

REPORT TO: FINANCE COMMITTEE – 14 AUGUST 2000

REPORT ON: REVENUE MONITORING 2000/2001

REPORT BY: DIRECTOR OF FINANCE

REPORT NO: 444/2000



**1 PURPOSE OF REPORT**

1.1 To provide Elected Members with an analysis of the 2000/01 Projected Revenue Outturn as at 30 June 2000 monitored against the adjusted 2000/01 Revenue Budget.

**2 RECOMMENDATION**

2.1 It is recommended that the Committee:

- a notes that the overall General Fund 2000/01 Projected Revenue Outturn as at 30 June 2000 shows an overspend of £6,000 against the adjusted 2000/01 Revenue Budget, and that the Housing Revenue Account projects a 2000/01 spend in line with budget; and
- b instructs the Director of Finance, in conjunction with all Chief Officers of the Council to continue to monitor the Council's 2000/01 Projected Revenue Outturn and to use his best endeavours to ensure that the final outturn for the financial year is at or below the approved Revenue Budget.

**3 FINANCIAL IMPLICATIONS (see Appendix A)**

3.1 The overall projected 2000/01 General Fund Revenue outturn position for the City Council shows an overspend of £6,000 based on the financial information available at 30 June 2000. A system of perpetual detailed monitoring is taking place up to 31 March 2001 and it is the objective of the Council to achieve a final outturn which is at or below the approved 2000/01 Revenue Budget.

3.2 The Housing Revenue Account projects a spend in line with budget based on the financial information available at 30 June 2000. The Housing Department, in conjunction with the Director of Finance, will continue to monitor total expenditure to achieve a final outturn which is at or below the approved 2000/01 Revenue Budget.

**4 LOCAL AGENDA 21 IMPLICATIONS**

None.

**5 EQUAL OPPORTUNITIES IMPLICATIONS**

None.

**6 BACKGROUND**

6.1 The Council's Corporate Plan has as one of its values "efficiently utilise our resources to provide the standards of public service expected by the citizens and at an acceptable cost". It is essential that this value is actioned in the monitoring of the Council's Revenue Budget and the presentation of a regular monitoring report to the Finance Committee is seen as a representation of the achievement of that value.

6.2 Following approval of the Council's 2000/01 Revenue Budget by the Special Finance Committee on 9 March 2000, this report is now submitted to monitor the 2000/01 Projected Revenue Outturn as at 30 June 2000, against the 2000/01 Revenue Budget.

- 6.3 The Final 2000/01 Revenue Budget included a contingency provision of £1.27m to cover any unforeseen items of expenditure which may occur during the course of the financial year. A total of £0.98m has now been allocated from or earmarked within this contingency, the main item being £0.43m to fund the higher than budgeted water and wastewater charges levied by NOSWA.

## 7 REASONS FOR VARIANCES

The main areas of Departmental variances and associated explanations are as follows:

### Overspends

#### 7.1 Environmental & Consumer Protection (£456,000)

The projected overspend of £456,000 based on an adjusted budget of £11,582,000 is mainly due to a higher disposal of refuse to Wellbank landfill than budgeted (£247k) and a higher than budgeted disposal of ash from DERL (£167K). ECPD are reviewing these activities and efforts will be made to reduce the projected overspend.

#### 7.2 Residential Schools: Social Work and Education

It is projected that there will be a possible overspend of £360,000 on secure and residential care, due to an increase in the number of referrals, the majority of which are outwith the Council's control. It should be noted that all external placements are reviewed on a continuous basis. In addition, the delay in opening the Council's Close Support Unit has resulted in external placements continuing for a period longer than that originally budgeted.

The projected £360,000 overspend is split 75% Social Work (£270k) and 25% Education (£90k). Both Departments can contain the projected overspend in Residential Schools within their overall Revenue Budgets, through a combination of the allocation of new monies and higher than budgeted income levels.

### Underspends

#### 7.3 Central Support Services - IT (£162,000)

The projected underspend in IT is due to an anticipated saving in leasing costs due to delays in the procurement of the equipment to be leased.

## 8 CONSULTATIONS

- 8.1 All Chief Officers have been consulted in the calculation of projected outturns included in this report, insofar as they apply to their own individual department.



**DAVID K DORWARD**  
**DIRECTOR OF FINANCE**

## BACKGROUND PAPERS

No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to any material extent in preparing the above Report.

2000/2001 REVENUE OUTTURN MONITORING  
PERIOD 1 APRIL 2000 - 30 JUNE 2000

APPENDIX A

Statement analysing 2000/2001 Projected Revenue Outturn to Budget (Capital Charges, Central Support Recharges & Central Buildings Recharges have been excluded from Departments as these costs are outwith their control).

|   | (col 1)<br>Final<br>Revenue<br>Budget<br>2000/2001<br>£000 | (col 2)<br>Transfers from<br>Contingency,<br>General &<br>R & R Fund<br>£000 | (col 3)<br>Adjusted<br>Revenue<br>Budget<br>2000/2001<br>£000<br>(col 1 + 2) | (col 4)<br>Projected<br>Revenue<br>Expenditure<br>2000/2001<br>£000 | (col 5)<br>Projected<br>Budget<br>Variance<br>2000/2001<br>£000<br>(col 4-3)<br>+ overspend<br>(underspend) |
|---|--|--|--|---|---|
| <b>Department</b>   |  |  |  |   |   |
| Environment & Consumer Prot   | 11,551   | 31   | 11,582   | 12,038  | 456   |
| Economic Development  | 2,916  | 560  | 3,476  | 3,509   | 33  |
| Education   | 68,366   |  | 68,366   | 68,366  |   |
| Social Work   | 40,451   |  | 40,451   | 40,451  |   |
| Planning & Transport  | 7,386  |  | 7,386  | 7,386   |   |
| Leisure & Parks   | 8,494  | 48   | 8,542  | 8,542   |   |
| Arts & Heritage   | 2,351  |  | 2,351  | 2,351   |   |
| <u>Central Support Services</u>   |  |  |  |   |   |
| Chief Executive   | 215  |  | 215  | 215   |   |
| Personnel & Mgmt Serv   | 1,187  |  | 1,187  | 1,187   |   |
| Support Services-Admin/Legal  | 1,159  | 21   | 1,180  | 1,180   |   |
| -Architects   | (360)  |  | (360)  | (360)   |   |
| Finance   | 1,140  |  | 1,140  | 1,140   |   |
| Other Housing   | 1,476  |  | 1,476  | 1,476   |   |
| Miscellaneous Income  | (2,389)  |  | (2,389)  | (2,389)   |   |
| Housing/Council Tax Benefit   | 2,935  |  | 2,935  | 2,935   |   |
| Neighbourhood Resources   | 7,194  | 10   | 7,204  | 7,191   | (13)  |
| <u>Miscellaneous Services</u>   |  |  |  |   |   |
| Chief Executive   | 798  |  | 798  | 798   |   |
| Finance   | 4,501  |  | 4,501  | 4,501   |   |
| Support Services-Admin/Legal  | 1,360  | 61   | 1,421  | 1,401   | (20)  |
| <u>Central Support Services</u>   |  |  |  |   |   |
| Information Technology  | 4,353  |  | 4,353  | 4,191   | (162)   |
|   | -----  | -----  | -----  | -----   | -----   |
|   | 165,084  | 731  | 165,815  | 166,109   | 294   |
| DSO/DLO Surpluses   | (961)  |  | (961)  | (961)   |   |
| Capital Financing Costs/Interest<br>on Revenue Balances                 | 19,142   |  | 19,142   | 19,142  |   |
| Contingencies   | 1,270  | (170)  | 1,100  | 812   | (288)   |
|   | -----  | -----  | -----  | -----   | -----   |
|   | 184,535  | 561  | 185,096  | 185,102   | 6   |
| <b>Joint Board</b>  |  |  |  |   |   |
| Tayside Joint Police Board  | 13,608   |  | 13,608   | 13,608  |   |
| Tayside Fire Joint Board  | 9,628  |  | 9,628  | 9,628   |   |
| Tayside Valuation Jt Board  | 801  |  | 801  | 801   |   |
|   | -----  | -----  | -----  | -----   | -----   |
|   | 208,572  | 561  | 209,133  | 209,139   |   |
| =====   |  | =====  | =====  | =====   |   |
|   |  | [note 1]   |  |   |   |
|   |  |  |  |   | -----   |
| <b>TOTAL PROJECTED 2000/2001 GENERAL FUND OVERSPEND AS AT 31/3/2001</b> |  |  |  |   | <b>6</b>  |
|   |  |  |  |   | =====   |
| <b>Housing Revenue Account</b>  | -  | -  | -  | -   | <b>NIL</b>  |
| =====   | =====  | =====  | =====  | =====   | =====   |

Note 1. £561k represents transfers from General Fund (£500k) & Renewal & Repair Fund (£61k).