
To: Finance, Resources and Customer Services Policy Board

On: 29 January 2020

Report by: Director of Finance and Resources

Heading: Revenue Budget Monitoring – Council Overview to 8 November 2019

1. Summary

- 1.1 This report provides an overview of the budget performance for all Services for the period to 8 November 2019. The report confirms a net underspend of £58,000. 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	£58,000 underspend	(0.0%)	£87,000 underspend	(0.1%)
HRA	breakeven	-	breakeven	-

- 1.2 The budget performance to date suggests a projected breakeven position for Council services at the year end. While adult care services managed by the IJB are forecast to underspend at the year end, this underspend is ringfenced to support the transformation of IJB services and will be held within IJB reserves and is therefore not available to support the wider council financial position.

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
<i>Previously reported:</i>	<i>Breakeven</i>

The underspend position reflects overspends in Additional Support for Learning and Children and Families, offset by underspends in primary and secondary schools.

Projected Year End Position

It is anticipated that Children's Services will achieve a break-even year-end position contingent upon management action to mitigate the financial pressures being experienced.

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

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

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*)

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

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*)

Current position:	£220,000 underspend
<i>Previously reported:</i>	<i>Breakeven</i>

Underspends in employee costs (excluding care at home) reflecting vacancies due to recruitment issues, throughout all service areas. These underspends offset pressures within third party payments (payments for externally commissioned services) for the Care at Home service and the Adult placement budget reflecting the impact of increasing demand. The underspend within addictions reflects the planned hold on recruitment, to enable new structures to be put in place, in line with the findings of the review of addiction services.

It is anticipated that Adult Services will underspend by £358,000 at the year end.

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

Current Position:	£278,000 overspend
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Previously Reported: **£298,000 overspend**

At this stage in the financial year the service reflects an overspend of £278,000 as a result of demand pressures in Social Transport, and reduced parking income. In addition, resource pressures in Streetscene associated with naturalised areas has resulted in this year to date overspend.

3.10 **Projected Year End Position**

It is currently forecast that the Environment & Infrastructure services reporting to this Policy Board, will break even at year end. The Department and the leadership team continue to undertake a range of management actions to address the significant budget pressures experienced in 2018/19, which continue into the current financial year. This includes strict expenditure controls and focus on income generating service activities.

This forecast position is also based on assumptions around the costs of disposal of residual and re-cyclate waste (including garden and food waste) and the costs of variable service delivery, such as roads maintenance activity through the autumn/winter period (October 2019 to March 2020).

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

Current Position: **£9,000 underspend**

Previously Reported: **£2,000 underspend**

At this stage in the financial year, Communities, Housing and Planning Services are currently showing a net break-even position

3.12 **Projected Year End Position**

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

3.13 **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.

3.14 **Projected Year End Position**

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

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

Current Position:	£11,000 underspend
<i>Previously Reported:</i>	<i>£5,000 overspend</i>

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

3.16 **Projected Year End Position**

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

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

Current Position:	£97,000 underspend
<i>Previously Reported:</i>	<i>£170,000 underspend</i>

At this stage in the financial year Miscellaneous Services reflects a slight underspend with no significant variances to report.

3.18 **Projected Year End Position**

It is anticipated that Miscellaneous will breakeven at year end.

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

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

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

3.21 **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

12. **Cosla Policy Position** - none

13. **Climate Risk** - none

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RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2019/2020
1st April 2019 to 8 November 2019

POLICY BOARD : FINANCE, RESOURCES AND CUSTOMER SERVICES : OVERVIEW

Description	Revised Annual Budget	Revised Period Budget	Revised Actual	Budget Variance		
				£000's	%	
Education and Children	198,414	114,232	114,232	0	0.0%	breakeven
Leisure Services	10,389	7,931	7,932	0	0.0%	breakeven
Environment & Infrastructure	45,313	23,102	23,380	(278)	-1.2%	overspend
Finance & Resources	32,187	23,300	23,289	12	0.1%	underspend
Community, Housing and Planning Services	14,045	8,971	8,962	9	0.1%	underspend
Economic Development	2,503	2,552	2,552	(0)	0.0%	overspend
Chief Executives	7,827	4,420	4,420	0	0.0%	breakeven
Miscellaneous	27,397	(6,258)	(6,354)	95	1.5%	underspend
Adult Services	70,826	43,585	43,365	220	0.5%	underspend
SUB -TOTAL GENERAL SERVICES	408,901	221,836	221,778	58	0.0%	underspend
Housing Revenue Account (HRA)	0	(15,076)	(15,076)	0	0.0%	breakeven
NET EXPENDITURE	408,901	206,759	206,701	58	0.0%	underspend

	£000's	
Bottom Line Position to 8 November 2019 is a net underspend	58	0.0%
Anticipated Year End Budget Position a net underspend	358	0.1%

RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2019/2020
1st April 2019 to 8 November 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	297,682	161,168	160,312	857	0.5%	underspend
Property Costs	35,808	22,503	22,576	(73)	-0.3%	overspend
Supplies & Services	78,058	40,215	40,095	120	0.3%	underspend
Transport & Plant Costs	19,634	10,670	10,953	(283)	-2.7%	overspend
Support Services	17,928	3,314	3,281	33	1.0%	underspend
Third Party Payments	76,410	46,090	46,668	(578)	-1.3%	overspend
Transfer Payments	86,330	46,108	45,902	206	0.4%	underspend
Capital Charges	14,597	1,847	2,262	(415)	-22.5%	overspend
GROSS EXPENDITURE	626,450	331,916	332,049	(133)	0.0%	overspend
Income	(217,549)	(125,156)	(125,348)	192	0.2%	over-recovery
NET EXPENDITURE	408,901	206,759	206,701	58	0.0%	underspend

	£000's	
Bottom Line Position to 8 November 2019 is a net underspend	<u>58</u>	<u>0.0%</u>
Anticipated Year End Budget Position a net underspend	<u>358</u>	<u>0.1%</u>