



To: Finance and Resources Policy Board

On: 27 January 2016

Report by: Director of Finance and Resources

Heading: Revenue Budget Monitoring – Council Overview to 13 November 2015

1. Summary

1.1 This report provides an overview of the budget performance for all Services for the period to 13 November 2015.

1.2 The report confirms an overall budget underspend for all services of £0.151m (0.1%). 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	£151,000 Underspend	0.1%	Breakeven	-
HRA	Breakeven	-	Breakeven	-

1.3 The budget performance to date suggests a projected year end underspend of £1.182m (0.3%) which is summarised in the table below:

Division / Department	Anticipated Year End Position	% variance	Previously Reported Position	% variance
General Fund Services	£1,182,000 Underspend	0.3%	Breakeven	-
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 **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 £62,000 within Central Admin relates to additional staffing costs.
- £59,000 of an overspend in Additional Support for Learning relates to additional staffing costs.
- £169,000 of an underspend in Pre Fives relates to payments to partner nurseries and pre-five officer salaries.
- £266,000 of an overspend in Primary Schools is related to an overspend on teachers' salaries partly offset by an underspend on transport costs.
- £267,000 of an underspend in Secondary Schools is mainly due to underspends in transport costs and teachers' salaries.

- £49,000 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 £19,000 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 £18,000 underspend on School Crossing Patrols is due to lower than budgeted employee costs.
- An overspend of £24,000 on Land Services is due to lower recreational and cemetery income.
- £24,000 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 at this stage that the Other Housing year end position will be an underspend of £292,000 as a result of an improved outturn position on the Council's Housing Benefit subsidy position and reduced Housing Strategy costs.

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 Property Costs, 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.

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 £22,000 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.

- £53,000 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 £155,000 within Learning Disabilities is mainly due to the time taken to recruit to new posts within the Learning Disability day services, the majority of which have now been filled. This underspend offsets an overspend on the Adult Placement budget reflecting increased changes in the budget profile in relation to the funding of SDS packages.
- A £30,000 overspend on Mental Health is mainly due to higher than anticipated payroll costs.
- £94,000 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: Net underspend £97,000
Previously Reported: Breakeven

The underspend has arisen due to levels of staff turnover and an over-recovery of licensing income.

Projected Year End Position

It is anticipated that Finance and Resources will achieve an underspend of £175,000 by the year end due to levels of staff turnover and an over-recovery of licensing income.

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

Current Position: Net underspend £54,000
Previously Reported: Breakeven

The underspend has arisen due to levels of staff turnover.

Projected Year End Position

It is anticipated that the Chief Executive's will achieve an underspend of £115,000 by the year end due to levels of staff turnover.

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 an underspend of £200,000 by the year end due to additional one-off income.

It is anticipated that Council Tax income for 2015-16 will be over recovered by £400,000 against budget due to increased yield.

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

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.

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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POLICY BOARD : GENERAL MANAGEMENT AND FINANCE : OVERVIEW

Bottom Line Position to 13 November 2015 is an underspend of	151
Anticipated Year End Budget Position is an underspend of	1,182
	£000's

Anticipated Year End Budget Position is an underspend of

0.3%

RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2015/2016
1st April 2015 to 13 November 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		192,951		93,372		93,684		(312)		93,372		0	0.0%
Leisure Services		12,665		6,642		6,499		143		6,642		0	0.0%
Environmental Services		56,772		27,432		27,704		(272)		27,432		0	0.0%
Finance & Resources		6,220		17,671		19,180		(1,606)		17,574		97	0.5%
Other Housing		5,735		5,616		5,475		141		5,616		0	0.0%
Planning & Economic Development		8,457		3,513		7,169		(3,656)		3,513		0	0.0%
Chief Executives		1,574		2,191		2,170		(33)		2,137		54	2.5%
Miscellaneous		30,117		3,859		1,128		2,731		3,859		0	0.0%
Property & Construction Services		2,667		1,969		1,619		350		1,969		0	0.0%
Social Work		63,681		27,133		27,133		0		27,133		0	0.0%
Trading Accounts (Surplus)/Deficit		(1,082)		(521)		1,291		(1,812)		(521)		0	0.0%
SUB -TOTAL GENERAL SERVICES		379,757		188,877		193,052		(4,326)		188,726		151	0.1%
Housing Revenue Account (HRA)		0		(3,324)		(17,843)		14,519		(3,324)		0	0.0%
NET EXPENDITURE		379,757		185,553		175,209		10,193		185,402		151	0.1%

	£000's	
Bottom Line Position to 13 November 2015 is an underspend of	151	0.1%
Anticipated Year End Budget Position is an underspend of	1,182	0.3%

RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2015/2016
1st April 2015 to 13 November 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	12,457	7,654	7,099	506	7,605	49	0.6%
Property Costs	683	408	323	79	402	6	1.5%
Supplies & Services	5,533	3,517	3,787	(262)	3,525	(8)	-0.2%
Contractors and Others	3,152	1,708	1,750	(15)	1,735	(27)	-1.6%
Transport & Plant Costs	2,702	1,576	1,449	115	1,564	12	0.8%
Administration Costs	2,083	1,305	310	995	1,305	0	0.0%
Payments to Other Bodies	7	4	(15)	19	4	0	0.0%
CFCR	0	0	0	0	0	0	0.0%
Capital Charges	241	148	0	148	148	0	0.0%
GROSS EXPENDITURE	26,858	16,320	14,703	1,585	16,288	32	0.2%
Income	(27,940)	(16,842)	(13,409)	(3,401)	(16,810)	(32)	-0.2%
NET EXPENDITURE	(1,082)	(522)	1,294	(1,816)	(522)	0	0.0%
							underspend
							underspend
							overspend
							overspend
							underspend
							underspend
							breakeven
							breakeven
							breakeven
							breakeven
							underspend
							under-recovery
							breakeven

Bottom Line Position to 13 November 2015 is breakeven of **£000's** 0 **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 13 November 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	(289)	1,727	(2,016)	(289)	0	0.0%
Catering Trading		(452)	(214)	(143)	(71)	(214)	0	0.0%
Transport Trading		(505)	(320)	(374)	54	(320)	0	0.0%
Roads Trading		(125)	301	84	217	301	0	0.0%
NET EXPENDITURE		(1,082)	(522)	1,294	(1,816)	(522)	0	0.0%
								breakeven
								breakeven
								breakeven
								breakeven

£000's

0.0%

Bottom Line Position to 13 November 2015 is breakeven of

0

0.0%

Anticipated Year End Budget Position is breakeven of

0