

Report

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Report to:	Community Services Committee
Date of Meeting:	12 July 2016
Report by:	Executive Director (Finance and Corporate Resources) and Executive Director (Community and Enterprise Resources)

Subject:	Community Services - Revenue Budget Monitoring 2016/2017
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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 2016 to 27 May 2016 for Community Services
- ◆ provide a forecast for the year to 31 March 2017.

2. Recommendation(s)

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

- (1) that the underspend on the Community Services revenue budget of £0.028 million (0.4%), as detailed in Appendices B to F of the report, and the forecast to 31 March 2017 of a breakeven position, be noted; and
- (2) that the proposed budget virements be approved.

3. Background

3.1. This is the first revenue budget monitoring report presented to the Community Services Committee for the financial year 2016/2017.

3.2. The Community and Enterprise Resources budget is managed in totality by the Resource. The individual Community Services reports are included, along with variance explanations, in Appendices B to F. For information, the report details the financial position for Community and Enterprise Resources in Appendix A. As Appendices B to F reflect Community Services only, the total of Appendix A does not balance to the total of these.

3.3. Support Services within the Resource provides support for all Services, however, this is monitored through the Community Services Committee.

4. Employee Implications

4.1. None

5. Financial Implications

5.1. As at 27 May 2016, the Community Services variance from phased budget is an underspend of £0.028 million (0.4%). The Community Services forecast for the revenue budget to 31 March 2017 is a break even position.

5.2. Virements are proposed to realign budgets. These movements are detailed in the attached appendices to this report.

6. Other Implications

6.1. 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.

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 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.

Paul Manning

Executive Director (Finance and Corporate Resources)

Michael McGlynn

Executive Director (Community and Enterprise Resources)

6 June 2016

Link(s) to Council Values/Objectives

◆ Accountable, Effective and Efficient

Previous References

◆ None

List of Background Papers

◆ Financial ledger and budget monitoring results to 27 May 2016.

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

Community and Enterprise Resources: Period Ended 27 May 2016 (No.3)

Community and Enterprise Resources Summary

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 27/05/16	Actual 27/05/16	Variance 27/05/16		% Variance 27/05/16	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	36,823	36,823	0	5,034	5,027	7	under	0.1%	
Property Costs	13,358	13,358	0	276	268	8	under	2.9%	
Supplies & Services	5,238	5,238	0	398	393	5	under	1.3%	
Transport & Plant	4,758	4,758	0	823	813	10	under	1.2%	
Administration Costs	1,131	1,131	0	91	99	(8)	over	(8.8%)	
Payments to Other Bodies	10,979	10,979	0	2,358	2,360	(2)	over	(0.1%)	
Payments to Contractors	52,846	52,846	0	3,186	3,181	5	under	0.2%	
Transfer Payments	586	586	0	147	147	0	-	0.0%	
Financing Charges	187	187	0	44	42	2	under	4.5%	
Total Controllable Exp.	125,906	125,906	0	12,357	12,330	27	under	0.2%	
Total Controllable Inc.	(22,019)	(22,019)	0	(1,811)	(1,786)	(25)	under recovered	(1.4%)	
Net Controllable Exp.	103,887	103,887	0	10,546	10,544	2	under	0.0%	

Variance Explanations

No major variances to report.

Budget Virements

Budget virements are shown in Appendices B and C.

SOUTH LANARKSHIRE COUNCIL
Revenue Budget Monitoring Report

Community and Enterprise Resources: Period Ended 27 May 2016 (No.3)

Facilities, Streets and Waste

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 27/05/16	Actual 27/05/16	Variance 27/05/16		% Variance 27/05/16	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	18,268	18,268	0	2,498	2,515	(17)	over	(0.7%)	1,a,b
Property Costs	11,613	11,613	0	239	231	8	under	3.3%	a,b
Supplies & Services	1,686	1,686	0	291	285	6	under	2.1%	a,b
Transport & Plant	4,283	4,283	0	776	765	11	under	1.4%	2,a
Administration Costs	393	393	0	30	31	(1)	over	(3.3%)	a,b
Payments to Other Bodies	31	31	0	0	0	0	-	n/a	b
Payments to Contractors	13,292	13,292	0	2,418	2,416	2	under	0.1%	a
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	64	64	0	17	17	0	-	0.0%	
Total Controllable Exp.	49,630	49,630	0	6,269	6,260	9	under	0.1%	
Total Controllable Inc.	(10,535)	(10,535)	0	(647)	(639)	(8)	under recovered	(1.2%)	a,b
Net Controllable Exp.	39,095	39,095	0	5,622	5,621	1	under	0.0%	

Budget Virements

- a. Reallocation of 2016/17 approved savings from Trading Operations. Net effect £1.739m : Employee Costs £0.563m, Property Costs £0.327m, Supplies and Services £0.549m, Transport and Plant £0.145m, Administration Costs (£0.006m), Payment to Contractors £0.019m and Income £0.142m. The offset of these are within Fleet Trading (£0.025m), Grounds Trading (£0.793m) and Facilities Trading (£0.921m).
- b. Realignment of budgets from Trading Operations to reflect current service delivery £0.068m : Employee Costs £0.020m, Property Costs (£0.022m), Supplies and Services £0.067m, Administration Costs (£0.005m), Payments to Other Bodies (£0.031m) and Income £0.039m. The offset of these is within Fleet Trading £0.032m, Grounds Trading £0.038m and Facilities Trading (£0.138m).

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Community and Enterprise Resources: Period Ended 27 May 2016 (No.3)

Environmental

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 27/05/16	Actual 27/05/16	Variance 27/05/16		% Variance 27/05/16	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	3,895	3,895	0	527	531	(4)	over	(0.8%)	a
Property Costs	12	12	0	1	0	1	under	100.0%	
Supplies & Services	104	104	0	15	15	0	-	0.0%	
Transport & Plant	109	109	0	15	13	2	under	13.3%	
Administration Costs	41	41	0	11	16	(5)	over	(45.5%)	
Payments to Other Bodies	141	141	0	22	24	(2)	over	(9.1%)	
Payments to Contractors	224	224	0	71	71	0	-	0.0%	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	25	25	0	7	5	2	under	28.6%	
Total Controllable Exp.	4,551	4,551	0	669	675	(6)	over	(0.9%)	
Total Controllable Inc.	(946)	(946)	0	(73)	(80)	7	over recovered	9.6%	
Net Controllable Exp.	3,605	3,605	0	596	595	1	under	0.2%	

Budget Virements

a. Reallocation of 2016/17 approved savings from Fleet Trading Operation (£0.063m) : Employee Costs (£0.063m)

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Community and Enterprise Resources: Period Ended 27 May 2016 (No.3)

Leisure and Culture

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 27/05/16	Actual 27/05/16	Variance 27/05/16		% Variance 27/05/16	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	4	4	0	1	1	0	-	0.0%	
Property Costs	240	240	0	4	4	0	-	0.0%	
Supplies & Services	0	0	0	0	0	0	-	n/a	
Transport & Plant	0	0	0	0	0	0	-	n/a	
Administration Costs	10	10	0	0	0	0	-	n/a	
Payments to Other Bodies	72	72	0	0	0	0	-	n/a	
Payments to Contractors	18,363	18,363	0	0	0	0	-	n/a	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	0	0	0	0	0	0	-	n/a	
Total Controllable Exp.	18,689	18,689	0	5	5	0	-	0.0%	
Total Controllable Inc.	0	0	0	0	0	0	-	n/a	
Net Controllable Exp.	18,689	18,689	0	5	5	0	-	0.0%	

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Revenue Budget Monitoring Report

Community and Enterprise Resources: Period Ended 27 May 2016 (No.3)

Projects

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 27/05/16	Actual 27/05/16	Variance 27/05/16	% Variance 27/05/16	Note
	£000	£000	£000	£000	£000	£000		
Employee Costs	0	0	0	0	0	0	-	n/a
Property Costs	0	0	0	0	0	0	-	n/a
Supplies & Services	0	0	0	0	0	0	-	n/a
Transport & Plant	0	0	0	0	0	0	-	n/a
Administration Costs	0	0	0	0	0	0	-	n/a
Payments to Other Bodies	0	0	0	0	0	0	-	n/a
Payments to Contractors	82	82	0	0	0	0	-	n/a
Transfer Payments	0	0	0	0	0	0	-	n/a
Financing Charges	0	0	0	0	0	0	-	n/a
Total Controllable Exp.	82	82	0	0	0	0	-	n/a
Total Controllable Inc.	0	0	0	0	0	0	-	n/a
Net Controllable Exp.	82	82	0	0	0	0	-	n/a

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Community and Enterprise Resources: Period Ended 27 May 2016 (No.3)

Support Services

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 27/05/16	Actual 27/05/16	Variance 27/05/16		% Variance 27/05/16	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	3,768	3,768	0	510	483	27	under	5.3%	1
Property Costs	247	247	0	0	0	0	-	n/a	
Supplies & Services	174	174	0	8	8	0	-	0.0%	
Transport & Plant	62	62	0	0	0	0	-	n/a	
Administration Costs	216	216	0	18	19	(1)	over	(5.6%)	
Payments to Other Bodies	0	0	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	29	29	0	6	6	0	-	0.0%	
Total Controllable Exp.	4,496	4,496	0	542	516	26	under	4.8%	
Total Controllable Inc.	(1,833)	(1,833)	0	(2)	(2)	0	-	0.0%	
Net Controllable Exp.	2,663	2,663	0	540	514	26	under	4.8%	

Variance Explanations**1. Employee Costs**

The underspend relates to vacancies which are being considered in line with service requirements.