
To: Finance and Resources Policy Board

On: 25 January 2017

Report by: Director of Finance and Resources

Heading: Revenue Budget Monitoring – Council Overview to 11 November 2016

1. Summary

1.1 This report provides an overview of the budget performance for all Services for the period to 11 November 2016.

1.2 The report confirms an overall £32,000 underspend 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	£32,000 Underspend	0.0%	£5,000 Underspend	0.0%
HRA	Breakeven	-	Breakeven	-

1.3 The budget performance to date suggests a £7,000 underspend projected year end position which is summarised in the table below:

Division / Department	Anticipated Year End Position	% variance	Previously Reported Position	% variance
General Fund Services	£7,000 Underspend	0.0%	£10,000 Underspend	0.0%
HRA	Breakeven	-	Breakeven	-

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

Current position:

Net underspend £28,000

Previously reported:

Breakeven

The underspend 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 (£148,000) within Central Admin relates to additional staffing costs.
- (£327,000) of an overspend within Pre Five relates to staffing costs and property costs.
- A £302,000 underspend within Primary schools relates to transport costs and teachers' salaries.
- £205,000 of a underspend within Secondary Schools relates to transport costs and teachers' salaries.
- An overspend of (£72,000) within Special Schools relates to teachers' salaries.

- The overspend of (£37,000) within Community Learning and Development relates to staffing costs.
- The net underspend of £55,000 within Education Development relates to staffing costs.
- An overspend of (£333,000) within Additional Support for Learning relates to staffing costs.
- A £383,000 underspend of within Childcare services relates to lower than anticipated expenditure on residential placements and Fostering and Adoption allowances.

Projected Year End Position

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

3.4 Leisure Services (Leadership Board)

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 (£55,000) 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 property and supplies and services.

- An underspend of £30,000 on School Crossing Patrollers due to lower than budgeted employee costs.
- An underspend of £8,000 on Regulatory Services due to a lower than budgeted employee costs.
- An underspend of £12,000 within traffic management is due to a small over recovery of income.

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 remainder of the winter maintenance period to March 2017.

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 account reflects a breakeven position.

Projected Year End Position

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

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

Current Position: Breakeven
Previously Reported: Breakeven

The Planning Division account reflects a breakeven position with greater than anticipated expenditure within employee costs due to turnover requirements and supplies and services for the provision for IT

maintenance. These overspends are funded by increased levels of planning income.

Projected Year End Position

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

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

Current Position: Breakeven

Previously Reported: *Breakeven*

At this stage in the financial year Property and Construction Services reflects a breakeven position with no significant variances to report on any of the budget categories.

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 Division** (*Economy & Jobs Policy Board*)

Current Position: Breakeven

Previously Reported: *Breakeven*

At this stage in the financial year the account reflects a breakeven position.

Projected Year End Position

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

Adult Services (*Leadership Board*)

Current Position: £4,000 underspend
Previously Reported: £5,000 underspend

Older People

Current Position: Net underspend of £274,000
Previously Reported: Net underspend of £331,000

The overall underspend within Older People services is due to the availability of integration funding for Adult Social Care for 2016/17 and also vacancies within Local Authority run Care Homes, for which active recruitment remains ongoing.

Physical Disabilities

Current Position: Net overspend of (£219,000)
Previously Reported: Net overspend of (£383,000)

The overspend within Physical Disabilities relates to pressures within the Adult Placement budget due to increasing demand and the impact of Self Directed Support (SDS).

Learning Difficulties

Current Position: Net overspend of (£88,000)
Previously Reported: Net underspend of £150,000

The current overspend within Learning Disability services is due to an overspend on the Adult Placement budget as a result of increasing demand. This overspend is partially offset by an underspend within employee costs.

Mental Health

Current Position:	Net overspend of (£50,000)
<i>Previously Reported:</i>	<i>Net overspend of (£98,000)</i>

The overspend within Mental Health Services relates to pressures within the Adult Placement budget reflecting both the impact of increasing demand and SDS.

Addictions

Current Position:	Net underspend of £82,000
<i>Previously Reported:</i>	<i>Not previously Reported</i>

The underspend within Addiction Services reflects the current client profile of care packages within this area. However, as this budget is highly volatile it would be prudent to retain this level of budget provision to ensure there is adequate provision should the need arise.

Social Work Management

Current Position:	Net underspend of £5,000
<i>Previously Reported:</i>	<i>Not previously Reported</i>

The underspend within management is as a result of an underspend in travel and transport costs.

Projected Year End Position

It is anticipated, at this stage, that Adult Services will achieve a £7,000 underspend position at year end.

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

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

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 in the context of the ongoing debt smoothing strategy, 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. Expenditure is currently greater than anticipated due an increase in the volume of works across various works streams, mainly within Building Services, offset by a corresponding increase in income. In this context, it is projected that the Building Services trading operation will achieve a £468,000 surplus. 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 current breakeven position principally reflects an overspend within Property Costs due to greater than anticipated repair costs, offset by an over recovery of income from OFGEM for a renewable heat incentive.

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.

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 2016/2017
1st April 2016 to 11 November 2016

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		250,951	136,662	137,235	(352)	136,884	(222)	-0.2% overspend
Property Costs		99,181	57,894	57,041	959	58,000	(106)	-0.2% overspend
Supplies & Services		18,347	11,141	11,414	(267)	11,147	(6)	-0.1% overspend
Contractors and Others		88,433	50,434	51,275	361	51,636	(1,202)	-2.4% overspend
Transport & Plant Costs		12,942	7,345	6,992	203	7,196	149	2.0% underspend
Administration Costs		54,518	3,683	2,660	1,139	3,799	(116)	-3.2% overspend
Payments to Other Bodies		59,261	30,424	30,063	243	30,306	118	0.4% underspend
CFCR		2,387	862	8	854	861	0	0.0% underspend
Capital Charges		55,477	163	15	148	163	0	0.3% underspend
GROSS EXPENDITURE		641,496	298,607	296,704	3,289	299,993	(1,385)	-0.5% overspend
Income		(255,182)	(127,612)	(123,943)	(5,086)	(129,029)	1,417	1.1% over-recovery
NET EXPENDITURE		386,314	170,996	172,761	(1,797)	170,964	32	0.0% underspend

£000's

Bottom Line Position to 11 November 2016 is an underspend of

0.0%

Anticipated Year End Budget Position is an underspend of

0.0%

32

7

RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2016/2017
1st April 2016 to 11 November 2016

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	%	
Education and Children		202,553	96,407	97,523	(1,144)	96,379	28	0.0%	underspend
Leisure Services		11,786	6,181	6,181	0	6,181	(0)	0.0%	overspend
Environmental Services		53,984	27,463	27,386	77	27,463	0	0.0%	underspend
Finance & Resources		8,782	17,847	17,847	0	17,847	0	0.0%	underspend
Other Housing		5,562	5,480	5,402	78	5,480	(0)	0.0%	overspend
Planning & Economic Development		6,759	2,380	2,710	(330)	2,380	0	0.0%	underspend
Roads & Transport		0	0	0	0	0	0	0.0%	breakeven
Chief Executives		2,099	3,816	3,834	(17)	3,816	0	0.0%	underspend
Miscellaneous		31,523	(4,186)	(4,266)	80	(4,186)	0	0.0%	over-recovery
Police & Fire Requisition		0	0	0	0	0	0	0.0%	breakeven
Property & Construction Services		3,546	2,206	2,206	0	2,206	(0)	0.0%	overspend
Adult Services		60,802	31,511	31,506	0	31,506	4	0.0%	underspend
Trading Accounts (Surplus)/Deficit		(1,082)	(943)	1,265	(2,209)	(943)	(0)	0.0%	under-recovery
SUB -TOTAL GENERAL SERVICES		386,314	188,162	191,594	(3,464)	188,129	32	0.0%	underspend
Housing Revenue Account (HRA)		0	(17,166)	(18,833)	1,667	(17,166)	(0)	0.0%	under-recovery
NET EXPENDITURE		386,314	170,996	172,761	(1,797)	170,964	32	0.0%	underspend

£000's

32

0.0%

Bottom Line Position to 11 November 2016 is an underspend of

7

0.0%

Anticipated Year End Budget Position is an underspend of

RENFREWSHIRE COUNCIL

REVENUE BUDGET MONITORING STATEMENT 2016/2017

1st April 2016 to 11 November 2016

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

Description	(1)	Revised Annual Budget		Revised Period Budget		Actual		Adjustments		Revised Actual		Budget Variance	
		(2)	£000's	(3)	£000's	(4)	£000's	(5)	£000's	(6) = (4 + 5)	£000's	(7)	%
Employee Costs		12,999		7,866		7,678		517		8,195	(329)	-4.2%	overspend
Property Costs		643		381		246		107		353	29	7.5%	underspend
Supplies & Services		6,274		4,006		3,901		104		4,005	1	0.0%	underspend
Contractors and Others		3,228		1,748		2,154		173		2,328	(580)	-33.2%	overspend
Transport & Plant Costs		2,608		1,481		1,333		169		1,502	(22)	-1.5%	overspend
Administration Costs		2,083		1,256		43		1,211		1,255	1	0.1%	underspend
Payments to Other Bodies		7		4		0		0		0	4	100.0%	underspend
CFCR		0		0		0		0		0	0	0.0%	breakeven
Capital Charges		241		148		0		148		148	(0)	0.0%	overspend
GROSS EXPENDITURE		28,082		16,890		15,355		2,430		17,785	(895)	-5.3%	overspend
Income		(29,164)		(17,833)		(14,090)		(4,638)		(18,728)	895	5.0%	over-recovery
NET EXPENDITURE		(1,082)		(943)		1,265		(2,209)		(943)	(0)	0.0%	under-recovery

\$'000's

Bottom Line Position to 11 November 2016 is an overspend of

0.0%

Anticipated Year End Budget Position is an overspend of

0.0%

RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2016/2017
1st April 2016 to 11 November 2016

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) £000's	Budget Variance £000's (7)	%	
Building & Works Trading		0	(288)	2,766	(3,054)	(288)	(0)	0.0%	under-recovery
Catering Trading		(451)	(259)	(807)	548	(259)	(0)	0.0%	under-recovery
Transport Trading		(505)	(328)	(355)	27	(328)	(0)	0.0%	under-recovery
Roads Trading		(125)	(68)	(338)	270	(68)	(0)	0.0%	under-recovery
NET EXPENDITURE		(1,082)	(943)	1,265	(2,209)	(943)	(0)	0.0%	under-recovery

£000's

Bottom Line Position to 11 November 2016 is an overspend of (0) 0.0%

Anticipated Year End Budget Position is an overspend of (0) 0.0%