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## **NORTH AYRSHIRE COUNCIL**

**20 March 2018**

### **Cabinet**

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**Title:** **Revenue Budget 2017/18 : Financial Performance to 31 January 2018**

**Purpose:** To advise Cabinet of the financial performance for the Council at 31 January 2018.

**Recommendation:** That Cabinet agrees to (a) note the information and financial projections outlined in the report; (b) approve the earmarking of £0.312m identified at 2.4 (iv) to meet future year commitments; (c) note the current financial projection for the Health and Social Care Partnership; and (d) approve the virements detailed in Appendix 10.

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### **1. Executive Summary**

- 1.1 The Council's General Fund and Housing Revenue budgets for 2017/18 were approved at a special meeting of the Council held on 1 March 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 third report for 2017/18 and covers the period to the end of January 2017 (Period 10). Projections of the year-end position have been made.
- 1.3 At Period 10 the General Fund is forecasting a net in-year underspend of £2.413m (0.7%) after transferring resources to other funds, an increase of £0.081m from that reported at Period 8.
- 1.4 The Housing Revenue Account is forecasting a net in-year surplus of £0.196m. Period 8 reported a break-even position.
- 1.5 The Health and Social Care Partnership is forecasting an overspend of £3.433m at the end of January 2017. The Council services element of the projected overspend is £1.865, after the application of £1.4m from the Challenge Fund to support service delivery. This represents a decrease of £0.377m from that reported at Period 8.

1.6 The General Fund forecast position includes the impact from delays in the realisation of savings previously approved by Council in relation to:

- Place, where slippage on savings is being met from within the core budget; and
- The Health and Social Care Partnership, where a number of savings on Council commissioned services require further action to secure delivery. The forecast position includes an assumption that £0.555m of savings, alongside £0.781m of Challenge Fund savings and £0.462m of other mitigating actions will not be delivered during 2017/18, contributing to the overspend within the Partnership.

## **2. Background**

### **General Fund**

2.1 The Council has set a break-even budget for 2017/18. In addition to the budget approved on 1 March 2017, earmarked funds of £14.742m have been carried forward from 2016/17 for service expenditure in 2017/18 and are reflected in the figures within the 2017/18 financial performance reports as they are drawn down.

2.2 Current financial projections indicate that an in-year surplus of £2.413m, net of transfers to reserves, is anticipated for the year to 31 March 2018. This represents 0.7% of the Council's total budget.

2.3 Details of the current financial projections are summarised in the following table:

	Appendix No	Annual Budget £000's	Projection to 31 March 2018 £000's	Projected Variance for year (Fav)/Adv £000's	Projected Variance @ Period 8 (Fav)/Adv £000's	Movement £000's	Note
<b>Service Expenditure</b>							
Chief Executive and Democratic Services	1	3,545	3,469	(76)	(47)	(29)	
Finance & Corporate Support	2	16,439	15,971	(468)	(471)	3	
Education and Youth Employment Place	3	111,130	110,676	(454)	(601)	147	(i)
	4	57,116	56,719	(397)	(258)	(139)	(ii)
Economy and Communities	5	19,346	19,298	(48)	(143)	95	(iii)
Other Corporate Services	6	18,209	16,643	(1,566)	(1,048)	(518)	(iv)
Sub Total		225,785	222,776	(3,009)	(2,568)	(441)	
Health and Social Care Partnership	7,8	88,514	88,514	-	-	-	2.6
Balance for Services		314,299	311,290	(3,009)	(2,568)	(441)	
Financing Charges *	9	19,692	16,986	(2,706)	(2,706)	-	
Total Planned Expenditure		333,991	328,276	(5,715)	(5,274)	(441)	
<b>Planned Income</b>							
Aggregate External Finance	9	(271,853)	(271,853)	-	-	-	
Council Tax	9	(52,002)	(51,818)	184	136	48	
Use of Change Fund	9	(436)	(436)	-	-	-	
Use of Earmarked Funds	9	(9,700)	(9,700)	-	-	-	
Total Planned Income		(333,991)	(333,807)	184	136	48	
Net Expenditure/ (Income)		-	(5,531)	(5,531)	(5,138)	(393)	
Carried Forward Funds *		-	3,118	3,118	2,806	312	
Revised Net Expenditure/(Income)		-	(2,413)	(2,413)	(2,332)	(81)	

\* Financing Charges underspend of £2.706m transferred to Loans Fund Reserve in accordance with agreed policy

## 2.4 Commentary on Significant Movements from the Forecast at Period 8

The Council's overall financial forecast against the previous underspend is an increase of £0.081m. A brief explanation of the significant movements from Period 8 is outlined below:

(i) **Education and Youth Employment - underspend of £0.454m, a decrease of £0.147m**

The decrease is mainly due to additional costs for Residential School placements following a full review and apportionment of all placements with the HSCP.

(ii) **Place - underspend of £0.397m, an increase in underspend of £0.139m**

The increased underspend is primarily related to planned works of £0.260m that will not commence until the new financial year, with a request for carry forward. This is partially offset by an overspend of £0.200m due to severe weather.

(iii) **Other Corporate Services - underspend of £1.566m, an increase in underspend of £0.518m**

The increased underspend relates to additional grant from the Scottish Government in respect of probationer Teachers, release of funds set aside for Discretionary Housing Payments and fuel inflation no longer required.

(iv) **Request to Carry Forward**

It is proposed to carry forward at total of £0.312m. £0.260m of this is within Place as noted above. There are also proposals to carry forward £0.015m within Education for GIRFEC and £0.037m within Economy and Communities for the production of the Local Development Plan.

## **Health and Social Care Partnership at Period 10**

- 2.5 The Health and Social Care Partnership is forecasting an overspend of £3.433m at the end of January 2018. The Council services element of the projected overspend is £1.865m. This represents a decrease of £0.377m. The main areas of movement since Period 8 are:-

- **Community Care and Health – underspend of £1.211m, an increase in the projected underspend of £0.378m**

Within Locality Services additional income has been secured from charges to users in line with the charging policy (£0.067m), the planned underspend in equipment agreed as part of the mitigation plan has been achieved (£0.200m), these are partially offset with increased spend in care home respite placements (£0.100m). Within Community Care Service Delivery in house homecare has a favourable movement of £0.178m in relation to the mitigation to delay the recruitment of posts.

- **Mental Health Services – overspend of £1.143m, an increase in the projected overspend of £0.193m**

Within Learning Disability, the costs of care packages are increasing (£0.073m) due to young people transitioning to adult services. There are also adverse movements in:

- payments to Cunninghame Housing Association (£0.039m) as the service was unbudgeted,
- direct payments (£0.031m) as the assumed recovery of unspent balances was less than projected; and
- income (£0.080m) due to charges from users and income from other local authorities for the use of Taigh Mor being less than projected.

- **Children's Services and Criminal Justice – an overspend of £2.110m, a reduction in the projected overspend of £0.055m**

Residential Schools and Community Placements show a favourable movement of £0.055m from P8. This is the net result of the review of apportionment of funding

with Education, offset by new placements (1 secure, 2 residential) and revised placement discharge dates.

£2.037m of mitigation was previously approved, of which £0.704m has been delivered and reflected in the £3.433m forecast overspend. Added to the £3.245m deficit brought forward from 2016/17 this could result in a projected closing deficit of £6.678m.

The main areas of pressure continue to be:

- Adult care packages - the packages are being reviewed and progress is monitored through the bi-weekly funding panel chaired by head of service. Care package requests/reductions are made against a risk criteria to ensure all risks are mitigated and vulnerable people can access services in accordance with statutory requirements. Further work is taking place to address planning for young people in transition from children's services.
- Looked after and accommodated children - the projects funded as part of phase 1 of the Challenge Fund are progressing well, however, financial benefit from the resultant reduction in children accommodated will be seen through 2018/19.

The Partnership recognises that it requires to operate within its budgets and that this currently not being achieved. Work is in progress to realign 2018/19 budgets and also to:

- Bring a transformation and change agenda to the forefront.
- Create a financial framework to allow detailed monitoring of month to month spending ensuring early identification of potential overspends and corrective action being put in place.
- Maximising the savings achievable from the Challenge Fund with phase 2 being submitted for approval early in 2018/19
- The medium term financial strategy will be finalised and presented to the IJB in April
- The action plan from the budget management audit will be rolled out to ensure operational budget management arrangements are tightened and fit for purpose to improve financial performance.

The interim Chief Finance and Transformation Officer is working with the HSCP to develop a financial framework that will enforce financial accountability across the Partnership and support more robust financial management. A report will be presented to Audit and Scrutiny Committee outlining the approach to strengthening financial accountability across the Partnership.

A summary of projections is included within Appendices 7 and 8 and members can be provided with copies of the full Integration Joint Board report if required.

### **Budget Transfers/Virements**

- 2.6 A schedule of the budget transfers, or virements, requested by Services which require to be approved by Cabinet is attached at Appendix 10 for Members' consideration and approval.

## Housing Revenue Account

- 2.7 The Housing Revenue Account budgeted for a break even position in 2017/18. A net in-year surplus of £0.196m is currently projected. This is summarised in the following table with further details provided in Appendix 11.

	Annual Budget £000's	Projection to 31 March 2018 £000's	Projected Variance for year (Fav)/Adv £000's	Projected Variance @ Period 8 (Fav)/Adv £000's	Movement £000's	Note
Employee Costs	4,522	4,515	(7)	-	(7)	
Property Costs	17,100	16,713	(387)	(187)	(200)	(i)
Supplies and Services	228	230	2	(16)	18	
Transport and Plant Costs	38	34	(4)	(3)	(1)	
Administration Costs	1609	1556	(53)	(60)	7	
Other Agencies and Bodies	1387	1374	(13)	(5)	(8)	
Transfer Payments	121	91	(30)	(30)	-	
Other Expenditure	403	419	16	16	-	
Capital Financing	22284	22291	7	-	7	
Gross Expenditure	47,692	47,223	(469)	(285)	(184)	
Income	(47,692)	(47,419)	273	285	(12)	
Net Expenditure	-	(196)	(196)	-	(196)	

## 2.8 Commentary on Significant Movements from the Forecast at Period 8

Cabinet at its meeting on 23 January 2018 approved a number of significant virement which realigned resources removing a number of variances reported previously. A brief explanation of the significant movements from period 8 is outlined below.

- (i) **Property Costs - underspend of £0.387m, a decrease in underspend of £0.200m from period 8**

This is due to a reduction in the cost of void and planned repairs.

## 3. Proposals

- 3.1 That Cabinet agrees to (a) note the information and financial projections outlined in the report; (b) approve the earmarking of £0.312m identified at 2.4 (iv) to meet future year commitments; (c) note the current financial projection for the Health and Social Care Partnership; and (d) approve the virements detailed in Appendix 10.

#### 4. Implications

<b>Financial:</b>	<b>General Services</b> The net projection for the year as at 31 January 2018 is a surplus for the year of £2.413m.  <b>Housing Revenue Account</b> The net projection for the year as at 31 January 2018 is an underspend of £0.196m.
<b>Human Resources:</b>	None
<b>Legal:</b>	None
<b>Equality:</b>	None
<b>Children and Young People:</b>	None
<b>Environmental &amp; Sustainability:</b>	None
<b>Key Priorities:</b>	This budget monitoring report directly supports the Council Plan 2015 to 2020 by "making the best use of all resources" and ensuring a "sound financial position".
<b>Community Benefits:</b>	None

#### 5. Consultation

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



LAURA FRIEL  
Executive Director (Finance and Corporate Support)

For further information please contact Angus Grossart, Team Manager (Financial Management) on (01294) 324455.

#### Background Papers

Revenue Budget 2017/18 : Financial Performance to 30 November 2017 - Cabinet - 23 January 2018

**CHIEF EXECUTIVE SERVICE**  
**FINANCIAL PERFORMANCE 2017/18**

**REPORT FOR THE TEN MONTHS TO 31 JANUARY 2018**

Objective Summary	Annual Budget	Projected Outturn	Annual Variance Adverse or (Favourable)	% Variance	Note No
	£000	£000	£000		
Legal	459	453	(6)	(1%)	1
Policy, Performance & Community Planning	718	750	31	4%	2
Communications	484	424	(59)	(12%)	3
Civil Contingencies	69	73	3	5%	
Committee Services	722	676	(45)	(6%)	4
Members Services	1,093	1,093	(0)	(0%)	
Totals	3,545	3,469	(76)	(2%)	

Subjective Summary	Annual Budget	Projected Outturn	Annual Variance Adverse or (Favourable)	% Variance
	£000	£000	£000	
Employee Costs	2,867	2,729	(138)	(5%)
Property Costs	7	7	-	-
Supplies and Services	141	201	60	43%
Transport and Plant Costs	14	14	0	1%
Administration Costs	962	956	(6)	(1%)
Other Agencies & Bodies	391	401	10	2%
Transfer Payments	-	-	-	-
Other Expenditure	-	-	-	-
Gross Expenditure	4,382	4,307	(75)	(2%)
Income	(837)	(838)	(1)	0%
Net Expenditure	3,545	3,469	(76)	(2%)

**CHIEF EXECUTIVE SERVICE**  
**BUDGETARY CONTROL 2017/18**

**REPORT FOR THE TEN MONTHS TO 31 JANUARY 2018**

Budget £000	Outturn Variance £000	Variance as % of budget	Section
<b>Note 1</b>			<b>Legal</b>
			Movement - increased underspend of £0.025m due to employee costs
1,056	(27)	-3%	Employee costs - There is a projected underspend of (£0.027m) due to anticipated vacancies
32	22	68%	Supplies and Services - There is a projected overspend of £0.022m for purchase of new IT equipment
(699)	(1)	0%	Income - There is a projected over-recovery of income of £0.001m. This is due to anticipated debtor account write offs of £0.033m offset by anticipated over-recovery of licensing income streams
70	1	1%	Other minor variances
(6)			
<b>Note 2</b>			<b>Policy, Performance &amp; Community Planning</b>
			No significant movement
639	15	2%	Employee costs - There is a projected overspend of £0.015m mainly due to turnover target not being achieved
21	18	86%	Supplies and Services - There is a projected overspend of £0.018m mainly for purchase of new IT equipment
59	(2)	-3%	Other minor variances
31			
<b>Note 3</b>			<b>Communications</b>
			No significant movement
455	(75)	-16%	Employee costs - There is a projected underspend of (£0.075m) due to two vacant posts which will be partly used to purchase IT Equipment for the whole of Democratic Services
12	16	127%	Supplies and Services - There is a projected overspend of £0.016m for purchase of new IT equipment
16	-	0%	Other minor variances
(59)			
<b>Note 4</b>			<b>Committee Services</b>
			No significant movement
587	(54)	-9%	Employee costs - There is a projected underspend of (£0.054m) due to a vacant posts
135	9	6%	Other minor variances
(45)			

**FINANCE & CORPORATE SUPPORT  
BUDGETARY CONTROL 2017/18**

**REPORT FOR THE TEN MONTHS TO 31 JANUARY 2018**

Objective Summary	Annual Budget	Projected Year End Outturn	Annual Variance Adverse or (Favourable)	% Variance	Note No
	£000	£000	£000		
<b>Directorate</b>	167	168	1	1%	
<b>Audit &amp; Risk</b>	608	640	32	5%	
<b>Finance</b>					
Head of Service	122	171	49	40%	
FMS Project	77	86	9		
Financial Services	1,598	1,644	46	3%	1
Corporate Procurement	636	646	10	2%	
<b>People &amp; Transformation</b>					
Head of Service	109	109	0	0%	
Human Resources	1,551	1,494	(57)	-4%	2
<b>Customer &amp; Digital Services</b>					
Head of Service	107	107	0	0%	
ICT	3,164	3,075	(89)	-3%	3
Customer Services & Registration	2,296	2,215	(81)	-4%	4
Business Support	1,707	1,523	(184)	-11%	5
Revenues & Benefits	3,605	3,385	(220)	-6%	6
Change Programme	331	351	20	6%	7
Information Governance	361	357	(4)	-1%	
<b>Totals</b>	<b>16,439</b>	<b>15,971</b>	<b>(468)</b>	<b>-3%</b>	

Subjective Summary	Annual Budget	Projected Year End Outturn	Annual Variance Adverse or (Favourable)	% Variance
	£000	£000	£000	
Employee Costs	14,177	13,659	(518)	-4%
Property Costs	-	3	3	-
Supplies and Services	45	46	1	2%
Transport and Plant Costs	1,756	1,855	99	6%
Administration Costs	601	561	(40)	-7%
Other Agencies & Bodies	1,729	1,768	39	2%
Transfer Payments	51,797	51,777	(20)	0%
Other Expenditure	-	-	-	-
Capital Financing			-	-
Gross Expenditure	70,105	69,669	(436)	-1%
Income	(53,666)	(53,698)	(32)	0%
Net Expenditure	16,439	15,971	(468)	-3%

**FINANCE & CORPORATE SUPPORT**  
**BUDGETARY CONTROL 2017/18**

**REPORT FOR THE TEN MONTHS TO 31 JANUARY 2018**

Budget £000	Projected Variance £000	Variance as % of budget	Section
	<b>Note 1</b>		<b>Financial Services</b>
			There is no material change from Period 8.
1,667	(36)	-2%	Employee Costs - There is an underspend of £0.036m due to vacancy management
89	57	64%	Supplies & Services - There is a projected overspend of £0.057m due to software commitments
-191	21	-11%	Income - There is a predicted income shortfall of £0.021m following the cessation of the CJA Admin Grant (£0.005m) and recharges to EAC/SAC for Accountancy services in respect of CJA Accounts that are no longer produced (£0.016m)
33	4	12%	Other minor movements
	<b>46</b>		
	<b>Note 2</b>		<b>Human Resources</b>
			There is no material change from Period 8.
1,387	(22)	-2%	Employee Costs - There is a projected underspend of £0.022m due to the transfer of a vacant post from Business Support alongside reduced hours and maternity-related savings
121	(19)	-16%	Administration Costs - Projected underspend of £0.019m within staff training courses
310	33	11%	Third Party Payments - Projected overspend of £0.033m due to additional Occupational Health charges which are fully recharged out and net off against the additional income.
-343	(45)	13%	Income - There is a projected over recovery in Occupational Health recharges of £0.054m, offset by a projected income shortfall of £0.009m due to the cessation of both Irvine Bay income and CJA Admin Grant income
76	(4)	-5%	Other minor movements
	<b>(57)</b>		
	<b>Note 3</b>		<b>ICT</b>
			There is no material change from Period 8.
2,181	(114)	-5%	Employee Costs - There is a projected underspend of £0.114m due to vacancy management and other savings
983	25	3%	Other minor movements
	<b>(89)</b>		
	<b>Note 4</b>		<b>Customer Services</b>
			There is a movement of (£0.013m) from Period 8 due to reduced vacancies.
2,157	(83)	-4%	Employee Costs - There is a projected underspend of £0.083m due to vacancy management and additional budget received for the Transformation Team
139	2	1%	Other minor movements
	<b>(81)</b>		
	<b>Note 5</b>		<b>Business Support</b>
			There is a movement of (£0.040m) from Period 8 due to reduced vacancies.
1,843	(176)	-10%	Employee Costs - There is a projected underspend of £0.176m due to vacancy management
(136)	(8)	6%	Other minor movements
	<b>(184)</b>		
	<b>Note 6</b>		<b>Revenues &amp; Benefits</b>
			There is a movement of (£0.037m) from Period 8 mainly due to vacancy management
2,162	(185)	-9%	Employee Costs - There is a underspend of £0.185m due to vacancy management
1,443	(35)	-2%	Other minor movements
	<b>(220)</b>		
	<b>Note 7</b>		<b>Change Programme</b>
			There is a movement of £0.047m from Period 8 due to the transfer of a vacant post and a restructuring payment.
331	18	5%	Employee Costs - There is a overspend of £0.018m due to a restructuring payment
-	2	-	Other minor movements
	<b>20</b>		

**EDUCATION AND YOUTH EMPLOYMENT**  
**FINANCIAL PERFORMANCE 2017/18**

**REPORT FOR THE TEN MONTHS TO 31 JANUARY 2018**

Objective Summary	Annual Budget	Final Year End Outturn	Annual Variance Adverse or (Favourable)	% variance	Note No
	£000	£000	£000		
Early Years Education	11,331	11,147	(184)	(2%)	1
Primary Education	37,785	37,605	(180)	(0%)	2
Secondary Education	50,140	50,028	(112)	(0%)	3
Additional Support Needs	7,840	7,985	145	2%	4
Education - Other	4,034	3,911	(123)	(3%)	5
Totals	111,130	110,676	(454)	(0%)	
Transfer to Earmarked Reserves		15	15		
Net Total	111,130	110,691	(439)		

Subjective Summary	Annual Budget	Final Year End Outturn	Annual Variance Adverse or (Favourable)	% variance
	£000	£000	£000	
Employee Costs	85,795	85,420	(375)	(0%)
Property Costs	315	315	-	-
Supplies and Services	23,815	23,698	(117)	(0%)
Transport and Plant Costs	180	177	(3)	(2%)
Administration Costs	999	998	(1)	(0%)
Other Agencies & Bodies	5,804	6,049	245	4%
Transfer Payments	580	580	-	-
Other Expenditure	-	-	-	-
Capital Financing	65	65	-	-
Gross Expenditure	117,553	117,302	(251)	(0%)
Income	(6,423)	(6,626)	(203)	3%
Net Expenditure	111,130	110,676	(454)	(0%)

**EDUCATION AND YOUTH EMPLOYMENT**  
**BUDGETARY CONTROL 2017/18**

REPORT FOR THE TEN MONTHS ENDED 31 JANUARY 2017

Budget £000	Projected Variance £000	Variance as % of budget	Section
<b>Note 1</b>			<b>Early Years Education</b>
			Movement - the underspend has decreased by £0.198m due to employee costs of £0.052m and £0.146m transferred to Capital to pay for temporary accommodation at Annick Primary school.
1,776	(105)	-6%	Employee Costs - Underspends in Early Years Teachers of £0.034m. This is due to the difficulty in recruitment of teachers. A further £0.071m has been identified from underspends in the budget set aside for the new early years centre in the new Largs campus.
1,209	(34)	-3%	Payments made to Private Partner Providers currently projected to be underspent due to lower than anticipated uptake of services.
0	(45)		Income from Wraparound Care charges
	<b>(184)</b>		
<b>Note 2</b>			<b>Primary</b>
			Movement - underspend has increased by £0.180m due to movement in employee costs
33,957	(180)	-1%	Employee Costs - there is a £0.180m projected underspend in ASN provision costs due to teacher vacancies.
0			Other minor items
	<b>(180)</b>		
<b>Note 3</b>			<b>Secondary Education</b>
			Movement - the underspend is mainly due to recognition of the penalty deduction income
12,666	(22)	0%	PPP unitary charge - underspend on the variable element of the contract (cleaning, utilities, pensions)
(60)	(90)	150%	PPP contract deductions due to penalties.
	<b>(112)</b>		
<b>Note 4</b>			<b>ASN</b>
			Movement - The previous underspend is now an overspend with a movement of £0.264m mainly due to the realignment of costs within Residential Schools.
4,834	(63)	-1%	Employee Costs - there is a predicted underspend in psychological services of £0.072m due to staff vacancies, which is partially offset by a £0.009m overspend in audiology services.
1,102	400	36%	Overspend on external specialist residential placements. This is due to a realignment of costs between the HSCP and Education and Youth Employment that has increased the costs by £0.348m.
1,004	(81)	-8%	Underspend on external day placements is projected as a result of the rigorous screening process in place that enables the Council to support children in mainstream establishments.
(264)	(70)	27%	Income - Projected over recovery of income due to increased number of pupils placed in North Ayrshire schools and units by other local authorities.
	<b>(33)</b>		Other minor items
			It is requested that £0.015m of this underspend is earmarked for the delayed implementation of the GIRFEC initiative Named Person Service.
	<b>153</b>		
<b>Note 5</b>			<b>Education Other</b>
			Movement - there has been an increase in the underspend of £0.023m due to various smaller budgets.
2,996	(97)	-3%	Employee Costs - There is a predicted underspend of £0.097m largely due to Senior Managers vacancies and changes to work patterns.
0			Other minor variances
810	(26)		Other minor items
	<b>(123)</b>		

**PLACE**  
**FINANCIAL PERFORMANCE 2017/18**

**REPORT FOR THE TEN MONTHS TO 31 JANUARY 2018**

Objective Summary	Annual Budget	Projected Year End Outturn	Annual Variance Adverse or (Favourable)	% variance	Note No
	£000	£000	£000		
<b>Directorate and Support</b>	(46)	(46)	-	-	
Physical Environment					
<b>Head Of Physical Environment</b>	-	-			
Building Services	(3,436)	(3,267)	169	(5%)	1
Works Scoping and Quality Assurance	607	604	(3)	(0%)	
Property Governance	923	877	(46)	(5%)	
Property Management & Investment	1,257	1,214	(43)	(3%)	2
Housing Assets & Investment	(840)	(840)	-	-	
Property Maintenance	3,897	3,637	(260)	(7%)	3
Property Running Costs	4,917	5,047	130	3%	4
Energy and Sustainability	3,722	3,647	(75)	(2%)	5
Facilities Management	11,171	11,171	-	-	6
Other Housing	4,859	4,707	(152)	(3%)	7
<b>Commercial Services</b>					
Head Of Commercial Services	167	167	-	-	
Roads	6,702	6,902	200	3%	8
Streetscene	5,037	5,180	143	3%	9
Internal Transport	9,893	9,680	(213)	(2%)	10
Waste Services	8,288	8,041	(247)	(3%)	11
<b>Total</b>	<b>57,116</b>	<b>56,719</b>	<b>(397)</b>	<b>(1%)</b>	
<b>Less Carry Forward</b>		<b>360</b>	<b>360</b>		
<b>Net Total</b>	<b>57,116</b>	<b>57,079</b>	<b>(37)</b>	<b>(0)</b>	

Subjective Summary	Annual Budget	Projected Year End Outturn	Annual Variance Adverse or (Favourable)	% variance
	£000	£000	£000	
Employee Costs	41,854	41,866	12	0%
Property Costs	16,506	16,362	(144)	(1%)
Supplies and Services	10,307	10,079	(228)	(2%)
Transport and Plant Costs	10,085	10,050	(35)	(0%)
Administration Costs	2,656	2,602	(54)	(2%)
Other Agencies & Bodies	14,547	14,314	(233)	(2%)
Transfer Payments	1,738	1,738	-	-
Other Expenditure	341	335	(6)	(2%)
Capital Financing	-	-		
Gross Expenditure	98,034	97,346	(688)	(1%)
Income	(40,918)	(40,627)	291	(1%)
<b>Net Expenditure</b>	<b>57,116</b>	<b>56,719</b>	<b>(397)</b>	<b>(1%)</b>

**PLACE**  
**FINANCIAL PERFORMANCE 2017/18**

**REPORT FOR THE TEN MONTHS ENDED 31 JANUARY 2018**

Budget £000	Projected Variance £000	Variance as % of budget	Section
<b>Note 1</b>			<b>Building Services</b>
			Movement - There has been an adverse movement of £0.169m since P8 due to revised income projections
7,835	(125)	(2%)	Employee Costs - there is a projected underspend as a result of the management of vacancies .
4,100	(214)	(5%)	Supplies and Services - there has been an increase in the projected underspend of £0.211m due to decreased materials requirements following revised income projections
2,225	99	4%	Third Party Payments - there is a projected overspend of £0.099m due to more specialist work undertaken by sub contractors. This is after applying the £1m virement approved at period 8.
(18,017)	459	(3%)	Income - the overspend is related to the under recovery of income for non housing work (£0.652m), void income (£0.317m) and planned maintenance (£0.288m). This is offset against additional income from Project work (£0.381m) and all other income (£0.462m). This is after applying the £1m virement approved at period 8.
	(50)		Other minor movements
	169		
<b>Note 2</b>			<b>Property Management &amp; Investment</b>
			Movement - There has been no significant movement since P8
2,281	(147)	(6%)	Employee Costs - There is a projected underspend of £0.147m due to staff vacancies this is partially offset against the income noted below.
(509)	97	(19%)	Income - There is a projected under recovery in fees recovered from capital of £0.097m.
	7		Other Minor Movements
	(43)		
<b>Note 3</b>			<b>Property Maintenance</b>
			Movement- There is an increase in the projection since P8 of £0.260m due to projects not being undertaken until 2018/19
200	(100)	(50%)	Condition Survey works - There is a projected underspend of £0.100m due to demolition of Smith Street Depot not being carried out until 2018/19.
795	(160)	(20%)	Property Repairs - There is a projected underspend of £0.160m. Window and Rendering works at Saltcoats Library (£0.040m) and Roofing works at Bridgegate House (£0.100m). These works will not be carried out until 2018/19
	(260)		It is requested that this underspend be earmarked for the works noted above
<b>Note 4</b>			<b>Property Running Costs</b>
			Movement - There has been a reduction in the overspend since P8 of £0.029m largely due to underspends in Landlord repairs.
162	162	100%	Other Property Costs - costs incurred due to slippage in the property rationalisation programme.
	(32)		Other Minor Movements
	130		
<b>Note 5</b>			<b>Energy and Sustainability</b>
			Movement - There is now a projected underspend of £0.075m mainly due to anticipated underspends of £0.097M in electricity.
2,999	(97)	(3%)	Property Costs - expected underspends in electricity.
	22		Other Minor Movements
	(75)		

Budget £000	Projected Variance £000	Variance as % of budget	Section
<b>Note 6</b>			<b>Facilities Management</b>
			Movement - There has been no net movement since P8. There is no longer an overspend on employee costsof £0.106m with increased income from commecrial activity of £0.070m.
144	20	14%	Cleaning materials - £0.020m expenditure is required for the purchase of cleaning equipment for the new Largs Academy.
113	50	44%	Kitchen Equipment - £0.050m is required for alterations to kitchens required to implement future years savings.
(3,093)	(70)	2%	Income - There is a projection of additional income of £0.070m due to Commercial Activities.
0			
<b>Note 7</b>			<b>Other Housing</b>
			Movement -There has been an increase in the projected underspend at P8 of £0.034m primarily due to increased turnover, increased income projections and reduced admin costs offset by increased property costs
3,359	(43)	(1%)	Employee costs - there is decrease in projected employee costs of £0.037m due to anticipated turnover savings.
1,378	57	4%	Property Costs - there is an overspend of £0.056m projected due to increased furniture purchases of £0.065m. £0.043m of this overspend is directly attributable to the setting up of new units of accommodation, which is partly offset by an increase in income from the additional units of £0.029m. The remaining overspend is due to an increase in purchases due to the delays in social fund grant awards over the festive period which has led to homeless households leaving temporary furnished accommodation with no means of furnishing their properties.
1,581	(81)	(5%)	Third party payments - there is an underspend of £0.045m for grants paid to third parties in respect of services for Rough Sleepers. There is also a projected underspend in payments to service providers of £0.033m.
(1,208)	(42)	3%	Income - there is an increase in the projected income of £0.025m primarily due to revised Hostel rents of £0.029m reflecting an increase in Temporary Furnished Units.
	(43)		Other minor movements
	(152)		
<b>Note 8</b>			<b>Roads</b>
			Movement - there is an overspend projected of £0.200m due to increased winter maintenance and associated essential road repairs due to severe weather.
2,913	(250)	(9%)	Employee Costs - there is a projected underspend of £0.250m. This is partly due to the phased implementation of a recent restructure within the service that had resulted in unfilled vacancies (£0.220m) for a period of time. Further underspends have resulted in the implementation of the new operational delivery model of £0.150m. Offset against this underspend is a projected overspend in winter maintenance of £0.120m.
900	(150)	(17%)	Supplies and Services - Roads Materials - part of this underspend (£0.230m) is due to the new operational delivery model. This projection includes an overspend of £0.080m in salt for winter maintenance.
773	600	78%	Payments to Contractors - In line with the new operational delivery model there is more work (£0.380m) now being carried out by contractors. This is offset by underspends in materials and employee costs shown above. £0.220m is projected to be spent on urgent road repairs following the recent severe weather.
200			
<b>Note 9</b>			<b>Streetscene</b>
			Movement - there has been an increase in the projected overspend since P8 of £0.054m, mainly due to an overspend in hire of skips.
5,929	76	1%	Employee Costs - there is a projected overspend of £0.076m mainly due to unachieved turnover of £0.066m.
108	60	56%	Hire of Skips - there is a projected overspend in skips due to an increase in tonnages associated with increased community clean ups.
	7		Other minor movements
143			

Budget £000	Projected Variance £000	Variance as % of budget	Section
<b>Note 10</b>			<b>Internal Transport</b>
			Movement - there has been an increase in the underspend since P8 of £0.020m, mainly due to a reduction in the underspend in transport provision costs offset by an increase in the over-recovery of additional income.
1,398	15	1%	Employee Costs - there is a projected overspend of £0.015m mainly due to unachieved turnover.
2,235	(58)	(3%)	Transport Costs - External hires are predicted to be £0.044m overspent which is related to the additional income from external taxi recharges. However this is offset by a projected year end underspend of £0.072m on fuel as a result of the current lower cost of fuel (it is noted that volatility of fuel prices may impact on future projections) and a projected underspend in other transport costs of £0.030m.
4,192	(86)	(2%)	Transport Provision Costs - there is a projected underspend of £0.086m based on the Quarter 3 projection from SPT, however this is subject to change.
(43)	(98)	228%	Income - There is a predicted over-recovery of additional income of £0.044m in relation to external taxi recharges; £0.020m driver transport income and £0.035m internal hire of pool vehicles.
	14		Other minor movements
	(213)		
<b>Note 11</b>			<b>Waste Services</b>
			Movement - the underspend has increased by £0.102m since P8 mainly due to an increase in income projections of £0.147m.
4,340	294	7%	Employee Costs - there is a projected overspend of £0.294m mainly due to a requirement to supplement current resources to reflect seasonal and operational demands. Also there is a six month delay in the efficiency savings (£0.055m) and unachieved turnover of £0.050m. This overspend in total is being offset currently against the Blue Bin contract income.
741	(343)	(46%)	Payments to Contractors - there is an underspend on the Blue Bin contract of £0.343m as a result of an increase in the market values for recyclates.
2,744	(91)	(3%)	Landfill tax - there is a projected underspend of £0.091m due to the tonnages sent to landfill reducing due to the diversion of additional waste for processing and a reduction in waste arisings.
405	60	15%	Civic amenity sites - Diverted Waste - there is a projected overspend of £60k due to increased tonnages being diverted from landfill site to external contractors
(2,659)	(209)	8%	Income - there is additional income of £0.090m in Waste Gas Extraction as a result of the capping of landfill cells and additional gas wells being installed. Also £0.048m in Commercial Refuse Collection Charge projected, mainly due to a net increase in uptake of the service by external businesses. As well as £0.042m additional income from Arran Transfer Station due to increased tonnages from external contractors.
	42		Other Minor Movements
	(247)		

**ECONOMY AND COMMUNITIES**  
**FINANCIAL PERFORMANCE 2017/18**

**REPORT FOR THE TEN MONTHS TO 31 JANUARY 2018**

	Annual Budget	Final Year End Outturn	Annual Variance Adverse or (Favourable)	% variance	Note No
Objective Summary	£000	£000	£000		
Management	554	554	-	-	
<b>Economic Growth</b>					
Planning & Protective Services	1,573	1,618	45	3%	1
Economic Development	5,459	5,351	(108)	(2%)	2
<b>Connected Communities</b>	11,760	11,775	15	0%	3
	19,346	19,298	(48)	(0%)	
Less Carry Forward		37	37		
Net Total	19,346	19,335	(11)	(0)	

	Annual Budget	Final Year End Outturn	Annual Variance Adverse or (Favourable)	% variance
Subjective Summary	£000	£000	£000	
Employee Costs	11,941	11,918	(23)	(0%)
Property Costs	301	272	(29)	(10%)
Supplies and Services	1,049	1,062	13	1%
Transport and Plant Costs	152	149	(3)	(2%)
Administration Costs	299	287	(12)	(4%)
Other Agencies & Bodies	9,344	9,101	(243)	(3%)
Transfer Payments	-	-	-	-
Other Expenditure	-	-	-	-
	-	-	-	-
Gross Expenditure	23,086	22,789	(297)	(1%)
Income	(3,740)	(3,491)	249	(7%)
Net Expenditure	19,346	19,298	(48)	(0%)

**ECONOMY AND COMMUNITIES**  
**BUDGETARY CONTROL 2017/18**

**REPORT FOR THE TEN MONTHS ENDED 31 JANUARY 2017**

Budget £000	Projected Variance £000	Variance as % of budget	Section
<b>Note 1</b>			<b>Planning &amp; Protective Services</b>
			Movement - the previously reported underspend has decreased by £0.087m from period 8 as result of less planning income expected.
1,639	(59)	-4%	Employee Costs - There are underspends in Planning Services (£0.036m) and Trading Standards (£0.023m) due to vacancies.
67	(37)	-55%	Other Supplies & Services - There is an anticipated underspend within Planning of (£0.037m) which is in relation to the costs of the Local Development Plan due to a postponement in publication of the proposed plan until April 2018.
544	150	28%	Income - There is a predicted under recovery in Planning Income of £0.150m due the lack of major planning applications.
	(9)		Other minor variances
<b>45</b>			
<b>Note 2</b>			<b>Economic Development</b>
			Movement - There has been an adverse movement of £0.040m due to increased Modern Apprentices costs
1,631	11	1%	Employee Costs - there is an overspend of £0.041m due to Modern Apprentices Placement costs. This is due primarily to a higher proportion of older MA's and 21 placements extending longer than 12 months to enable the attainment of SVQ level 3 qualification. The overspend of £0.041m is offset by an underspend in Regeneration of £0.030m
2,111	(132)	-6%	Payments to Other Bodies/Income - this is due to the recovery of income to cover NAC costs from within ESF projects.
	13		Other minor variances
<b>(108)</b>			
<b>Note 3</b>			<b>Connected Communities</b>
			Movement - the overspend has decreased by £0.032m due to reduced employee costs
6,375	45	1%	Employee Costs - there is an overspend in Community Facilities of £0.070m resulting from the use of casual employees linked to the increased activity in around to Food poverty. This is being managed through a reduction of core hours allocations for community centres. There is also an underspend in Community Development of £0.075m due to staff vacancies. There are also smaller overspends in Active Communities, Country Parks and Arran Outdoor Centre.
	(30)		Other minor variances
<b>15</b>			
			It is requested that £0.037m of the service underspend be earmarked for The Local Development Plan to accommodate additional costs anticipated in 2018/19 for consultation, professional support and public examination costs.

**OTHER CORPORATE SERVICES**  
**FINANCIAL PERFORMANCE 2017/18**

**REPORT FOR THE TEN MONTHS TO 31 JANUARY 2018**

Objective Summary	Annual Budget	Final Outturn	Annual Variance Adverse or (Favourable)	% Variance	Note No
	£000	£000	£000		
Strathclyde Passenger Transport	2,409	2,365	(44)	(2%)	1
SPT Concessionary Fares	283	277	(6)	(2%)	
Ayrshire Joint Valuation Board	780	760	(20)	(3%)	2
<b>Other Corporate Costs</b>					
Pension Costs	1,882	1,787	(95)	(5%)	3
Non-Distributed Costs	-	-	-	-	
Central Telephones	86	76	(10)	(12%)	
Other Corporate Items (incl Additional Resources from Council decisions on 1 March 2017)	12,772	11,296	(1,476)	(12%)	4
Insurance Account	(3)	82	85	(2833%)	5
	18,209	16,643	(1,566)	(9%)	

**OTHER CORPORATE SERVICES**  
**FINANCIAL PERFORMANCE 2017/18**

**REPORT FOR THE TEN MONTHS TO 31 JANUARY 2018**

Budget £000	Outturn Variance £000	Variance as % of budget	Section
<b>Note 1</b>			<b>Strathclyde Passenger Transport</b>
			No significant movement
2,409	(44)	(2%)	The projected underspend of £0.044m is due to a reduction in the requisition charge
	<b>(44)</b>		
<b>Note 2</b>			<b>Ayrshire Valuation Joint Board</b>
			No significant movement
780	(20)	(3%)	The projected underspend of £0.020m is due to a reduction in the requisition charge
	<b>(20)</b>		
<b>Note 3</b>			<b>Pension Costs</b>
			No significant movement
1,882	(95)	(5%)	The projected underspend of £0.095m is due to reduced pension costs relating to the period before local government reorganisation
	<b>(95)</b>		
<b>Note 4</b>			<b>Other Corporate Items</b>
			Movement - the underspend has increased by £0.518m due to increased Scottish Government grant received in respect of probationer Teachers (£0.171) and further releasing of the Benefits Cap funding (£0.200m) and £0.148m from the centrally held fuel budget.
11,916	(1,468)	(12%)	Centrally held funds in respect of the revised Benefits Cap are not anticipated to be fully drawdown following additional provisions within the 2017/18 Local Government Finance Settlement combined with lower than anticipated take up rates. Additional Scottish Government funding in relation to temporary accommodation will not be drawn down in year. Other previously identified pressures related to fuel, utility and pension costs are now not anticipated to be fully drawdown. Additional Grant has been received in respect of the number of probationer Teachers.
	(8)		Other minor items
	<b>(1,476)</b>		
<b>Note 5</b>			<b>Insurance Account</b>
			No significant movement
(3)	85		The increase in insurance costs has been greater than anticipated due to increased excesses.
	<b>85</b>		

## 2017/18 Budget Monitoring Report – Period 10 Objective Summary

Partnership Budget - Objective Summary	2017/18 Budget								
	Council			Health			TOTAL		
	Budget	Projected Outturn	Projected Over/ (Under) Spend Variance	Budget	Projected Outturn	Projected Over/ (Under) Spend Variance	Budget	Projected Outturn	Projected Over/ (Under) Spend Variance
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>COMMUNITY CARE AND HEALTH</b>	<b>54,072</b>	<b>52,861</b>	<b>(1,211)</b>	<b>10,524</b>	<b>10,691</b>	<b>167</b>	<b>64,596</b>	<b>63,552</b>	<b>(1,044)</b>
: Locality Services	26,157	25,564	(593)	3,441	3,399	(42)	29,598	28,963	(635)
: Community Care Service Delivery	25,383	24,788	(595)	-	-	-	25,383	24,788	(595)
: Rehabilitation and Reablement	756	780	24	1,837	2,126	289	2,593	2,906	313
: Long Term Conditions	1,325	1,358	33	2,962	2,922	(40)	4,287	4,280	(7)
: Integrated Island Services	451	371	(80)	2,284	2,244	(40)	2,735	2,615	(120)
<b>MENTAL HEALTH SERVICES</b>	<b>22,369</b>	<b>23,512</b>	<b>1,143</b>	<b>49,320</b>	<b>49,715</b>	<b>395</b>	<b>71,689</b>	<b>73,227</b>	<b>1,538</b>
: Learning Disabilities	17,199	18,323	1,124	467	464	(3)	17,666	18,787	1,121
: Community Mental Health	3,824	3,920	96	1,844	1,779	(65)	5,668	5,699	31
: Addictions	1,346	1,269	(77)	1,171	1,166	(5)	2,517	2,435	(82)
: Lead Partnership Mental Health NHS Area Wide	-	-	-	45,838	46,306	468	45,838	46,306	468
<b>CHILDREN'S SERVICES AND CRIMINAL JUSTICE</b>	<b>30,035</b>	<b>32,145</b>	<b>2,110</b>	<b>4,672</b>	<b>4,535</b>	<b>(137)</b>	<b>34,707</b>	<b>36,680</b>	<b>1,973</b>
: Intervention Services	3,823	3,706	(117)	295	321	26	4,118	4,027	(91)
: Looked After & Accomodated Children	15,284	17,561	2,277	-	-	-	15,284	17,561	2,277
: Fieldwork	6,518	6,642	124	-	-	-	6,518	6,642	124
: CCSF	395	366	(29)	-	-	-	395	366	(29)
: Criminal Justice	2,902	2,902	-	-	-	-	2,902	2,902	-
: Early Years	311	218	(93)	1,697	1,594	(103)	2,008	1,812	(196)
: Policy & Practice	802	750	(52)	-	-	-	802	750	(52)
: Lead Partnership NHS Children's Services Area Wide	-	-	-	2,680	2,620	(60)	2,680	2,620	(60)
<b>PRIMARY CARE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>47,582</b>	<b>47,582</b>	<b>-</b>	<b>47,582</b>	<b>47,582</b>	<b>-</b>
<b>MANAGEMENT AND SUPPORT COSTS</b>	<b>4,517</b>	<b>4,658</b>	<b>141</b>	<b>33</b>	<b>1,188</b>	<b>1,155</b>	<b>4,550</b>	<b>5,846</b>	<b>1,296</b>
<b>CHANGE PROGRAMME</b>		<b>(318)</b>	<b>(318)</b>	<b>2,177</b>	<b>2,032</b>	<b>(145)</b>	<b>2,177</b>	<b>1,714</b>	<b>(463)</b>
<b>LEAD PARTNERSHIP AND SET ASIDE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>133</b>	<b>133</b>	<b>-</b>	<b>133</b>	<b>133</b>
<b>TOTAL</b>	<b>110,993</b>	<b>112,858</b>	<b>1,865</b>	<b>114,308</b>	<b>115,876</b>	<b>1,568</b>	<b>225,301</b>	<b>228,734</b>	<b>3,433</b>

## 2017/18 Budget Monitoring Report

## Period 10 Subjective Summary

Partnership Budget Subjective Summary	2017/18 Budget								
	Council			Health			TOTAL		
	Budget	Projected Outturn	Projected Over/ (Under) Spend Variance	Budget	Projected Outturn	Projected Over/ (Under) Spend Variance	Budget	Projected Outturn	Projected Over/ (Under) Spend Variance
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Employee Costs	44,507	44,228	(279)	55,281	56,267	986	99,788	100,495	707
Property Costs	389	362	(27)	16	55	39	405	417	12
Supplies and Services	2,290	2,276	(14)	5,259	5,588	329	7,549	7,864	315
Prescribing Costs	-	-	-	30,136	30,136	-	30,136	30,136	-
Primary Medical Services	-	-	-	17,446	17,446	-	17,446	17,446	-
Transport and Plant	523	645	122	-	-	-	523	645	122
Admin Costs	639	798	159	1,899	1,693	(206)	2,538	2,491	(47)
Other Agencies & Bodies	84,094	86,939	2,845	6,120	6,012	(108)	90,214	92,951	2,737
Transfer Payments	2,665	2,672	7	-	-	-	2,665	2,672	7
Other Expenditure	-	7	7	-	-	-	-	7	7
Capital Expenditure	-	-	-	-	-	-	-	-	-
Income	(24,114)	(25,069)	(955)	(1,849)	(1,321)	528	(25,963)	(26,390)	(427)
<b>TOTAL</b>	<b>110,993</b>	<b>112,858</b>	<b>1,865</b>	<b>114,308</b>	<b>115,876</b>	<b>1,568</b>	<b>225,301</b>	<b>228,734</b>	<b>3,433</b>

**MISCELLANEOUS ITEMS**  
**FINANCIAL PERFORMANCE 2017/18**

**REPORT FOR THE TEN MONTHS TO 31 JANUARY 2018**

Objective Summary	Annual Budget	Final Year End Outturn	Annual Variance Adverse or (Favourable)	% variance	Note No
	£000	£000	£000		
Financing Charges	19,592	16,886	(2,706)	(14%)	1
Aggregate External Finance	(271,853)	(271,853)	-		
Council Tax	(52,002)	(51,818)	184	(0%)	2
Use of Change Fund	(436)	(436)	-		
Use of Earmarked Funds	(9,700)	(9,700)	-		
Totals	(314,399)	(316,921)	(2,522)	1%	
Less Carry Forward	-	3,118	3,118		
Net Total	(314,399)	(313,803)	596	(4%)	

**Note 1 Financing Charges**

Capital Financing charges are forecasting an underspend of £2.706m based on the latest cash flow and interest rate projections. This reflects the under borrowed position combined with a change in the share of interest from the HRA. The underspend has been earmarked and transferred to the Loans Fund Reserve to enable future costs linked to capital expenditure and borrowing to be managed through the reserve.

**Note 2 Council Tax**

Income from Council Tax is forecasting to under recover by £0.184m related to reduced recovery from prior years.

Carried Forward Funds to 2018-19	Expenditure	Income	Total
<b>Previously approved</b>			£000
Loans Fund Reserve	2,706		2,706
Transport Welfare Facilities	100		100
Total Previously Approved	2,806	-	2,806
<b>New Proposals to be approved</b>			
PMI work scheduled but unable to complete before year end	260		260
Education unspent grants		15	15
Planning costs for Local Development Plan	37		37
Total for New Proposals	297	15	312
Overall Totals	3,103	15	3,118

## Budget Management - 31 January 2018

## Virement/Budget Adjustment Requests

	Perm (P) / Temp(T)	2017/18	
		Virement £m	Directorate Total £m
<b>1) Budget Virements</b>			
<b>Place</b>			
Reduce Roads (Arran) Materials budget due to works being carried out by Contractor rather than in house	<b>T</b>	-0.065	
Increase Roads (Arran) Pmt to Private Contractor budget due to works being carried out by Contractor rather than in house	<b>T</b>	0.065	
Reduce Roads Employee Cost budget due to the new operational delivery model. Work has been passed to contractors.	<b>P</b>	-0.150	
Reduce Roads Mainland Materials budget due to the operational delivery model. Work has been passed to contractors.	<b>P</b>	-0.230	
Increase Roads (Mainland) Payment to Contractor budget due to works being carried out by Contractor rather than in house as a result of the new operational delivery model.	<b>P</b>	0.380	<b>0.000</b>

**HOUSING REVENUE ACCOUNT**  
**FINANCIAL PERFORMANCE 2017/18**

**REPORT FOR THE TEN MONTHS TO 31 JANUARY 2018**

Objective Summary	Annual Budget	Final Year End Outturn	Annual Variance Adverse or (Favourable)	% variance	Note No
	£000	£000	£000		
Employee Costs	4,522	4,515	(7)	(0%)	
Property Costs					
Responsive Repairs	1,655	1,643	(12)	(1%)	
Void Repairs	2,580	2,445	(135)	(5%)	
Planned & Cyclical maintenance	7,384	7,279	(105)	(1%)	
Estate Based Projects	210	96	(114)	(54%)	
Roads & Lighting Maintenance	186	185	(1)	(1%)	
Aids & adaptations	1,855	1,855	-	-	
Other property costs	3,230	3,210	(20)	(1%)	
Total for Property Costs	17,100	16,713	(387)	-63%	1
Supplies and Services	228	230	2	1%	
Transport and Plant Costs	38	34	(4)	(11%)	
Administration Costs	1,609	1,556	(53)	(3%)	2
Other Agencies & Bodies	1,387	1,374	(13)	(1%)	
Transfer Payments	121	91	(30)	(25%)	
Other Expenditure	403	419	16	4%	
Capital Financing	22,284	22,291	7	0%	
Gross Expenditure	47,692	47,223	(469)	(1%)	
Income					
Council House Rents	(46,265)	(46,007)	258	(1%)	3
Other Rents	(374)	(420)	(46)	12%	
Recharges	(595)	(543)	52	(9%)	
Other Income	(103)	(94)	9	(9%)	
Total Income	(47,337)	(47,064)	273	(1%)	
Transfers from HRA Reserves	(355)	(355)	-	-	
Net Expenditure	-	(196)	(196)		

**HOUSING REVENUE ACCOUNT**  
**FINANCIAL PERFORMANCE 2016/17**

**REPORT FOR THE TEN MONTHS TO 31 JANUARY 2018**

Budget £000	Variance £000	Variance as % of budget	Section
Note 1			Property Costs
			The projected underspend in property costs has increased by £0.200m from P8 due to reduced overspend in Asbestos Works and lower expected expenditure in Estate Based Projects.
17,100	(387)	-2%	This is partly due to underspends in Void Repairs of £0.135m, caused by a lower average price per void and lower number of units. In addition Planned & Cyclical Repairs are expected to underspend by £0.105m mainly due to underspends in Heating Maintenance. Estate Based Projects are anticipated to underspend by £0.114m due to a material supply issue. This is offset by additional asbestos works of £0.441m which is a reduction in value from period 8 of £0.125m.
<b>(387)</b>			
Note 2			Administration Costs
			No significant movement from Period 8.
1,609	(53)	-3%	Administration costs are projected to underspend by £0.053m due to efficiency savings and a reduction in membership fees.
<b>(53)</b>			
Note 3			Income
			No significant movement from Period 8.
(47,337)	273	(1%)	There is an under-recovery of Council house rent income of £0.258m mainly due to increased council house sales. There was also slippage and amendments to new build properties available to rent and 23 protracted voids from sheltered housing decants.
<b>273</b>			
			Movements noted above are after adjusting for virements approved at period 8.

HRA reserves and balances	B/fwd from 2016/17	Period 10 Revenue	Use of Earmarked sums	Earmarking of in year surplus	Funding of Capital Projects	Balance at 31/03/18
	£m	£m	£m	£m	£m	£m
Council House Building Fund	8.082	0.156	-	-	-	8.238
Welfare Reform	3.000	-	-	-	-	3.000
Contingency Balance	1.000	-	-	-	-	1.000
Sheltered Housing Unit Works	0.156	(0.156)	-	-	-	0.000
Infrastructure Improvements	0.613	-	(0.055)	-	-	0.558
Major Refurbishment Works	0.762	-	(0.300)	-	-	0.462
Tarryholme	1.091	-	-	0.114	-	1.205
Uncommitted Balance	-	0.196	-	(0.114)	-	0.082
	<b>14.704</b>	<b>0.196</b>	<b>(0.355)</b>	-	-	<b>14.545</b>