



To: Finance and Resources Policy Board

On: 26 August 2015

Report by: Director of Finance and Resources

Heading: Revenue Budget Monitoring – Council Overview to 26 June 2015

1. Summary

1.1 This report provides an overview of the budget performance for all Services for the period to 26 June 2015.

1.2 The report confirms an overall breakeven position for all services. This is summarised over General Fund Services and the Housing Revenue Account in the table below:

Division / Department	Current Reported Position	% variance	Previously Reported Position	% variance
General Fund Services	Breakeven	-	N/A	-
HRA	Breakeven	-	N/A	-

1.3 The budget performance to date suggests a projected year end breakeven position which is summarised in the table below:

Division / Department	Anticipated Year End Position	% variance	Previously Reported Position	% variance
General Fund Services	Breakeven	-	N/A	-
HRA	Breakeven	-	N/A	-

2. **Recommendations**

2.1 Members are requested to note the budget position

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 **Education and Children** (*Education and Children Policy Board*)

Current Position: **Breakeven**

Previously Reported: ***N/A***

The breakeven position at this stage in the year relates mainly to the net effect of overspends and underspends in the following areas of service:-

- The overspend of £35,000 within Central Admin relates to additional staffing costs.
- £25,000 of an overspend in Additional Support for Learning is due to transport costs arising from increased costs and distances travelled.
- £103,000 of an overspend in Primary Schools is related to an overspend on teachers' salaries, partly offset by an underspend on transport costs.
- £196,000 of an underspend in Secondary Schools is mainly due to underspends in transport costs and teachers' salaries.
- £33,000 of an overspend in Special Schools relates to teachers' salaries including the central cover budget.

Projected Year End Position

It is anticipated at this stage that Education and Children's Services will achieve a breakeven position at year end subject to any unforeseen demand pressures emerging over the rest of the year.

3.4

Leisure Services

Current Position: Breakeven

Previously Reported: N/A

There are no significant variances to report.

Projected Year End Position

It is anticipated at this stage that Leisure Services will achieve a breakeven position at the year end.

3.5

Community Resources *(Environment Policy Board)*

Current Position: Breakeven

Previously Reported: N/A

The breakeven position at this stage in the year relates mainly to the net effect of over and underspends in the following areas of service:-

- An overspend of £6,000 on Refuse Collection is mainly due to lower income from trade waste and special uplifts and a small overspend on employee costs which are partly offset by an underspend on supplies and services.
- An overspend of £6,000 on Land Services is due to lower recreational and cemetery income.
- £8,000 of an underspend on Renfrewshire Wardens is due to a small underspend on employee costs partly offset by an overspend on transport and administration costs.

Projected Year End Position

It is currently projected that Community Resources will breakeven at year end. This forecast position will be reviewed on an ongoing basis during the financial year, particularly with regard to recycling performance and the level of tonnages received for recycling or disposal, and the costs of roads maintenance throughout the winter maintenance period from October 2015 to March 2016.

3.6 **Development & Housing Services - Other Housing** (*Housing & Community Safety Policy Board*)

Current Position: Breakeven
Previously Reported: N/A

At this stage in the financial year the Other Housing account reflects a breakeven position with no significant variances to report on any of the budget categories.

Projected Year End Position

It is anticipated that Other Housing will achieve a breakeven position at the year end.

3.7 **Development & Housing Services – Planning & Regeneration** (*Planning and Property Policy Board*)

Current Position: Breakeven
Previously Reported: N/A

At this stage in the financial year the Planning Division account reflects a breakeven position with no significant variances to report on any of the budget categories.

Projected Year End Position

It is projected that the Planning division will achieve a breakeven position by the year end.

3.8 **Property & Construction Services** (*Planning and Property Policy Board*)

Current Position: Breakeven
Previously Reported: N/A

The current breakeven position reflects overspends in Employee Costs, Supplies & Services and Contractors and Others costs offset by an over-recovery in income.

The minor overspends on the Property Services account at this stage in the financial year reflect the increased levels of professional support required to service the significant capital schemes currently being led by the Property Services division and will be offset by increased fee income.

Projected Year End Position

It is anticipated that Property & Construction Services will achieve a breakeven position at year end.

3.9 **Development & Housing Services – Economic Development** (*Economy & Jobs Policy Board*)

Current Position: Breakeven
Previously Reported: N/A

There are no significant variances to report.

Projected Year End Position

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

3.10 **Adult Services** (*Social Work, Health and Well-being Policy Board*)

Current Position: Breakeven
Previously Reported: N/A

The breakeven position within Adult Services at this stage in the year relates mainly to the net effect of overspends and underspends in the following areas of service:-

- The overspend of £39,000 within Older People services reflects significant pressures within the care at home service due to the shift in the balance of care to support people remaining safely at home for as long as possible, along with the Council's commitment to reducing bed days lost to delayed discharges from hospital. This pressure is partially mitigated by an underspend in the external care home placement budget.

In addition to the pressures within the care at home service, there is also an under recovery of income from the Council's residential care homes due to the current level of under occupancy.

- £214,000 of an overspend in Physical Disabilities is due to increases in the purchase of equipment to support service users to stay in their own homes reflecting the shift in the balance of care to the community and their associated needs.
- An underspend of £112,000 within Learning Disabilities is mainly due to the time taken to recruit to new posts within the Learning Disability day services.
- A £28,000 overspend on Mental Health is mainly due to higher than anticipated payroll costs.
- £31,000 of an overspend in Addictions relates to higher than anticipated payroll costs.

Projected Year End Position

The Adult Services budget is, at this stage, reporting a year projected breakeven position.

3.11

Finance and Resources (*Finance and Resources Policy Board*)

Current Position:	Breakeven
Previously Reported:	N/A

There are no significant variances to report.

Projected Year End Position

It is anticipated that Finance and Resources will achieve a breakeven position at the year end.

3.12 **Chief Executive's Department** (*Finance and Resources Policy Board*)

Current Position: Breakeven
Previously Reported: N/A

There are no significant variances to report.

Projected Year End Position

It is anticipated that the Chief Executive's service will achieve a breakeven position at the year end

3.13 **Miscellaneous Services** (*Finance and Resources Policy Board*)

Current Position: Breakeven
Previously Reported: N/A

There are no significant variances to report.

Projected Year End Position

It is anticipated that Miscellaneous Services will achieve a breakeven position at the year end

3.14 **Trading Operations**

These are the subject of separate reports submitted to the relevant Policy Boards. An overview is attached for information which confirms an actual breakeven position in line with the budgeted surplus for the General Fund. It is projected, however, that the Building Services trading operation will deliver a £468,000 surplus in line with budget. In line with agreed policy this surplus will be returned to the General Fund or the HRA based on the level of Housing related turnover and the reported position reflects this policy.

3.15 **Housing Revenue Account** (*Housing & Community Safety Policy Board*)

Current Position: Breakeven
Previously Reported: N/A

The current breakeven position principally reflects a minor underspend within Employee Costs due to part year vacancies in the service which has been offset by an increase in Capital Funded from Current Revenue (CFCR).

The additional expenditure in CFCR relates to the agreed strategy of using underspends within the HRA and Capital from Current Revenue to reduce new debt and to smooth debt repayments to support delivery of the Business Plan.

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. Projected underspends will be offset by a corresponding increase in the planned CFCR contribution.

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

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RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2015/2016
1st April 2015 to 26 June 2015

POLICY BOARD : GENERAL MANAGEMENT AND FINANCE : OVERVIEW

Description (1)	£000's	Revised Annual Budget (2)	Revised Period Budget (3)	Actual (4)	Adjustments (5)	Revised Actual (6) = (4 + 5)	Budget Variance (7)	
		£000's	£000's	£000's	£000's	£000's	£000's	%
Employee Costs		235,983	46,282	40,982	5,473	46,455	(173)	-0.4%
Property Costs		102,811	20,152	19,251	934	20,185	(33)	-0.2%
Supplies & Services		16,785	3,629	3,774	(151)	3,623	6	0.2%
Contractors and Others		100,397	16,379	15,121	1,109	16,230	149	0.9%
Transport & Plant Costs		14,556	2,891	2,668	225	2,893	(2)	-0.1%
Administration Costs		67,241	1,639	1,120	519	1,639	0	0.0%
Payments to Other Bodies		48,097	7,053	6,345	690	7,035	18	0.3%
CFCR		2,880	0	0	0	0	0	0.0%
Capital Charges		51,679	60	6	54	60	0	0.0%
GROSS EXPENDITURE		640,429	98,085	89,267	8,853	98,120	(35)	0.0%
Income		(264,519)	(34,492)	(27,102)	(7,425)	(34,527)	35	0.1%
NET EXPENDITURE		375,910	63,593	62,165	1,428	63,593	0	0.0%

Bottom Line Position to 26 June 2015 is an underspend of 0.0%

Anticipated Year End Budget Position is breakeven of 0.0%

RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2015/2016
1st April 2015 to 26 June 2015

POLICY BOARD : GENERAL MANAGEMENT AND FINANCE : OVERVIEW

Description (1)	£000's	Revised Annual Budget (2)	£000's	Revised Period Budget (3)	£000's	Actual (4)	£000's	Adjustments (5)	£000's	Revised Actual (6) = (4 + 5)	£000's	Budget Variance (7)	
												£000's	%
Education and Children		204,015		32,712		32,604		108		32,712		0	0.0%
Leisure Services		12,709		1,958		1,928		30		1,958		0	0.0%
Environmental Services		56,288		9,552		8,409		1,143		9,552		0	0.0%
Finance & Resources		5,035		5,351		5,888		(537)		5,351		0	0.0%
Other Housing		4,521		6,180		5,952		228		6,180		0	0.0%
Planning & Economic Development		5,973		925		5,129		(4,204)		925		0	0.0%
Chief Executives		524		369		183		186		369		0	0.0%
Miscellaneous		29,809		1,593		(2,885)		4,478		1,593		0	0.0%
Property & Construction Services		2,539		1,111		876		235		1,111		0	0.0%
Social Work		55,579		11,016		11,016		0		11,016		0	0.0%
Trading Accounts (Surplus)/Deficit		(1,082)		(363)		1,223		(1,586)		(363)		0	0.0%
SUB - TOTAL GENERAL SERVICES		375,910		70,404		70,323		81		70,404		0	0.0%
Housing Revenue Account (HRA)		0		(6,811)		(8,158)		1,347		(6,811)		0	0.0%
NET EXPENDITURE		375,910		63,593		62,165		1,428		63,593		0	0.0%

Bottom Line Position to 26 June 2015 is breakeven of	£000's	0.0%
Anticipated Year End Budget Position is breakeven of	0	0.0%

RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2015/2016
1st April 2015 to 26 June 2015

POLICY BOARD : GENERAL MANAGEMENT AND FINANCE : OVERVIEW : TRADING OPERATIONS

Description (1) £000's	Revised Annual Budget (2) £000's	Revised Period Budget (3) £000's	Actual (4) £000's	Adjustments (5) £000's	Revised Actual (6) = (4 + 5) £000's	Budget Variance (7) £000's %	
Employee Costs	12,437	2,848	2,175	673	2,848	0	0.0% breakeven
Property Costs	683	110	79	31	110	0	0.0% breakeven
Supplies & Services	5,534	1,222	1,327	(105)	1,222	0	0.0% breakeven
Contractors and Others	3,260	671	438	233	671	0	0.0% breakeven
Transport & Plant Costs	2,702	640	580	60	640	0	0.0% breakeven
Administration Costs	2,083	415	19	396	415	0	0.0% breakeven
Payments to Other Bodies	7	2	(15)	17	2	0	0.0% breakeven
CFCR	0	0	0	0	0	0	0.0% breakeven
Capital Charges	241	56	0	56	56	0	0.0% breakeven
GROSS EXPENDITURE	26,947	5,964	4,603	1,361	5,964	0	0.0% breakeven
Income	(28,028)	(6,325)	(3,381)	(2,944)	(6,325)	0	0.0% breakeven
NET EXPENDITURE	(1,082)	(361)	1,222	(1,583)	(361)	0	0.0% breakeven

Bottom Line Position to 26 June 2015 is breakeven of £000's
0

Anticipated Year End Budget Position is an underspend of £000's
0

RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2015/2016
1st April 2015 to 26 June 2015

POLICY BOARD : GENERAL MANAGEMENT AND FINANCE : OVERVIEW : TRADING OPERATIONS

Description (1) £000's	Revised Annual Budget (2) £000's	Revised Period Budget (3) £000's	Actual (4) £000's	Adjustments (5) £000's	Revised Actual (6) = (4 + 5) £000's	Budget Variance (7) £000's %	
Building & Works Trading	0	(109)	1,853	(1,962)	(109)	0	0.0% breakeven
Catering Trading	(451)	(60)	(358)	298	(60)	0	0.0% breakeven
Transport Trading	(505)	(163)	(441)	278	(163)	0	0.0% breakeven
Roads Trading	(125)	(29)	168	(197)	(29)	0	0.0% breakeven
NET EXPENDITURE	(1,082)	(361)	1,222	(1,583)	(361)	0	0.0% breakeven

£000's

Bottom Line Position to 26 June 2015 is breakeven of 0 0.0%

Anticipated Year End Budget Position is an underspend of 0 0.0%