

REPORT TO: FINANCE COMMITTEE – 11 SEPTEMBER 2000

REPORT ON: REVENUE MONITORING 2000/2001

REPORT BY: DIRECTOR OF FINANCE

REPORT NO: 549-2000

1 PURPOSE OF REPORT

- 1.1 To provide Elected Members with an analysis of the 2000/01 Projected Revenue Outturn as at 31 July 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 31 July 2000 shows an overspend of £5,000 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 £5,000 based on the financial information available at 31 July 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 31 July 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 31 July 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 £0.82m 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 (£414,000)

The projected overspend of £414,000 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.

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.

31-Aug-00:
Reports/REVMON

**2000/2001 REVENUE OUTTURN MONITORING
PERIOD 1 APRIL 2000 - 31 JULY 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) Final Revenue Budget 2000/2001 £000	(col 2) Transfers from/ (to) Contingency, General & R & R Fund £000	(col 3) Adjusted Revenue Budget 2000/2001 £000 (col 1+2)	(col 4) Projected Revenue Expenditure 2000/2001 £000	(col 5) Projected Budget Variance 2000/2001 £000 (col 4-3) + overspend (underspend)
Department					
Environment & Consumer Prot	11,551	31	11,582	11,996	414
Economic Development	2,916	560	3,476	3,509	33
Neighbourhood Resources	7,194	10	7,204	7,212	8
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	
Information Technology	4,353	(162)	4,191	4,191	
Other Housing	1,476		1,476	1,476	
Housing/Council Tax Benefit	2,935		2,935	2,935	
Miscellaneous Income	(2,389)		(2,389)	(2,389)	
<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	1,421	
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	165,084	569	165,653	166,108	455
DSO/DLO Surpluses	(961)		(961)	(961)	
Capital Financing Costs/Interest on Revenue Balances	19,142		19,142	19,142	
Contingencies	1,270	(8)	1,262	812	(450)
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	184,535	561	185,096	185,101	5
Joint Board					
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	
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	208,572	561	209,133	209,138	
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		[note 1]			
TOTAL PROJECTED 2000/2001 GENERAL FUND OVERSPEND AS AT 31/3/2001					5
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Housing Revenue Account	-	-	-	-	NIL
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Note 1. £561k represents transfers from General Fund (£500k) & Renewal & Repair Fund (£61k).