

Report

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Report to:	Housing and Technical Resources Committee
Date of Meeting:	30 June 2010
Report by:	Executive Director (Finance and Information Technology Resources) Executive Director (Housing and Technical Resources)

Subject:	Revenue Budget Monitoring 2010/2011 - Housing and Technical Resources (excl HRA)
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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 14 May 2010 for Housing and Technical Resources (excl HRA)
- ◆ provide a forecast for the year to 31 March 2011.

2. Recommendation(s)

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

- (1) that the breakeven position on Housing and Technical Resources' (excl HRA) revenue budget, as detailed in Appendix A of the report, and the forecast to 31 March 2011 of breakeven, 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 Housing and Technical Resources Committee for the financial year 2010/2011.

3.2. The report details the financial position for Housing and Technical Resources (excl HRA) on Appendix A, and then details the individual services, along with variance explanations, in Appendices B to D.

4. Employee Implications

4.1. None

5. Financial Implications

5.1. As at 14 May 2010, the position against phased budget is breakeven. The forecast for the revenue budget to 31 March 2011 is a breakeven position.

5.2. Virements are also proposed to realign budgets across the services. 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 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 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.

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.

Linda Hardie

Executive Director (Finance and Information Technology Resources)

Lindsay Freeland

Executive Director (Housing and Technical Resources)

1 June 2010

Link(s) to Council Objectives

- ◆ Value: Accountable, Effective and Efficient

Previous References

- ◆ None

List of Background Papers

- ◆ Financial ledger and budget monitoring results to 14 May 2010

Contact for Further Information

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

Lorraine O'Hagan, Accounting and Budgeting Manager

Ext: 4617 (Tel: 01698 454617)

E-mail: lorraine.o'hagan@southlanarkshire.gov.uk

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Housing and Technical Resources Committee: Period Ended 14 May 2010 (No.2)

Housing and Technical Resources Summary (excl HRA)

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 14/05/10	Actual 14/05/10	Variance 14/05/10		% Variance 14/05/10	Note
	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>									
Employee Costs	21,081	21,081	0	2,422	2,382	40	under	1.7%	
Property Costs	10,379	10,379	0	1,686	1,845	(159)	over	(9.4%)	
Supplies & Services	1,153	1,153	0	252	244	8	under	3.2%	
Transport & Plant	142	142	0	12	8	4	under	33.3%	
Administration Costs	2,508	2,508	0	166	143	23	under	13.9%	
Payments to Other Bodies	10,647	10,647	0	989	981	8	under	0.8%	
Payments to Contractors	1,761	1,761	0	30	30	0	-	n/a	
Transfer Payments	103,712	103,712	0	12,306	12,305	1	under	0.0%	
Financing Charges	426	426	0	58	58	0	-	n/a	
Total Controllable Exp.	151,809	151,809	0	17,921	17,996	(75)	over	(0.4%)	
Total Controllable Inc.	(130,065)	(130,065)	0	(9,109)	(9,184)	75	over recovered	0.8%	
Net Controllable Exp.	21,744	21,744	0	8,812	8,812	0	-	n/a	

Variance Explanations

Variance explanations are shown in Appendices B-D.

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Housing and Technical Resources Committee: Period Ended 14 May 2010 (No.2)

Area Services

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 14/05/10	Actual 14/05/10	Variance 14/05/10		% Variance 14/05/10	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	10,858	10,858	0	1,235	1,215	20	under	1.6%	a,c
Property Costs	9,991	9,991	0	1,676	1,835	(159)	over	(9.5%)	a,c
Supplies & Services	253	253	0	39	36	3	under	7.7%	
Transport & Plant	137	137	0	11	8	3	under	27.3%	a
Administration Costs	491	491	0	32	11	21	under	65.6%	a,c
Payments to Other Bodies	4,960	4,960	0	401	395	6	under	1.5%	a,b,c
Payments to Contractors	1,761	1,761	0	30	28	2	under	6.7%	a,b
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	111	111	0	25	22	3	under	12.0%	a
Total Controllable Exp.	28,562	28,562	0	3,449	3,550	(101)	over	(2.9%)	
Total Controllable Inc.	(14,867)	(14,867)	0	(1,190)	(1,266)	76	over recovered	6.4%	a,b,c
Net Controllable Exp.	13,695	13,695	0	2,259	2,284	(25)	over	(1.1%)	

Variance Explanations**1. Property Costs**

The overspend relates mainly to expenditure on the 'Care of Gardens Scheme' for owner occupiers.

Budget Virements

- a. Realignment of budgets to reflect latest Homeless Business Plan: Employee Costs (£0.234m), Property Costs £1.376m, Transport and Plant £0.029m, Administration Costs (£0.006m), Payment to Other Bodies (£0.166m), Payment to Contractors £0.076m, Financing Charges (£0.003m) and Income (£1.072m).
- b. Transfer of Supporting People budget from Finance Services £4.741m: Payment to Other Bodies £1.821m, Payment to Contractors £1.596m and Income £1.324m.
- c. Net transfer to Finance Services to reflect current service delivery (£0.015m) : Employee Costs £0.082m, Property Costs (£0.035m), Administration Costs (£0.085m), Payments to Other Bodies (£0.203m) and Income £0.226m.

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Housing and Technical Resources Committee: Period Ended 14 May 2010 (No.2)

Property Services

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 14/05/10	Actual 14/05/10	Variance 14/05/10		% Variance 14/05/10	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	3,533	3,533	0	414	384	30	under	7.2%	a
Property Costs	293	293	0	10	10	0	-	n/a	
Supplies & Services	177	177	0	9	8	1	under	11.1%	
Transport & Plant	0	0	0	0	0	0	-	n/a	
Administration Costs	152	152	0	6	6	0	-	n/a	
Payments to Other Bodies	257	257	0	0	0	0	-	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	46	46	0	3	5	(2)	over	(66.7%)	
Total Controllable Exp.	4,458	4,458	0	442	413	29	under	6.6%	
Total Controllable Inc.	(499)	(499)	0	(16)	(14)	(2)	under recovered	(12.5%)	a
Net Controllable Exp.	3,959	3,959	0	426	399	27	under	6.3%	

SOUTH LANARKSHIRE COUNCIL
Revenue Budget Monitoring Report

Housing and Technical Resources Committee: Period Ended 14 May 2010 (No.2)

Finance Services

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 14/05/10	Actual 14/05/10	Variance 14/05/10		% Variance 14/05/10	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	6,690	6,690	0	773	783	(10)	over	(1.3%)	
Property Costs	95	95	0	0	0	0	-	n/a	a,c
Supplies & Services	723	723	0	204	200	4	under	2.0%	
Transport & Plant	5	5	0	1	0	1	under	100.0%	
Administration Costs	1,865	1,865	0	128	126	2	under	1.6%	
Payments to Other Bodies	5,430	5,430	0	588	586	2	under	0.3%	b
Payments to Contractors	0	0	0	0	2	(2)	over	n/a	
Transfer Payments	103,712	103,712	0	12,306	12,305	1	under	0.0%	c
Financing Charges	269	269	0	30	31	(1)	over	(3.3%)	
Total Controllable Exp.	118,789	118,789	0	14,030	14,033	(3)	over	0.0%	
Total Controllable Inc.	(114,699)	(114,699)	0	(7,903)	(7,904)	1	over recovered	0.0%	a,c
Net Controllable Exp.	4,090	4,090	0	6,127	6,129	(2)	over	0.0%	

Budget Virements

- a. Net transfer from Finance Services to reflect current service delivery £0.015m : Property Costs (£0.019m) and Income £0.034m
- b. Transfer of Supporting People budget to Area Services (Homeless) (£4.741m): Payment to Other Bodies (£4.741m),
- c. Budget realignment to reflect current demand for benefits and resultant subsidy: Transfer Payments £2.222m and Income (£2.222m)