

The Highland Council
Finance, Housing and Resources Committee –
27 November 2013

Agenda Item	5
Report No	FHR/ 149/13

Finance Service Revenue Monitoring Report to 30 September 2013

Report by Director of Finance

Summary

This report provides Members with information on the revenue monitoring position for the Finance Service for the period 1 April to 30 September 2013.

1. Financial Year 2013-14

1.1 Attached as Appendix 1 is the revenue monitoring statement for the period to 30 September 2013; it shows that the Service has incurred net expenditure of £7.864m against an annual budget of £11.709m. At this point in the year an over spend of £0.343m is projected.

2. Variances

2.1 The budget for the Business Support section includes a saving target of £0.865m but due to various constraints reported to the previous FHR, mainly relating to IT technical issues; it is likely £0.422m will be achieved creating an expected under achievement of savings of £0.443m.

2.2 The Finance Service is examining all areas to find compensating savings. This includes all budget areas over which the Finance Service has responsibility.

2.3 To date savings from staff turnover and vacancy management are estimated to deliver savings of £0.1m in excess of budget, spread over all parts of the Service.

2.4 The Service also believes that additional income can be generated through an agency agreement with the Department of Work and Pensions (DWP), and the potential for grant funding to meet some of the additional costs relating to Welfare Reform.

2.5 The Service has also delivered savings of £0.6m in loan charges through the proactive management of borrowings, and is exploring options to achieve further savings.

3. Recommendation

Members are asked to:-

1. approve the Finance Service Revenue Monitoring Report for the period to 30 September 2013; and
2. note the action being taken to address the current forecast overspend.

Designation: Director of Finance

Date: 19 November 2013

Authors: Derek Yule and Fiona Callum

Background Papers: None

FINANCE SERVICES Revenue Expenditure Monitoring Report

01 April 2013 to 30 September 2013	Finance Service
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	£000 Actual Year To Date	£000 Annual Budget	£000 Year End Estimate	£000 Year End Variance
BY ACTIVITY				
Directorate	178	(238)	(238)	0
Procurement	306	551	549	(2)
Business Support	4,013	5,326	5,769	443
Accounting & Budgeting	961	1,797	1,791	(6)
Internal Audit & Risk Management	336	405	400	(5)
Payroll, Pensions & Creditors	918	753	744	(9)
Exchequer	1,152	3,115	3,037	(78)
	7,864	11,709	12,052	343
BY SUBJECTIVE				
Staff Costs	8,309	17,025	17,368	343
Other Costs	1,339	1,589	1,589	0
Gross Expenditure	9,648	18,614	18,957	343
Grants	(838)	(1,404)	(1,404)	0
Other Income	(946)	(5,501)	(5,501)	0
Total Income	(1,784)	(6,905)	(6,904)	0
	7,864	11,709	12,052	343