>	<b>over</b>	<b>n/a</b>
<b>Position After Transfers to Reserves (as at 01/02/19)</b>					<b>(2.614)</b>	<b>(1.593)</b>	<b>(1.021)</b>	<b>under surplus</b>	<b>(39.1%)</b>

**Variance Explanations**

- Employee Costs**  
The underspend relates vacancies within the Fleet workshop.
- Supplies and Services**  
The underspend is the result of less than anticipated expenditure on pool car permits, equipment and uniforms.
- Transport and Plant**  
The overspend relates to expenditure on tyres, outside repairs and the timing of the achievement of efficiencies.
- Administration Costs**  
The overspend relates to employee medical referrals.

**SOUTH LANARKSHIRE COUNCIL**  
**Revenue Budget Monitoring Report**  
**Period Ended 1 March 2019 (No.13)**  
**Roads Trading Operation**

<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 01/03/19</b>	<b>Actual BEFORE Transfers 01/03/19</b>	<b>Variance 01/03/19</b>	<b>% Variance 01/03/19</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	8.026	7.588	0.438	0.438	7.107	6.761	0.346	under	4.9% <b>1</b>
Property Costs	0.191	0.200	(0.009)	(0.009)	0.186	0.203	(0.017)	over	(9.1%)
Supplies & Services	6.856	6.960	(0.104)	(0.104)	6.841	8.024	(1.183)	over	(17.3%) <b>2</b>
Transport & Plant	3.666	4.071	(0.405)	(0.405)	3.431	3.787	(0.356)	over	(10.4%) <b>3</b>
Administration Costs	0.121	0.125	(0.004)	(0.004)	0.113	0.123	(0.010)	over	(8.8%)
Payments to Other Bodies	0.000	0.000	0.000	0.000	0.000	0.001	(0.001)	over	n/a
Payments to Contractors	2.794	2.794	0.000	0.000	2.794	3.336	(0.542)	over	(19.4%) <b>4</b>
Transfer Payments	0.000	0.000	0.000	0.000	0.000	0.000	0.000	-	n/a
Financing Charges	0.000	0.000	0.000	0.000	0.000	0.005	(0.005)	over	n/a
<b>Total Controllable Exp.</b>	21.654	21.738	(0.084)	(0.084)	20.472	22.240	(1.768)	over	(8.6%)
<b>Total Controllable Inc.</b>	(26.293)	(26.352)	0.059	0.059	(24.591)	(26.129)	1.538	over recovered	6.3% <b>5</b>
<b>Net Controllable Exp.</b>	(4.639)	(4.614)	(0.025)	(0.025)	(4.119)	(3.889)	(0.230)	under surplus	(5.6%)

**Variance Explanations**

- Employee Costs**  
The underspend relates to staff turnover during the year.
- Supplies and Services**  
The overspend relates to expenditure on materials, including salt, and will be offset by additional income.
- Transport and Plant**  
The overspend relates to increased costs in relation to fuel and vehicle hires.
- Payment to Contractors**  
The overspend relates to an increased level of work being carried out by external contractors, as a result of high staff turnover during the year.
- Income**  
The over recovery of income reflects the timing of rechargeable works and level of work in progress to date.

**SOUTH LANARKSHIRE COUNCIL**  
**Revenue Budget Monitoring Report**  
**Period Ended 1 March 2019 (No.13)**  
**Property Services Trading Operation**

	Annual Budget	Forecast for Year BEFORE Transfers	Annual Forecast Variance BEFORE Transfers	Annual Forecast Variance AFTER Transfers	Budget Proportion 01/03/19	Actual BEFORE Transfers 01/03/19	Variance 01/03/19		% Variance 01/03/19	Note
	£000	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>										
Employee Costs	32.594	32.399	0.195	0.195	29.838	29.580	0.258	under	0.9%	1
Property Costs	1.165	0.940	0.225	0.225	1.032	0.906	0.126	under	12.2%	2
Supplies & Services	12.219	12.711	(0.492)	(0.492)	11.235	10.076	1.159	under	10.3%	3
Transport & Plant	4.300	4.198	0.102	0.102	3.972	3.588	0.384	under	9.7%	4
Administration Costs	3.399	3.383	0.016	0.016	3.120	3.133	(0.013)	over	(0.4%)	
Payments to Other Bodies	2.284	2.284	0.000	0.000	1.544	1.543	0.001	under	0.1%	
Payments to Contractors	19.160	17.185	1.975	1.975	17.613	17.153	0.460	under	2.6%	5
Transfer Payments	0.000	0.000	0.000	0.000	0.000	0.000	0.000	-	n/a	
Financing Charges	0.107	0.095	0.012	0.012	0.077	0.073	0.004	under	5.2%	
Total Controllable Exp.	75.228	73.195	2.033	2.033	68.431	66.052	2.379	under	3.5%	
Total Controllable Inc.	(79.632)	(76.174)	(3.458)	(3.458)	(71.791)	(68.051)	(3.740)	under recovered	(5.2%)	6
Net Controllable Exp.	(4.404)	(2.979)	(1.425)	(1.425)	(3.360)	(1.999)	(1.361)	under surplus	(40.5%)	

**Variance Explanations**

- Employee Costs**  
The underspend relates to staff turnover during the year.
- Property Costs**  
The underspend is due to site security costs being lower than anticipated.
- Supplies and Services**  
The underspend reflects the level of materials required for maintenance and contract works. This is demand led and can therefore fluctuate during the year.
- Transport and Plant**  
The underspend reflects the level of scaffolding required for works to date. This is demand led and can therefore fluctuate during the year.
- Payment to Contractors**  
The underspend reflects the level of sub-contracted work to date.
- Income**  
The under recovery reflects the current workload and is offset by a reduction in expenditure.