

**The Highland Council**  
**Resources Committee – 26 August 2015**

Agenda Item	<b>15</b>
Report No	<b>RES/ 68/15</b>

**Finance Service – Final Outturn and Revenue Monitoring to 30 June 2015**

**Report by Director of Finance**

**Summary**

This report comments on the final outturn for the Revenue Budget for the year to 31 March 2015 and the Revenue Monitoring position for the period to 30 June 2015.

**1. Finance Revenue Budget 2014/15 Out-turn**

- 1.1 **Appendix 1** is the monitoring statement showing actual expenditure against budget to 31 March 2015.
- 1.2 The net annual budget for Finance in 2014/15 was £11.788m. Actual expenditure during the financial year was £11.549m, producing an under spend of £0.239m. This is an improvement on the estimated outturn reported in the 3<sup>rd</sup> quarter monitoring of a £0.047m underspend as explained below.

**2. Variances**

- 2.1 As reported during the year, the underspends in Procurement (£0.082m), Corporate Finance (£0.105m) and Internal Audit (£0.015m) are in the main due to staff vacancies and the full recognition of the impact of unfilled posts at the year end.
- 2.2 The Revenues and Business Support section had been reporting an estimated overspend position throughout the year due to the uncertainty of delivering a significant £0.760m savings target, however the year end result is an outturn underspend of £0.019m. The movement in the outturn is a result of income previously fully provided but collected and recognised in this financial year at the year end.

**3. Finance Revenue Budget 2015/16**

- 3.1 **Appendix 2** is the monitoring statement showing actual expenditure against budget to end of June 2015.
- 3.2 **Appendix 2** shows that the Service has incurred net expenditure of £4.128m against an annual budget of £12.140m. At this point in the year outturn is expected to be in line with budget.

#### **4. Implications**

4.1 Resource implications are noted in this report.

4.2 There are no Legal, Equalities, Climate Change/Carbon Clever, Rural, Risk or Gaelic implications arising as a direct result of this report.

#### **Recommendations**

It is recommended that the Committee :

- Consider the Finance Budget outturn position for 2014/15
- Agree the monitoring report to the end of June 2015

Designation: Director of Finance

Date: 14 August 2015

Author: Victoria MacDonald, Accountant

Background Papers: None

<b>FINANCE SERVICES Revenue Expenditure Monitoring Report</b>
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<b>01 April 2014 to 31 Mar 2015</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
<b>BY ACTIVITY</b>				
Directorate	433	454	433	(21)
Procurement	533	615	533	(82)
Revenues and Business Support	7,760	7,779	7,760	(19)
Corporate Finance	1,698	1,803	1,698	(105)
Internal Audit & Risk Management	430	445	430	(15)
Payroll, Pensions & Creditors	695	692	695	3
	<b>11,549</b>	<b>11,788</b>	<b>11,549</b>	<b>(239)</b>
<b>BY SUBJECTIVE</b>				
Staff Costs	16,226	16,453	16,226	(227)
Other Costs	1,769	1,734	1,769	35
<b>Gross Expenditure</b>	<b>17,995</b>	<b>18,187</b>	<b>17,995</b>	<b>(192)</b>
Grants	(1,338)	(1,318)	(1,338)	(20)
Other Income	(5,108)	(5,081)	(5,108)	(27)
<b>Total Income</b>	<b>(6,446)</b>	<b>(6,399)</b>	<b>(6,446)</b>	<b>(47)</b>
	<b>11,549</b>	<b>11,788</b>	<b>11,549</b>	<b>(239)</b>

**Notes**

1. %age of Annual Expenditure	This Year	<b>98%</b>
	Last Year	<b>103%</b>

<b>FINANCE SERVICES Revenue Expenditure Monitoring Report</b>
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<b>01 April 2015 to 30 Jun 2015</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	103	367	367	0	
Procurement	134	517	517	0	
Revenues and Business Support	2,524	8,147	8,147	0	
Corporate Finance	727	1,986	1,986	0	
Internal Audit & Risk Management	131	456	456	0	
Payroll, Pensions & Creditors	509	667	667	0	
	<b>4,128</b>	<b>12,140</b>	<b>12,140</b>	<b>0</b>	
<b>BY SUBJECTIVE</b>					
Staff Costs	3,989	16,554	16,554	0	
Other Costs	1,016	2,180	2,180	0	
<b>Gross Expenditure</b>	<b>5,005</b>	<b>18,734</b>	<b>18,734</b>	<b>0</b>	
Grants	(305)	(1,427)	(1,427)	0	
Other Income	(572)	(5,167)	(5,167)	0	
<b>Total Income</b>	<b>(877)</b>	<b>(6,594)</b>	<b>(6,594)</b>	<b>0</b>	
	<b>4,128</b>	<b>12,140</b>	<b>12,140</b>	<b>0</b>	

<b>Notes</b>			
1. %age of Annual Expenditure	This Year	34%	
	Last Year	34%	