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**To:** Finance and Resources Policy Board

**On:** 11 November 2015

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

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**Heading:** Revenue Budget Monitoring – Council Overview to 18 September 2015

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**1. Summary**

1.1 This report provides an overview of the budget performance for all Services for the period to 18 September 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	-	Breakeven	-
HRA	Breakeven	-	Breakeven	-

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	-	Breakeven	-
HRA	Breakeven	-	Breakeven	-

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

**Current Position:** **Breakeven**

***Previously Reported:*** ***Breakeven***

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 £51,000 within Central Admin relates to additional staffing costs.
- £22,000 of an overspend in Additional Support for Learning relates to additional staffing costs.
- £303,000 of an underspend in Pre Fives relates to payments to partner nurseries and pre-five officer salaries.
- £127,000 of an overspend in Primary Schools is related to an overspend on teachers' salaries partly offset by an underspend on transport costs.
- £5,000 of an underspend in Secondary Schools is mainly due to underspends in transport costs and teachers' salaries.

- £108,000 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:*** Breakeven

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:*** Breakeven

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 £15,000 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 underspends on supplies and services and transport costs.
- The £12,000 underspend on School Crossing Patrols is due to lower than budgeted employee costs.
- An overspend of £14,000 on Land Services is due to lower recreational and cemetery income.
- £16,000 of an underspend on Renfrewshire Wardens is due to underspends on employee costs 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:*** *Breakeven*

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:*** *Breakeven*

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:** Breakeven

The current breakeven position mainly reflects overspends in Supplies and Services and Contractors and Others costs which have been offset by an over-recovery in income.

The overspends on the Property Services account at this stage in the financial year reflect the increased levels of systems and 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:** Breakeven

At this stage in the financial year the 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 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:** Breakeven

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 underspend of £13,000 within Older People services reflects pressures within the care at home service which are mitigated by an underspend in the external care home placement budget reflecting higher than anticipated turnover levels.

In addition to pressures within the care at home service, there continues to be an under recovery of income from the Council's residential Care Homes due to the current levels of under occupancy.

- £41,000 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 £130,000 within Learning Disabilities is mainly due to the time taken to recruit to new posts within the Learning Disability day services.
- A £30,000 overspend on Mental Health is mainly due to higher than anticipated payroll costs.
- £72,000 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*)

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

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:***                ***Breakeven***

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:***                ***Breakeven***

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 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:***                ***Breakeven***

The net underspend, arising from the minor under and overspends on employee costs and contractors costs respectively, 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 Funded from Current Revenue to reduce new debt and to smooth debt repayments to support the sustainable delivery of the Business Plan and has resulted in a breakeven position on the HRA at this stage in the financial year.

### **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.

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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

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**Author:** David Forbes, Extension 6424



**RENFREWSHIRE COUNCIL**  
**REVENUE BUDGET MONITORING STATEMENT 2015/2016**  
**1st April 2015 to 18 September 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		238,503	93,604	91,017	2,809	93,826	(222)	-0.2% overspend
Property Costs		103,245	48,162	46,600	1,653	48,253	(91)	-0.2% overspend
Supplies & Services		17,081	7,186	8,565	(1,145)	7,420	(234)	-3.3% overspend
Contractors and Others		101,392	36,051	35,329	545	35,874	177	0.5% underspend
Transport & Plant Costs		13,148	5,802	5,661	43	5,704	98	1.7% underspend
Administration Costs		67,159	3,874	3,047	845	3,892	(18)	-0.5% overspend
Payments to Other Bodies		51,533	21,145	20,896	98	20,994	151	0.7% underspend
CFCR		2,880	10	10	0	10	0	0.0% breakeven
Capital Charges		51,679	163	20	143	163	0	0.0% breakeven
<b>GROSS EXPENDITURE</b>		<b>646,620</b>	<b>215,997</b>	<b>211,145</b>	<b>4,991</b>	<b>216,136</b>	<b>(139)</b>	<b>-0.1% overspend</b>
Income		(268,030)	(87,211)	(79,925)	(7,425)	(87,350)	139	0.2% over-recovery
<b>NET EXPENDITURE</b>		<b>378,590</b>	<b>128,786</b>	<b>131,220</b>	<b>(2,434)</b>	<b>128,786</b>	<b>0</b>	<b>0.0% breakeven</b>

£000's

0.0%

Bottom Line Position to 18 September 2015 is breakeven of

0

0.0%

Anticipated Year End Budget Position is breakeven of

0

**RENFREWSHIRE COUNCIL**  
**REVENUE BUDGET MONITORING STATEMENT 2015/2016**  
**1st April 2015 to 18 September 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		203,866		63,634		63,336		298		63,634		0	0.0%
Leisure Services		12,053		5,559		5,537		22		5,559		0	0.0%
Environmental Services		56,878		19,945		20,597		(652)		19,945		0	0.0%
Finance & Resources		4,984		11,998		13,691		(1,693)		11,998		0	0.0%
Other Housing		4,559		5,886		5,723		163		5,886		0	0.0%
Planning & Economic Development		8,457		2,477		6,141		(3,664)		2,477		0	0.0%
Chief Executives		550		802		748		54		802		0	0.0%
Miscellaneous		30,031		2,974		(87)		3,061		2,974		0	0.0%
Property & Construction Services		2,673		1,866		1,579		287		1,866		0	0.0%
Social Work		55,622		26,454		26,454		0		26,454		0	0.0%
Trading Accounts (Surplus)/Deficit		(1,083)		(640)		1,306		(1,946)		(640)		0	0.0%
<b>SUB - TOTAL GENERAL SERVICES</b>		<b>378,590</b>		<b>140,955</b>		<b>145,025</b>		<b>(4,070)</b>		<b>140,955</b>		<b>0</b>	<b>0.0%</b>
Housing Revenue Account (HRA)		0		(12,169)		(13,805)		1,636		(12,169)		0	0.0%
<b>NET EXPENDITURE</b>		<b>378,590</b>		<b>128,786</b>		<b>131,220</b>		<b>(2,434)</b>		<b>128,786</b>		<b>0</b>	<b>0.0%</b>

<b>Bottom Line Position to 18 September 2015 is an underspend of</b>	<b>£000's</b>	<b>0.0%</b>
<b>Anticipated Year End Budget Position is breakeven of</b>	<b>0</b>	<b>0.0%</b>



RENFREWSHIRE COUNCIL  
REVENUE BUDGET MONITORING STATEMENT 2015/2016  
1st April 2015 to 18 September 2015

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

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	%
Building & Works Trading		0	(215)	1,712	(1,927)	(215)	0	0.0%
Catering Trading		(451)	(142)	(143)	1	(142)	0	0.0%
Transport Trading		(506)	(225)	(376)	151	(225)	0	0.0%
Roads Trading		(125)	(58)	113	(171)	(58)	0	0.0%
NET EXPENDITURE		(1,082)	(640)	1,306	(1,946)	(640)	0	0.0%

Bottom Line Position to 18 September 2015 is breakeven of £000's 0 0.0%

Anticipated Year End Budget Position is breakeven of 0 0.0%