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**To:** Finance, Resources and Customer Services Policy Board

**On:** 27 March 2019

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**Report by:** Director of Finance and Resources

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**Heading:** Revenue Budget Monitoring – Council Overview to 4 January 2019

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**1. Summary**

1.1 This report provides an overview of the budget performance for all Services for the period to 4 January 2019. The report confirms a break even position. The summary position for General Fund Services and the Housing Revenue Account is outlined in the table below:

Division / Department	Current Reported Position	% variance	Previously Reported Position	% variance
General Fund Services	Break even	-	Net overspend £160,000	(0.1%)
HRA	Break even	-	Break even	-

1.2 The budget performance to date suggests a projected breakeven position at the year end.

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## 2. **Recommendations**

- 2.1 Members are requested to note the budget position.
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## 3. **Service Commentaries**

- 3.1 Budget Monitoring reports will be considered by each Policy Board for services reporting directly to those Boards.

- 3.2 In terms of the Financial Regulations budgets have been approved on a service basis and Directors are expected to manage their spending needs within the bottom line of the budget approved. A brief commentary on budget variances by service is provided below and a Service overview is attached for information.

- 3.3 **Children's Services** (*Education and Children's Services Policy Board*)

**Current position:** **Breakeven**

***Previously reported:*** ***Breakeven***

The breakeven position reflects overspends in Additional Support for Learning and central administration, offset by underspends in primary and secondary schools.

### **Projected Year End Position**

It is anticipated that Childrens' Services will achieve a break-even year-end position.

- 3.4 **Leisure Services** (*Leadership Board*)

**Current position:** **Breakeven**

***Previously reported:*** ***Breakeven***

At this stage in the financial year Leisure Services reflects a breakeven position with no significant variances to report.

- 3.5 **Projected Year End Position**

It is anticipated that Leisure Services will achieve a break-even year-end position.

3.6 **Chief Executive's Service** (*Leadership Board*)

<b>Current Position:</b>	<b>Breakeven</b>
<b><i>Previously Reported:</i></b>	<b><i>Breakeven</i></b>

At this stage in the financial year Chief Executives reflects a breakeven position with no significant variances to report.

3.7 **Projected Year End Position**

It is anticipated that Chief Executives will achieve a break-even year-end position.

3.8 **Adult Services** (*Leadership Board*)

<b>Current position:</b>	<b>Breakeven</b>
<b><i>Previously reported:</i></b>	<b><i>Breakeven</i></b>

At this stage in the financial year Adult Services reflects a breakeven position with no significant variances to report.

3.9 **Projected Year End Position**

It is anticipated that Adult Services will achieve a break-even year-end position.

3.10 **Environment & Infrastructure** (*Infrastructure, Land and Environment Policy Board*)

<b>Current Position:</b>	<b>break even</b>
<b><i>Previously Reported:</i></b>	<b><i>£160,000 overspend</i></b>

3.11 **Projected Year End Position**

The Department and the leadership team have undertaken a range of management actions to address significant budget pressures in 2018/19, including strict expenditure controls, and the maximisation of alternative income sources for the remainder of the financial year. The position continues to be closely monitored, and based on management action being taken, in addition to support being provided from corporate budgets, it is forecast that the Services will break even at the end of the financial year

3.12 **Communities, Housing and Planning Services (excl HRA)**

**Current Position:** Breakeven  
***Previously Reported:*** ***Breakeven***

At this stage in the financial year, a breakeven position is being reported for those services reporting to the Communities, Housing and Planning Policy Board.

3.13 **Projected Year End Position**

It is also projected that a breakeven position will be achieved at the year end for these services

3.14 **Chief Executives – Economic Development** (*Leadership Board*)

**Current position:** Breakeven  
***Previously reported:*** ***Breakeven***

At this stage in the financial year Economic Development reflects a breakeven position with no significant variances to report.

3.15 **Projected Year End Position**

It is projected that the Economic Development service will achieve a breakeven position by the year end.

3.16 **Finance and Resources** (*Finance, Resources and Customer Services Policy Board*)

**Current Position:** Breakeven  
***Previously Reported:*** ***Breakeven***

At this stage in the financial year Finance and Resources reflects a breakeven position with no significant variances to report.

3.17 **Projected Year End Position**

It is anticipated that Finance and Resources will breakeven at year end.

3.18      **Miscellaneous Services** (*Finance, Resources and Customer Services Policy Board*)

<b>Current Position:</b>	<b>Breakeven</b>
<b><i>Previously Reported:</i></b>	<b><i>Breakeven</i></b>

At this stage in the financial year Miscellaneous reflects a breakeven position with no significant variances to report.

3.19      **Projected Year End Position**

It is anticipated that Miscellaneous will breakeven at year end. However, Building Services have advised that they will not achieve their projected surplus in the current year, with Miscellaneous offsetting this under recovery with underspends in other areas.

3.20      **Housing Revenue Account** (*Communities, Housing & Planning Policy Board*)

<b>Current Position:</b>	<b>Breakeven</b>
<b><i>Previously Reported:</i></b>	<b><i>Breakeven</i></b>

3.21      The HRA is now showing a net breakeven position which consists of overspends being offset by compensating underspends. There is an overspend in property maintenance costs reflecting continuing pressures in relation to the maintenance of housing stock, in particular void repairs. This is coupled with lower than budgeted spend on Council tax for void properties, mainly relating to the progress being made with the regeneration of the Tannahill area in Ferguslie Park.

3.22      Building Services have advised that they will not achieve their level of surplus in the current year and therefore will not be able to provide a rebate back to the HRA. This will result in an under recovery in income within the HRA which will be managed within existing resources.

3.23      A corresponding overspend is being reported against capital charges to reflect the current policy of utilising any HRA underspends to repay debt. This approach allows the Council to prudently manage the HRA debt portfolio.

3.24      **Projected Year End Position**

At this stage in the financial year, it is projected that the HRA will achieve a breakeven position at the year end.

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## Implications of the Report

1. **Financial** – Net revenue expenditure will be contained within available resources.
2. **HR & Organisational Development** – none
3. **Community Planning** – none
4. **Legal** – none
5. **Property/Assets** – none
6. **Information Technology** - none.
7. **Equality & Human Rights** The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report because it is for noting only. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.
8. **Health & Safety** – none
9. **Procurement** – none
10. **Risk** – none
11. **Privacy Impact** - none
12. **Cosla Policy Position** - none

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**RENFREWSHIRE COUNCIL**  
**REVENUE BUDGET MONITORING STATEMENT 2018/2019**  
**1st April 2018 to 4th January 2019**

**POLICY BOARD : FINANCE, RESOURCES AND CUSTOMER SERVICES : OVERVIEW**

Description	Revised Annual Budget	Revised Period Budget	Revised Actual	Budget Variance		
£000's	£000's	£000's	£000's	£000's	%	
Employee Costs	286,548	184,229	184,487	(258)	-0.1%	overspend
Property Costs	36,084	26,412	26,667	(255)	-1.0%	overspend
Supplies & Services	64,785	49,114	48,778	336	0.7%	underspend
Transport & Plant Costs	29,449	12,388	12,606	(218)	-1.8%	overspend
Support Services	36,463	733	733	0	0.0%	underspend
Third Party Payments	75,259	57,218	57,359	(141)	-0.2%	overspend
Transfer Payments	106,427	56,752	56,302	450	0.8%	underspend
Capital Charges	30,290	0	0	0	0.0%	breakeven
<b>GROSS EXPENDITURE</b>	<b>665,305</b>	<b>386,846</b>	<b>386,932</b>	<b>(86)</b>	<b>0.0%</b>	<b>overspend</b>
<b>Income</b>	<b>(265,946)</b>	<b>(159,104)</b>	<b>(159,190)</b>	<b>86</b>	<b>0.1%</b>	<b>over-recovery</b>
<b>NET EXPENDITURE</b>	<b>399,359</b>	<b>227,742</b>	<b>227,742</b>	<b>0</b>	<b>0.0%</b>	<b>underspend</b>

	£000's	
Bottom Line Position to 4 February 2019 is breakeven	<u>0</u>	<u>0.0%</u>
Anticipated Year End Budget Position is breakeven	<u>0</u>	<u>0.0%</u>

**RENFREWSHIRE COUNCIL**  
**REVENUE BUDGET MONITORING STATEMENT 2018/2019**  
**1st April 2018 to 4th January 2019**

**POLICY BOARD : FINANCE, RESOURCES AND CUSTOMER SERVICES : OVERVIEW**

Description	Revised Annual Budget	Revised Period Budget	Revised Actual	Budget Variance		
	£000's	£000's	£000's	£000's	%	
Education and Children	208,422	128,412	128,412	0	0.0%	breakeven
Leisure Services	12,430	7,757	7,757	0	0.0%	breakeven
Environment & Infrastructure	54,660	34,039	34,039	0	0.0%	breakeven
Finance & Resources	6,570	24,310	24,310	0	0.0%	breakeven
Community, Housing and Planning Services	16,249	3,016	3,016	0	0.0%	breakeven
Economic Development	2,957	2,824	2,824	0	0.0%	breakeven
Chief Executives	2,440	5,156	5,156	0	0.0%	breakeven
Miscellaneous	31,889	(9,347)	(9,347)	0	0.0%	breakeven
Adult Services	63,742	50,618	50,618	0	0.0%	breakeven
<b>SUB - TOTAL GENERAL SERVICES</b>	<b>399,359</b>	<b>246,785</b>	<b>246,785</b>	<b>0</b>	<b>0.0%</b>	<b>breakeven</b>
Housing Revenue Account (HRA)	0	(19,043)	(19,043)	0	0.0%	breakeven
<b>NET EXPENDITURE</b>	<b>399,359</b>	<b>227,742</b>	<b>227,742</b>	<b>0</b>	<b>0.0%</b>	<b>breakeven</b>

£000's

Bottom Line Position to 4 February 2019 is breakeven

0

0.0%

Anticipated Year End Budget Position is breakeven

0

0.0%