



# Report

Report to:	<b>Financial Resources Scrutiny Forum</b>
Date of Meeting:	<b>3 March 2011</b>
Report by:	<b>Chief Executive</b>

Subject:	<b>Revenue Budget Monitoring 2010-11</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 2010 to 21 January 2011.

## 2. Recommendation(s)

2.1. The Financial Resources Scrutiny Forum is asked to approve the following recommendation(s):-

- (1) that the 2010/2011 Financial Position as at period 11 (21 January 2011) for General Services, Housing Revenue Account and Trading Operations is noted (as detailed in Appendix A), and the forecast to 31 March 2011 of an underspend of £2.000 million be noted;
- (2) that the additional funding from the Scottish Government of £0.712m be noted; and
- (3) that the position on the Enterprise Resources' Trading Operation, Financial and Operational Performance Review, as at period 11 2010/2011 (21 January 2011) be noted (as detailed in Appendix B).

## 3. Background

3.1. The Revenue reports attached provide detail on the most recent Executive Committee report dated 23 February 2011. The reports detail the position as at 21 January 2011 for General Services, Housing Revenue Account and the Council's Trading Operations. Also, Financial and Operational Performance Review papers have been included for the Roads Trading Operation as part of the rotating reporting cycle.

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

- Appendix A – 2010/11 Financial Position as at Period 11 (21 January 2011) for General Services, Housing Revenue Account and Trading Operations
- Appendix B – Enterprise Resources' Trading Operation – Financial and Operational Performance Review as at period 11 2010/2011 (21 January 2011).

## 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 and B attached.
- 5.2. Appendix A shows a net underspend of £0.585 million (0.12%) against the phased budget.
- 5.3. Following the probable outturn exercise, the financial forecast for year ended 31 March 2011, has been confirmed. Taking account of all known commitments, the figures at Appendix 1 show an underspend of £2.000 million on the current year budget.
- 5.4. Following the recent adverse weather conditions, the Scottish Government made available £15 million of additional funding to assist councils with the costs of urgent repairs on local roads and cover the extra costs of winter roads maintenance. South Lanarkshire Council's share of this funding is £0.712m. This funding has been included in the figures shown at Appendix 1 to this report.

The additional General Revenue Grant has been reflected in the annual budget and outturn position as shown in Appendix 1.

## **6. Other Implications**

- 6.1. The main risk associated with the Resource's Revenue Budget is failure to manage the budget resulting in a significant overspend. The risk has been assessed as low given the detailed budget management applied across the Services of the Resources. The risk is managed through four weekly Budget Monitoring Meetings at which any variance is analysed. In addition, the probable outturn exercise ensured early warning for corrective action to be taken where appropriate.

## **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 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.

**Archibald Strang**  
**Chief Executive**

9 February 2011

### **Link(s) to Council Values / Improvement Themes / Objectives**

- ◆ Accountable, Effective and Efficient

### **Previous References**

- ◆ None

### **List of Background Papers**

- ◆ Revenue Ledger prints to 21 January 2011

**Contact for Further Information**

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

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