



Report

Report to:	Financial Resources Scrutiny Forum
Date of Meeting:	24 November 2011
Report by:	Executive Director (Finance and Corporate Resources)

Subject:	Revenue Budget Monitoring 2011-12
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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 2011 to 30 September 2011.

2. Recommendation(s)

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

- (1) that the 2011/2012 Financial Position as at period 7 (30 September 2011) for General Services, Housing Revenue Account and Trading Operations is noted (as detailed in Appendix A);
- (2) that the position on the Community Resources' Trading Operations, Financial and Operational Performance Review, as at period 7 2011/2012 (30 September 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 16 November 2011. The reports detail the position as at 30 September 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 Fleet and Facilities Management Trading Operations as part of the rotating reporting cycle.

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

- Appendix A – 2011/12 Financial Position as at Period 7 (30 September 2011) for General Services, Housing Revenue Account and Trading Operations
- Appendix B – Community Resources' Trading Operations – Financial and Operational Performance Review as at period 7 2011/2012 (30 September 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 £0.277 million against the phased budget. The forecast for the General Fund Revenue Account to 31 March 2012 is a break even position.
- 5.3. **Transfer of Estates Function**
As agreed at the Executive Committee on 6 July 2011, the Estates function transferred from Enterprise Resources to Housing and Technical Resources. The net transfer of £1.890m has been reflected in the figures in Appendix 1.
- 5.4. **Flood Prevention**
As part of the Government Grant allocation for 2011/12, an amount of £0.156 million was included for Flood Prevention. This has been reflected within Enterprise Resources annual budget figure in Appendix 1.
- 5.5. **Living Wage**
Previous reports have been considered by officers detailing the allocations across Resources in respect of the Living Wage. The exercise in respect of Leisure Trust employees is ongoing. Progress has been made in some areas and an amount of £0.190 million has been allocated in respect of this. This budget allocation has been included in Appendix 1. Work is still outstanding in relation to job evaluation for a further group of staff and also regarding staff on a fixed spinal grade.
- 5.6. **Rates**
As part of the Local Government Settlement for 2011/12, the rate poundage was increased. The overall impact has been quantified with the main impact felt in Education (£0.376 million) and Housing and Technical Resources (£0.090million). Budget has been allocated from the centrally held rates funding to alleviate this pressure and has been reflected in the budget in Appendix 1.
- 5.7. **Housing Revenue Account Position**
As at 30 September 2011, Appendix 2 of the report shows a breakeven position against phased budget on the Housing Revenue Account.

6. Other Implications

- 6.1. The main risk associated with the Council's Revenue Budget is that there is 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.
- 6.2. There are no implications for sustainability in terms of the information contained in this report.

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.

Paul Manning
Executive Director (Finance and Corporate Resources)

31 October 2011

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

- ◆ *Value:* Accountable, Effective and Efficient

Previous References

- ◆ None

List of Background Papers

- ◆ Revenue Ledger prints to 30 September 2011

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

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