

The Highland Council
Community Services Committee
21 August 2014

Agenda Item	6 ii
Report No	COM/13/14

Revenue Budget Monitoring Report – 1 April 2014 to 30 June 2014

Report by Director of Community Services

Summary

This report invites Members to approve the revenue budget monitoring position for the period from 1 April 2014 to 30 June 2014.

1. Current Position

- 1.1 This report is produced in support of the Council's corporate governance process, which in turn is designed to support/augment the Council's overall/corporate delivery of all of its obligations in terms of the Single Outcome agreement.
- 1.2 The revenue expenditure monitoring statements, appended to this report, show the financial position to 30 June 2014. In total, the expenditure is currently in line with the budget outturn target.
- 1.3 Members will recall, as reported to the first Community Services Committee, there are pressures and unachieved savings, in both 2013/14 and 2014/15 which have an impact on the 2014/15 budget. The combined waste management pressure, due to the continued increase in waste arisings, is of the order of £1.510m (2013/14 £0.865m and 2014/15 £0.681m), and the pressure on the public bus contract is of the order of £0.456m. The waste pressure is compounded by the unachieved saving of £0.400m for 2014/15 and the pressure of £0.281m for disposing of the increase in tonnages going to landfill.
- 1.4 Community Services face additional pressures of the order of £0.800m, particularly around piers and harbours, waste management, car park income and income at the Corran Ferry. The Service has requested the respective Heads of Service to manage these pressures down, by a combination of identifying new savings, holding vacant posts or curtailing unnecessary expenditure.
- 1.5 The total combined pressure for 2014/15 is £2.766m. £1.966m has been deducted from the roads maintenance budget, as this is the main part of uncommitted spend in the overall budget, with £0.800m to be contained and managed within the remainder of the Service budget.
- 1.6 The drop in road maintenance expenditure of £1.966m is mitigated by the Roads Innovation Fund (£1.250m), and additional £0.740m for surface dressing work funded from the winter salt underspend in 2013/14. However, both these amounts are one-off sums for 2014/15 financial year.

2. Year-End Projection

- 2.1 The year to date actual figures represent the transactions for the three months ended 30 June 2014, and are generally in line with management expectations. The service will endeavour to manage down the pressures highlighted above. This will help the Service with budget planning in future years, and alleviate the pressure on the roads maintenance budget.
- 2.2 Members will note that based on the financial performance to date, and the actions already taken, it is predicted, that at the end of the financial year the budget as a whole will be balanced.

3. Major Issues and Variances

- 3.1 At present, other than those mentioned above, there are no further major issues or variances to be highlighted.

4. Actions Proposed

- 4.1 Managers will review their respective parts of the Service to identify where costs can be reduced without affecting service delivery, with a view to managing overspends, or approved savings measures that may not be fully achieved.
- 4.2 Budgets will be closely managed and any underspends will be used to offset overspends and pressures within the overall Community Services budget.

5. Housing Revenue Account

- 5.1 At this stage of the year no variations are predicted against the main budget headings.

6. Implications

- 6.1 Resource implications are discussed in the report.
- 6.2 Risk implications to the budget position, and budget assumptions, will be kept under regular review and any risks identified reported to future Committees.
- 6.3 There are no legal, equalities, climate change/carbon clever, Gaelic and rural implications arising as a direct result of this report.

7. Recommendations

- 7.1 Members are invited to approve the report and the attached monitoring statements which show the revenue position for the period 1 April 2014 to 30 June 2014, and the actions which have been put in place to manage the budget over the remainder of the financial year.

Designation: Director of Community Services

Date: 8 August 2014

Author: Mike Mitchell, Service Finance Manager

Background Papers: Monitoring Statements 30/06/14 and the Highland Council Financial Ledger

COMMUNITY SERVICES

Revenue Expenditure Monitoring Statement

1 April 2014 to 30 June 2014

Financial Detail

	£000 Actual YTD	£000 Annual Budget	£000 Year End Estimate	£000 Year End Variance
2.1 Roads and Transport				
Winter Maintenance	65	5,494	5,494	0
Roads Innovation Fund	0	1,250	1,250	0
Roads Maintenance	1,942	9,082	7,116	(1,966)
Public Conveniences	237	1,160	1,160	0
Burials and Cremations	258	990	990	0
Grounds Maintenance	950	2,571	2,571	0
Engineering Services	(68)	1,256	1,256	0
Community Works Services	414	1,466	1,466	0
Coast Protection	2	57	57	0
Flood Alleviation	1	157	157	0
Lighting Services	(6)	4,231	4,231	0
Integrated Transport Services	194	957	957	0
Subsidies and Concessionary Fares	1,504	3,146	3,602	456
Car Parks and Airstrips	60	(539)	(539)	0
Emergency Planning and Oil Pollution	64	199	199	0
	5,617	31,477	29,967	(1,510)
2.2 Environmental and Regulatory Services				
Refuse Collection	344	4,128	4,128	0
Waste Disposal	2,515	12,633	13,883	1,250
Recycling	2,727	9,516	9,776	260
Street Cleaning	850	3,411	3,411	0
Environmental Health	648	2,214	2,214	0
	7,084	31,902	33,412	1,510
2.3 Non-Housing Revenue Account				
Homelessness	1,308	1,069	1,069	0
Supporting People	705	1,822	1,822	0
Anti Social Behaviour	53	307	307	0
Gypsy Traveller Sites	1	(55)	(55)	0
	2,067	3,143	3,143	0
2.4 Trading Operations				
Roads and Community Works	11	(276)	(276)	0
Waste Management	(1,075)	(2,976)	(2,976)	0
Harbours and Ferries	314	(1,501)	(1,501)	0
Vehicle Maintenance	(91)	(227)	(227)	0
Building Maintenance	3,094	0	0	0
	2,253	(4,980)	(4,980)	0
2.5 Administration				
Management Overheads	143	(1,118)	(1,118)	0
Stores and Depots	777	1,939	1,939	0
	920	821	821	0

COMMUNITY SERVICES

Revenue Expenditure Monitoring Statement

1 April 2014 to 30 June 2014

Financial Detail

2.6 Housing Revenue Account
Expenditure:-

Supervision and Management
 Tenant Participation
 Sheltered Housing
 Homelessness
 Repairs and Maintenance
 House Rent Voids
 Other Rent Voids
 Central Support
 Loan Charges
 Capital Funded from Current Revenue

Gross Expenditure
Income:-

House Rents
 Other Rents
 Other Income
 Interest on Revenue Balances

Gross Income

£000 Actual YTD	£000 Annual Budget	£000 Year End Estimate	£000 Year End Variance
1,815	5,886	5,886	0
58	205	205	0
115	725	725	0
133	558	558	0
1,290	15,577	15,577	0
152	659	659	0
76	82	82	0
0	3,544	3,544	0
0	17,347	17,347	0
0	4,325	4,325	0
3,639	48,908	48,908	0
(10,646)	(46,913)	(46,913)	0
(400)	(1,615)	(1,615)	0
(720)	(300)	(300)	0
0	(80)	(80)	0
(11,766)	(48,908)	(48,908)	0
(8,127)	0	0	0