

Report

Report to:	Finance and Corporate Resources Committee
Date of Meeting:	7 September 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 March 2022 for Finance and Corporate Resources.

2. Recommendation(s)

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

- (1) that the Finance and Corporate Resources' financial outturn position as at 31 March 2022 is an overspend of £7.356 million including costs of COVID-19 but before transfer to reserves and an overspend of £8.229 million after transfers to reserves, as detailed in Appendix A of the report, be noted; and
- (2) that the Finance and Corporate Resources' financial outturn position as at 31 March 2022 is a break even position after excluding the costs of COVID-19 and after transfers to reserves.

3. Background

- 3.1. This is the final 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 to I as appropriate.
- 3.3. The Resource has incurred expenditure in relation to COVID-19, and in order to separate these costs from the Resources' normal activities, a COVID-19 Service has been included at Appendix I.

4. Employee Implications

4.1. None.

5. Financial Implications

- 5.1. **Year End Position as at 31 March 2022:** The year end position is an overspend of £7.356 million before approved transfers to reserves and an overspend of £8.229 million after transfers to reserves. This includes the costs of COVID-19 for the Resource. Removing the costs of COVID-19 leaves a break even position for Finance and Corporate Resources

- 5.2. The total cost of COVID-19 for the Resource is £8.229 million. This includes additional costs of £8.209 million as outlined in Appendix I and includes the provision of Low Income Pandemic Payments, staff costs incurred to facilitate processing of business support grants and other claims during COVID-19, as well as additional expenditure to alleviate financial insecurities.
- 5.3. **Transfers to Reserves:** The Executive Committee (2 February 2022) approved a transfer of £0.113 million to reserves to meet future commitments.
- 5.4. However, as a further consequence of the timing of income received from external parties and the timetable for project delivery, further transfers were approved at the year-end (Executive Committee, 29 June 2022). These total £0.760 million and take the total transfers to £0.873 million. These are detailed in appendices B to I as appropriate.
- 5.5. Virements to realign budgets across budget categories and with other Resources are detailed in the appendices B to I as appropriate.
7. **Climate Change, Sustainability and Environmental Implications**
- 7.1. There are no implications for climate change, sustainability or the environment in terms of the information contained in this report.
8. **Other Implications**
- 8.1. 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.
9. **Equality Impact Assessment and Consultation Arrangements**
- 9.1. 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.
- 9.2. 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)

26 July 2022

Link(s) to Council Values/Priorities/Outcomes

- ◆ Value: Accountable, Effective, Efficient and Transparent

Previous References

- ◆ Finance and Corporate Resources Committee - 9 February 2022

List of Background Papers

- ◆ Financial ledger and budget monitoring results to 31 March 2022

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 March 2022 (No.14)

Finance and Corporate Resources Summary

Budget Category	Annual Budget	Forecast for Year BEFORE Transfers	Annual Forecast Variance BEFORE Transfers	Annual Forecast Variance AFTERS Transfers	Budget Proportion 31/03/22	Actual BEFORE Transfers 31/03/22	Variance 31/03/22		% Variance 31/03/22
	£000	£000	£000	£000	£000	£000	£000		
Employee Costs	35,576	35,047	529	479	35,576	35,508	68	under	0.2%
Property Costs	2,532	2,024	508	508	2,532	3,306	(774)	over	(30.6%)
Supplies & Services	13,048	19,262	(6,214)	(6,214)	13,048	19,031	(5,983)	over	(45.9%)
Transport & Plant	76	74	2	2	76	86	(10)	over	(13.2%)
Administration Costs	12,114	14,040	(1,926)	(1,926)	12,114	13,267	(1,153)	over	(9.5%)
Payments to Other Bodies	15,805	16,104	(299)	(362)	15,805	15,560	245	under	1.6%
Payments to Contractors	272	297	(25)	(25)	272	305	(33)	over	(12.1%)
Transfer Payments	68,085	66,261	1,824	1,824	68,085	66,262	1,823	under	2.7%
Financing Charges	1,072	1,086	(14)	(14)	1,072	1,024	48	under	4.5%
Total Controllable Exp.	148,580	154,195	(5,615)	(5,728)	148,580	154,349	(5,769)	over	(3.9%)
Total Controllable Inc.	(104,842)	(101,850)	(2,992)	(2,992)	(104,842)	(103,255)	(1,587)	under recovered	(1.5%)
Net Controllable Exp.	43,738	52,345	(8,607)	(8,720)	43,738	51,094	(7,356)	over	(16.8%)
Transfer to Reserves (as at 31/03/22)	0	113	(113)		0	873	(873)	-	n/a
Position After Transfers to Reserves (as at 31/03/22)	43,738	52,458	(8,720)		43,738	51,967	(8,229)	over	(18.8%)

Variance Explanations

These are shown in Appendices B to I as appropriate.

Year-end Transfers to Reserves

These are shown in Appendices B to I as appropriate.

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Revenue Budget Monitoring Report

Finance and Corporate Resources Committee: Period Ended 31 March 2022 (No.14)

Finance - Strategy Services

Budget Category	Annual Budget	Forecast for Year BEFORE Transfers	Annual Forecast Variance BEFORE Transfers	Annual Forecast Variance AFTERS Transfers	Budget Proportion 31/03/22	Actual BEFORE Transfers 31/03/22	Variance 31/03/22		% Variance 31/03/22	Note
	£000	£000	£000	£000	£000	£000	£000			
Employee Costs	2,938	2,943	(5)	(5)	2,938	2,945	(7)	over	(0.2%)	1 a,b
Property Costs	0	0	0	0	0	0	0	-	n/a	
Supplies & Services	27	33	(6)	(6)	27	38	(11)	over	(40.7%)	c
Transport & Plant	0	0	0	0	0	1	(1)	over	n/a	
Administration Costs	149	156	(7)	(7)	149	121	28	under	18.8%	c
Payments to Other Bodies	516	522	(6)	(6)	516	517	(1)	over	(0.2%)	
Payments to Contractors	22	23	(1)	(1)	22	20	2	under	9.1%	
Transfer Payments	0	0	0	0	0	0	0	-	n/a	
Financing Charges	16	17	(1)	(1)	16	21	(5)	over	(31.3%)	
Total Controllable Exp.	3,668	3,694	(26)	(26)	3,668	3,663	5	under	0.1%	
Total Controllable Inc.	(1,328)	(1,354)	26	26	(1,328)	(1,345)	17	over recovered	1.3%	d
Net Controllable Exp.	2,340	2,340	0	0	2,340	2,318	22	under	0.9%	
Transfer to Reserves (as at 31/03/22)	0	0	0		0	0	0	-	n/a	
Position After Transfers to Reserves (as at 31/03/22)	2,340	2,340	0		2,340	2,318	22	under	0.9%	

Variance Explanations**1. Employee Costs**

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

Budget Virements

- Additional Allocation of Pay Award. Net Effect £0.006m: Employee Costs £0.006m
- Allocation of Apprenticeship Levy Budget from Centre. Net Effect £0.012m: Employee Costs £0.012m
- Internal realignment of income between Strategy and Transactions to reflect current service delivery. Net Effect £0.015m: Supplies and Services £0.008m: Administration Costs £0.007m
- Internal realignment of Central Support Costs. Net Effect (£0.219m): Income (£0.219m)

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Revenue Budget Monitoring Report

Finance and Corporate Resources Committee: Period Ended 31 March 2022 (No.14)

Finance - Transactions 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 31/03/22 £000	Actual BEFORE Transfers 31/03/22 £000	Variance 31/03/22 £000		Variance 31/03/22	Note
Employee Costs	10,767	10,593	174	174	10,767	10,597	170	under	1.6%	1,a,b
Property Costs	1,773	1,533	240	240	1,773	1,774	(1)	over	(0.1%)	c
Supplies & Services	6,030	6,095	(65)	(65)	6,030	6,163	(133)	over	(2.2%)	2,d
Transport & Plant	8	4	4	4	8	3	5	under	62.5%	
Administration Costs	1,272	1,536	(264)	(264)	1,272	1,334	(62)	over	(4.9%)	3,c
Payments to Other Bodies	1,516	1,516	0	0	1,516	1,499	17	under	1.1%	
Payments to Contractors	249	273	(24)	(24)	249	278	(29)	over	(11.6%)	
Transfer Payments	68,085	66,073	2,012	2,012	68,085	66,074	2,011	under	3.0%	4
Financing Charges	131	160	(29)	(29)	131	166	(35)	over	(26.7%)	
Total Controllable Exp.	89,831	87,783	2,048	2,048	89,831	87,888	1,943	under	2.2%	
Total Controllable Inc.	(71,698)	(69,784)	(1,914)	(1,914)	(71,698)	(69,991)	(1,707)	under recovered	(2.4%)	5,e
Net Controllable Exp.	18,133	17,999	134	134	18,133	17,897	236	under	1.3%	
Transfer to Reserves (as at 31/03/22)	0	0	0		0	0	0	-	n/a	
Position After Transfers to Reserves (as at 31/03/22)	18,133	17,999	134		18,133	17,897	236	under	1.3%	

Variance Explanations**1. Employee Costs**

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

2. Supplies and Services

The overspend reflects the current requirement for IT contract payments particularly within Benefits and Revenues.

3. Administration Costs

The overspend relates to the cost of postages and payments to Scotland Excel as part of the procurement contract.

4. Transfer Payments

The underspend reflects the level of Housing Benefit payments for private sector tenants, offset by an under recovery of Income (see 5 below).

5. Income

The under recovery relates to Housing Benefit Subsidy income, offset by reduced expenditure (see 4 above).

Budget Virements

- Additional Allocation of Pay Award. Net Effect £0.186m: Employee Costs £0.186m
- Allocation of Apprenticeship Levy budget from the Centre. Net Effect £0.044m: Employee Costs £0.044m
- Internal realignment of Scottish Welfare Fund budget. Net Effect: £0.000m: Property Costs (£0.100m) and Administration Costs £0.100m
- Budget Upload for Additional Family Bridging Payments Funding. Net Effect £2.263m: Supplies and Services £2.263m
- Internal realignment of Central Support Costs: Net Effect £0.049m: Income £0.049m

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Revenue Budget Monitoring Report

Finance and Corporate Resources Committee: Period Ended 31 March 2022 (No.14)

Audit Services

Budget Category	Annual Budget	Forecast for Year BEFORE Transfers	Annual Forecast Variance BEFORE Transfers	Annual Forecast Variance AFTER Transfers	Budget Proportion 31/03/22	Actual BEFORE Transfers 31/03/22	Variance 31/03/22		% Variance 31/03/22	Note
	£000	£000	£000	£000	£000	£000	£000			
Employee Costs	564	664	(100)	(100)	564	656	(92)	over	(16.3%)	1
Property Costs	0	0	0	0	0	0	0	-	n/a	
Supplies & Services	7	6	1	1	7	7	0	-	0.0%	
Transport & Plant	0	0	0	0	0	0	0	-	n/a	
Administration Costs	7	5	2	2	7	6	1	under	14.3%	
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	4	4	0	-	0.0%	
Total Controllable Exp.	582	680	(98)	(98)	582	674	(92)	over	(15.8%)	
Total Controllable Inc.	(428)	(526)	98	98	(428)	(520)	92	over recovered	21.5%	2,a,b
Net Controllable Exp.	154	154	0	0	154	154	0	-	0.0%	
Transfer to Reserves (as at 31/03/22)	0	0	0		0	0	0	-	0.0%	
Position After Transfers to Reserves (as at 31/03/22)	154	154	0		154	154	0	-	0.0%	

Variance Explanations**1. Employee Costs**

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

2. Income

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

Budget Virements

- Internal realignment of Central Support Costs. Net Effect (£0.051m): Income (£0.051m)
- Budget realignment across services. Net Effect: £0.240m: Income £0.240m

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Finance and Corporate Resources Committee: Period Ended 31 March 2022 (No.14)

Information Technology 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 31/03/22 £000	Actual BEFORE Transfers 31/03/22 £000	Variance 31/03/22 £000		% Variance 31/03/22	Note
Employee Costs	5,181	5,311	(130)	(130)	5,181	5,604	(423)	over	(8.2%)	1,a
Property Costs	579	296	283	283	579	278	301	under	52.0%	2
Supplies & Services	5,787	5,813	(26)	(26)	5,787	5,673	114	under	2.0%	3,b
Transport & Plant	4	16	(12)	(12)	4	3	1	under	25.0%	
Administration Costs	1,289	1,636	(347)	(347)	1,289	2,052	(763)	over	(59.2%)	4,c
Payments to Other Bodies	30	30	0	0	30	26	4	under	13.3%	
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	501	400	101	101	501	345	156	under	31.1%	5
Total Controllable Exp.	13,371	13,502	(131)	(131)	13,371	13,981	(610)	over	(4.6%)	
Total Controllable Inc.	(8,098)	(8,172)	74	74	(8,098)	(8,067)	(31)	under recovered	(0.4%)	a,c
Net Controllable Exp.	5,273	5,330	(57)	(57)	5,273	5,914	(641)	over	(12.2%)	
Transfer to Reserves (as at 31/03/22)	0	0	0		0	0	0	-	n/a	
Position After Transfers to Reserves (as at 31/03/22)	5,273	5,330	(57)		5,273	5,914	(641)	over	(12.2%)	

Variance Explanations

- Employee Costs**
The overspend is mainly due to lower than anticipated staff turnover across the Service to date.
- Property Costs**
This reflects the reduced spend on utilities as we move out of the Caird Centre as we move to the new Cloud Hosting Service (See 4 below).
- Supplies and Services**
The underspend reflects the reduction in expenditure on various equipment purchase lines as we move to the new Cloud Hosting Service (see 4 below)
- Administration Costs**
The overspend reflects the level of service delivery to date and the move to the new cloud hosting service and is offset by underspends in Property Costs, Supplies and Services and Financing Charges.
- Financing Charges**
The underspend in financing charges which is a result of service delivery for IT equipment leasing is being used to offset the costs of the new cloud hosting service.

Budget Virements

- Internal budget realignment of Employee Costs. Net Effect £0.000: Employee Costs: (£0.259m) and Income (£0.259m)
- Budget realignment across services. Net Effect: £0.540m: Supplies and Services £0.540m
- Internal realignment of Central Support Costs. Net Effect £0.287m: Income £0.287m

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Revenue Budget Monitoring Report

Finance and Corporate Resources Committee: Period Ended 31 March 2022 (No.14)

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 31/03/22 £000	Actual BEFORE Transfers 31/03/22 £000	Variance 31/03/22 £000		% Variance 31/03/22	Note
Employee Costs	9,207	8,141	1,066	1,016	9,207	8,158	1,049	under	11.4%	1,a,b c,d,e
Property Costs	122	140	(18)	(18)	122	124	(2)	over	(1.6%)	
Supplies and Services	281	221	60	60	281	248	33	under	11.7%	d
Transport and Plant	21	10	11	11	21	8	13	under	61.9%	
Administration Costs	1,271	1,494	(223)	(223)	1,271	1,482	(211)	over	(16.6%)	2,c,d g
Payments to Other Bodies	3,386	3,302	84	84	3,386	2,817	569	under	16.8%	3,c,g
Payments to Contractors	1	1	0	0	1	7	(6)	over	(600.0%)	
Transfer Payments	0	0	0	0	0	0	0	-	n/a	
Financing Charges	42	68	(26)	(26)	42	70	(28)	over	(66.7%)	
Total Controllable Exp.	14,331	13,377	954	904	14,331	12,914	1,417	under	9.9%	
Total Controllable Inc.	(3,307)	(2,867)	(440)	(440)	(3,307)	(3,730)	423	over recovered	12.8%	4,c, d,f,g
Net Controllable Exp.	11,024	10,510	514	464	11,024	9,184	1,840	under	16.7%	
Transfer to Reserves (as at 31/03/22)	0	50	(50)		0	810	(810)	over	n/a	
Position After Transfers to Reserves (as at 31/03/22)	11,024	10,560	464		11,024	9,994	1,030	under	9.3%	

Variance Explanations

- Employee Costs**
The underspend mainly relates to the timing of project delivery for externally funded projects.
- Administration Costs**
The overspend includes a combination of additional costs in relation to advertising, employee medical charges and legal fees partly offset by additional income from recharges.
- Payment to Other Bodies**
The underspend mainly reflects the timing of the commencement of employability projects.
- Income**
The over recovery relates to funding for projects including European funding.

Budget Virements

- Allocation of Apprenticeship Levy budget from the Centre. Net Effect £0.029m: Employee Costs £0.029m.
- Additional Allocation of Pay Award: Net Effect £0.062m: Employee Costs £0.062m.
- Employability Budget Realignments: Net Effect £1.417m: Employee Costs £0.203m, Administration Costs £0.287m, Payment to Other Bodies (£0.299m) and Income £1.226m.
- Budget realignment across services to reflect service delivery. Net Effect (£0.418m): Employee Costs £0.044m: Supplies and Services £0.044m: Administration Costs (£0.146m) and Income (£0.360m).
- Transfer of Modern Apprenticeship Money from Social Work Resources: Net Effect £0.113m: Employee Costs £0.113m.
- Internal realignment of Central Support Costs: Net Effect (£0.085m): Income (£0.085m).
- Internal Realignment to reflect service delivery: Net Effect £0.000m: Administration Costs £0.150m, Payment to Other Bodies (£0.350m) and Income £0.200m.

Year End Transfers to Reserves

Employability Projects underspend (£0.760m) and delayed national trauma programme (£0.050m),

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Finance and Corporate Resources Committee: Period Ended 31 March 2022 (No.14)

Administration, Legal and Licensing 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 31/03/22 £000	Actual BEFORE Transfers 31/03/22 £000	Variance 31/03/22 £000		% Variance 31/03/22	Note
Employee Costs	4,040	4,139	(99)	(99)	4,040	4,151	(111)	over	(2.7%)	1,a,b
Property Costs	18	2	16	16	18	4	14	under	77.8%	
Supplies & Services	119	149	(30)	(30)	119	217	(98)	over	(82.4%)	2
Transport & Plant	14	16	(2)	(2)	14	15	(1)	over	(7.1%)	
Administration Costs	2,205	2,291	(86)	(86)	2,205	2,282	(77)	over	(3.5%)	3,c
Payments to Other Bodies	678	499	179	116	678	513	165	under	24.3%	4
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)	32	69	(37)	over	(115.6%)	
Total Controllable Exp.	7,106	7,164	(58)	(121)	7,106	7,251	(145)	over	(2.0%)	
Total Controllable Inc.	(2,839)	(2,458)	(381)	(381)	(2,839)	(2,593)	(246)	under recovered	(8.7%)	5
Net Controllable Exp.	4,267	4,706	(439)	(502)	4,267	4,658	(391)	over	(9.2%)	
Transfer to Reserves (as at 31/03/22)	0	63	(63)		0	63	(63)	-	n/a	
Position After Transfers to Reserves (as at 31/03/22)	4,267	4,769	(502)		4,267	4,721	(454)	over	(10.6%)	

Variance Explanations1. **Employee Costs**

This overspend is mainly due to lower than anticipated staff turnover during the year.

2. **Supplies and Services**

This overspend has arisen as a result of a spend on IT software.

3. **Administration Costs**

This overspend is a combination of additional costs for stationary and other administration costs.

4. **Payment to Other Bodies**

This underspend is due to a reduction in the spend on grants as a result of the pandemic.

5. **Income**

The under recovery in income reflects the reduction in demand for licensing and registration services including income from private taxi hire operators, marriages and birth registrations.

Budget Virements

- Allocation of budget for Apprenticeship Levy from the Centre. Net Effect £0.015m: Employee Costs £0.015m.
- Additional Allocation of Pay Award. Net Effect £0.028m: Employee Costs £0.028m
- Local Government Elections. Net Effect £0.136m: Administration Costs £0.136m

Year End Transfers to Reserves

Area Committee Grants: £0.063m.

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Revenue Budget Monitoring Report

Finance and Corporate Resources Committee: Period Ended 31 March 2022 (No.14)

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 31/03/22	Actual BEFORE Transfers 31/03/22	Variance 31/03/22		% Variance 31/03/22	Note
	£000	£000	£000	£000	£000	£000	£000			
Employee Costs	2,496	2,390	106	106	2,496	2,378	118	under	4.7%	1,a,b
Property Costs	40	41	(1)	(1)	40	19	21	under	52.5%	
Supplies & Services	705	563	142	142	705	615	90	under	12.8%	2
Transport & Plant	29	28	1	1	29	30	(1)	over	(3.4%)	
Administration Costs	1,110	1,020	90	90	1,110	1,085	25	under	2.3%	
Payments to Other Bodies	802	797	5	5	802	774	28	under	3.5%	
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)	346	347	(1)	over	(0.3%)	
Total Controllable Exp.	5,528	5,208	320	320	5,528	5,248	280	under	5.1%	
Total Controllable Inc.	(2,981)	(2,526)	(455)	(455)	(2,981)	(2,488)	(493)	under recovered	(16.5%)	3,c
Net Controllable Exp.	2,547	2,682	(135)	(135)	2,547	2,760	(213)	over	(8.4%)	
Transfer to Reserves (as at 31/03/22)	0	0	0		0	0	0	-	n/a	
Position After Transfers to Reserves (as at 31/03/22)	2,547	2,682	(135)		2,547	2,760	(213)	over	(8.4%)	

Variance Explanations**1. Employee Costs**

The underspend reflects turnover within the Service.

2. Supplies and Services

This underspend reflects the level of demand for print room jobs throughout the year.

3. Income

The under recovery in income is a result of a reduction in requirement for print room work (both internally and externally), partially offset by an underspend in employee costs.

Budget Virements

- Allocation of Apprenticeship Levy budget from the Centre. Net Effect £0.007m: Employee Costs £0.007m
- Additional Allocation of Pay Award: Net Effect £0.021m: Employee Costs £0.021m
- Internal realignment of Central Support Costs: Net Effect (£0.053m): Income (£0.053m)

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Finance and Corporate Resources Committee: Period Ended 31 March 2022 (No.14)

COVID-19

Budget Category	Annual Budget	Forecast for Year BEFORE Transfers	Annual Forecast Variance BEFORE Transfers	Annual Forecast Variance AFTER Transfers	Budget Proportion 31/03/22	Actual BEFORE Transfers 31/03/22	Variance 31/03/22		% Variance 31/03/22	Note
	£000	£000	£000	£000	£000	£000	£000			
Employee Costs	383	866	(483)	(483)	383	1,019	(636)	over	(165.8%)	1
Property Costs	0	12	(12)	(12)	0	1,107	(1,107)	over	n/a	2
Supplies & Services	92	6,382	(6,290)	(6,290)	92	6,070	(5,978)	over	(6497%)	3
Transport & Plant	0	0	0	0	0	26	(26)	over	n/a	
Administration Costs	4,811	5,902	(1,091)	(1,091)	4,811	4,905	(94)	over	(2%)	4,a
Payments to Other Bodies	8,877	9,437	(560)	(560)	8,877	9,413	(536)	over	(6%)	5,b
Payments to Contractors	0	0	0	0	0	0	0	over	n/a	
Transfer Payments	0	188	(188)	(188)	0	188	(188)	over	n/a	6
Financing Charges	0	0	0	0	0	2	(2)	over	n/a	
Total Controllable Exp.	14,163	22,787	(8,624)	(8,624)	14,163	22,730	(8,567)	over	(60.5%)	
Total Controllable Inc.	(14,163)	(14,163)	0	0	(14,163)	(14,521)	358	over recovered	2.5%	7
Net Controllable Exp.	0	8,624	(8,624)	(8,624)	0	8,209	(8,209)	over	n/a	
Transfer to Reserves (as at 31/03/22)	0	0	0		0	0	0	-	n/a	
Position After Transfers to Reserves (as at 31/03/22)	0	8,624	(8,624)		0	8,209	(8,209)	over	n/a	

Variance Explanations**1. Employee Costs**

The spend relates to overtime and includes the cost of the wellbeing helpline and Track and Trace 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. Property Costs

The overspend relates to additional Scottish Welfare Payments due to COVID.

3. Supplies and Services

The spend mainly includes Low Income Pandemic Payments, payments to assist with Financial Insecurities including expenditure in relation to Foodbanks.

4. Administration Costs

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

5. Payments to Other Bodies

This spend is payments made to support third sector organisations.

6. Transfer Payments

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

7. Income

The over recovery relates to Scottish Funding for the administration of self-isolation support payments and other grants, offset by additional employee costs.

Budget Virements

- a Budget for COVID funding. Net Effect £0.00m. Employee Costs £0.383m, Supplies and Services £0.092m, Administration Costs £4.811m, Payments to Other Bodies £8.877m and Income (£14.163m).