

## The Highland Council

### Resources Committee – 25 February 2015

Agenda Item	4
Report No	RES/01/15

#### Finance Service Revenue Monitoring to 31 December 2014

#### Report by Director of Finance

##### Summary

This report provides Members with information on the Finance Service Revenue Monitoring position for the period to 31 December 2014.

#### 1. Finance Revenue Budget 2014/15

- 1.1 **Appendix 1** is the monitoring statement showing actual expenditure against budget to 31<sup>st</sup> December 2014.
- 1.2 **Appendix 1** shows that the Service has incurred net expenditure of £11.525m against an annual budget of £11.687m. At this point in the year a small under spend of £0.047m is projected.

#### 2. Variances

- 2.1 The budget for the Revenues and Business Support section includes a savings target of £0.760m. It was originally £1.165m but vacant posts to the value of £0.405m were removed from the budget in April 2014 as part of the strategy to deliver these ambitious savings targets. This is in addition to the savings already successfully delivered during the first 3 years of the Business Support review (April 11 to March 14) of £1.750m.
- 2.2 As reported previously, Resource-Link (phase 1) went live from 1 July 2014, and phase 2 (self-serve such as on-line expenses) will not complete until later in 2015 meaning a delay to the delivery of some savings. This has resulted in a projected net overspend of £0.092m for the section. Whilst any overspend is regrettable, Members will also note that significant savings are being delivered.
- 2.3 This anticipated overspend is offset by staffing related savings for the Service of £0.139m, which is estimated to be realised across budget heads as follows: Procurement (£0.020m); Corporate Finance (£0.072m); Internal Audit and Risk Management (£0.013m) and Payroll, Pensions and Creditors (£0.034m).
- 2.4 The net underspend in Payroll, Pensions and Creditors (£0.034m) includes provision for additional ICT charges (£0.029m) in Payroll and Creditors. These new charges relate to data transfer charges for delivering Government and HMRC requirements; and duplicate payment software, for which there was no budget provision.

### **3. Implications**

- 3.1 Resource implications are noted in this report.
- 3.2 There are no Legal, Equalities, Climate Change/Carbon Clever, Gaelic, Rural or Risk implications arising as a direct result of this report.

#### **Recommendations**

Members are asked to consider and approve the Finance Service Revenue Monitoring Report for the period to 31 December 2014.

Designation: Director of Finance

Date: 10 February 2015

Author: Vicki MacDonald, Accountant

Background Papers: None

Attachments: Appendix 1 – Finance Service Revenue Monitoring to 31 December 2014.

<b>FINANCE SERVICES Revenue Expenditure Monitoring Report</b>
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<b>01 April 2014 to 31 Dec 2014</b>	<b>Finance Service</b>
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	£000 Actual Year To Date	£000 Annual Budget	£000 Year End Estimate	£000 Year End Variance	Notes
<b>BY ACTIVITY</b>					
Directorate	323	401	401	0	
Procurement	565	616	596	(20)	
Revenues and Business Support	7,435	7,397	7,489	92	
Corporate Finance	1,577	2,139	2,067	(72)	
Internal Audit & Risk Management	372	445	432	(13)	
Payroll, Pensions & Creditors	1,252	689	655	(34)	
	<b>11,525</b>	<b>11,687</b>	<b>11,640</b>	<b>(47)</b>	
<b>BY SUBJECTIVE</b>					
Staff Costs	12,176	16,396	16,502	106	
Other Costs	1,825	2,272	2,119	(153)	
<b>Gross Expenditure</b>	<b>14,001</b>	<b>18,668</b>	<b>18,620</b>	<b>(47)</b>	
Grants	(968)	(1,318)	(1,318)	0	
Other Income	(1,509)	(5,663)	(5,663)	0	
<b>Total Income</b>	<b>(2,477)</b>	<b>(6,981)</b>	<b>(6,981)</b>	<b>0</b>	
	<b>11,525</b>	<b>11,687</b>	<b>11,640</b>	<b>(47)</b>	
<b>Notes</b>					
1. %age of Annual Expenditure	This Year	<b>99%</b>			
	Last Year	<b>65%</b>			