

Report

Report to:	Finance and Corporate Resources Committee
Date of Meeting:	9 February 2022
Report by:	Executive Director (Finance and Corporate Resources)

Subject:	Revenue Budget Monitoring 2021/2022 - Finance and Corporate Resources
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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 2021 to 31 December 2021 for Finance and Corporate Resources
- ◆ provide a forecast for the year to 31 March 2022

2. Recommendation(s)

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

- (1) that the forecast overspend of £9.918 million to 31 March 2022, including COVID-19 but before approved transfers to reserves (Appendix A), be noted;
- (2) that the forecast overspend of £10.031 million to 31 March 2022, including COVID-19 but after approved transfers to reserves (Appendix A), be noted;
- (3) that an overspend of £8.074 million as at 30 December 2021, including COVID-19 but after approved transfers to reserves (Appendix A), be noted; and
- (4) that the proposed budget virements in Appendices B to G, be approved.

3. Background

- 3.1. This is the third revenue budget monitoring report presented to the Finance and Corporate Resources Committee for the financial year 2021/2022.
- 3.2. The report details the financial position for Finance and Corporate Resources on Appendix A, along with variance explanations in Appendices B-I.
- 3.3. The Resource has incurred expenditure in relation to COVID-19, and in order to separate these costs from the Resource's normal activities, a COVID-19 Service has been included at Appendix I.

4. Employee Implications

4.1. None.

5. Financial Implications

5.1. **Probable Outturn:** Following the Council's formal Probable Outturn exercise, the Resource is forecasting an overspend of £9.918 million position, before transfers to reserves.

- 5.2. Approval to transfer £0.113 million to reserves has still to be given by Committee. However, assuming approval is given, the position will be an overspend of £10.031 million. The transfers to reserves will be presented to the Executive Committee on 2 February 2022 for approval. The Resource position is outlined in Appendix A.
- 5.3. The forecast cost of COVID-19 is £10.031 million. This is made up of expenditure of £9.935 million (shown in Appendix I) and a loss of income totalling £0.096 million within Administration, Legal and Licensing.
- 5.4. **Position as at 31 December 2021:** As at 31 December 2021, the Resource position is an overspend of £8.074 million after approved transfers to reserves.
- 5.5. This includes net costs of COVID-19 totalling £8.077 million.
- 5.6. The budget included in Appendix I for COVID-19 relates to Scottish Government funding in relation to COVID-19 Business Support Grants.
- 5.7. Virements are proposed to realign budgets. These movements are detailed in the appendices to this report, as appropriate.
- 6. Climate Change, Sustainability and Environmental Implications**
- 6.1. There are no implications for climate change, sustainability or the environment in terms of the information contained in this report.
- 7. Other Implications**
- 7.1. 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.
- 8. Equality Impact Assessment and Consultation Arrangements**
- 8.1. 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.
- 8.2. There is also no requirement to undertake any consultation in terms of the information contained in the report.

Paul Manning
Executive Director (Finance and Corporate Resources)

12 January 2022

Link(s) to Council Values/Ambitions/Objectives

- ◆ Value: Accountable, Effective, Efficient and Transparent

Previous References

- ◆ Finance and Corporate Resources Committee – 10 November 2021

List of Background Papers

- ◆ Financial ledger and budget monitoring results to 30 December 2021

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

Finance and Corporate Resources Committee: Period Ended 31 December 2021 (No.10)

Finance and Corporate Resources Summary

Budget Category	Annual Budget £000	Forecast for Year BEFORE Transfers £000	Annual Forecast Variance BEFORE Transfers £000	Annual Forecast Variance AFTERS Transfers £000	Budget Proportion 31/12/21 £000	Actual BEFORE Transfers 31/12/21 £000	Variance 31/12/21 £000		% Variance 31/12/21
Employee Costs	34,992	34,463	529	479	25,513	25,318	195	under	0.8%
Property Costs	2,632	2,124	508	508	2,034	1,877	157	under	7.7%
Supplies & Services	10,094	17,619	(7,525)	(7,525)	9,149	16,286	(7,137)	over	(78.0%)
Transport & Plant	74	72	2	2	61	58	3	under	4.9%
Administration Costs	9,379	11,365	(1,986)	(1,986)	7,808	8,012	(204)	over	(2.6%)
Payments to Other Bodies	15,160	15,399	(239)	(302)	12,933	13,395	(462)	over	(3.6%)
Payments to Contractors	245	270	(25)	(25)	238	283	(45)	over	(18.9%)
Transfer Payments	68,081	66,257	1,824	1,824	48,154	47,135	1,019	under	2.1%
Financing Charges	972	986	(14)	(14)	707	798	(91)	over	(12.9%)
Total Controllable Exp.	141,629	148,551	(6,926)	(7,039)	106,597	113,162	(6,565)	over	(6.2%)
Total Controllable Inc.	(102,365)	(99,373)	(2,992)	(2,992)	(71,073)	(69,564)	(1,509)	under recovered	(2.1%)
Net Controllable Exp.	39,264	49,178	(9,918)	(10,031)	35,524	43,598	(8,074)	over	(22.7%)
Transfer to Reserves (as at 31/12/21)	0	0	(113)	0	0	0	0	-	-
Position After Transfers to Reserves (as at 31/12/21)	39,264	49,178	(10,031)	(10,031)	35,524	43,598	(8,074)	over	(22.7%)

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Variance Explanations

Variance explanations are shown in Appendices B to I as appropriate.

Budget Virements

Budget virements are shown in Appendices B to I as appropriate.

Transfer to Reserves

- 1 Scottish Government Funding for National Trauma Initiative - £0.050m
- 2 Transfer of Community Grants Underspend - £0.063m

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Finance and Corporate Resources Committee: Period Ended 31 December 2021 (No.10)

Finance – Strategy Services

	Annual Budget	Forecast for Year BEFORE Transfers	Annual Forecast Variance BEFORE Transfers	Annual Forecast Variance AFTERS Transfers	Budget Proportion	Actual BEFORE Transfers	Variance		% Variance 31/12/21	Note
	£000	£000	£000	£000	31/12/21	31/12/21	31/12/21			
	£000	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>										
Employee Costs	2,919	2,924	(5)	(5)	2,107	2,114	(7)	over	(0.3%)	a, b
Property Costs	0	0	0	0	0	0	0	-	n/a	
Supplies & Services	19	25	(6)	(6)	15	24	(9)	over	(60.0%)	
Transport & Plant	0	0	0	0	0	1	(1)	over	n/a	
Administration Costs	112	119	(7)	(7)	108	109	(1)	over	(0.9%)	
Payments to Other Bodies	516	522	(6)	(6)	516	520	(4)	over	(0.8%)	
Payments to Contractors	22	23	(1)	(1)	15	13	2	under	29.4%	
Transfer Payments	0	0	0	0	0	0	0	-	n/a	
Financing Charges	16	17	(1)	(1)	15	15	0	-	0.0%	
Total Controllable Exp.	3,604	3,630	(26)	(26)	2,776	2,796	(20)	over	(0.7%)	
Total Controllable Inc.	(1,642)	(1,668)	26	26	(12)	(30)	18	over recovered	150.0%	b
Net Controllable Exp.	1,962	1,962	0	0	2,764	2,766	(2)	over	(0.1%)	
Transfer to Reserves (as at 31/12/21)	0	0	0	0	0	0	0	-		
Position After Transfers to Reserves (as at 31/12/21)	1,962	1,962	0	0	2,764	2,766	(2)	over	(0.1%)	

Budget Virements

- a. Budget realignment across Services to reflect anticipated costs: Net Effect £0.085m: Employee Costs £0.085m
- b. Budget uploaded to reflect additional employee costs which are recharged to Capital: Net Effect £0.000m: Employee Costs £0.045m, Income (£0.045m)

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Finance and Corporate Resources Committee: Period Ended 31 December 2021 (No.10)

Finance – Transactions Services

<u>Budget Category</u>	Annual Budget	Forecast for Year BEFORE Transfers	Annual Forecast Variance BEFORE Transfers	Annual Forecast Variance AFTER Transfers	Budget Proportion	Actual BEFORE Transfers	Variance	% Variance	Note
	£000	£000	£000	£000	31/12/21	31/12/21	31/12/21	31/12/21	
	£000	£000	£000	£000	£000	£000	£000		
Employee Costs	10,623	10,449	174	174	7,650	7,541	109	under	1.4% 1
Property Costs	1,873	1,633	240	240	1,529	1,522	7	under	1.5%
Supplies & Services	3,761	3,826	(65)	(65)	3,628	3,668	(40)	over	(1.1%) 2
Transport & Plant	7	3	4	4	5	3	2	under	40.0%
Administration Costs	1,205	1,469	(264)	(264)	887	879	8	under	0.9%
Payments to Other Bodies	1,516	1,516	0	0	1,146	1,146	0	-	n/a
Payments to Contractors	223	247	(24)	(24)	223	267	(44)	over	(19.7%) 3
Transfer Payments	68,081	66,069	2,012	2,012	48,154	47,047	1,107	under	2.3% 4
Financing Charges	138	167	(29)	(29)	100	132	(32)	over	(32.0%) 5
Total Controllable Exp.	87,427	85,379	2,048	2,048	63,322	62,205	1,117	under	1.8%
Total Controllable Inc.	(71,719)	(69,805)	(1,914)	(1,914)	(52,191)	(51,151)	(1,040)	under recovered	(2.0%) 6
Net Controllable Exp.	15,708	15,574	134	134	11,131	11,054	77	under	(0.7%)
<u>Transfer to Reserves (as at 31/12/21)</u>	0	0	0	0	0	0	0	-	
Position After Transfers to Reserves (as at 31/12/21)	15,708	15,574	134	134	11,131	11,054	77	under	(0.7%)

Variance Explanations1. **Employee Costs**

The underspend reflects the turnover of staff within Benefits and Revenues and the Customer Service Centre, offset by an overspend on overtime.

2. **Supplies & Services**

The overspend reflects the current requirement for IT contract payments.

3. **Payments to Contractors**

The overspend includes the cost of temporary staff within the Customer Services Call Centre

4. **Transfer Payments**

The underspend is due to the current profile of Housing Benefit payments and is offset in part by an under recovery of income (see 6 below).

5. **Financing Charges**

This overspend is in respect of costs associated with the leasing of IT Equipment.

6. **Income**

The under recovery relates to Housing Benefit Subsidy income, offset by reduced expenditure (see 4 above). In addition, there is an under recovery of income from Housing Benefit Overpayments and Statutory Additions.

Budget Virements

- Budget realignment across Services to reflect anticipated costs: Net Effect £0.319m: Employee Costs £0.355m, Admin Costs (£0.036m)
- Upload of City Deal Budget: Net Effect £0.000m: Employee Costs £0.104m, Income (£0.104m)
- Transfer from Reserves Scottish Welfare Funding: Net Effect £0.129m: Property Costs £0.129m
- Realignment of SWF Budget: Net Effect £0.000: Admin Costs £0.235, Property Costs (£0.235m)
- Additional GRG: Net Effect £2.985m: Supplies & Services £2.985m
- Realignment of Housing Benefit Payments: Net Effect £0.000: Transfer Payments (£0.461m), Income £0.461m

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Finance and Corporate Resources Committee: Period Ended 31 December 2021 (No.10)

Audit Services

Budget Category	Annual Budget	Forecast for Year BEFORE Transfers	Annual Forecast Variance BEFORE Transfers	Annual Forecast Variance AFTER Transfers	Budget Proportion	Actual BEFORE Transfers	Variance	% Variance	Note
	£000	£000	£000	£000	31/12/21	31/12/21	31/12/21	31/12/21	
					£000	£000	£000		
Employee Costs	559	659	(100)	(100)	403	478	(75)	over	(18.6%) 1
Property Costs	0	0	0	0	0	0	0	-	n/a
Supplies & Services	7	6	1	1	5	6	(1)	over	(20.0%)
Transport & Plant	0	0	0	0	0	0	0	-	n/a
Administration Costs	7	5	2	2	4	5	(1)	over	(25.0%)
Payments to Other Bodies	0	1	(1)	(1)	0	1	(1)	over	n/a
Payments to Contractors	0	0	0	0	0	0	0	-	n/a
Transfer Payments	0	0	0	0	0	0	0	-	n/a
Financing Charges	4	4	0	0	3	3	0	-	0.0%
Total Controllable Exp.	577	675	(98)	(98)	415	493	(78)	over	(18.8%)
Total Controllable Inc.	(238)	(336)	98	98	(100)	(178)	78	over recovered	78.0% 2
Net Controllable Exp.	339	339	0	0	315	315	0	-	0.0%
Transfer to Reserves (as at 31/12/21)	0	0	0	0	0	0	0	-	
Position After Transfers to Reserves (as at 31/12/21)	339	339	0	0	315	315	0	-	0.0%

Variance Explanations**1. Employee Costs**

The overspend reflects current staffing levels offset by income (see 2 below).

2. Income

The overspend in income reflects staff funding from the European Social Fund.

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Finance and Corporate Resources Committee: Period Ended 31 December 2021 (No.10)

Information Technology Services

Budget Category	Annual Budget	Forecast for Year BEFORE Transfers	Annual Forecast Variance BEFORE Transfers	Annual Forecast Variance AFTER Transfers	Budget Proportion	Actual BEFORE Transfers	Variance		% Variance	Note
	£000	£000	£000	£000	31/12/21	31/12/21	31/12/21		31/12/21	
	£000	£000	£000	£000	£000	£000	£000			
Employee Costs	5,414	5,544	(130)	(130)	3,909	4,017	(108)	over	(2.8%)	1
Property Costs	579	296	283	283	395	217	178	under	45.1%	2
Supplies & Services	5,152	5,178	(26)	(26)	4,811	5,047	(236)	over	(4.9%)	3
Transport & Plant	4	16	(12)	(12)	3	3	0	-	0.0%	
Administration Costs	1,497	1,844	(347)	(347)	1,459	1,596	(137)	over	(9.4%)	4
Payments to Other Bodies	51	51	0	0	35	35	0	-	0.0%	
Payments to Contractors	0	0	0	0	0	0	0	-	n/a	
Transfer Payments	0	0	0	0	0	0	0	-	n/a	
Financing Charges	401	300	101	101	274	274	0	-	0.0%	
Total Controllable Exp.	13,098	13,229	(131)	(131)	10,886	11,189	(303)	over	0.7%	
Total Controllable Inc.	(8,039)	(8,113)	74	74	(4,296)	(4,577)	281	over recovered	(6.5%)	5
Net Controllable Exp.	5,059	5,116	(57)	(57)	6,590	6,612	(22)	over	(0.3%)	
Transfer to Reserves (as at 31/12/21)	0	0	0	0	0	0	0	-		
Position After Transfers to Reserves (as at 31/12/21)	5,059	5,116	(57)	(57)	6,590	6,612	(22)	over	(0.3%)	

Variance Explanations**1. Employee Costs**

The overspend is mainly due to lower than anticipated staff turnover across the Service to date.

2. Property Costs

The underspend is due to the level of utilities expenditure at the Caird Centre and this underspend is offsetting the costs of migrating to the new Cloud Hosting Service.

3. Supplies and Services

The overspend is associated with the costs of the new cloud hosting service and offsets the underspend in property costs.

4. Administration Costs

The overspend reflects the level of service delivery to date and is offset by additional income recharges (5 below).

5. Income

This over recovery relates to charges to other Resources mainly for network and support servers and offsets the overspend on Administration costs (see 4 above).

Budget Virements

- Budget realignment across Services to reflect anticipated costs: Net Effect (£0.289m): Employee Costs £0.149m, Admin Costs (£0.438m)
- Upload of Employee Budget funded via Capital: Net Effect £0.000: Employee Costs £0.260m, Income £0.260m
- Realignment of Budgets: Net Effect £0.000m: Supplies & Services (£0.108m), Admin Costs £0.208m, Financing Charges (£0.100m)
- Realignment Spend to Save: Net Effect £0.000m: Financing Charges £0.428m, Income £0.428m

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Finance and Corporate Resources Committee: Period Ended 31 December 2021 (No.10)

Personnel Services

Budget Category	Annual Budget £000	Forecast for Year BEFORE Transfers £000	Annual Forecast Variance BEFORE Transfers £000	Annual Forecast Variance AFTER Transfers £000	Budget Proportion 31/12/21 £000	Actual BEFORE Transfers 31/12/21 £000	Variance 31/12/21 £000		% Variance 31/12/21	Note
Employee Costs	8,761	7,695	1,066	1,016	6,411	5,695	716	under	11.2%	1
Property Costs	122	140	(18)	(18)	81	90	(9)	over	(11.1%)	
Supplies & Services	235	175	60	60	147	151	(4)	over	(2.7%)	
Transport & Plant	21	10	11	11	15	7	8	under	53.3%	
Administration Costs	979	1,202	(223)	(223)	708	803	(95)	over	(13.4%)	2
Payments to Other Bodies	3,984	3,900	84	84	3,139	3,136	3	under	0.1%	
Payments to Contractors	0	0	0	0	0	3	(3)	over	n/a	
Transfer Payments	0	0	0	0	0	0	0	-	n/a	
Financing Charges	35	61	(26)	(26)	31	50	(19)	over	(61.3%)	
Total Controllable Exp.	14,137	13,183	954	904	10,532	9,935	597	under	5.7%	
Total Controllable Inc.	(4,449)	(4,009)	(440)	(440)	(1,346)	(1,017)	(329)	under recovered	(24.4%)	3
Net Controllable Exp.	9,688	9,174	514	464	9,186	8,918	268	under	2.9%	
Transfer to Reserves (as at 31/12/21)	0	0	(50)	0	0	0	0	-		
Position After Transfers to Reserves (as at 31/12/21)	9,688	9,174	464	464	9,186	8,918	268	under	2.9%	

Variance Explanations1. **Employee Costs**

The underspend in employee costs reflects budget brought in to cover Modern Apprentices

2. **Administration Costs**

The overspend includes additional costs in relation to advertising and medical charges. The medical charges offset the underspend in employee costs (1 above).

3. **Income**

The under recovery in income has arisen due to the cessation of the kiddie vouchers scheme for nurseries and also the loss of sales income through the Coalyard and associated cafes being closed. This loss of income from the Coalyard and Cafes is offset by an underspend in employee costs.

Budget Virements

- Budget realignment across Services to reflect costs: Net Effect (£0.013m): Employee Costs £0.147m, Admin Costs (£0.059m), Supplies & Services (£0.043), PTOB (£0.052m), Financing Charges (£0.006m)
- Realignment of Employability Budgets: Net Effect (£0.668m): Employee Costs £1.641m, Admin Costs £0.094m, PTOB (£2.393m), Income (£0.010m)

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Finance and Corporate Resources Committee: Period Ended 31 December 2021 (No.10)

Administration, Legal and Licensing Services

Budget Category	Annual Budget	Forecast for Year BEFORE Transfers	Annual Forecast Variance BEFORE Transfers	Annual Forecast Variance AFTER Transfers	Budget Proportion	Actual BEFORE Transfers	Variance	% Variance	Note
	£000	£000	£000	£000	31/12/21	31/12/21	31/12/21	31/12/21	
	£000	£000	£000	£000	£000	£000	£000		
Employee Costs	3,997	4,096	(99)	(99)	2,989	3,045	(56)	over	(1.9%) 1
Property Costs	18	2	16	16	12	2	10	under	83.3%
Supplies & Services	119	149	(30)	(30)	95	132	(37)	over	(38.9%) 2
Transport & Plant	14	16	(2)	(2)	10	10	0	-	0.0%
Administration Costs	2,069	2,215	(146)	(146)	1,556	1,541	15	under	1.0%
Payments to Other Bodies	678	439	239	176	319	319	0	-	0.0%
Payments to Contractors	0	0	0	0	0	0	0	-	n/a
Transfer Payments	0	0	0	0	0	0	0	-	n/a
Financing Charges	32	68	(36)	(36)	24	52	(28)	over	(116.7%) 3
Total Controllable Exp.	6,927	6,985	(58)	(121)	5,005	5,101	(96)	over	(1.9%)
Total Controllable Inc.	(2,885)	(2,504)	(381)	(381)	(1,446)	(1,229)	(217)	under recovered	(15.0%) 4
Net Controllable Exp.	4,042	4,481	(439)	(502)	3,559	3,872	(313)	over	(8.8%)
Transfer to Reserves (as at 31/12/21)	0	0	(63)	0	0	0	0	-	
Position After Transfers to Reserves (as at 31/12/21)	4,042	4,481	(502)	(502)	3,559	3,872	(313)	over	(8.8%)

Variance Explanations1. **Employee Costs**

The overspend is mainly due to lower than anticipated staff turnover across the Service to date.

2. **Supplies and Services**

The overspend reflects the current requirement for IT contract payments.

3. **Financing Charges**

This overspend is in respect of costs associated with the leasing of IT Equipment

4. **Income**

The under recovery of income relates to income from civic events such as marriages which have not taken place due to COVID-19. Income has also been affected by the current uptake of licenses for private hire operators being lower than anticipated

Budget Virements

- a. Budget realignment across Services to reflect anticipated employee costs Net Effect (£0.038m): Employee Costs £0.118m, Admin Costs (£0.156m)

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Finance and Corporate Resources Committee: Period Ended 31 December 2021 (No.10)

Communications and Strategy Services

Budget Category	Annual Budget	Forecast for Year BEFORE Transfers	Annual Forecast Variance BEFORE Transfers	Annual Forecast Variance AFTER Transfers	Budget Proportion	Actual BEFORE Transfers	Variance		% Variance	Note
	31/12/21	31/12/21	31/12/21	31/12/21	31/12/21	31/12/21	31/12/21		31/12/21	
	£000	£000	£000	£000	£000	£000	£000			
Employee Costs	2,467	2,361	106	106	1,792	1,732	60	under	3.3%	1
Property Costs	40	41	(1)	(1)	17	17	0	-	0.0%	
Supplies & Services	709	567	142	142	356	262	94	under	26.4%	2
Transport & Plant	28	27	1	1	28	30	(2)	over	(7.1%)	
Administration Costs	1,108	1,018	90	90	684	626	58	under	8.5%	3
Payments to Other Bodies	802	797	5	5	706	706	0	-	0.0%	
Payments to Contractors	0	0	0	0	0	0	0	-	n/a	
Transfer Payments	0	0	0	0	0	0	0	-	n/a	
Financing Charges	346	369	(23)	(23)	260	271	(11)	over	(4.2%)	
Total Controllable Exp.	5,500	5,180	320	320	3,843	3,644	199	under	5.2%	
Total Controllable Inc.	(3,034)	(2,579)	(455)	(455)	(1,864)	(1,564)	(300)	under recovered	(16.1%)	4
Net Controllable Exp.	2,466	2,601	(135)	(135)	1,979	2,080	(101)	over	(5.1%)	
Transfer to Reserves (as at 31/12/21)	0	0	0	0	0	0	0	-		
Position After Transfers to Reserves (as at 31/12/21)	2,466	2,601	(135)	(135)	1,979	2,080	(101)	over		

Variance Explanations**1. Employee Costs**

The underspend reflects turnover within the Service.

2. Supplies and Services

The underspend reflects lower than anticipated computer maintenance costs and a reduction in expenditure in relation to external mail.

3. Administration Costs

The underspend relates to a reduction in advertising costs, and the cost of printing from multi-functional devices a result of COVID-19, offset by an under recovery of income from recharges (see 4 below).

4. Income

The net under recovery of income reflects the impact of COVID-19 on the work of the service, including recharges for advertising and multi-functional devices (see 3 above). There has also been a reduction in income generation through external print jobs.

Budget Virements

- a. Budget realignment across Services to reflect anticipated employee costs: Net Effect (£0.078m): Employee Costs £0.031m, Admin Costs (£0.109m)

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Finance and Corporate Resources Committee: Period Ended 31 December 2021 (No.10)

COVID - 19

Budget Category	Annual Budget	Forecast for Year BEFORE Transfers	Annual Forecast Variance BEFORE Transfers	Annual Forecast Variance AFTER Transfers	Budget Proportion	Actual BEFORE Transfers	Variance	% Variance	Note
	31/12/21	31/12/21	31/12/21	31/12/21	31/12/21	31/12/21	31/12/21	31/12/21	
	£000	£000	£000	£000	£000	£000	£000		
Employee Costs	252	735	(483)	(483)	252	696	(444)	over	(176.2%) 1
Property Costs	0	12	(12)	(12)	0	29	(29)	over	n/a
Supplies & Services	92	7,693	(7,601)	(7,601)	92	6,996	(6,904)	over	(7504.3%) 2
Transport & Plant	0	0	0	0	0	4	(4)	over	n/a
Administration Costs	2,402	3,493	(1,091)	(1,091)	2,402	2,453	(51)	over	(2.1%) 3
Payments to Other Bodies	7,613	8,173	(560)	(560)	7,072	7,532	(460)	over	(6.5%) 4
Payments to Contractors	0	0	0	0	0	0	0	-	n/a
Transfer Payments	0	188	(188)	(188)	0	88	(88)	over	n/a 5
Financing Charges	0	0	0	0	0	1	(1)	over	n/a
Total Controllable Exp.	10,359	20,294	(9,935)	(9,935)	9,818	17,799	(7,981)	over	(81.3%)
Total Controllable Inc.	(10,359)	(10,359)	0	0	(9,818)	(9,818)	0	-	0.0%
Net Controllable Exp.	0	9,935	(9,935)	(9,935)	0	7,981	(7,981)	over	n/a
Transfer to Reserves (as at 31/12/21)	0	0	0	0	0	0	0	-	
Position After Transfers to Reserves (as at 31/12/21)	0	9,935	(9,935)	(9,935)	0	7,981	(7,981)	over	n/a

Variance Explanations**1. Employee Costs**

The spend relates to overtime and includes the cost of the wellbeing helpline and also additional time required to process the Business Support Grants, and other benefits including Social Welfare Payments and Council Tax Reduction Scheme applications in relation to COVID-19.

2. Supplies and Services

The spend mainly includes Free School Meals, Winter Payments and Family Bridging Payments. The overspend also includes IT expenditure including licences and devices to support staff working from home.

3. Administration Costs

The spend relates to printing and postage costs in relation to COVID-19.

4. Payments to Other Bodies

This spend is payments made to support third sector organisations covered by the financial insecurities funding

5. Transfer Payments

This spend reflects the impact of benefits for individuals in homeless accommodation.