

2008/09 Budget Issues	Outlook for 2009/10
<p>Community Resources / Facilities and Cultural / Land and Support : Employee Costs</p> <p>General underspends in Basic Pay and related Superannuation and National Insurance have been experienced within Facilities and Cultural Services, Land Services and Support.</p> <p>The underspend in Facilities basic pay is offset by additional overtime to cover the vacancies within Facilities Management.</p> <p>Within Land Services the underspend is the result of vacancies in Operations Management and Amenities.</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>The underspend in Operations Management will continue into 2009/10, when the new management structure is put in place.</p>
<p>Community Resources / Facilities & Cultural / Land / Support : Property Costs</p> <p>Underspend in rates and water rates within Facilities and Cultural partially offset by overspends in repairs and maintenance and other property costs.</p> <p>The rates underspend was due to lower than anticipated charges and one-off rebates from Scottish Water, whilst the overspend on repairs was due to expenditure on Halls partially offset by an over recovery of income from insurance claims.</p>	<p>Rates charges will be slightly lower than anticipated due to new facilities opening part way through the financial year. Any underspend will be used to offset additional expenditure on repairs and maintenance.</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>

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Overspend on utilities within Facilities and Cultural and Land Services as a result of higher than anticipated charges.	An additional budget allocation as agreed in the 2009/10 budget process should assist in meeting any budget shortfall in respect of utilities.
<p>Community Resources / Facilities & Cultural : Supplies and Services; Income</p> <p>Overspend on Foodstuffs General within Commercial Catering for additional service requests. This is offset by additional income.</p>	Budget realignments were carried out in 2008/09 to better reflect activities but due to the demand led nature of the service, additional variances arose. Further realignments will take place in 2009/10 to reflect permanent changes in demand, however, further variances could arise during 2009/10.
<p>Community Resources / Land Services : Transport and Plant</p> <p>Overspends mainly within Fleet Services Hired Vehicles, Fuel and External Hires.</p> <p>The overspend in Fleet Services Hired Vehicles relates mainly to additional service requests and also breakdown cover within Refuse Collection and Street Cleansing.</p> <p>The overspend in fuel relates partly to price increases in the early part of the year.</p> <p>The overspend in External Hires relates to the cost and maintenance of power washers within Street Cleansing.</p>	<p>The costs relating to additional service requests will be offset by additional income.</p> <p>The fuel budget line is affected by demand and price variations. Both will be monitored throughout the year.</p> <p>The level of spend will be monitored during the year and corrective action will be taken where appropriate.</p>

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<p>Community Resources / Land Services : Payment to Private Contractors</p> <p>The underspend in payment to private contractors within Land Services is mainly due to a reduction in green and residual waste.</p>	<p>Budget provision has been reviewed in light of the roll out of the co-mingled and glass collection routes with allocations being diverted from landfill and landfill tax to additional processing costs. In addition, a further allocation has been made to part fund the costs of the roll out. The level of budget provision will be monitored closely during the year to ensure predictions regarding the level of waste that is collected and processed are accurately reflected in the budget allocations.</p>
<p>Community Resources / Land Services : Income</p> <p>Under recovery of income from the crematorium and also the sale of bereavement commemorative items at the Crematorium have been less than anticipated. This is partially offset by additional income from bereavement services (cemeteries).</p>	<p>The under recovery is anticipated to continue, to some extent, in 2009/10. The loss of income will be managed by the Service.</p>

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2008/09 Budget Issues	Outlook for 2009/10
<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. Staff were being appointed throughout the year but there was a high turnover in some areas.</p>
<p>Corporate Resources / Support : Property Costs</p> <p>Underspend in rates, offset by overspends on electricity and gas.</p> <p>The underspend in rates is due to lower than anticipated charges whilst the overspends on utilities, primarily within Council Offices is a result of increased prices.</p>	<p>The underspend in rates will be monitored throughout the current year with the underspend expected to continue.</p> <p>Gas and Electricity are continuing to overspend, however, voltage optimisers which have been installed at some of the corporate properties may reduce electricity consumption and thus costs in 2009/10. An additional budget allocation as agreed in the 2009/10 budget process should assist in meeting any budget shortfall in respect of utilities.</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.</p>	<p>In the early part of 2009/10, Licensing income is continuing to over-recover. This is a demand led service and the level of income generated will continue to be monitored in 2009/10.</p>

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<p>The over recovery of income within Support relates to rental income from office accommodation to external parties and also recharges of Personnel staff costs to other projects, including the Clyde Valley Learning and Development Joint Committee.</p>	<p>A budget has been uploaded in Personnel for the recharges to Clyde Valley Learning and Development Joint Committee in 2009/10, thus the over recovery should not occur.</p>

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2008/09 Budget Issues	Outlook for 2009/10
<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 2008/09.</p>	<p>The same overspend is evident in the early part of 2009/10. Management action on the part of Education Resources is being pursued to manage the overall budget.</p> <p>As above, an overspend is likely in 2009/10. Management action is being pursued to manage the overall budget.</p>
<p>Education Resources : Property Costs - Rates, Scottish Water, Rents, Electricity, Gas, Heating Oil, and Other Property Costs</p> <p>Overspends on rates as a result of the increased costs for schools. £0.200m of additional budget was allocated to this line during 2008/09 but an overspend remained.</p> <p>Overspend on Scottish Water as a result of increased prices and overspends on Rents in relation to the new Library in Cambuslang Gate and ad hoc costs of East Kilbride Library.</p> <p>Overspends on electricity, gas and heating oil as a result of increased usage and increased prices.</p>	<p>Additional budget has been allocated to Rates in 2009/10.</p> <p>Additional budget has been added to Scottish Water budget and the Rents budget in 2009/10.</p> <p>An allocation of utilities budget, approved in the 2009/10 budget process, will be allocated during period 6 of the new financial year. It is anticipated that this will assist in addressing the budget shortfall.</p>

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<p>Underspends on Other Property Costs in relation to project underspends.</p> <p>The overspends above were partially offset by underspends in Grounds Maintenance due to the transfer of secondary schools under the Schools Modernisation Programme and other areas of management action to assist in managing the budget pressures.</p>	<p>The Other Property Cost line holds budget available for one-off expenditure in relation to the schools modernisation.</p>
<p>Education Resources : Transport Costs - SEN Transport, SPT Transport</p> <p>Overspends against mainstream schools contract with SPT for mainstream transport partially offset by an underpend against Special Education Needs Transport. Both services are demand led and therefore difficult to predict.</p>	<p>Budget was added to both the SPT and SEN transport lines for 2009/10. However, as these lines are demand led, variances are likely to arise.</p>
<p>Education Resources : Payment to Contractors</p> <p>Underspend against payment to private contractor line. This line reflects the timing of the unitary charge.</p>	<p>Budgets were realigned to this line in 2009/10 to reflect the phasing of the unitary charge payment.</p>

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<p>Enterprise / All Services : Employee Costs - Basic Salaries and On-costs, Other Employee Costs and Income</p> <p>Underspends in basic salaries across 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 : Payment to Other Bodies - Winter Maintenance Fund</p> <p>The overspend of £700k 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.</p>	<p>The Resource has undertaken a further review of the Winter Service and options have been developed to control expenditure in this area. This will be monitored over the winter months.</p>
<p>Enterprise / Roads : Payment to Contractors and Income</p> <p>Underspend in payment to Trading Service, overspend in Private Contractors and Over-Recovery of Income.</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 programme jobs.</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 place for 2009/10. Based on the anticipated workplan for 2009/10, an underspend is anticipated. This will be used to offset areas of overspend within the Resource.</p>

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<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>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 2009/10 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 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 2009/10 and that there will be a significant under recovery of Planning and Building Standards income.</p> <p>Management action has been initiated to minimise the financial impact.</p>

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2008/09 Budget Issues	Outlook for 2009/10
<p>Finance and IT Resources / Finance Services / Employee Costs : Basic Salaries and On-Costs</p> <p>Underspend as a result of vacancies across the Resource.</p>	<p>The underspend during 2008/09 was a result of vacancies and turnover of staff throughout the year. Early indications in 2009/10 show that turnover of staff may lead to a further underspend in the new year.</p>
<p>Finance and IT Resources / IT Services / Property Costs : Rates, and Electricity</p> <p>These overspends relate to the additional costs of the Caird Centre after the previous tenant moved to alternative premises. Work is ongoing to attract new clients whereby we can host their services within the Caird Centre. This would assist in reducing costs to the Council.</p>	<p>Budget has been realigned for 2009/10 to reflect the full costs of the core service. Work is ongoing to secure the 'sale' of new services and space in the Caird Centre. Any sale of additional services is likely to incur additional costs however, these will be offset by additional income. This budget area will continue to be monitored through 2009/10 with a realignment made in the 2010/11 budget process if required.</p>
<p>Finance and IT Resources / IT Services : Supplies and Services, and Income</p> <p>Additional expenditure incurred on electronic messaging offset by the income generated through recharging these costs.</p>	<p>Work is ongoing in 2009/10 to identify the permanent additional service requests and a budget realignment will take place during 2009/10.</p>

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2008/09 Budget Issues	Outlook for 2009/10
<p>Housing and Technical Resources/Non HRA : Employee Costs Underspend in Basic Salaries and related costs in 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 Property Services vacancies have almost all been filled and the underspend should reduce in 2009/10.</p> <p>The underspend within Finance and Benefits and Revenues will remain in the early part of 2009/10 pending the outcome of the Best Value Review.</p>
<p>Housing and Technical Resources / Area Services : Property Costs - Grounds Maintenance 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 2009/10 due to demand for the service. This overspend will be managed within the overall budget.</p>
<p>Housing and Technical Resources / Non HRA / Supplies & Services - IT Computer Equipment Purchase and Maintenance and Income Overspends in computer equipment purchase in respect of the purchase of a CCTV system offset by funding from Strathclyde Police.</p>	<p>This is a one-off purchase in 2008/09, offset by funding from Strathclyde Police. No variance is anticipated in 2009/10 therefore no budget realignment required.</p>
<p>Housing and Technical Resources / Non HRA : Payment to Other Bodies and Income Overspend in Payment to Other Bodies in respect of external providers of homeless accommodation. This is offset by additional income.</p>	<p>Budgets have been set and phased in line with expected services delivered by external providers. This will be monitored throughout the year.</p>

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<p>Housing and Technical Resources / Non HRA : Payment to Other Bodies and Income Underspend in Supporting People expenditure offset by an under recovery in income.</p>	<p>Budgets have been realigned in 2009/10 and reflect current contractual arrangements with providers.</p>
<p>Housing and Technical Resources / Non HRA : Administration Costs and Payments to Private Contractors There is an underspend in administration costs but overspend in Payments to Contractors in respect of bulk printing.</p>	<p>For 2009/10, the i-procurement codes have been reviewed and a new code set up to allow the expenditure to be charged again to Administration Costs. There should be no variance in 2009/10.</p>
<p>Housing and Technical Resources / Non HRA : Transfer Payments and Income Overspend in Rent Allowances and underspend in Rent Rebates which reflects demand for housing benefit payments. There are corresponding over and under recoveries of the Rent Allowance and Rent Rebate Subsidy income.</p>	<p>The 2009/10 budget has been realigned based on predicted demand. However, due to the demand led nature of these payments further variances are likely in 2009/10.</p>
<p>Housing and Technical Resources / HRA : Employee Costs Underspend in Basic, Superannuation and National Insurance as a result of vacancies and turnover within the service.</p>	<p>Turnover levels remain high within the Housing Revenue Account, and every effort is made to fill these vacancies as quickly as possible.</p>
<p>Housing and Technical Resources / HRA : Property Costs Overspends in repairs and maintenance due to demand for repairs on housing stock. Also overspends 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>Budgets for repairs and maintenance have been realigned for 2009/10 therefore this level of overspend is not anticipated to re-occur. However, as this is a demand led service, variances could arise.</p>

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<p>An overspend was experienced in utilities due to increased prices.</p> <p>These overspends are partially offset by an underspend in rent due to the rent on Cambuslang Gate and Blantyre Offices being less than originally anticipated.</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>Utilities budgets have been realigned in 2009/10.</p> <p>Rent budgets have been realigned in 2009/10.</p>
<p>Housing and Technical Resources / HRA : Administration Costs and Payment to Contractor</p> <p>There is an overspend in Payment to Contractor, offset by an underspend in printing and stationery within Administration Costs as a result of bulk printing.</p>	<p>For 2009/10, the i-procurement codes have been reviewed and a new code set up to allow the expenditure to be charged again to Administration Costs. There should be no variance in 2009/10.</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 2009/10 have been realigned to reflect current expectations for house and land sales.</p>
<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>Some of this income is one-off and will not be repeated in 09/10. Where the items will reoccur, the budgets have been realigned accordingly in 2009/10.</p>

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Over recovery of house rent income due to house sales being less than anticipated.	Some realignment has taken place in 2009/10, however, the level of sales has reduced below those expected and this is being closely monitored.

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<p>Social Work Resources / All Services : Employee Costs and Income</p> <p>Underspend of approximately £1.5m, across all categories of staff in respect of basic salaries plus on costs and overtime.</p> <p>The underspend in Children & Family (approx. £450k) is a result of vacancies, 6 new Social Worker Posts which have now been filled and the care staff due to the refurbishment of Hillhouse Road Childrens Unit.</p> <p>The underspend in Performance and Support (£250k) is primarily the result of vacancies across all categories of staff.</p> <p>The underspend in Criminal Justice (£182k) is the result of vacancies and is offset by an underrecovery of Criminal Justice grant.</p> <p>The underspend in Adults (£259k) is the result of vacancies and new posts which were only filled part way through the year.</p> <p>The underspend in Older People is mainly due to vacancies as a result of early retirements within the Service.</p>	<p>Hillhouse Road Childrens Unit did not become operational until August and so experienced underspends in respect of the first few months of the year. There should be no underspends in 2009/10.</p> <p>Within Support, interviews for Admin & Clerical were held in February and all vacant posts were filled. There should be no underspend in 2009/10.</p> <p>Within Criminal Justice, some posts have been filled but not all. An underspend, albeit lower, is anticipated in 2009/10.</p> <p>The underspend should be less than 2008/09 due to the full year effect of the posts being filled.</p> <p>Retirements is an ongoing issue given the age profile of home carers. Workforce planning is implemented in an effort to address this issue.</p>

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<p>Social Work Resources / Adults : Supplies and Services</p> <p>There is an overspend on Aids and Adaptations as a result of the cost of joining the joint equipment store and also the level of demand for the service. This is partially offset by an underspend in employee costs in respect of occupational therapists.</p> <p>There is an overspend in provisions within Older People in respect of providing a choice of meals and the actual provision of meals. This is offset by an underspend in catering due to the variable demand for evening service at daycare and lunch clubs.</p>	<p>This overspend in Aids and Adaptations related mainly to a non-recurring joining fee and so should not cause an overspend in 2009/10.</p> <p>The budgets have been realigned in 2009/10.</p>
<p>Social Work Resources / Children and Family : Transport Costs - Other Transport Costs</p> <p>Overspend due to the cost of transporting looked after and accommodated children to and from school and children with a disability to respite. Also, the cost of transporting adults to and from day care and respite.</p>	<p>No budget was added to this line in the 2009/10 budget exercise. This area of expenditure is being reviewed to ensure all transport procured is appropriate. The majority of the overspend relates to Looked After and Accommodated Children in foster care where the numbers have increased in 2009.</p> <p>Current exercise underway with Fleet Services to review existing transport arrangements for Looked After and Accommodated Children with a view to moving to contracted rates. The first re-provisioning took place effective from 17/08/09, start of the new school year.</p> <p>This spend line is demand led and will be monitored throughout the year and managed within the overall budget.</p>

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<p>Social Work Resources / Children and Family : Payment to Other Bodies - Other Local Authorities</p> <p>There is an overspend in respect of the commitment in relation to residential school placements.</p>	<p>The overspend is likely to continue in 2009/10. The Resource is proactively seeking solutions to return young people to South Lanarkshire Council establishments.</p>
<p>Social Work Resources / Children and Family : Payment to Other Bodies - Payment to Other Bodies</p> <p>The underspend in Children and Family is the result of a natural move in current levels of service delivery.</p>	<p>This underspend will continue into 2009/10 and has been offered as part of the efficiency savings in 2010/11.</p>
<p>Social Work Resources / Adults : Payment to Other Bodies – Private Individuals</p> <p>The overspend is in respect of the increase in the uptake in direct payments. This is offset by an underspend in Payment to Contractors – Homecare.</p>	<p>The costs of this service were previously paid through the homecare budget. The budget has been realigned in 2009/10 to reflect this change.</p>
<p>Social Work Resources / Children and Family : Payment to Other Bodies – Foster Care</p> <p>This overspend is the result of the increased number of foster carers and corresponding increase in the number of children in foster care.</p>	<p>Funding of £0.772m has been realigned in 2009/10 to ensure that the fostering scheme is fully funded. However, as the service is demand led, variances could occur.</p>
<p>Social Work Resources / Adults : Payment to Private Contractor</p> <p>There is an overspend within Adults in respect of commitments for transition cases.</p>	<p>Funding of £0.294m has been realigned during 2009/10. However, a further overspend is anticipated in 2009/10 based on the number of young people who will turn 18 during this financial year.</p>

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<p>Social Work Resources / Adults and Children and Family : Payment to Private Contractor - Long Term Care; Respite Care</p> <p>Overspends in Long Term Care and Residential Respite within Children and Family due to increases in numbers of young people in external placements and residential placements for children with a disability and also demand for respite services.</p> <p>The underspend in Long Term Care within Adults is due to the fact that a number of users were assessed as requiring long term care but due to lack of available placements had to stay in long term respite, where there is an overspend.</p>	<p>The overspend in Children and Family re Residential Care is likely to continue in 2009/10. The Resource is proactively seeking solutions to return young people to South Lanarkshire Council establishments. Funding of £0.124m has been realigned during 2009/10 for Respite.</p> <p>Long Term Care within Adults should break even although there is an ongoing demand for nursing home placements.</p>
<p>Social Work Resources / Older People and Adults : Income</p> <p>Over recovery of fees and charges income within Older People based on outcome of financial assessments for service users.</p>	<p>In 2009/10, part of this income was offered in the 2009/10 efficiency savings exercise. There has also been a realignment of income in 2009/10.</p>