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**To:** Finance and Resources Policy Board

**On:** 15 March 2017

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

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**Heading:** Revenue Budget Monitoring – Council Overview to 6 January 2017

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**1. Summary**

1.1 This report provides an overview of the budget performance for all Services for the period to 6 January 2017.

1.2 The report confirms an overall £41,000 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	£41,000 Underspend	0.0%	£32,000 Underspend	0.0%
HRA	Breakeven	-	Breakeven	-

1.3 The budget performance to date suggests a £6,000 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	£6,000 Underspend	0.0%	£7,000 Underspend	0.0%
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 **Children's Services** *(Education and Children Policy Board)*

<b>Current position:</b>	<b>Net underspend £35,000</b>
<b><i>Previously reported:</i></b>	<b><i>Net underspend £28,000</i></b>

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 £180,000 within Central Admin relates to additional staffing costs.
- The overspend of £417,000 within Pre Five relates to staffing costs and property costs.
- The £338,000 underspend within Primary schools relates to transport costs and teachers' salaries.
- £215,000 of a underspend within Secondary Schools relates to transport costs and teachers' salaries.
- The overspend of £54,000 within Special Schools relates to teachers' salaries.

- The overspend of £21,000 within Community Learning and Development relates to staffing costs.
- The net underspend of £76,000 within Education Development relates to staffing costs.
- An overspend of £437,000 within Additional Support for Learning relates to staffing costs.
- A £515,000 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 £68,000 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 costs and supplies and services.

- An underspend of £38,000 on School Crossing Patrollers due to lower than budgeted employee costs.
- An underspend of £9,000 on Regulatory Services due to a lower than budgeted employee costs.
- An underspend of £16,000 within traffic management is due to a small over recovery of income.

### **Projected Year End Position**

It is currently forecast that Community Resources will break even at year end. This forecast position will be reviewed on an ongoing basis for the remainder of 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)

<b>Current position:</b>	<b>£6,000 Underspend</b>
<b><i>Previously reported:</i></b>	<b><i>£4,000 Underspend</i></b>

**Older People**

<b>Current Position:</b>	<b>Net underspend of £326,000</b>
<b><i>Previously Reported:</i></b>	<b><i>Net underspend of £279,000</i></b>

Currently, the position within Older People's services is an overall underspend, however there are increasing and substantial pressures within the care at home service.

**Physical Disabilities**

<b>Current Position:</b>	<b>Net overspend of (£229,000)</b>
<b><i>Previously Reported:</i></b>	<b><i>Net overspend of (£219,000)</i></b>

As previously reported, the overspend within Physical Disabilities is mainly in relation to pressures within the Adult Placement Budget reflecting both the impact of increasing demand and Self Directed Support (SDS).

**Learning Difficulties**

<b>Current Position:</b>	<b>Net overspend of (£64,000)</b>
<b><i>Previously Reported:</i></b>	<b><i>Net overspend of (£88,000)</i></b>

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**

<b>Current Position:</b>	<b>Net overspend of (£9,000)</b>
<b><i>Previously Reported:</i></b>	<b><i>Net overspend of (£50,000)</i></b>

The overspend within Mental Health Services relates to pressures within the Adult Placement budget reflecting both the impact of increasing demand and SDS. This overspend is partially mitigated by higher than anticipated levels of charging income.

**Addictions**

**Current Position:**  
***Previously Reported:***

**Net underspend of £18,000**  
***Net underspend of £82,000***

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

**Net underspend of £12,000**  
***Net underspend of £5,000***

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 £6,000 underspend position at year end. Balances in respect of the 2016/17 Social Care Integration Fund have been held throughout 2016/17 in order to be carried forward into 2017/18 to dampen down the impact of the likely pressures which will emerge throughout 2017/18. These balances will be used in the first instance prior to any draw down of the 2017/18 additional monies allocated by the Council. The Chief Finance Officer will carry forward these balances using the Reserves mechanism available to the IJB

## **3.11 Finance and Resources (*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 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.

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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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**RENFREWSHIRE COUNCIL**  
**REVENUE BUDGET MONITORING STATEMENT 2016/2017**  
1st April 2016 to 06 January 2017

**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 £000's      % (7)
Employee Costs		251,754	173,416	175,824	(1,415)	174,409	(993)      -0.6%      overspend
Property Costs		99,567	69,597	69,257	470	69,727	(129)      -0.2%      overspend
Supplies & Services		18,674	12,750	14,115	(1,285)	12,830	(80)      -0.6%      overspend
Contractors and Others		88,359	64,750	65,956	(104)	65,852	(1,102)      -1.7%      overspend
Transport & Plant Costs		13,022	9,754	9,200	246	9,445	308      3.2%      underspend
Administration Costs		54,585	4,506	3,137	1,470	4,607	(101)      -2.2%      overspend
Payments to Other Bodies		58,276	35,587	35,272	174	35,446	141      0.4%      underspend
CFCR		2,450	1,139	65	1,067	1,132	6      0.5%      underspend
Capital Charges		55,477	199	15	185	200	(1)      -0.3%      overspend
<b>GROSS EXPENDITURE</b>		<b>642,164</b>	<b>371,698</b>	<b>372,840</b>	<b>808</b>	<b>373,648</b>	<b>(1,950)      -0.5%      overspend</b>
Income		(255,744)	(153,337)	(150,904)	(4,425)	(155,329)	1,992      1.3%      over-recovery
<b>NET EXPENDITURE</b>		<b>386,419</b>	<b>218,360</b>	<b>221,936</b>	<b>(3,617)</b>	<b>218,319</b>	<b>41      0.0%      underspend</b>

<b>Bottom Line Position to 06 January 2017 is an underspend of</b>	<b>£000's</b>
	<b>41</b>
<b>Anticipated Year End Budget Position is an underspend of</b>	<b>6</b>

**RENFREWSHIRE COUNCIL**  
**REVENUE BUDGET MONITORING STATEMENT 2016/2017**  
**1st April 2016 to 06 January 2017**

**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	%
Education and Children		202,457	121,098	122,592	(1,528)	121,063	34 0.0%
Leisure Services		11,786	6,167	6,061	107	6,167	0 0.0%
Environmental Services		53,968	33,567	34,233	(666)	33,567	0 0.0%
Finance & Resources		8,782	22,640	22,670	(30)	22,640	0 0.0%
Other Housing		5,562	9,563	9,542	21	9,563	0 0.0%
Planning & Economic Development		6,822	3,475	3,846	(372)	3,474	0 0.0%
Roads & Transport		0	0	0	0	0	0 0.0%
Chief Executives		2,099	4,046	5,034	(988)	4,046	0 0.0%
Miscellaneous		31,565	(3,493)	(3,220)	(272)	(3,493)	0 0.0%
Police & Fire Requisition		0	0	0	0	0	0 0.0%
Property & Construction Services		3,658	2,160	2,171	(11)	2,160	(0) 0.0%
Adult Services		60,802	40,333	40,327	0	40,327	6 0.0%
Trading Accounts (Surplus)/Deficit		(1,082)	(1,082)	151	(1,233)	(1,082)	0 0.0%
<b>SUB -TOTAL GENERAL SERVICES</b>		<b>386,419</b>	<b>238,475</b>	<b>243,406</b>	<b>(4,972)</b>	<b>238,434</b>	<b>41 0.0%</b>
Housing Revenue Account (HRA)		0	(20,114)	(21,468)	1,354	(20,114)	(0) 0.0%
<b>NET EXPENDITURE</b>		<b>386,419</b>	<b>218,360</b>	<b>221,938</b>	<b>(3,619)</b>	<b>218,319</b>	<b>41 0.0%</b>

£000's  
**41**  
**6**

**Bottom Line Position to 06 January 2017 is an underspend of**  
**Anticipated Year End Budget Position is an underspend of**

**0.0%**  
**0.0%**

**RENFREW'SHIRE COUNCIL**  
**REVENUE BUDGET MONITORING STATEMENT 2016/2017**  
**1st April 2016 to 06 January 2017**

**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	
		£000's	£000's	£000's	£000's	£000's	£000's	%
Employee Costs		12,937	9,792	9,785	435	10,220	(428)	-4.4%
Property Costs		643	489	274	164	438	51	10.5%
Supplies & Services		6,274	4,934	4,783	248	5,031	(97)	-2.0%
Contractors and Others		3,228	2,486	2,822	39	2,862	(376)	-15.1%
Transport & Plant Costs		2,608	1,876	1,763	131	1,894	(18)	-1.0%
Administration Costs		2,083	1,568	47	1,520	1,567	0	0.0%
Payments to Other Bodies		7	5	0	0	0	5	100.0%
CFCR		0	0	0	0	0	0	0.0%
Capital Charges		241	185	0	185	185	0	0.0%
<b>GROSS EXPENDITURE</b>		<b>28,021</b>	<b>21,335</b>	<b>19,475</b>	<b>2,723</b>	<b>22,198</b>	<b>(863)</b>	<b>-4.0%</b>
Income		(29,102)	(22,417)	(19,324)	(3,956)	(23,280)	863	3.8%
<b>NET EXPENDITURE</b>		<b>(1,082)</b>	<b>(1,082)</b>	<b>151</b>	<b>(1,233)</b>	<b>(1,082)</b>	<b>0</b>	<b>0.0%</b>

£000's

0.0%

Bottom Line Position to 06 January 2017 is an underspend of

0

0.0%

Anticipated Year End Budget Position is an underspend of

0

**RENFREWSHIRE COUNCIL**  
**REVENUE BUDGET MONITORING STATEMENT 2016/2017**  
**1st April 2016 to 06 January 2017**

**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 (7)	
		£000's	£000's	£000's	£000's	£000's	£000's	%
Building & Works Trading		0	0	2,282	(2,282)	0	(0)	0.0%
Catering Trading		(451)	(335)	(984)	649	(335)	0	0.0%
Transport Trading		(505)	(409)	(468)	59	(409)	0	0.0%
Roads Trading		(125)	(338)	(679)	341	(338)	0	0.0%
<b>NET EXPENDITURE</b>		<b>(1,082)</b>	<b>(1,082)</b>	<b>151</b>	<b>(1,233)</b>	<b>(1,082)</b>	<b>0</b>	<b>0.0%</b>
								<b>over-recovery</b>

£000's

Bottom Line Position to 06 January 2017 is an underspend of 0 0.0%  
 Anticipated Year End Budget Position is an overspend of (0) 0.0%