

South Lanarkshire Council

Revenue Budget Monitoring Statement

Period Ended 31 March 2020 (No.14)

Finance and Corporate Resources

Service Departments :-	Annual Budget	Forecast for Year BEFORE Transfers	Annual Forecast Variance BEFORE Transfers	Annual Forecast Variance AFTER Transfers	Budget Proportion to 31/03/20	Actual to Period 14 to 31/03/20 BEFORE Transfers	Variance to 31/03/20 BEFORE Transfers
	£m	£m	£m	£m	£m	£m	£m
Finance Services - Strategy	2.276	2.355	(0.079)	(0.079)	2.276	2.362	(0.086) over
Finance Services - Transactions	12.696	12.446	0.250	0.250	12.696	12.097	0.599 under
Audit and Compliance Services	0.364	0.361	0.003	0.003	0.364	0.379	(0.015) over
Information Technology Services	4.817	4.924	(0.107)	(0.107)	4.817	4.921	(0.104) over
Communications and Strategy Services	1.087	1.257	(0.170)	(0.170)	1.087	1.358	(0.271) over
Administration and Licensing Services	3.770	3.811	(0.041)	(0.041)	3.770	3.985	(0.215) over
Personnel Services	9.507	9.363	0.144	0.144	9.507	9.422	0.085 under
COVID-19	0.000	0.000	0.000	0.000	0.000	0.092	(0.092) over
Position before Transfers to Reserves	34.517	34.517	0.000	0.000	34.517	34.616	(0.099) over
Transfers to Reserves as at 31/03/20					0.000	0.011	(0.011) over
Position After Transfers to Reserves at 31/03/20					34.517	34.627	(0.110) over

Finance and Corporate Resources Variance Analysis 2019/20 (Period 14)

Subjective Head	Variance	Subjective line	Service / amount	Explanation
Employee Costs	(153k) over	APT&C Basic / Superannuation / NI – 135k under	Finance (Strategy) Services - (115k) over IT Services - (126k) over	The overspends are due to lower than anticipated staff turnover across the Services.
			Finance (Transactions) Services - 383k under	The variance is due to vacancies which are being considered in line with service requirements.
		Overtime - (148k) over	Finance (Transactions) Services - (141k) over	The overspend is due to overtime within Benefits and Revenues to cover vacancies and for staffing requirements within the 24 hour control centre and is offset by the underspend in Basic Pay.
		Pension Increases - (101k) over	Finance (Transactions) Services - (19k) over IT Services - (29k) over Personnel Services - (20k) over <u>Communications and Strategy Services - (15k) over</u>	The overspends reflect the ongoing cost of early retirals and have been managed within the overall budget.

Subjective Head	Variance	Subjective line	Service / amount	Explanation
Property Costs	(2k) over	<u>Repairs and Maintenance - Internal and External Contractor - (43k) over</u>	<u>Finance (Transactions) Services - (30k) over</u>	The overspend is a result of one-off expenditure incurred in relation to Q&A offices.
		<u>Electricity - Contract - 47k under</u>	<u>IT Services - 38k under</u>	The underspend is due to reduced electricity costs at the Caird Data Centre, reflecting the current level of tenants in the building.
		<u>Fixtures and Fittings - 62k under</u>	<u>Finance (Transactions) Services - 62k under</u>	This underspend reflects the type of payments made from the Scottish Welfare Fund during the year and is offset by an overspend on Other Administration Costs.
		<u>Health and Hygiene Materials - (31k) over</u>	<u>Personnel Services - (31k) over</u>	The overspend is due to the costs for the implementation and ongoing requirements for free sanitary products being provided in public places, which is offset by an underspend within Payments to Other Bodies.
		Other Property Costs - (24k) over	Finance (Transactions) - (25k) over	The overspend is a result of one-off expenditure incurred in relation to Q&A offices.
Supplies and Services	(287k) over	Computer Equipment Purchase - (27k) over	Communications and Strategy Services - (30k) over	The overspend relates to the level of software upgrades required.

Subjective Head	Variance	Subjective line	Service / amount	Explanation
Supplies and Services (cont)		Computer Equipment Purchase (cont)	COVID-19 - (28k) over	The overspend reflects the IT costs in relation to supporting staff working from home during lockdown.
		Computer Equipment Maintenance - (75k) over	Communications and Strategy Services - 18k under	The underspend is due to less than anticipated maintenance and project support costs for the IMPROVe system.
			<u>IT Services - (82k) over</u>	The overspend relates to maintenance costs incurred on behalf South Lanarkshire Leisure and Culture and is offset by additional income.
		<u>IT Equipment Maintenance - Contract (75k) over</u>	<u>Communications and Strategy Services - (35k) over</u>	The overspend is mainly due to one off costs in relation to the rollout of printing solutions.
			<u>Personnel Services - (33k) over</u>	The overspend reflects additional HFX license costs and IT service charges
		<u>Materials - (37k) over</u>	<u>Communications and Strategy Services - (36k) over</u>	The overspend is due to the greater than anticipated costs of materials for internal printing works.

Subjective Head	Variance	Subjective line	Service / amount	Explanation
Supplies and Services (cont)		<u>Other Supplies and Services - (31k) over</u>	<u>IT Services - (24k) over</u>	The overspend mainly relates to one-off purchases and the annual cost a software license.
Administration Costs	457k under	Printing and Stationery - 51k under	<u>Communications and Strategy Services - 108k under</u>	The underspend reflects the reduction in Ricoh/Canon charges and is offset by an under recovery of income.
			<u>Personnel Services - (19k) over</u>	The overspend is mainly due to expenditure for Modern Apprentices.
			<u>Administration, Legal and Licensing Services - (20k) over</u>	The overspend is mainly due to the costs for printing minutes and agendas and diaries.
		<u>Telephones - 268k under</u>	<u>IT Services - 249k under</u>	This underspend relates to lower than anticipated telephone expenditure and is partially offset by an under recovery of income (see Other Income below).
		Advertising - Recruitment - (43k) over	Personnel Services - (43k) over	The overspend is mainly due to the increased cost of recruitment advertising.

Subjective Head	Variance	Subjective line	Service / amount	Explanation
Administration Costs (cont)		<u>Postages/Couriers - (74k) over</u>	<u>Communications and Strategy Services - (106k) over</u>	The overspend is mainly due to additional work in relation to elections and for external bodies including the NHS. This is offset by an over-recovery of income.
		<u>Legal Expenses - 87k under</u>	<u>Finance (Transactions) Services - 99k under</u>	The underspend relates to reduced legal expenses in relation to the collection of Council Tax.
		Other Admin Costs - (124k) over	<u>Finance (Transactions) Services - (62k) over</u>	This overspend reflects the type of payments made from the Scottish Welfare Fund and is offset by an underspend on Fixtures and Fittings (see above).
			Administration, Legal and Licensing Services - (45k) over	The overspend is due to costs associated with the by-election held in the financial year.
		Training - 416k under	Personnel Services - 417k under	The underspend is due to the reduced cost of employability programmes to date.

Subjective Head	Variance	Subjective line	Service / amount	Explanation
Payment to Other Bodies	368k under	Payments to Other Bodies - 308k under	Personnel Services - 303k under	The underspend is due to the costs for the implementation and ongoing requirements for free sanitary products being provided in public places being lower than anticipated, and an underspend across Employability programmes due to the timing of commencement of the programmes.
Payments to Contractors	(54k) over	Payment to Private Contractor - (49k) over	Personnel Services - (45k) over	This overspend relates to additional costs for temporary portacabins at the Coalyard.
Transfer Payments	(1,842k) over	Rent Allowance - (41k) over	Finance (Transactions) Services - (41k) over	This overspend is reflects the demand for Housing Benefit for private housing tenants and the increased costs of overpayments.
		Rent Rebates - (1,801k) over	Finance (Transactions) Services - (1,801k) over	This overspend reflects the demand for Housing Benefit for Council tenants and the increased costs of overpayments.

Subjective Head	Variance	Subjective line	Service / amount	Explanation
Income	1,428k over recovered	Statutory Additions - Cost of Collections - (215k) under recovered	Finance (Transactions) Services - (215k) under recovered	The under recovery is due to a reduction in the number of cases going to the reminder stage and subsequently progressing to summary warrant. As a result there has been a reduction in income from penalty charges.
		<u>Rent Rebates Subsidy - 1,573k over recovered</u>	<u>Finance (Transactions) Services - 1,573k over recovered</u>	This over recovery reflects the demand for Housing Benefit for public housing tenants and is offset by an overspend on Transfer Payments.
		<u>Rent Allowance Subsidy - 289k over recovered</u>	<u>Finance (Transactions) Services - 289k over recovered</u>	This over recovery reflects the demand for Housing Benefit for private housing tenants and is offset by an overspend on Transfer Payments.
		DWP Subsidy - (40k) under recovered	Finance (Transactions) Services - (40k) under recovered	The under recovery is due to a reduction in the Department for Work and Pensions Administration Subsidy and has been managed within the overall budget.

Subjective Head	Variance	Subjective line	Service / amount	Explanation
Income (cont)		<u>DHP - 778k over recovered</u>	<u>Finance (Transactions) Services - 778k over recovered</u>	The over recovery relates to income from the Department of Works and Pensions for Discretionary Housing Payments and is offset by additional expenditure.
		Contributions from Development Agencies - 127k over recovered	Personnel - 127k over recovered	The over recovery relates to increased income from Skills Development Scotland for Modern Apprentices.
		Contributions from Other Bodies - 229k over recovered	Finance (Transactions) Services - 175k over recovered	The over recovery relates to the receipt of Payment Deduction Project (PDP) income from the Department of Work and Pensions in relation to the recovery of Housing Benefit overpayments.
			<u>Personnel Services - 56k over recovered</u>	The over recovery reflects the receipt of income for the No One Left Behind programme, which is offset by additional expenditure.
		<u>ESF Grant - (79k) under recovered</u>	<u>Personnel Services - (72k) under recovered</u>	The under recovery reflects income for employability programmes and is offset by reduced expenditure.

Subjective Head	Variance	Subjective line	Service / amount	Explanation
Income (cont)		<u>Fees and Charges - General - (46k) under recovered</u>	<u>Administration, Legal and Licensing Services - (72k) under recovered</u>	The under recovery is mainly due to less than anticipated income from licensing and registration, due to a reduction in demand and also partially due to the impact of COVID-19..
		<u>Fees and Charges – Departments of the Authority - (107k) under recovered</u>	<u>Personnel Services - (93k) under recovered</u>	The under recovery reflects a reduction in income for the Employability Programmes and is offset by a reduction in expenditure.
		Other Income - (1,037k) under recovered	Finance (Transactions) Services - (380k) under recovered	The under recovery relates to housing benefit overpayments and is offset by a reduction in the level of expenditure included in Transfer Payments.
			<u>IT Services - (166k) under recovered</u>	The under recovery relates mainly to telephone recharges, and offsets the underspend on telephones (see Administration Costs).
			Communications and Strategy Services - (155k) under recovered	The under recovery is due to less than anticipated income from external printing work completed to date.

Subjective Head	Variance	Subjective line	Service / amount	Explanation
Income (cont)		Other Income (cont)	Personnel Services - (340k) under recovered	The under recovery reflects a reduction in the income required for Modern Apprentices due to additional Skills Development Scotland funding received, and also a reduction in funding required for the Working Matters More programme, which is offset by a reduction in expenditure.

* The underlined variances represent new variances since the last report.

Finance & Corporate Resources - Total	REVISED ANNUAL BUDGET SLC 19/20 2	PERIOD 14 ACTUAL TO DATE	PERIOD 14 VARIANCE AMOUNT	Over/ Under
Expenditure / Income Variance Trends 2019/2020				
EMPLOYEE COSTS				
APT & C BASIC	25,720	25,871	(151)	over
APT & C OVERTIME	45	193	(148)	over
APT & C SUPERANNUATION	5,077	4,848	229	under
APT & C NIC	2,496	2,439	57	under
MANUAL BASIC	15	33	(18)	over
MANUAL SUPERANNUATION	0	4	(4)	over
MANUAL NIC	0	1	(1)	over
TRAVEL AND SUBSISTANCE	44	43	1	under
OTHER EMPLOYEE COSTS	130	142	(12)	over
PENSION INCREASES	832	933	(101)	over
ADDITIONAL PENSION COSTS	0	5	(5)	over
EMPLOYEE COSTS	34,359	34,512	(153)	over
PROPERTY COSTS				
RATES	78	71	7	under
SCOTTISH WATER - METERED CHARGES	9	8	1	under
RENT	73	63	10	under
SERVICE CHARGE	3	25	(22)	over
FEU DUTIES	1	0	1	under
PROPERTY INSURANCE	4	4	0	
SECURITY COSTS	102	114	(12)	over
REPAIRS & MAINTENANCE - INTERNAL CONTRATOR	1	26	(25)	over
REPAIRS & MAINTENANCE - EXTERNAL CONTRATOR	3	21	(18)	over
ELECTRICITY - CONTRACT	365	318	47	under
GAS	14	3	11	under
FIXTURE & FITTINGS	1,979	1,917	62	under
JANITOR SERVICE	0	10	(10)	over
CLEANING AND JANITORIAL SUPPLIES AND EQUIPMENT	2	4	(2)	over
HEALTH & HYGIENE MATERIALS	0	31	(31)	over
REFUSE UPLIFT	3	1	2	under
REMOVAL & STORAGE COSTS	0	2	(2)	over
OTHER PROPERTY COSTS	16	37	(21)	over
PROPERTY COSTS	2,653	2,655	(2)	over
SUPPLIES AND SERVICES				
COMPUTER EQUIPMENT PURCHASE	2,439	2,466	(27)	over
COMPUTER EQUIPMENT MAINTENANCE	2,264	2,339	(75)	over
I.T. EQUIPMENT MAINT - CONTRACT	564	639	(75)	over
I.T. ELECTRONIC MESSAGING	130	131	(1)	over
EQUIPMENT, APPARATUS AND TOOLS	204	205	(1)	over
ADAPTATIONS FOR CLIENTS	0	3	(3)	over
SUPPLIES FOR CLIENTS	133	147	(14)	over
FURNITURE - OFFICE	0	18	(18)	over
FURNITURE - GENERAL	0	1	(1)	over
FURNISHINGS (INCL. CROCKERY & LINEN)	0	3	(3)	over
MATERIALS	82	119	(37)	over
MATERIALS, APPARATUS AND EQUIPMENT	0	7	(7)	over
AUDIO VISUAL	0	1	(1)	over
PUBLICATIONS, JOURNALS, NEWSPAPERS ETC.	10	10	0	
TV LICENCES - EDUCATION	0	2	(2)	over
FOODSTUFFS - GENERAL	81	72	9	under
PROTECTIVE CLOTHING & UNIFORMS	7	1	6	under
LAUNDRY COSTS	0	17	(17)	over
OTHER SUPPLIES AND SERVICES	141	172	(31)	over
CATERING - CONTRACT	0	4	(4)	over
CATERING - OUTWITH CONTRACT	6	3	3	under
OUTSOURCED MAIL	150	140	10	under
BULK BUYING DISCOUNT	0	(2)	2	under
SUPPLIES AND SERVICES	6,211	6,498	(287)	over

Finance & Corporate Resources - Total	REVISED ANNUAL BUDGET SLC 19/20 2	PERIOD 14 ACTUAL TO DATE	PERIOD 14 VARIANCE AMOUNT	Over/ Under
Expenditure / Income Variance Trends 2019/2020				
TRANSPORT AND PLANT				
PURCHASE OF PLANT	11	2	9	under
POOL CAR CHARGES - RENTAL	23	15	8	under
POOL CAR CHARGES - FUEL	5	2	3	under
FLEET SERVICE CHARGES - VEHICLE MAINTENANCE	2	8	(6)	over
FLEET SERVICE CHARGES - UNSCHEDULED LABOUR	0	4	(4)	over
FLEET SERVICE CHARGES - LEASING	5	5	0	
FLEET SERVICE CHARGES - ROAD FUND LICENCES/MOT	1	0	1	under
FLEET SERVICE CHARGES - FUEL	2	2	0	
FLEET SERVICE CHARGES - DRIVERS	36	35	1	under
EXTERNAL TRANSPORT CONTRACT	0	1	(1)	over
TRANSPORT AND PLANT	85	74	11	under
ADMINISTRATION				
PRINTING AND STATIONERY	593	542	51	under
TELEPHONES	1,798	1,530	268	under
MOBILE PHONES	393	431	(38)	over
ADVERTISING - RECRUITMENT	29	72	(43)	over
ADVERTISING - OF COUNCIL SERVICE AVAILABILITY	1	0	1	under
ADVERTISING - OTHER	136	152	(16)	over
POSTAGES/COURIERS	854	928	(74)	over
SMS MESSAGING	0	2	(2)	over
MEMBERSHIP FEES/SUBSCRIPTIONS	241	281	(40)	over
INSURANCE	139	139	0	
MEDICAL COSTS	141	145	(4)	over
LEGAL EXPENSES	274	187	87	under
HOSPITALITY / CIVIC RECOGNITION	30	33	(3)	over
GIRO BANK AGENCY FEES	2	1	1	under
PAYPOINT AGENCY FEES	101	80	21	under
SECURITY UPLIFT FEES	6	12	(6)	over
OTHER ADMIN COSTS	273	397	(124)	over
MEMBERS ALLOWANCES	1,593	1,609	(16)	over
CONFERENCES - MEMBERS (incl associated costs)	9	9	0	
CONFERENCES - OFFICIALS (incl associated costs)	9	5	4	under
TRAINING	1,491	1,075	416	under
INTERNAL SUPPORT SERVICES ALLOCATION	42	68	(26)	over
ADMINISTRATION	8,155	7,698	457	under
PAYMENT TO OTHER BODIES				
JOINT COMMITTEES - GENERAL	0	1	(1)	over
GRANTS TO VOLUNTARY ORGANISATIONS	678	646	32	under
PAYMENTS TO OTHER BODIES	3,218	2,910	308	under
EXTERNAL AUDIT FEES	495	473	22	under
PRIVATE INDIVIDUALS - GENERAL	8	1	7	under
PAYMENT TO OTHER BODIES	4,399	4,031	368	under
PAYMENT TO CONTRACTORS				
PAYMENT TO PRIVATE CONTRACTOR	40	89	(49)	over
PAYMENT TO EXTERNAL CONSULTANTS / PROFESSIONAL SERVICES	225	230	(5)	over
PAYMENT TO CONTRACTORS	265	319	(54)	over

Finance & Corporate Resources - Total	REVISED ANNUAL BUDGET SLC 19/20 2	PERIOD 14 ACTUAL TO DATE	PERIOD 14 VARIANCE AMOUNT	Over/ Under
Expenditure / Income Variance Trends 2019/2020				
TRANSFER PAYMENTS				
RENT ALLOWANCE	28,580	28,621	(41)	over
RENT REBATES	41,574	43,375	(1,801)	over
TRANSFER PAYMENTS	70,154	71,996	(1,842)	over
FINANCING CHARGES				
LEASING CHARGES - OPERATIONAL	1	1	0	
I.T. EQUIPMENT LEASING-CONTRACT	1,117	1,142	(25)	over
FINANCING CHARGES	1,118	1,143	(25)	over
TOTAL EXPENDITURE	127,399	128,926	(1,527)	over
INCOME				
STATUTORY ADDITIONS - COST OF COLLECTION	(740)	(525)	(215)	under rec
RENT REBATES SUBSIDY	(37,091)	(38,664)	1,573	over rec
RENT ALLOWANCE SUBSIDY	(28,067)	(28,356)	289	over rec
DWP SUBSIDY	(1,268)	(1,228)	(40)	under rec
DHP	0	(778)	778	over rec
CONTRIBUTIONS FROM DEVELOPMENT AGENCIES	(170)	(297)	127	over rec
CONTRIBUTIONS FROM OTHER BODIES	(29)	(258)	229	over rec
ESF GRANT	(882)	(803)	(79)	under rec
SALES - GENERAL	(90)	(90)	0	
SALES - DEPARTMENTS OF THE AUTHORITY	(32)	(27)	(5)	under rec
FEES AND CHARGES - GENERAL	(4,936)	(4,890)	(46)	under rec
CHARGES TO HEALTH BOARDS	(38)	(38)	0	
FEES AND CHARGES - OTHER BODIES	(236)	(223)	(13)	under rec
FEES AND CHARGES - DEPARTMENTS OF THE AUTHORITY	(2,911)	(2,804)	(107)	under rec
RENTAL INCOME	(2)	(2)	0	
HOME LOANS REPAYMENTS	(17)	(38)	21	over rec
BIRTH REGISTRATION	(35)	(34)	(1)	under rec
DEATH REGISTRATION	(71)	(70)	(1)	under rec
MARRIAGE STATUTORY FEES	(99)	(87)	(12)	under rec
EXTRACT ISSUE	(96)	(86)	(10)	under rec
MARRIAGES	(74)	(62)	(12)	under rec
CITIZENSHIP CEREMONIES	(10)	(9)	(1)	under rec
INTEREST	0	(4)	4	over rec
OTHER INCOME	(9,212)	(8,175)	(1,037)	under rec
REALLOCATION OF CENTRAL SUPPORT COSTS	(6,596)	(6,585)	(11)	under rec
REALLOCATION OF SUPPORT COSTS	(180)	(177)	(3)	under rec
INCOME	(92,882)	(94,310)	1,428	over rec
NET EXPENDITURE	34,517	34,616	(99)	over