
NORTH AYRSHIRE COUNCIL

11 June 2019

Cabinet

Title: Revenue Budget 2018/19 : Financial Performance to 31 March 2019

Purpose: To advise Cabinet of the financial performance for the Council for 2018/19.

Recommendation: That Cabinet agrees to (a) note the information and financial performance outlined in the report; (b) approve the earmarking of £0.566m identified at 2.4 to meet future year commitments; and (c) note the current financial performance of the Health and Social Care Partnership at 2.5.

1. Executive Summary

- 1.1 The General Services Revenue Estimates for 2018/19 were approved by Council on 28 February 2018. The Housing Revenue Account (HRA) Revenue Budget for 2018/19 was approved by Council on 20 December 2017.
- 1.2 As part of the monitoring procedures to keep the Cabinet informed of the financial performance of the Council, financial performance reports are presented on a regular basis. This is the fifth and final report for 2018/19 and covers the period to the end of March 2019 (Period 12). This is the final financial performance information on which the Annual Accounts for the Council will be prepared.
- 1.3 At Period 12 the General Fund is reporting a net in-year underspend of £2.321m, 0.7%, after transferring resources to other funds. This is an increase of £1.214m from that reported at Period 10 which is primarily related to income from capital receipts, applied to meet transformation costs, £2.300m, partly offset by costs arising from the local government pay settlement (£0.921m).
- 1.4 Following the earmarking of £2.300m to support the 2019-20 revenue budget, as agreed by Council 27 February 2019, the final outturn is a net in-year underspend of £0.021m.
- 1.5 The Housing Revenue Account is reporting a net breakeven position, which is consistent with the position reported at Period 10.

- 1.6 The Health and Social Care Partnership is reporting an overspend of £0.818m for the year, an increase of £0.591m over that reported at the end of December. The Council services element of the reported overspend is £1.226m, which is an increase of £0.712m. The Council had set aside £1.486m to support the repayments of the IJB's deficit to the Council. Given the final outturn of the IJB, £0.818m of this will fund the in-year overspend with £0.668m applied as a partial repayment of the Integrated Joint Board's outstanding deficit which now stands at £5.139m.

2. Background

General Fund

- 2.1 The Council set a breakeven budget for 2018/19. In addition to the budget approved on 28 February 2018, earmarked funds of £14.056m were carried forward from 2017/18 for service expenditure in future years. £7.303m of these funds were drawdown during 2018/19 and are reflected in the reported performance.
- 2.2 The reported net in-year underspend is £2.321m, net of transfers to reserves. This represents 0.7% of the Council's total budget. On 27 February 2019, the Council approved the General Services Revenue Estimates 2019/20 to 2021/22 which included the application of £2.300m from the projected underspend to support the 2019/20 revenue budget. Following the earmarking of these funds, the final reported outturn is a net in-year underspend of £0.021m.

2.3 The following table details the final position on a service by service:

| | Appendix No | Annual Budget | Actual Outturn to 31 March 2019 | Variance for year (Fav)/Adv | Projected Variance at P10 (Fav)/Adv | Movement | Request for Carry Forward Approved @ P10 | New Requests for Carry Forward | Variance for Year After Carry Forward (Fav)/Adv |
|---|-------------|------------------|---------------------------------|-----------------------------|-------------------------------------|----------------|--|--------------------------------|---|
| Service Expenditure | | £000's | £000's | £000's | £000's | £000's | £000's | £000's | £000's |
| Chief Executive and Democratic Services | 1 | 3,827 | 3,565 | (262) | (76) | (186) | 9 | 87 | (166) |
| Economy and Communities | 2 | 19,847 | 19,508 | (339) | (10) | (329) | 10 | 29 | (300) |
| Education and Youth Employment | 3 | 110,163 | 110,599 | 436 | (63) | 499 | - | - | 436 |
| Finance & Corporate Support | 4 | 18,350 | 17,531 | (819) | (498) | (321) | 287 | 166 | (366) |
| Place | 5 | 57,695 | 57,481 | (214) | (78) | (136) | - | 81 | (133) |
| Other Corporate Services | 6 | 8,684 | 7,040 | (1,644) | (395) | (1,249) | - | 155 | (1,489) |
| Sub Total | | 218,566 | 215,724 | (2,842) | (1,120) | (1,722) | 306 | 518 | (2,018) |
| Health and Social Care Partnership | 9 | 95,169 | 95,169 | - | - | - | - | - | - |
| Balance for Services | | 313,735 | 310,893 | (2,842) | (1,120) | (1,722) | 306 | 518 | (2,018) |
| Financing Charges | 7 | 30,279 | 27,596 | (2,683) | (2,635) | (48) | 2,635 | 48 | - |
| Total Planned Expenditure | | 344,014 | 338,489 | (5,525) | (3,755) | (1,770) | 2,941 | 566 | (2,018) |
| Planned Income | | | | | | | | | |
| Aggregate External Finance | 7 | (278,321) | (278,538) | (217) | (240) | 23 | - | - | (217) |
| Council Tax | 7 | (53,756) | (53,842) | (86) | (53) | (33) | - | - | (86) |
| Contribution to Capital Fund | 7 | (2,300) | (2,300) | - | - | - | - | - | - |
| Contribution to/from Earmarked Funds | 7 | (9,637) | (9,637) | - | - | - | - | - | - |
| Total Planned Income | | (344,014) | (344,317) | (303) | (293) | (10) | - | - | (303) |
| Net Expenditure/ (Income) | | - | (5,828) | (5,828) | (4,048) | (1,780) | 2,941 | 566 | (2,321) |
| Support for 2019/20 Revenue Budget | | - | - | - | - | - | - | 2,300 | 2,300 |
| Revised Net Expenditure/(Income) | | - | (5,828) | (5,828) | (4,048) | (1,780) | 2,941 | 2,866 | (21) |

* Financing Charges underspend of £2.683m transferred to Loans Fund Reserve in accordance with agreed policy

2.4 Detailed explanations of the significant variances in service expenditure compared to the approved budgets, together with information on funding to be carried forward to support expenditure during 2019/20, are provided in appendices 1 to 7 to this report. A summary of the proposed carry forward of earmarked funds is included at Appendix 7.

A brief explanation of the significant movements for each service since Period 10 is outlined below:

(i) Chief Executive and Democratic Services – underspend of £0.262m, an increase in underspend of £0.186m

The movement is primarily related to an underspend on Election Costs (£0.087m) and additional licensing income (£0.027m). It is requested that the £0.087m underspend on Election Costs is transferred to the Election Fund in accordance with the agreed policy.

(ii) Economy and Communities – underspend of £0.339m, an increase in underspend of £0.329m

The movement is primarily related to additional income in relation to Protective Services and Building Warrants (£0.059m) and the Better Off North Ayrshire programme, following a prudent assessment of the revised funding arrangements, (£0.213m). It is requested that £0.029m is earmarked for commitments during 2019/20 related to Skills Development Scotland funding for the Modern Apprenticeship Programme, £0.020m and the Makerspace project, £0.009m.

(iii) Education and Youth Employment – overspend of £0.436m, a movement of (£0.499m) from the previously reported underspend

The movement is primarily related to additional non-teacher staff costs within Secondary schools arising from additional support demands within schools, £0.215m, increased residential placement costs following changes in funding arrangements, £0.111m, and additional teacher cover costs related to maternity and absence levels across all educational sectors, £0.174m. These have been partly offset by additional PPP utility cost refunds (£0.062m). During 2019/20 action will be taken to review financial forecasting and management around key budget areas to ensure future service delivery within available resources.

(iv) Finance and Corporate Support – underspend of £0.819m, an increase in underspend of £0.321m

The movement is primarily related to increased income arising from Council Tax Statutory Additions due to increased activity and additional recoveries in relation to previous years, £0.111m, reduced Housing Benefit subsidy costs arising from increased DWP income, £0.185m, and improved debt recovery activity in relation to Housing Benefit overpayments, £0.091m. Significant elements of the reported movements cannot be forecast prior to year end. It is requested that £0.166m is earmarked for commitments during 2019/20 in relation to project management costs arising from the ICT Network review, which is reported separately on the Cabinet agenda.

(v) **Place – underspend of £0.214m, an increase in underspend of £0.136m**

The movement is primarily related to reduced costs and increased income within Waste Services, £0.350m, reflecting lower than anticipated staffing costs, reduced costs for the operation of the Blue Bin and residual waste contracts and increased income from Waste Gas Extraction and the Sale of Bins. In addition, increased income in relation to the resettlement programme within Other Housing, £0.086m and reduced fuel costs linked to reduced usage across the fleet, £0.047m. These movements have been partly offset by additional unrecoverable costs within Building Services (£0.143m), additional expenditure on kitchen equipment within Facilities Management (£0.125m) and additional costs within Energy and Sustainability (£0.218m) for the purchase and usage of Carbon Allowances arising from the final year of the UK Government's Carbon Reduction Commitment Energy Efficiency Scheme. It is requested that £0.081m is earmarked for commitments during 2019/20 in relation to Millport Pier repairs, £0.045m, and Condition Survey works, £0.036m.

(vi) **Other Corporate Items – underspend of £1.644m, an increase in underspend of £1.249m**

The increased underspend is primarily related to additional funding for transformation costs approved by Council, £2.300m, partly offset by additional costs for the Local Government Pay Settlement (£0.921m) and additional utility price inflation (£0.231m). It is requested that £0.155m is earmarked for commitments which are anticipated during 2019/20 in relation to grant funding received but not drawdown, £0.128m, and other commitments, £0.027m. Full details of all proposed earmarked funds are included in Appendix 7.

Health and Social Care Partnership

2.5 The final HSCP financial performance report for the year will be presented to the Integrated Joint Board on 20 June 2019. The report will outline the 2018/19 performance and proposed improvements, including:

- An overspend of £0.818m for the year, which is an increase of £0.591m over that reported at the end of December. The Council services element of the overspend is £1.226m, which is an increase of £0.712m;
- The main movements since Period 10 include:
 - £0.628m with LD services related to historic invoices (£0.411m) and the responder service (£0.217m); and
 - £0.173m children's residential packages.
- The main pressure areas continue to be care homes, Learning Disability packages and residential placements for children;
- The Council had set aside £1.486m to support the repayments of the IJB's deficit to the Council. Given the final outturn of the IJB, £0.818m of this will fund the in-year overspend with £0.668m applied as a partial repayment of the Integrated Joint Board's outstanding deficit which now stands at £5.139m; and

- The final financial performance report will be presented to the IJB in June 2019 and will include an action plan to improve the accuracy of projections, including a review of historic processes and improving relationships between the HSCP finance team, service teams, contract management and providers.

Housing Revenue Account

2.6 The Housing Revenue Account budgeted for a breakeven position in 2018/19. A net breakeven position is currently projected. This is summarised in the following table:

| | Annual Budget | Actual Outturn to 31 March 2019 | Variance for year (Fav)/Adv | Projected Variance at P10 (Fav)/Adv | Movement |
|--------------------------|------------------|--|-----------------------------------|--|--------------|
| | £000's | £000's | £000's | £000's | £000's |
| Employee Costs | 4,468 | 4,634 | 166 | 166 | - |
| Property Costs | 17,293 | 17,279 | (14) | (31) | 17 |
| Supplies & Services | 284 | 185 | (99) | (98) | (1) |
| Transport Costs | 42 | 33 | (9) | (11) | 2 |
| Administration Costs | 1,741 | 1,789 | 48 | 47 | 1 |
| Third Party Payments | 2,312 | 2,443 | 131 | 131 | - |
| Transfer Payments | 103 | 84 | (19) | (23) | 4 |
| Other Expenditure | 468 | 450 | (18) | 36 | (54) |
| Capital Financing Costs | 23,479 | 22,813 | (666) | (568) | (98) |
| Gross Expenditure | 50,190 | 49,710 | (480) | (351) | (129) |
| Income | (50,190) | (49,710) | 480 | 351 | 129 |
| Net Expenditure | - | - | - | - | - |

2.7 Detailed explanations of the significant variances in expenditure compared to the approved budgets are provided in Appendix 8 to this report.

A brief explanation of the significant movements for each service since Period 10 is outlined below:

(i) Capital Financing Costs – underspend of £0.666m, an increase in underspend of £0.098m

The movement reflects the revised borrowing strategy and the actual cash flows and interest rates.

3. Proposals

3.1 That Cabinet agrees to (a) note the information and financial performance outlined in the report; (b) approve the earmarking of £0.566m identified at 2.4 to meet future year commitments; and (c) note the current financial performance of the Health and Social Care Partnership at 2.5.

4. Implications/Socio-economic Duty

| | |
|--|---|
| Financial: | General Services The final outturn position for the year is an underspend of £0.021m. Housing Revenue Account The final outturn position for the year is a net breakeven position. |
| Human Resources: | None |
| Legal: | None |
| Equality/Socio-economic Duty: | None |
| Children and Young People: | None |
| Environmental & Sustainability: | None |
| Key Priorities: | This budget monitoring report directly supports the Council Plan 2019 to 2024 by maximising resources and providing value for money to support financially sustainable delivery models. |
| Community Benefits: | None |

5. Consultation

- 5.1 Chief Officers have been consulted as part of the review of financial performance and have approved the projected variances contained in this report.

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LAURA FRIEL

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For further information please contact **David Forbes, Senior Manager (Strategic Business Partner)**, on **01294 324551**.

Background Papers

Revenue Budget 2018/19: Financial Performance to 31 January 2019 - Cabinet – 12 March 2019

DEMOCRATIC SERVICES
BUDGETARY CONTROL 2018/19

REPORT FOR THE 12 MONTHS TO 31 MARCH 2019

| Objective Summary | Annual Budget | Final Outturn | Annual Variance Adverse or (Favourable) | % Variance | Note No |
|--|---------------|---------------|---|-------------|---------|
| | £000 | £000 | £000 | | |
| Legal | 712 | 645 | (67) | (9%) | 1 |
| Policy, Performance & Community Planning | 952 | 914 | (38) | (4%) | 2 |
| Communications | 409 | 410 | 1 | 0% | |
| Civil Contingencies | 69 | 71 | 2 | 3% | |
| Committee Services | 631 | 487 | (144) | (23%) | 3 |
| Member Services | 1,054 | 1,038 | (16) | (2%) | |
| Totals | 3,827 | 3,565 | (262) | (7%) | |
| Less Proposed Carry Forwards | | 96 | 96 | | |
| Net Total | 3,827 | 3,565 | (166) | (4%) | |

| Subjective Summary | Annual Budget | Projected Outturn | Annual Variance Adverse or (Favourable) | % Variance |
|---------------------------|---------------|-------------------|---|-------------|
| | £000 | £000 | £000 | |
| Employee Costs | 3,071 | 3,018 | (53) | (2%) |
| Property Costs | 7 | 7 | - | 0% |
| Supplies and Services | 270 | 171 | (99) | (37%) |
| Transport and Plant Costs | 16 | 10 | (6) | (38%) |
| Administration Costs | 960 | 896 | (64) | (7%) |
| Other Agencies & Bodies | 283 | 266 | (17) | (6%) |
| Transfer Payments | - | - | - | - |
| Other Expenditure | - | - | - | - |
| Capital Financing | - | - | - | - |
| Gross Expenditure | 4,607 | 4,368 | (239) | (5%) |
| Income | (780) | (803) | (23) | 3% |
| Net Expenditure | 3,827 | 3,565 | (262) | (7%) |

DEMOCRATIC SERVICES
BUDGETARY CONTROL 2018/19

REPORT FOR THE 12 MONTHS TO 31 MARCH 2019

| Budget £000 | Outturn Variance £000 | Variance as % of budget | Section |
|----------------|-----------------------------|-------------------------------|---|
| Note 1 | | | Legal |
| | | | Movement - There has been an increase in underspend of £0.042m since P10 mainly as a result of additional licensing income |
| 1,077 | (18) | -2% | Employee costs - There is an underspend of £0.018m due to vacancy management |
| 55 | (13) | -24% | Administration costs - There is an underspend of £0.013m mainly due to reduced expenditure on legal expenses |
| (466) | (27) | 6% | Income - There is an over-recovery of £0.027m mainly within Licensing due to higher than anticipated income |
| 45 | (8) | -18% | Other minor variances |
| (66) | | 0% | |
| Note 2 | | | Policy, Performance & Community Planning |
| | | | Movement - There has been no significant movement since P10 |
| 924 | (10) | -1% | Employee costs - There is an underspend of £0.010m due to vacancy management |
| 38 | (12) | -31% | Administration costs - There is an underspend of £0.012m mainly within staff training and photocopying |
| 64 | (15) | -23% | Third Party Payments - There is an underspend of £0.015m mainly due to British Sign Language |
| (47) | (1) | 4% | Other minor variances |
| | | | £0.009m for British Sign Language has been earmarked for commitments in 2019/20 |
| (38) | | 0% | |
| Note 3 | | | Committee Services |
| | | | Movement - There has been an increase in underspend of £0.113m since P10 mainly due to Election Costs |
| 556 | (38) | -7% | Employee costs - There is an underspend of £0.038m due to vacancy management |
| 20 | (21) | -106% | Administration costs - There is an underspend of £0.021m mainly due to external printing as a result of electronic agendas and a refund of external printing costs within Elections |
| 115 | (87) | -76% | Supplies & Services - There is an underspend of £0.087m in relation to Election costs |
| (48) | 2 | -6% | Other minor variances |
| (144) | | 0% | |

ECONOMY AND COMMUNITIES
BUDGETARY CONTROL 2018/19

REPORT FOR THE 12 MONTHS TO 31 MARCH 2019

| Objective Summary | Annual Budget | Final Outturn | Annual Variance Adverse or (Favourable) | % variance | Note No |
|--------------------------------|---------------|---------------|---|------------|---------|
| | £000 | £000 | £000 | | |
| Management | 720 | 686 | (34) | 0% | |
| Economic Growth | | | | | |
| Planning & Protective Services | 1,573 | 1,385 | (188) | (12%) | 1 |
| Economic Development | 5,561 | 5,260 | (301) | (5%) | 2 |
| Connected Communities | 11,993 | 12,177 | 184 | 2% | 3 |
| Net Total | 19,847 | 19,508 | (339) | -2% | |
| Less Proposed Carry Forwards | - | 39 | 39 | | |
| Net Total | 19,847 | 19,547 | (300) | | |

| Subjective Summary | Annual Budget | Final Year End Outturn | Annual Variance Adverse or (Favourable) | % variance |
|---------------------------|---------------|------------------------|---|------------|
| | £000 | £000 | £000 | |
| Employee Costs | 13,943 | 14,198 | 255 | 2% |
| Property Costs | 1,004 | 1,017 | 13 | 1% |
| Supplies and Services | 1,304 | 1,303 | (1) | (0%) |
| Transport and Plant Costs | 150 | 118 | (32) | (21%) |
| Administration Costs | 298 | 226 | (72) | (24%) |
| Other Agencies & Bodies | 9,327 | 9,188 | (139) | -1% |
| Transfer Payments | - | - | - | 0% |
| Other Expenditure | 75 | 76 | 1 | 1% |
| Capital Financing | - | - | - | 0% |
| Gross Expenditure | 26,101 | 26,126 | 25 | 0% |
| Income | (6,254) | (6,618) | (364) | 6% |
| Net Expenditure | 19,847 | 19,508 | (339) | -2% |

ECONOMY AND COMMUNITIES
BUDGETARY CONTROL 2018/19

REPORT FOR THE 12 MONTHS TO 31 MARCH 2019

| Budget £000 | Projected Variance £000 | Variance as % of budget | Section |
|----------------|-------------------------------|-------------------------------|--|
| Note 1 | | | Planning & Protective Services |
| | | | Movement : The underspend has increased by £0.096m since P10 due to an over recovery of income £0.59m and a combination of other minor movements. |
| 2,399 | (70) | -3% | Employee Costs - There are underspends within Planning of £0.073m due to vacancies |
| 52 | (9) | -17% | Admin Costs - There is an underspend of £0.009m due to a downturn in planning applications |
| 164 | (37) | -23% | Other Supplies & Services - There is an underspend of £0.010m which is in relation to the costs of the Local Development Plan and has been approved to be earmarked for additional costs within 19/20. An underspend of £0.026m across Protective Services. |
| (1,289) | (39) | 3% | Income - An over recovery of income in Protective Services, mainly due to building warrants, has been partly offset by an under recovery in Planning Income of £0.020m mainly due to the lack of major planning applications. Whilst below target, planning income has improved from last year. |
| | (33) | | Other minor variances |
| | | | £0.010m has previously been earmarked in respect of the production of the Local Development Plan. |
| | | | |
| | (188) | | |
| Note 2 | | | Economic Development |
| | | | Movement : The underspend has increased by £0.173m since P10 mainly due to expected grant income in relation to the Better Off North Ayrshire programme. |
| 4,001 | (52) | -1% | Employee Costs - Regeneration - underspend of due to vacancy management |
| | (258) | | Third Party Payments - the Better Off North Ayrshire programme has a favourable variance of £0.258m. This takes account of all expenditure for the year against expected grant payments from Big Lottery Funding, in accordance with the proposed changes to the funding arrangements. This underspend will offset the overspends reported during 2017/18. |
| | 9 | | Other minor variances |
| | | | |
| | (301) | | |
| Note 3 | | | Connected Communities |
| | | | Movement : The previous overspend has decreased by £0.066m since P10 mainly due to a reduction in Employee costs in Community Facilities of £0.033m |
| 7,103 | 404 | 6% | Employee Costs - There are overspends in Community Facilities (£0.271m), as well as in Libraries (£0.112m). These are offset by an underspend in Community Development of £0.325m due to the early realisation of savings. Included also is the cost of VER for these early savings is £0.353m. |
| 1,039 | (54) | -5% | Supplies & Services - there are various underspends across many lines including Community Development £0.028m, Heritage £0.013m and Libraries £0.012m. |
| 202 | (60) | -30% | Administration costs - there are various underspends across many lines within Connected Communities mainly in Community Development £0.016m (which includes Staff training £0.008m) and Libraries £0.018m (which includes Telephones £0.010m and Printing & Stationery £0.009m). |
| 4,845 | (29) | -1% | Third Party Payments - there are various underspends across many lines mainly including Country Parks £0.017m (Payments to Other Local Authorities). |
| (299) | (41) | 14% | Income - Additional income in the Arran Outdoor Centre due to the centre being fully booked. |
| | (36) | | Other minor variances |
| | | | |
| | | | It is requested that £0.029m is earmarked for future commitments in respect of Modern Apprenticeships with Skills Development Scotland, £0.020m, and £0.009m towards the Makerspaces libraries grant funded project. |
| | | | |
| | | | |
| | 184 | | |

EDUCATION AND YOUTH EMPLOYMENT
BUDGETARY CONTROL 2018/19

REPORT FOR THE 12 MONTHS TO 31 MARCH 2019

| Objective Summary | Annual Budget | Final Outturn | Annual Variance Adverse or (Favourable) | % variance | Note No |
|--------------------------|---------------|---------------|---|------------|---------|
| | £000 | £000 | £000 | | |
| Early Years Education | 13,152 | 13,095 | (57) | (0%) | 1 |
| Primary Education | 34,186 | 34,187 | 1 | 0% | |
| Secondary Education | 41,195 | 41,325 | 130 | 0% | 2 |
| Additional Support Needs | 11,813 | 12,265 | 452 | 4% | 3 |
| Education - Other | 3,931 | 3,841 | (90) | (2%) | 4 |
| Pupil Equity Fund | 5,886 | 5,886 | - | 0% | |
| Net Total | 110,163 | 110,599 | 436 | | |

| Subjective Summary | Annual Budget | Final Year End Outturn | Annual Variance Adverse or (Favourable) | % variance |
|---------------------------|---------------|------------------------|---|------------|
| | £000 | £000 | £000 | |
| Employee Costs | 98,375 | 98,424 | 49 | 0% |
| Property Costs | 323 | 359 | 36 | 11% |
| Supplies and Services | 10,951 | 10,964 | 13 | 0% |
| Transport and Plant Costs | 185 | 208 | 23 | 12% |
| Administration Costs | 1,195 | 1,115 | (80) | -7% |
| Other Agencies & Bodies | 6,982 | 7,580 | 598 | 9% |
| Transfer Payments | 580 | 583 | 3 | 1% |
| Other Expenditure | 6 | 6 | - | 0% |
| Capital Financing | 61 | 56 | (5) | -8% |
| Gross Expenditure | 118,658 | 119,295 | 637 | 1% |
| Income | (8,495) | (8,696) | (201) | 2% |
| Net Expenditure | 110,163 | 110,599 | 436 | 0% |

EDUCATION AND YOUTH EMPLOYMENT
BUDGETARY CONTROL 2018/19

REPORT FOR THE 12 MONTHS TO 31 MARCH 2019

| Budget £000 | Projected Variance £000 | Variance as % of budget | Section |
|----------------|-------------------------------|-------------------------------|---|
| Note 1 | | | Early Years Education |
| | | | Movement : there has been no significant movements since P10 |
| 1,295 | 24 | 2% | Payments to Other bodies : there is a reported overspend related to an increased demand for both the childminders and private providers service delivery model as a result of the Early Years expansion programme. |
| (35) | | | Income from Wraparound Care charges not formally incorporated into the budgets |
| (46) | | | Other minor movements |
| (57) | | | |
| Note 2 | | | Secondary Education |
| | | | Movement : the previously reported underspend has become an overspend. The movement of £0.257m since P10 has mainly occurred within non teacher employee costs. |
| 3,666 | 160 | 4% | Employee costs : an overspend in non Teachers costs due mainly to Education Assistants. |
| 12,910 | (136) | -1% | PPP unitary charge is underspent by £0.136m mainly due to refunds of utility costs at year end. |
| 85 | 31 | 36% | Third Party Payments : Overspend relates to payments made to Janitors for overtime in relation to school lets |
| 703 | 42 | 6% | Income : Under recovery of income from school lets (£0.040m) and music charges (£0.024m) offset against PPP insurance rebate of £0.031m. |
| 33 | | | Other minor movements |
| 130 | | | |
| Note 3 | | | ASN |
| | | | Movement : there has been a increase in the overspend of £0.132m since P10 primarily due to an increase in residential placements of £0.111m along with a decrease in day placements underspend of £0.032m. The increase in residential costs is mainly due to a change in funding split for a young person between HSCP and Education. |
| 1,362 | 429 | 31% | An overspend on external specialist residential placements. £0.125m of this is due to the agreement with HSCP to pay 25% of secure placements from 1 July 2018 together with the ongoing high number of children in residential education. |
| 872 | (2) | 0% | There is a small underspend on external day placements as a result of the rigorous screening process in place that enables the Council to support children in mainstream establishments or authority ASN establishments. |
| 25 | | | Other minor movements |
| 452 | | | |
| Note 4 | | | Education Other |
| | | | Movement : the underspend has decreased by (£0.131m) since P10 mainly due to Teachers cover costs. |
| 1,105 | (111) | -10% | Employee costs: Non Teachers - reduction in costs due to vacancy management |
| 1,821 | 174 | 10% | Employee costs: Additional costs related to unallocated central teacher cover costs |
| 19 | 23 | 121% | Admin costs : Increased Licence costs from SEEMIS |
| 345 | (30) | -9% | Supplies and Services: early realisation of savings (£0.065m) in relation to the centrally held Curriculum for Excellence budget offset against overspends in IT costs of £0.035m. |
| 270 | 26 | 10% | Third Party Payments : Increased costs in relation to Copyright agreements |
| (998) | (160) | 16% | Income : Additional income related to recharges to external organisations for staff on secondments. |
| (12) | | | Other minor variances |
| (90) | | | |

FINANCE AND CORPORATE SUPPORT
BUDGETARY CONTROL 2018/19

REPORT FOR THE 12 MONTHS TO 31 MARCH 2019

| Objective Summary | Annual Budget | Final Outturn | Annual Variance Adverse or (Favourable) | % variance | Note No |
|--|---------------|---------------|---|------------|---------|
| | £000 | £000 | £000 | | |
| Directorate | 202 | 198 | (3) | 0% | |
| Audit & Risk | 610 | 584 | (25) | 0% | |
| Finance | | | | | |
| Head of Service | 174 | 160 | (14) | (4%) | |
| FMS Project | 42 | 42 | 0 | | |
| Financial Services | 1,460 | 1,446 | (14) | 2% | |
| Corporate Procurement | 852 | 820 | (32) | 0% | |
| People & Transformation | | | | | |
| Head of Service | 112 | 112 | (0) | 0% | |
| Human Resources & Organisational Development | 695 | 712 | 17 | 9% | |
| Employee Services | 1,136 | 1,097 | (39) | 0% | |
| Customer & Digital Services | | | | | |
| Head of Service | 111 | 75 | (36) | 0% | 1 |
| Transformation Services | 1,774 | 1,740 | (34) | 2% | 2 |
| Revenues & Benefits | (246) | (335) | (88) | (4%) | 3 |
| ICT | 4,373 | 4,219 | (153) | 0% | 4 |
| Data Services | 387 | 376 | (12) | (3%) | |
| Customer Services | 5,211 | 4,909 | (302) | (1%) | 5 |
| Business Support | 1,456 | 1,374 | (82) | (3%) | 6 |
| Totals | 18,350 | 17,531 | (819) | 0% | |
| Less Proposed Carry Forwards | | 453 | 453 | | |
| Net Total | 18,350 | 17,984 | (366) | 0% | |

| Subjective Summary | Annual Budget | Final Year End Outturn | Annual Variance Adverse or (Favourable) | % variance |
|---------------------------|---------------|------------------------|---|------------|
| | £000 | £000 | £000 | |
| Employee Costs | 14,164 | 13,963 | (201) | 0% |
| Property Costs | 84 | 144 | 60 | 0% |
| Supplies and Services | 2,423 | 2,258 | (165) | 0% |
| Transport and Plant Costs | 32 | 22 | (11) | 0% |
| Administration Costs | 686 | 621 | (66) | 1% |
| Other Agencies & Bodies | 1,919 | 1,879 | (40) | 2% |
| Transfer Payments | 49,089 | 49,089 | 0 | 0% |
| Other Expenditure | 214 | 211 | (3) | 0% |
| Capital Financing | 0 | 0 | - | - |
| Gross Expenditure | 68,612 | 68,186 | (426) | 0% |
| Income | (50,262) | (50,655) | (393) | 0% |
| Net Expenditure | 18,350 | 17,531 | (819) | 0% |

FINANCE & CORPORATE SUPPORT
BUDGETARY CONTROL 2018/19

REPORT FOR THE 12 MONTHS TO 31 MARCH 2019

| Budget £000 | Projected Variance £000 | Variance as % of budget | Section |
|----------------|-------------------------------|----------------------------|---|
| Note 1 | | | Head of Customer and Digital |
| | | | Movement - There is no significant movement since P10 |
| 111 | (36) | -32% | Employee Costs - There is an underspend of £0.036m due to Maternity Leave. |
| | | | £0.028m has been earmarked for staffing commitments in 2019/20 |
| (36) | | | |
| Note 2 | | | Transformation |
| | | | Movement - There is no significant movement since P10 |
| 1,526 | (57) | -4% | Employee Costs - There is an underspend of £0.057m due to vacancy management |
| 22 | | | Third Party Payments - There is an overspend of £0.022m mainly due to support for programme development |
| 1 | | | Other minor variances |
| | | | £0.034m has been earmarked for HR systems project commitments in 2019/20 |
| (34) | | | |
| Note 3 | | | Revenues |
| | | | Movement - There has been a increase in underspend of £0.061m since Period 10 mainly due to increased income recovery from Council Tax Statutory Additions identified at year end. |
| 555 | 116 | 21% | Employee Costs - There is an overspend of £0.116m mainly due to severance costs |
| 251 | (49) | -19% | Admin Costs - There is an underspend of £0.049m due to £0.015m within Bank Charges, £0.009m within External Printing and £0.024m within Sheriff Officer Commission |
| (1,159) | (157) | 14% | Income - There is an over recovery of Council Tax Statutory Additions of £0.167m due to an additional recovery in relation to previous years and a 7% increase in Statutory Additions imposed influenced by the Council Tax Increase |
| 2 | | | Other minor variances |
| (88) | | | |
| Note 4 | | | ICT |
| | | | Movement - There has been a reduction in underspend of £0.011m since Period 10 mainly due to severance costs |
| 2,326 | 32 | 1% | Employee Costs - There is an overspend of £0.032m mainly due to severance costs |
| 1,805 | (174) | -10% | Supplies & Services - There is an underspend of £0.174m mainly due to the timing of Software licences and WAN circuit costs |
| (11) | | | Other minor variances |
| | | | £0.096m has been earmarked for Platform software licences commitments in 2019/20 |
| (153) | | | |
| Note 5 | | | Customer Services |
| | | | Movement - There has been an increase in underspend of £0.171m since Period 10 mainly due increased income in respect of Housing Benefit overpayment recoveries and DWP income for Housing Benefit identified on completion of the year end claim. |
| 2,444 | (191) | -8% | Employee Costs - There is an underspend of £0.191m due to vacancy management |
| (47,875) | (88) | 0% | Income - There is an overrecovery of £0.088m mainly due to £0.185m overrecovery within DWP Income for HB and £0.015m over recovery in DHP overpayments offset with £0.072m underrecovery in HB overpayments and £0.030m underrecovery in Registration Income. |
| (23) | | | Other Minor Variances |
| | | | £0.129m of DWP Income has been earmarked for staffing commitments in 2019/20. |
| | | | It is requested that £0.166m is earmarked for future commitments in respect of project management costs arising from the ICT Network review. |
| (302) | | | |
| Note 6 | | | Business Support |
| | | | Movement - There has been an reduction in underspend of £0.010m since Period 10 mainly due to severance costs |
| 1,420 | (52) | -4% | Employee Costs - There is an underspend of £0.052m due to vacancy management offset by severance costs |
| (7) | (23) | 333% | Income - There is an over recovery of £0.023m due to occupational health recharges. |
| (7) | | | Other Minor Variances |
| (82) | | | |

PLACE
BUDGETARY CONTROL 2018/19

REPORT FOR THE 12 MONTHS TO 31 MARCH 2019

| Objective Summary | Annual Budget | Final Outturn | Annual Variance Adverse or (Favourable) | % Variance | Note No |
|----------------------------------|---------------|---------------|---|------------|---------|
| | £000 | £000 | £000 | | |
| Directorate and Support | 35 | - | (35) | (100%) | |
| Physical Environment | | | | | |
| Head Of Physical Environment | 2 | - | (2) | | |
| Building Services | (2,352) | (2,209) | 143 | (6%) | 1 |
| Property Management & Investment | 1,864 | 1,815 | (49) | (3%) | |
| Housing Assets & Investment | 71 | - | (71) | 0% | |
| Property Maintenance | 809 | 551 | (258) | (32%) | 2 |
| Property Running Costs | 5,473 | 5,695 | 222 | 4% | 3 |
| Energy and Sustainability | 4,112 | 4,180 | 68 | 2% | 4 |
| Facilities Management | 12,168 | 12,093 | (75) | (1%) | 5 |
| Other Housing | 5,029 | 4,804 | (225) | (4%) | 6 |
| | - | - | | | |
| Commercial Services | - | - | | | |
| Head Of Commercial Services | 8 | - | (8) | (100%) | |
| Roads | 6,901 | 7,003 | 102 | 1% | 7 |
| Streetscene | 4,592 | 4,717 | 125 | 3% | 8 |
| Internal Transport | 10,098 | 10,214 | 116 | 1% | 9 |
| Waste Services | 8,863 | 8,594 | (269) | (3%) | 10 |
| | | | | | |
| Net Total | 57,695 | 57,481 | (214) | (0%) | |
| | | | | | |
| Transfer to Earmarked Reserves | | 81 | 81 | | |
| | | | | | |
| Net Total | 57,695 | 57,562 | (133) | | |

| Subjective Summary | Annual Budget | Projected Year End Outturn | Annual Variance Adverse or (Favourable) | % variance |
|---------------------------|---------------|----------------------------|---|------------|
| | £000 | £000 | £000 | |
| Employee Costs | 43,384 | 43,722 | 338 | 1% |
| Property Costs | 18,089 | 18,099 | 10 | 0% |
| Supplies and Services | 10,437 | 9,898 | (539) | (5%) |
| Transport and Plant Costs | 9,936 | 10,467 | 531 | 5% |
| Administration Costs | 1,970 | 1,892 | (78) | (4%) |
| Other Agencies & Bodies | 17,631 | 18,462 | 831 | 5% |
| Transfer Payments | 1,708 | 1,705 | (3) | (0%) |
| Other Expenditure | 581 | 627 | 46 | 8% |
| Capital Financing | 41 | 48 | 7 | |
| Gross Expenditure | 103,777 | 104,920 | 1,143 | 1% |
| Income | (46,082) | (47,439) | (1,357) | 3% |
| Net Expenditure | 57,695 | 57,481 | (214) | (0%) |

PLACE
FINANCIAL PERFORMANCE 2018/19

REPORT FOR THE 12 MONTHS TO 31 MARCH 2019

| Budget £000 | Projected Variance £000 | Variance as % of budget | Section |
|----------------|-------------------------------|----------------------------|--|
| Note 1 | | | Building Services |
| | | | Movement:- There has been a movement of £0.143m since period 10, the primary factors contributing to the movement include additional employee costs (overtime, and pay award increase). |
| (2,421) | 143 | - | Building Services are required to account for any agreed additional pay award from within existing resources. Due to the late agreement of the settlement, additional costs were not able to be mitigated. In addition, additional spend was required on overtime due to work in the high flats and the late release of work (Aids and Adaptations). |
| 143 | | | |
| Note 2 | | | Property Maintenance |
| | | | Movement - there has been no significant movement since P10 |
| 809 | (258) | (32%) | Property Costs - amended programming of planned maintenance. |
| | | | It is requested to earmark £0.036m in respect of property condition surveys that have not been able to be completed by the contractor before 31 March. |
| (258) | | | |
| Note 3 | | | Property Running Costs |
| | | | Movement - there has been no significant movement since P10 |
| 5,473 | 222 | 4% | Property Costs - current delay in delivery of property rationalisation savings and includes £0.075m under recovery of income in relation to the commercial property rental saving |
| 222 | | | |
| Note 4 | | | Energy and Sustainability |
| | | | Movement:- There has been adverse movement of £0.218m since Period 10 due to the utilisation and purchase of Carbon Allowances |
| 312 | 64 | 21% | Third Party Payments - overspend £0.064m due to the utilisation and purchase of carbon allowances arising from the final year of the UK Government's Carbon Reduction Commitment Energy Efficiency Scheme |
| 0 | 4 | - | Other Minor Movements |
| 68 | | | |
| Note 5 | | | Facilities Management |
| | | | Movement : There has been an adverse movement of £0.125m since P10 mainly due to additional spend in kitchen equipment and tools & implements. |
| 11,425 | (32) | (0%) | Employee costs - underspend due to vacancies, early implementation of the catering review and a reduction in use of overtime. |
| (3,763) | (44) | 1% | Income - over recovery of income mainly due to an increased uptake in school meals. |
| 1 | | - | Other minor movements |
| (75) | | | |
| Note 6 | | | Other Housing |
| | | | Movement : There has been an increase in the underspend of £0.182m since P10 primarily due to grant income for the resettlement programmes of £0.086m, a reduction of HRA recharges of £0.040m and a reduction in Supplies and Services of £0.056m for WAN and Employee clothing |
| 3,531 | (46) | (1%) | Employee costs - There is an underspend of £0.046m in Employee Costs due to vacancy management. |
| 1,347 | 119 | 9% | Property costs - There is an overspend of £0.119 m arising from increased Security costs for CCTV and Customer Services due to repairs and replacement of CCTV equipment (£0.060m). Other overspends include utilities and cleaning which are due to an increase in the number of budgeted temporary accommodation properties. |
| 139 | (50) | (36%) | Supplies and Services - there are underspends in WAN Circuits (0.033m) and other supplies and Services (0.017m) |
| 2,408 | (50) | (2%) | Third Party payments - There is an underspend of £0.050m due to a reduction in the HRA recharge for general fund activities. |
| 188 | 125 | 66% | Other costs - There is an overspend in other costs of £0.125m due to an increase in bad debt provision of £0.180m offset by a reduction in Arrears write-offs of £0.055m. The introduction of Universal Credit has had an adverse impact on rent arrears. |
| (4,435) | (263) | 4% | Income - An over-recovery of hostel rents income (£0.177m) is projected due to an increased number of tenancies. Also grant income of £0.086m has been claimed in respect of the resettlement programmes. Additional grant received in this financial year will offset overspends reported in previous years. |
| (60) | | - | Other minor movements |
| (225) | | | |

| Budget £000 | Projected Variance £000 | Variance as % of budget | Section |
|----------------|-------------------------------|----------------------------|---|
| Note 7 | | | Roads |
| | | | Movement : The overspend has increased by £0.055m since P10 mainly due to the increased transport costs of £0.053m. |
| 3,864 | (176) | (5%) | Employee costs - there is an underspend due to vacancy management. |
| 75 | 203 | 271% | Transport costs - the cost of hiring vehicles required for specialist work |
| 2,216 | (74) | (3%) | Supplies and Services - an underspend has occurred following a reallocation of capital funding to revenue |
| 2,478 | 193 | 8% | Third Party Payments - payments to contractors costs reflects additional specialised works. |
| - | (44) | - | Other minor movements |
| - | - | - | It is requested to earmark £0.045m in respect of the Millport Pier repairs which were scheduled for completion during 18/19 but have been delayed until 19/20. |
| 102 | | | |
| Note 8 | | | Streetscene |
| | | | Movement:- there has been an adverse movement of £0.073m since P10 mainly due to an increase in Employee severance costs |
| 6,135 | 121 | 2% | Employee Costs - there is an overspend of £0.121m due to severance costs of £0.067m together with lower than anticipated levels of staff turnover. |
| 192 | (45) | (23%) | Property Costs - expenditure was delayed against various budget lines (e.g. street furniture; plants and grounds maintenance) in order to offset overspends elsewhere in Streetscene. |
| 118 | 98 | 83% | Transport Costs - are overspent mainly due to £0.055m for hire of skips; £0.010m in ferry charges and £0.017 external hires. |
| 200 | (77) | (39%) | Contractors - expenditure was managed against contractors budget lines in order to offset overspends elsewhere in Streetscene. |
| 28 | | | Other minor movements |
| 125 | | | |
| Note 9 | | | Internal Transport |
| | | | Movement : There has been a favourable movement of £0.054m from period 10 mainly due to an increase in the fuel underspend of £0.047m. |
| 4,312 | 108 | 3% | Transport Provision Costs - there is an overspend of £0.108m, partially as a result of an increase in the number of budgeted school days in this financial year together with the continued trend of increasing demand for social services transport provision. |
| 419 | 57 | 14% | External Hires - are £0.095m overspent as a result of additional hires of £0.060m required to accommodate temporary operational needs related to the introduction of the Waste Strategy. |
| 1,726 | (61) | (4%) | Fuel Costs - are £0.061m underspent due to a decrease in fuel usage. |
| 1,951 | 72 | 4% | Repairs & Maintenance Costs - are £0.072m overspent partially due to costs associated with temporary operational needs from the introduction of the waste strategy. |
| (189) | (55) | 29% | Income - There is an over-recovery in relation to £0.056m internal hire of pool vehicles. |
| 0 | (5) | - | Other minor movements |
| 116 | | | |
| Note 10 | | | Waste Services |
| | | | Movement: there has been a decrease in overspend since P10 of £0.350m. This is mainly due to lower than anticipated costs for the pay settlement £0.109m, reduced costs of the Blue Bin Contract of £0.073m due to improving recycle contamination levels, reduced costs in relation to the residual waste contract of £0.066m due to lower tonnages of waste and additional income from Waste Gas Extraction £0.042m and the Sale of Bins £0.025m |
| 4,411 | 86 | 2% | Employee Costs - there is an overspend of £0.086m mainly due to a requirement to supplement current resources to reflect seasonal and operational demands. Work is ongoing to address this overspend going forward. |
| 186 | (144) | (77%) | Supplies & Services - an underspend on aftercare costs of Shewalton Landfill Site which are being met from an existing provision. |
| 5,309 | (21) | (0%) | Third party payment – there is an overspend of £0.095m in the blue bin contract mainly due to the reduction in market prices for recyclates and contamination levels. Awareness campaigns are ongoing to reduce levels of contamination. There is an underspend of £0.171m for residual waste disposal costs due to a reduction in waste arisings. This is partly offset by an overspend of £0.050m in Household Recycling Centre waste costs and Amenity Waste (Streetscene depot waste diverted from landfill) which has an overspend of £0.066m. There is also an underspend of £0.061m in Organic Waste Disposal due to a reduction in garden waste arisings. |
| 47 | | | Payments to Other Local Authorities - Contract management fees in relation to the Clyde Valley Partnership has cost £0.047m. |
| (2,189) | (197) | 9% | Income - additional income of £0.045m due to increased separation and sale of scrap metal for recycling mainly due to improvements from the upgraded Arran Recycling Centre. There is also £0.098m additional income from Waste Gas Extraction due to the capping and closure of the final landfill site cell. Also additional income from Commercial Refuse Charges £0.029m and the Sale of Bins £0.025m |
| (40) | | | Other Minor Movements |
| (269) | | | |

OTHER CORPORATE ITEMS
BUDGETARY CONTROL 2018/19

REPORT FOR THE 12 MONTHS TO 31 MARCH 2019

| Objective Summary | Annual Budget | Final Outturn | Annual Variance Adverse or (Favourable) | % Variance | Note No |
|--|---------------|---------------|---|------------|---------|
| | £000 | £000 | £000 | | |
| Strathclyde Passenger Transport | 2,319 | 2,316 | (3) | 0% | |
| SPT Concessionary Fares | 272 | 272 | - | 0% | |
| Ayrshire Joint Valuation Board | 786 | 786 | - | 0% | |
| Other Corporate Costs | | | | | |
| Pension Costs | 1,865 | 1,815 | (50) | (3%) | 1 |
| Central Telephones | 86 | 76 | (10) | (12%) | |
| Other Corporate Items (incl Transformation Costs, Bad Debt Provision, External Audit fees and other centrally held funding.) | 3,356 | 1,775 | (1,581) | (47%) | 2 |
| | 8,684 | 7,040 | (1,644) | (19%) | |
| Less Proposed Carry Forwards | | 155 | 155 | | |
| Net Total | 8,684 | 7,195 | (1,489) | (17%) | |

OTHER CORPORATE ITEMS
BUDGETARY CONTROL 2018/19

REPORT FOR THE 12 MONTHS TO 31 MARCH 2019

| Budget £000 | Outturn Variance £000 | Variance as % of budget | Section |
|----------------|-----------------------------|-------------------------------|---|
| Note 1 | | | Pension Costs |
| | | | Movement - There has been no significant movement since P10 |
| 1,865 | (50) | (3%) | The underspend of £0.050m is due to reduced pension costs mainly relating to before local government reorganisation |
| | (50) | | |
| Note 2 | | | Other Corporate Items |
| | | | Movement : There has been an increased underspend of £1.249m since P10 primarily related to additional funding for severances from capital receipts (£2.300m) partly offset by additional costs for the local government pay settlement £0.921m and additional utility price inflation £0.231m. |
| 3,356 | (1,581) | (47%) | Following significant progress in the settlement of Equal Pay claims, a review of the current provision has identified (£0.493m) which is no longer required and has been released, a reduced requirement for centrally held funds in relation to Unaccompanied Asylum Seekers (£0.350m), the implementation of Universal Credit (£0.200m), additional funding in relation to VR/VER transformation costs incurred across services (£0.745m), and a lower than anticipated drawdowns in relation to Care Home contract inflation and insurance costs (£0.511m). These have been partly offset by increased Bad Debt Provision, £0.718m. Agreement is sought to ringfence £0.155m in relation to funding received but not drawdown, £0.128m, and other commitments, £0.027m. Full details of all proposed earmarked funds are included in Appendix 7. |
| | (1,581) | | |

MISCELLANEOUS ITEMS
FINANCIAL PERFORMANCE 2018/19

REPORT FOR THE 12 MONTHS TO 31 MARCH 2019

| Objective Summary | Annual Budget | Final Outturn | Annual Variance Adverse or (Favourable) | % variance | Note No |
|--|---------------|---------------|---|------------|---------|
| | £000 | £000 | £000 | | |
| Financing Charges | 30,279 | 27,596 | (2,683) | (9%) | 1 |
| Scottish Government Funding | (278,321) | (278,538) | (217) | 0% | 2 |
| Council Tax | (53,756) | (53,842) | (86) | 0% | 3 |
| Use of Earmarked Funds | (11,937) | (11,937) | - | | |
| Totals | (313,735) | (316,721) | (2,986) | 1% | |
| Less Carry Forward to Loans Fund Reserve | | 2,683 | 2,683 | | |
| Net Total | (313,735) | (314,038) | (303) | 0% | |

Note 1 Financing Charges

Capital Financing charges have underspent by £2.683m based on the actual cash flow and interest rates. This amount has been ringfenced and will be transferred to the Loans Fund Reserve in line with the Council's Treasury Management and Investment Strategy.

Note 2 Scottish Government Funding

Income from the Scottish Government has over recovered by £0.217m as a result of the Business Rates Incentivisation Scheme 2016-19.

Note 3 Council Tax

Income from Council Tax has over recovered by £0.086m primarily related to an underspend on Council Tax Reduction partly offset by prior year adjustments

| Carried Forward Funds to 2019-20 | £000 |
|--|--------------|
| Previously Approved | |
| Loans Fund Reserve | 2,683 |
| DWP Income | 129 |
| Platform Licences | 96 |
| HR Systems Project | 34 |
| F&CS Staffing Commitments | 28 |
| Local Development Plan | 10 |
| British Sign Language | 9 |
| | 2,989 |
| Grants / External Funding | |
| DHP Admin Funding | 52 |
| Homelessness Funding | 33 |
| DWP UC/HB Funding | 26 |
| Modern Apprenticeship Funding | 20 |
| Community Justice Transitional Funding | 12 |
| Child Poverty Action Report Funding | 5 |
| | 148 |
| Commitments | |
| Network Review - Project Management | 166 |
| Election Costs | 87 |
| Millport Pier Repairs | 45 |
| Condition Survey Works | 36 |
| O365 Implementation | 20 |
| Makerspace Contribution | 9 |
| North Ayrshire Achieves | 7 |
| | 370 |
| | 3,507 |

HOUSING REVENUE ACCOUNT
BUDGETARY CONTROL 2018/19

REPORT FOR THE 12 MONTHS TO 31 MARCH 2019

| | Annual Budget | Final Outturn | Annual Variance Adverse or (Favourable) | % Variance | Note No |
|----------------------------------|------------------|------------------|--|---------------|------------|
| | £ | £ | £ | | |
| Employee Costs | 4,468 | 4,634 | 166 | 4% | 1 |
| Property Costs | | | | | |
| Responsive Repairs | 1,781 | 1,693 | (88) | (5%) | |
| Void Repairs | 2,610 | 2,913 | 303 | 12% | |
| Planned and Cyclical Maintenance | 7,478 | 7,580 | 102 | 1% | |
| Aids and Adaptions | 1,792 | 1,224 | (568) | (32%) | |
| Other property costs | 3,632 | 3,869 | 237 | 7% | |
| Total for Property Costs | 17,293 | 17,279 | (14) | | 2 |
| Supplies & Services | 284 | 185 | (99) | (35%) | 3 |
| Transport Costs | 42 | 33 | (9) | (21%) | |
| Administration Costs | 1,741 | 1,789 | 48 | 3% | 4 |
| Third Party Payments | 2,312 | 2,443 | 131 | 6% | 5 |
| Transfer Payments | 103 | 84 | (19) | (18%) | |
| Other Expenditure | 468 | 450 | (18) | (4%) | |
| Capital Financing Costs | 23,479 | 22,813 | (666) | (3%) | 6 |
| Gross Expenditure | 50,190 | 49,710 | (480) | (1%) | |
| Income | | | | | |
| Council House Rents | (47,394) | (47,083) | 311 | (1%) | |
| Other Rents | (311) | (296) | 15 | (5%) | |
| Recharges | (2,231) | (2,182) | 49 | (2%) | |
| Other Income | (254) | (149) | 105 | (41%) | |
| Transfer from HRA Reserves | - | - | - | 0% | |
| Total Income | (50,190) | (49,710) | 480 | (1%) | 7 |
| Net Expenditure | - | - | - | | |

HRA
BUDGETARY CONTROL 2018/19

REPORT FOR THE 12 MONTHS TO 31 MARCH 2019

| Budget £000 | Variance £000 | Variance as % of budget | Section |
|----------------|------------------|-------------------------------|--|
| Note 1 | | | Employee Costs |
| | | | Movement: There has been no significant movement since P10 |
| 4,468 | 166 | 4% | There is an overspend of £0.166m projected primarily due to unbudgeted VER costs of £0.196m offset by turnover of £0.030m |
| 166 | | | |
| Note 2 | | | Property Costs |
| | | | Movement: There has been no significant movement since P10 |
| 17,293 | (14) | 0% | There is an underspend in Property costs of £0.014m due to a reduction in Aids and Adaptations' work of £0.568m and reduced response repairs of £0.088m partly offset by increased Void repairs of £0.303m, Planned repairs of £0.102m and other property costs of £0.238m, which includes additional costs for Irvine High Flats decants. |
| (14) | | | |
| Note 3 | | | Supplies and Services |
| | | | Movement: There has been no significant movement since P10 |
| 284 | (99) | -35% | There is an underspend in Supplies and Services due to reduced spending on Software Licences and Employee Clothing |
| (99) | | | |
| Note 4 | | | Third Party Payments |
| | | | Movement: There has been no significant movement since P10 |
| 2,312 | 163 | 7% | There is an overspend of £0.163m due to revised project management fees for revenue projects of £0.249m offset by a reduction in insurance costs of £0.086m. |
| (32) | | | Other minor movements |
| 131 | | | |
| Note 5 | | | Capital Financing |
| | | | Movement: There has been an increase in the underspend in Capital Financing Charges of £0.098m since P10 |
| 23,479 | (666) | -3% | Capital Financing charges are underspent by £0.666m based on the latest cash flow and interest rate projections. This reflects the current strategy of taking temporary borrowing rather than permanent borrowing to maximise the financial savings as a result of current market conditions. |
| (666) | | | |
| Note 6 | | | Income |
| | | | Movement: There has been a reduction in income of £0.129m since P10 primarily due to Insurance Claims not settled |
| (47,395) | 311 | -1% | There is an under-recovery of Council house rent income of £0.311m due to a higher number of vacant units due to refurbishments and new build programmes. |
| (2,485) | 157 | 0% | Other Income - there is an under-recovery of £0.157m due to reduced tenant repair recharges (£0.055m) as well as insurance claims not settled of £0.102m. |
| 12 | | | Other minor movements |
| 480 | | | |

| HRA reserves and balances | B/fwd from 2017/18 | Transfer to / from Reserves | Use of Earmarked sums | Earmarking of in year surplus | Funding of Capital Projects | Balance at 31/03/19 |
|-----------------------------|-----------------------|--------------------------------|--------------------------|----------------------------------|--------------------------------|------------------------|
| | £m | £m | £m | £m | £m | £m |
| Council House Building Fund | 7.749 | - | - | 0.554 | (1.277) | 7.026 |
| Welfare Reform | 3.000 | - | - | - | - | 3.000 |
| Contingency Balance | 1.000 | - | - | - | - | 1.000 |
| Infrastructure Improvements | 0.545 | - | - | - | - | 0.545 |
| Major Refurbishment Works | 0.242 | - | - | - | (0.190) | 0.052 |
| Trindlemoss | 1.091 | - | - | - | (0.300) | 0.791 |
| | 13.627 | - | - | 0.554 | (1.767) | 12.414 |