
NORTH AYRSHIRE COUNCIL

4 June 2024

Cabinet

Title: Revenue Budget 2023/24 : Financial Performance to 31 March 2024

Purpose: To advise Cabinet of the financial performance for the Council for 2023/24.

Recommendation: That Cabinet agrees to:

- (a) note the information and financial outturn position outlined in the report;
 - (b) approve the earmarking of £5.486m identified at 2.5 to meet future year commitments;
 - (c) note the financial performance of the Health and Social Care Partnership highlighted at 2.6;
 - (d) note the virements detailed in Appendix 7.
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1. Executive Summary

- 1.1 The General Services Revenue Estimates for 2023/24 were approved by Council on 1 March 2023. The Housing Revenue Account (HRA) Revenue Budget for 2023/24 was approved by Council on 15 February 2023.
- 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 final report for 2023/24 and covers the period to the end of March 2024 (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 breakeven position after transferring resources to/from earmarked reserves. This is an improvement of (£0.146m) from that reported at Period 10 and is primarily related to improved income recovery across a number of services and lower than anticipated utilisation of centrally held inflation provisions.
- 1.4 The Housing Revenue Account is reporting a net in-year underspend of (£6.881m) (11.8%). This is a movement of (£0.711m) from the underspend reported at Period 10. The movement is primarily related to an under recovery of rental income and revised Capital Charges, partly offset by reduced expenditure on repairs. The underspend will be added to the HRA earmarked balances to support service delivery in future years.

1.5 At Period 10 the Health and Social Care Partnership reported a projected overspend of £4.171m. Work is ongoing to confirm the final outturn position for the year and the HSCP is awaiting final confirmation of the NHS budget outturn. It is anticipated that the Integration Joint Board (IJB) will draw the full overspend from available reserves, resulting in an in-year net breakeven position for the HSCP.

2. Background

General Fund

2.1 The Council set a breakeven budget for 2023/24. In addition to the budget approved on 1 March 2023, earmarked funds of £26.697m were carried forward from 2022/23 for service expenditure in 2023/24 and are reflected in the figures within the 2023/24 financial performance reports as they are drawn down.

2.2 A net in-year breakeven position is reported, net of transfers to/from reserves. The following table details the final position on a service by service basis:

	App. No	Annual Budget	Actual Outturn to 31 March 2024	Variance for year (Fav)/Adv	Projected Variance at P10 (Fav)/Adv	Movement	New Requests for Carry Forward	Variance for Year After Carry Forward (Fav)/Adv
		£000's	£000's	£000's	£000's	£000's	£000's	£000's
Service Expenditure								
Chief Executive's	1	24,243	23,288	(955)	(864)	(91)	518	(437)
Communities	2	186,848	187,166	318	687	(369)	72	390
Place	3	61,671	62,937	1,266	1,504	(238)	386	1,652
Other Corporate Services	4	17,023	10,891	(6,132)	(1,228)	(4,904)	4,510	(1,622)
Sub Total		289,785	284,282	(5,503)	99	(5,602)	5,486	(17)
Health and Social Care Partnership		124,933	124,933	-	-	-	-	-
Balance for Services		414,718	409,215	(5,503)	99	(5,602)	5,486	(17)
Financing Charges	5	22,172	22,172	-	-	-	-	-
Contribution to Loans Fund Reserve	5	8,089	8,089	-	-	-	-	-
Total Planned Expenditure		444,979	439,476	(5,503)	99	(5,602)	5,486	(17)
Planned Income								
Aggregate External Finance	5	(356,579)	(356,577)	2	-	2	-	2
Council Tax	5	(65,533)	(65,518)	15	47	(32)	-	15
Contribution to Capital Fund	5	225	225	-	-	-	-	-
Contribution to/from Earmarked Funds	5	(23,092)	(23,092)	-	-	-	-	-
Total Planned Income		(444,979)	(444,962)	17	47	(30)	-	17
Net Expenditure/ (Income)		-	(5,486)	(5,486)	146	(5,632)	5,486	-

2.4 The reported Aggregate External Finance within Planned Income includes a number of adjustments to Scottish Government funding from that reported at Period 10, as detailed in the following table:

	General Revenue Grant £000's	Non Domestic Rates £000's	Specific Grants £000's	TOTAL AEF £000's
Revised Budget 31 January 2024	(292,082)	(40,982)	(19,940)	(353,004)
Movements:				
PEF Carry Forward			195	195
DHP Accrual	(610)			(610)
Firework Control Zones	(10)			(10)
Islands Cost Crisis Emergency	(57)			(57)
Local Government Pay Award	(1,948)			(1,948)
School Staff Training	(22)			(22)
CJSW Adjustment			70	70
NDR Empty Property Relief Adjustment	(1,193)			(1,193)
Final Scottish Government Income	(295,922)	(40,982)	(19,675)	(356,579)

2.5 Commentary on Significant Movements from the Approved Budget

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 23/24, are provided in appendices 1 to 5 to this report. A full list of the proposed carry forward of earmarked funds is included at Appendix 5.

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

(i) Chief Executive's – underspend of (£0.955m), an increase of (£0.091m) from the previously reported underspend.

The movement since Period 10 is primarily related to:

- Lower than anticipated expenditure on Elections, (£0.097m);
- Reduced expenditure on Occupational Health, (£0.067m); and
- Vacancy management across services, (£0.049m).

These were partly offset by increased Bad Debt Provision in relation to Council Tax Statutory Additions, £0.197m.

It is requested that £0.518m of the underspend is earmarked to support anticipated additional expenditure during 2024/25 in relation to:

- Inflationary pressures in ICT contracts, including software and M365, £0.354m;
- Contribution to the Elections Fund to support future requirements, £0.102m; and
- Inflationary pressures on Occupational Health contracts, £0.062m.

(ii) Communities – overspend of £0.318m, a reduction of (£0.369m) from the previously reported overspend.

The movement since Period 10 is primarily related to:

- Increased Facilities Management Income, (£0.419m);
- Lower than anticipated expenditure across Connected Communities Supplies & Services and Third Party Payments, (£0.155m);
- Reduced non teaching staff costs within Primary Schools, (£0.144m);
- Increased income from other Local Authorities, (£0.076m).

These have been partly offset by:

- Increased teacher cover costs, £0.280m; and
- Increased PPP costs related to NDR and utility cost increases, £0.127m.

It is requested that £0.072m is earmarked to support anticipated additional expenditure during 2024/25, including:

- Connected Communities Community Grants, £0.042m; and
- Cost of the School Day – support for ongoing programmes, £0.030m.

Virements in relation to additional income across the service have been included within Appendix 7.

(iii) Place – overspend of £1.266m, a reduction of (£0.223m) from the previously reported overspend.

The net movement since Period 10 is primarily related to:

- Increased Planning income, (£0.174m);
- Vacancy management across services, (£0.166m);
- Reduced level of overspend on Statutory Compliance, (£0.116m); and
- Reduced Regeneration expenditure linked to project delays, (£0.065m).

These have been partly offset by:

- Reduced project income within PMI, £0.144m;
- Increased service charges, £0.118m; and
- Increased Winter Maintenance costs, £0.56m.

It is requested that £0.386m is earmarked to support anticipated additional expenditure during 2024/25, including:

- Planning application fees received in advance, £0.147m;
- Community Wealth Building to support delivery of the Repurposing Property Grant Fund, £0.121m; and
- Rapid Rehousing Transition Plan linked to the 5 year RRTP delivery programme, £0.118m.

Virements in relation to the recognition of additional income budgets within Roads, Employability and the Ayrshire Growth Deal have been included within Appendix 7.

(iv) Other Corporate Items – underspend of (£6.132m), an increase of (£4.904m) from the previously reported underspend.

The movement since Period 10 is primarily related to:

- Additional Scottish Government grant income, (£2.913m);
- Reduced centrally funded severance costs, (£0.740m);
- Reduced drawdown of centrally held inflationary provisions, (£0.681m);
- Increased income from recharges to other services, (£0.294m); and
- Increased Housing Benefit income related to supported accommodation claims, (£0.276m).

It is requested that a further £4.510m is earmarked to support anticipated additional expenditure during 2024/25, including:

- Workforce planning costs to support the review of Early Learning and Childcare services, £1.700m;
- Provision for the potential repayment of Housing Benefit income in relation to supported accommodation claims, £0.500m;
- Contribution to Change and Service Redesign Fund, £0.399m;
- Provision for initial startup costs and income recovery levels associated with the Foxgrove (National Secure Adolescent Inpatient Service) unit due to become operational during 2024, £0.250m;
- Inflation provision in relation to the Arran Local Bus Service contract, £0.204m;
- Previously approved budget allocation to support future service delivery in relation to the CCTV Review, £0.050m; and
- Scottish Government grant income to support 24/25 service delivery, £1.407m, (including Ukrainian Resettlement £0.864m, Employability Staffing £0.394m, Summer Activities £0.049m, Islands Cost Crisis Emergency £0.039m, DWP funding £0.036m, Educational Psychologists £0.015m and Firework Control Zones £0.010m).

Health and Social Care Partnership

- 2.6 The final HSCP financial performance report for the year will be presented to the Integration Joint Board on 13 June 2024 and will outline the 2023/24 financial performance in more detail. At Period 10 the HSCP reported a projected overspend of £4.171m. Work is ongoing to confirm the final outturn position for the year and the HSCP is awaiting final confirmation of the NHS budget outturn. It is anticipated that the Integration Joint Board (IJB) will draw the full overspend from available reserves, resulting in an in-year net breakeven position for the HSCP.

Housing Revenue Account

2.7 The Housing Revenue Account budgeted for a breakeven position in 2022/23. An underspend of (£6.881m), net of transfers to/from reserves, has been reported. This is a movement of (£0.711m) from the previously reported underspend position and is summarised in the following table with further details provided in Appendix 6. The underspend will be added to the HRA earmarked balances to support delivery of the HRA Business Plan.

	Annual Budget	Actual Outturn to 31 March 2024	Variance for year (Fav)/Adv	Projected Variance at P10 (Fav)/Adv	Movement	Note
	£000's	£000's	£000's	£000's	£000's	
Employee Costs	5,482	4,960	(522)	(463)	(59)	(i)
Property Costs	22,842	23,640	798	1,438	(640)	(ii)
Supplies & Services	568	370	(198)	20	(218)	(iii)
Transport Costs	28	15	(13)	-	(13)	
Administration Costs	1,892	1,915	23	26	(3)	
Third Party Payments	3,519	3,366	(153)	(176)	23	
Transfer Payments	172	156	(16)	-	(16)	
Other Expenditure	380	661	281	-	281	(iv)
Capital Financing Costs	23,310	15,518	(7,792)	(7,059)	(733)	(v)
Gross Expenditure	58,193	50,601	(7,592)	(6,214)	(1,378)	
Income	(58,193)	(57,482)	711	44	667	(vi)
Income	(58,193)	(57,482)	711	44	667	
Net Expenditure	-	(6,881)	(6,881)	(6,170)	(711)	

2.8 Commentary Significant Movements from the Revised Budget

Detailed explanations of the significant variances in expenditure compared to the approved budgets are provided in appendix 6 to this report.

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

- (i) **Employee Costs – underspend of (£0.522m), an increase of (£0.059m) from the previously reported underspend**

The movement is primarily related to vacancy management across the service.

- (ii) **Property Costs – overspend of £0.798m, a reduction of (£0.640m) from the previously reported overspend**

The movement is primarily related to reduced expenditure on Planned & Cyclical Maintenance, (£0.165m), Responsive Repairs, (£0.089m), Aids & Adaptations, (£0.054m) and Other Property Costs, (£0.370m).

(iii) **Supplies & Services – underspend of (£0.198m), an increase of (£0.218m) from the previously reported overspend**

The movement is primarily related to lower than anticipated expenditure on computer equipment and software licences, (£0.171m).

(iv) **Other Expenditure – overspend of £0.281m, a movement of £0.281m from the previously reported breakeven position**

The movement is primarily related to increased provision of Bad Debts, £0.281m.

(v) **Capital Financing Costs – underspend of (£7.792m), an increase of (£0.733m) from the previously reported underspend**

The movement is primarily related to revised loan charges reflecting expenditure on the HRA Capital Programme.

(vi) **Income – underrecovery of £0.711m, an increase of £0.667m from the previously reported underrecovery**

The movement is primarily related to the under recovery of Rental Income, £0.426m, as a result of protracted and long term voids, together with reduced income from Recharges, £0.080m and Other Income, £0.153m.

3. Proposals

3.1 It is proposed that Cabinet agrees to:

- (a) note the information and financial outturn position outlined in the report;
- (b) approve the earmarking of £5.486m identified at 2.5 to meet future year commitments;
- (c) note the financial performance of the Health and Social Care Partnership highlighted at 2.6;
- (d) note the virements detailed in Appendix 7.

4. Implications/Socio-economic Duty

Financial

4.1 General Services

The final outturn position for the year is a net breakeven position after transfers to and from earmarked reserves.

Housing Revenue Account

The final outturn position for the year is a net underspend of (£6.881m).

Human Resources

4.2 None.

Legal

4.3 None.

Equality/Socio-economic

4.4 None.

Environmental and Sustainability

4.5 None.

Key Priorities

4.6 This report directly supports the Council Plan 2023 to 2028 by maximising financial flexibility to support the delivery of our priorities.

Community Wealth Building

4.7 None.

5. Consultation

5.1 Progress as outlined in this report has been approved by Executive Directors.

Mark Boyd
Head of Service (Finance)

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

Background Papers

Revenue Budget 2023/24 : Financial Performance to 31 January 2024 - Cabinet 19 March 2024

CHIEF EXECUTIVES
BUDGETARY CONTROL 2023/24

REPORT FOR THE 12 MONTHS TO 31 MARCH 2024

Objective Summary	Annual Budget	Actual Outturn	Annual Variance Adverse or (Favourable)	% Variance	Note No
	£000	£000	£000		
Chief Executive					
Chief Executive	164	173	9	5%	
Total for Chief Executive	164	173	9	5%	
Financial Services					
Change Programme	358	358	-	0%	
Audit, Fraud, Safety & Insurance	1,091	1,108	17	2%	
Corporate Procurement	1,127	1,070	(57)	(5%)	1
Financial Services	1,666	1,599	(67)	(4%)	2
Revenues	(390)	(340)	50	(13%)	3
Transformation	822	797	(25)	(3%)	4
Total for Financial Services	4,674	4,592	(82)	(2%)	
People & ICT					
Employee Services	1,127	1,125	(2)	(0%)	
HR & Organisational Development	1,151	1,082	(69)	(6%)	5
ICT	5,984	5,575	(409)	(7%)	6
Business Support	1,675	1,676	1	0%	
Customer Services	4,870	4,878	8	0%	
Total for People & ICT	14,807	14,336	(471)	(3%)	
Democratic Services					
Legal & Licensing	905	829	(76)	(8%)	7
Policy, Performance & Elections	567	399	(168)	(30%)	8
Communications	506	508	2	0%	
Civil Contingencies	60	57	(3)	(5%)	
Committee Services	645	543	(102)	(16%)	9
Member Services	1,352	1,331	(21)	(2%)	
Ayrshire Support Service	505	482	(23)	(5%)	
Information Governance	58	38	(20)	(34%)	
Total for Democratic Services	4,598	4,187	(411)	(9%)	
Totals	24,243	23,288	(955)	(4%)	
Less Proposed Carry Forwards		518	518		
Net Total	24,243	23,806	(437)	(2%)	

Subjective Summary	Annual Budget	Actual Outturn	Annual Variance Adverse or (Favourable)	% Variance
	£000	£000	£000	
Employee Costs	19,526	19,165	(361)	(2%)
Property Costs	82	106	24	29%
Supplies and Services	3,497	3,055	(442)	(13%)
Transport and Plant Costs	20	12	(8)	(40%)
Administration Costs	1,428	1,363	(65)	(5%)
Other Agencies & Bodies	2,838	2,760	(78)	(3%)
Transfer Payments	887	887	-	0%
Other Expenditure	-	-	-	-
Capital Financing	-	-	-	-
Gross Expenditure	28,278	27,348	(930)	(3%)
Income	(4,035)	(4,060)	(25)	1%
Net Expenditure	24,243	23,288	(955)	(4%)

CHIEF EXECUTIVES
BUDGETARY CONTROL 2023/24

REPORT FOR THE 12 MONTHS TO 31 MARCH 2024

Budget £000	Variance £000	Variance as % of budget	Section
	Note 1		Finance - Corporate Procurement
			Movement - There has been no significant movement since P10.
1,097	(59)	-5%	Employee costs - There is a projected underspend of £0.059m due to vacancy management.
	2		Other minor movements
	(57)		
	Note 2		Finance - Financial Services
			Movement - There has been a favourable movement of £0.037m since P10 due to an over recovery in income.
1,551	(28)	-2%	Employee costs - There is an underspend of £0.028m due to vacancy management.
(108)	(30)	28%	Income - There is a £0.030m over recovery in recharges to other council funds.
	(9)		Other minor movements
	(67)		
	Note 3		Finance - Revenues
			Movement - There has been an unfavourable movement of £0.197m since P10 due to increased Bad Debt Provision for Council Tax Statutory Additions.
(1,285)	79	-6%	Income - There is an under recovery in Council Tax Statutory Additions of £0.156m arising from an increase in BDP for both current and prior years. This has been partially offset by an over recovery in Scottish Water income of £0.070m.
	(29)		Other minor movements
	50		
	Note 4		Finance - Transformation
			Movement - There has been no change since P10
795	(25)	-3%	Employee Costs - There is an underspend of £0.025m due to salaries being paid by external funding in the year.
	(25)		
	Note 5		People & ICT - HR & Organisational Development
			Movement - There has been a favourable movement of £0.067m from P10 as a result of the underspends in payments to Optima Health.
413	(65)	-16%	Third Party payments - There is an underspend of £0.065m against payments to Optima Health due to a reimbursement following a reconciliation of the provision.
	(4)		Other minor movements
			It is requested to earmark £0.062m of the underspend to support anticipated Occupational Health contract inflation pressures in 2024/25.
	(69)		
	Note 6		People & ICT - ICT
			Movement - There has been a favourable movement of £0.036m from P10 due to lower than forecasted contract renewal costs and various vacancies.
2,248	(380)	-17%	Supplies & Services - There is a £0.258m underspend in software licenses and support due to contracts ending and renewing at a lower cost. There is also a £0.053m underspend in WAN due to the upgrade project and £0.043m underspend in LAN due to lower costs than anticipated.
	(29)		Other minor movements
			It is requested to earmark £0.354m to fund anticipated software cost increases, increased costs of M365, SOC Procurement and Project Resource.
	(409)		
	Note 7		Democratic Services - Legal & Licensing
			Movement - There has been no significant movement since P10.
1,419	(37)	-3%	Employee Costs - There is an underspend of £0.037m due to vacancy management.
(535)	(50)	9%	Income - There is an over-recovery of £0.114m in Licensing income mainly due to new licence income for Short Term Lets, which is offset with an under recovery of £0.017m in Recovery of Legal Costs, an under-recovery of £0.015m in Sales Fees and Charges, and £0.030m in Licensing Board Income.
	11		Other minor movements
	(76)		

Budget £000	Variance £000	Variance as % of budget	Section
	Note 8		Democratic Services - Policy, Performance & Elections
			Movement - There is a favourable movement of £0.049m from P10 mainly in Employee costs due to vacancies.
512	(159)	-31%	Employee Costs - There is an underspend of £0.159m due to vacancy management.
	(9)		Other minor movements
	(168)		
	Note 9		Democratic Services - Committee Services
			Movement - There is a favourable movement of £0.097m since P10 mainly due to underspend in Election Costs.
92	(102)	-111%	Election Costs - There has been an underspend of £0.102m in relation to Election Costs.
			It is requested to earmark £0.102m for future Election commitments.
	(102)		

COMMUNITIES
BUDGETARY CONTROL 2023/24

REPORT FOR THE 12 MONTHS TO 31 MARCH 2024

Objective Summary	Annual Budget	Actual Outturn	Annual Variance Adverse or (Favourable)	% Variance	Note No
	£000	£000	£000		
Early Years Education	21,902	21,247	(655)	(3%)	1
Primary Education	49,233	49,383	150	0%	2
Secondary Education	56,405	56,504	99	0%	3
Additional Support Needs	14,910	15,499	589	4%	4
Education - Other	3,805	5,319	1,514	40%	5
Pupil Equity Fund	4,419	4,419	-	0%	
Facilities Management	19,554	18,288	(1,266)	(6%)	6
	-	-			
Connected Communities	16,544	16,389	(155)	(1%)	7
Net Total	186,848	187,166	318	0%	
Less Proposed Carry Forwards		72	72		
Net Total	186,848	187,238	390	0%	

Subjective Summary	Annual Budget	Actual Outturn	Annual Variance Adverse or (Favourable)	% variance
	£000	£000	£000	
Employee Costs - Teachers	97,099	99,453	2,354	2%
Employee Costs - Non Teachers	64,477	62,803	(1,674)	(3%)
Property Costs	2,643	2,829	186	7%
Supplies and Services	17,445	16,903	(542)	(3%)
Transport and Plant Costs	158	197	39	25%
Administration Costs	887	774	(113)	(13%)
Other Agencies & Bodies	15,571	16,310	739	5%
Transfer Payments	580	495	(85)	(15%)
Other Expenditure	-	-	-	
Capital Financing	71	70	(1)	(1%)
Gross Expenditure	198,931	199,834	903	0%
Income	(12,083)	(12,668)	(585)	5%
Net Expenditure	186,848	187,166	318	0%

COMMUNITIES
BUDGETARY CONTROL 2023/24

REPORT FOR THE 12 MONTHS TO 31 MARCH 2024

Budget £000	Variance £000	Variance as % of budget	Section
	Note 1		Early Years Education
			Movement : There has been no significant movement since P10.
16,956	(318)	-2%	Employee Costs: underspend in establishments due to vacancy management.
4,672	(243)	-4%	Third Party Payments: underspends of £0.347m in payments to funded providers and £0.059m in payments to other bodies for current registered children reflects the current trend in decreasing population. Payments to other Local Authorities overspend of £0.171m as more children taking up Early Years places outwith North Ayrshire than children coming into NAC Early Years establishments.
(239)	(44)	18%	Income: over recovery primarily due to income from other Local Authorities
	(50)		Other minor movements: various underspends across admin (£0.033m) & supplies & services (£0.017m) budget lines
			A reduction to the budget of £1.198m in 23/24 necessitated a drawdown from Education earmarked funds pending permanent savings to be implemented for 24/25. Service redesign proposals have been developed to be implemented by August 2024
	(655)		
	Note 2		Primary Education
			Movement : There has been a favourable movement of £0.141m compared to P10 . This is primarily due to further underspends across employee costs.
47,599	48	0%	Employee Costs : overspend in teacher costs of £0.412m offset against underspend in non teaching costs of £0.363m of which £0.164m is due to delays in recruitment for School Dining Supervisors
1,469	94	6%	Supplies & Services: projected overspend in the PPP unitary charge mainly due to NDR and utility increases. All PPP costs are offset against penalty deductions shown in the Education Other section below.
	8		Other minor movements
	150		
	Note 3		Secondary Education
			Movement : There has been a unfavourable movement of £0.127m compared to P10 mainly due to an increase in the reported PPP costs
48,333	(151)	0%	Employee Costs : underspend in non teaching costs across all Secondary Schools.
7,876	236	3%	Supplies & Services: £0.217m overspend in the PPP unitary charge mainly due to NDR and utility increases. All PPP costs are offset against penalty deductions shown in the Education Other section below.
	14		Other minor movements
	99		
	Note 4		ASN
			Movement: There has been a favourable movement of £0.107m compared to P10. This is mainly due to an increase of £0.076m in Other Local Authority section 23 income
12,442	(328)	-3%	Employee costs : Underspend of £0.267m in non teaching staff costs across all ASN school and bases provision and £0.062m underspend in teaching costs. The increased cost pressure for Classroom Assistants of £0.874m is managed this year by drawing down a temporary amount from earmarked funds. This position has been addressed as part of the 24/25 budget process.
355	(55)	-15%	Payments to Other Local Authorities : There is an underspend of £0.055m on payments to Other Local Authorities due to a reduction in the number of NAC children accessing placements in their establishments.
1,003	101	10%	Day Placements : There is an overspend of £0.101m on external day placements as a result of additional children requiring this level of support and an increase in rates from these establishments.
499	1,052	211%	Residential Placements : There is an overspend of £1.052m on external specialist residential placements. Currently there are 16 children in accommodation. Increased pressures on internal care settings as well as changing needs of children and young people have resulted in an increase in the need for external residential settings. Joint working is ongoing with HSCP to ensure that all options are fully explored to ensure that all options are considered to retain young people within their local community where possible. Where this is not possible, a forum has been set up to further discuss those young people who will require care and education provision to support them appropriately. Any future additional children who enter Residential Accommodation will increase the future overspend.
(264)	(176)		Income : There is an over recovery of £0.176m in Other Local Authorities income due to the number of other authority children accessing a place in NAC establishments and increased rates being applied for the 2023/24 session.
	(5)		Other minor movements.
	589		

Budget £000	Variance £000	Variance as % of budget	Section
Note 5			Education Other
			Movement :There has been a unfavourable movement of £0.280m compared to P10. This is mainly due to increased teacher cover costs.
2,542	1,822	72%	Employee costs: overspend in teachers HQ cover of £1.980m associated with mandatory cover for teacher absence offset by £0.156m underspend across non school establishments. Absence levels are subject to regular review across the service and appropriate actions are taken to maximise attendance
580	(85)	-15%	Transfer Payments : underspend against EMA payments made. This is offset against an under recovery of government grant below.
(1,751)	(255)	15%	Income: PPP insurance rebate £0.097m, PPP deductions of £0.217m in excess of budget, £0.025m salaries received from capital. This is offset against less grant received (£0.085m) in respect of EMA to match the transfer payments underspend.
	32		Other minor movements.
			It is requested to earmark £0.030m Cost Of the School Day funds to reflect the delay in expenditure and support the ongoing programmes.
	1,514		
Note 6			Facilities Management
			Movement: There has been a favourable movement of £0.419m with P10 mainly due to increased recovery of income and reduction in expected bad debt.
15,994	(341)	-2%	Employee Costs: underspend of £0.341m primarily due to recruitment challenges and a targeted reduction of overtime and casual costs.
1,057	91	9%	Property Costs: There is a £0.091m overspend due to an increase in material and supplies costs.
5,094	(713)	-14%	Supplies and services: There is a saving of £0.212m in food mainly due to school meal uptake remaining lower than target. In addition, there is an underspend within Early Years of £0.455m which has arisen due to lower attendance rate than anticipated. There is also an underspend of £0.058m in software licences.
(2,706)	(322)		Income: There is an under-recovery in commercial catering income of £0.127m due to a reduction in commercial events and cost/income challenges within commercial venues. This is offset by an over-recovery of cleaning and janitorial income of £0.171m and £0.165m saving due to lower bad debt than anticipated. There is also £0.113m in higher income from schools and social services income.
	19		Other minor movements
	(1,266)		
Note 7			Connected Communities
			Movement: There has been a favourable movement of £0.155m compared to P10. This is a result of reduced spend across many budgets held within supplies and services of £0.087m and third party payments of £0.066m.
9,209	(210)	-2%	Employee Costs: underspends across all sectors due to vacancy management.
1,305	94	7%	Property Costs: £0.040m overspend in Libraries, £0.021m overspend in Country Parks on property repairs and Community Garden electricity costs, £0.027m overspend in Community Facilities, which is mainly on cleaning materials and £0.006m overspend in Arts.
1,278	(87)	-7%	Supplies and Services: underspend across various budget lines in Libraries £0.047m, Community Development £0.023m, Participation & Empowerment £0.034m, offsetting small overspends in a number of budget lines across the service £0.016m
6,953	(66)	-1%	Third Party Payments: There are a number of overspends across various budget lines amounting to £0.103m which are offset by underspends across various budget lines amounting to £0.170m
2,340	141	6%	Income: £0.330m under recovery across various sectors of the Service offset against £0.189m over recovery across various sectors of the Service
	(27)		Other minor movements.
			It is requested to earmark £0.042m of the Grants General budget (3rd Party Payments)
	(155)		

PLACE
BUDGETARY CONTROL 2023/24

REPORT FOR THE 12 MONTHS TO 31 MARCH 2024

Objective Summary	Annual Budget	Actual Outturn	Annual Variance Adverse or (Favourable)	% Variance	Note No
	£000	£000	£000		
Directorate and Support	8	-	(8)	(100%)	
Housing and Public Protection					
Building Services	(2,527)	(2,532)	(5)	0%	1
Property Governance	41	41	-	0%	
Planning Services	420	92	(328)	(78%)	2
Protective Services	1,859	1,621	(238)	(13%)	3
Other Housing	4,020	3,974	(46)	(1%)	4
Total for Housing and Public Protection	3,813	3,196	(617)	(16%)	
Neighbourhood Services					
Roads	8,943	9,077	134	1%	
Streetscene	6,206	6,340	134	2%	5
Waste Resources	10,026	10,574	548	5%	6
Municipalisation Advertising	(123)	(21)	102	(83%)	7
Total for Neighbourhood Services	25,052	25,970	918	4%	
Economic Development, Growth and Investment					
Economic Policy	342	257	(85)	(25%)	8
Employability & Skills	2,753	2,749	(4)	(0%)	
Regeneration	1,500	1,369	(131)	(9%)	
Business	1,484	1,484	-	0%	
Growth & Investment	403	387	(16)	(4%)	
Total for Economic Development, Growth and Investment	6,482	6,246	(236)	(4%)	
Sustainability, Transport and Corporate Property					
Property Management & Investment	2,115	2,280	165	8%	
Housing Assets & Investment	(18)	8	26	0%	
Property Maintenance	(133)	441	574	(432%)	9
Property Running Costs	5,615	5,819	204	4%	10
Energy and Sustainability	8,201	8,201	-	0%	11
Internal Transport	10,536	10,776	240	2%	12
Total for Sustainability, Transport and Corporate Property	26,316	27,525	1,209	5%	
Net Total	61,671	62,937	1,266	2%	
Transfer to Earmarked Reserves		386	386		
Net Total	61,671	63,323	1,652		

Subjective Summary	Annual Budget	Actual Outturn	Annual Variance Adverse or (Favourable)	% variance
	£000	£000	£000	
Employee Costs	52,125	53,959	1,834	4%
Property Costs	23,697	24,957	1,260	5%
Supplies and Services	10,392	10,665	273	3%
Transport and Plant Costs	10,176	11,277	1,101	11%
Administration Costs	2,211	2,221	10	0%
Other Agencies & Bodies	25,596	25,938	342	1%
Transfer Payments	-	-	-	0%
Other Expenditure	182	283	101	55%
Capital Financing	65	63	(2)	
Gross Expenditure	124,444	129,363	4,919	4%
Income	(62,773)	(66,426)	(3,653)	6%
Net Expenditure	61,671	62,937	1,266	2%

PLACE
BUDGETARY CONTROL 2023/24

REPORT FOR THE 12 MONTHS TO 31 MARCH 2024

Budget £000	Variance £000	Variance as % of budget	Section
Note 1			Building Services
			Movement: There has been no significant movement since P10.
5,345	102	2%	Supplies & Services: An overspend of £0.102m in supplies and services. This is due to an overspend of £0.059m in tools and implements, £0.021m in employee clothing and £0.095m in other supplies and services costs. This is partially offset by an underspend of £0.073m in materials.
579	155	27%	Transport costs: An overspend of £0.155m in transport costs. This is due to an overspend of £0.041m in scaffolding which relates to factoring works, £0.048m in skip hire costs and £0.066m in other transport costs.
2,833	283	10%	Third Party Payments: An overspend of £0.283m in third party payments is largely in relation to an increase in the volume of void and damp work.
(21,515)	(548)	3%	Income: An over recovery in income of £0.548m largely in relation to the volume and scope of void and damp works and other increased costs.
	3		Other minor movements
	(5)		
Note 2			Planning Services
			Movement: There has been a favourable movement of £0.174m since P10 mainly due to an increase in planning fee income.
824	(28)	(3%)	Employee Costs: Underspend of £0.028m due to vacancy management.
(609)	(292)	48%	Income: Over recovery of £0.301m in additional planning fee application income.
	(8)		Other minor movements
			It is requested to earmark £0.147m of internal planning application fees income. Other council services have already paid for work that will not be carried out until 2024/25.
	(328)		
Note 3			Protective Services
			Movement: There has been a favourable movement of £0.126m since P10 which is primarily due to £0.078m of further recharge costs to HRA and £0.043m in staffing.
2,855	(99)	(3%)	Employee Costs: Underspend of £0.098m due to vacancy management.
(1,405)	(91)	6%	Income: Recharge to HRA for CCTV and Out of Hours £0.091m.
	(48)		Other minor movements
	(238)		
Note 4			Other Housing
			Movement: There has been no overall significant movement from P10.
4,340	(277)	(6%)	Employee Costs: underspend of £0.277m due to vacancy management. This underspend includes vacant posts being held due to the Housing Service review, new employees taking up posts at the bottom of the pay scale and a number of staff not part of the Local Government Pension Scheme. £0.086m of the underspend relates to the Rapid Rehousing Transition Plan (RRTP).
2,458	134	5%	Property Costs: overspend due to £0.105m in furnished tenancy grant costs, a review of the charging structure is to be undertaken; £0.080m in property repairs and £0.020m additional costs in electricity. This is partially offset by £0.040m underspends in cleaning costs and £0.022m in void rent losses.
104	117	113%	Other Expenditure: there is an overspend of £0.048m in arrears write offs and a forecasted additional bad debt provision of £0.069m.
	(20)		Other minor movements
	-		It is requested to earmark £0.118m of underspends that relate to the Rapid Rehousing Transition Plan to enable the preparation of the service for the implementation of the Homelessness Prevention Duties aligned to the New Housing Scotland Act 2014.
	(46)		
Note 5			Roads
			Movement: There has been an adverse movement of £0.134m since P10, with £0.056m of this due to increased Winter Maintenance costs. The remaining movement relates mainly to increased contractor costs, which are partly offset with increased income and a decrease in supplies and services.
4,282	114	3%	Third Party Payments: The overspend is primarily due to reactive repairs related to subsidence and drainage.
	20		Other minor movements.
	134		

Budget £000	Variance £000	Variance as % of budget	Section
Note 6			Streetscene
			Movement: There has been an adverse movement of £0.102m since period 10, which is mainly due to decreased income. Interment income has decreased by £0.052m, memorial permit income by £0.014m and income from other departments by £0.065m. This has been partly offset by a £0.018m decrease in employee costs due to vacancy management and a £0.017m decrease in transport costs.
(2,899)	134	(5%)	Income: Under recovery of income relates mainly to interments £0.052m, memorial permits £0.019m and income from other departments £0.065m, as there was less work carried out for other departments in the latter part of the year than anticipated.
	134		
Note 7			Waste Services
			Movement: There has been a favourable movement of £0.047m since P10, which is mainly employee costs.
5,763	653	11%	Employee Costs: The overspend includes temporary additional resources required to deal with new builds and to cover a significant, and challenging, sickness absence rate. The statutory nature of the service requires additional resources to cover unforeseen absences. A robust absence monitoring process is in place and an overall review of the Waste service in light of legislative changes and current service demands is ongoing. This will also take account of waste compositional analysis.
529	103	19%	Supplies & Services: Overspend on Compactors £0.047m, Tools and Implements £0.057m and Trade effluent £0.024m, offset by underspend in Materials £0.037m.
200	236	118%	Transport Costs: Additional vehicles were temporarily in place earlier in the year to deal with pressures from new builds and seasonal demands in Garden Waste, however a reduction of 3 vehicles has been implemented since 1st October 2023.
3,067	(362)	(12%)	Income: Additional income from the renewal of kerbside recycle contracts of £0.326m and £0.034m from sale of scrap.
	(82)		Minor Movements: Underspends across numerous budgets including administration costs of £0.037m and third party payments of £0.023m.
	548		
Note 8			Municipalisation Advertising
			Movement: There has been no movement from P10.
(123)	102	(83%)	Income: An under recovery of £0.102m primarily due to lead in time delays in vehicle advertising and unfavourable market conditions. However, the team continue to robustly progress this initiative with 7 companies now signed up and we are currently in negotiations with a further 10 companies.
	102		
Note 9			Economic Policy
			Movement: There has been no significant movement since P10.
265	(72)	(27%)	Employee Costs: An underspend of £0.072m due to vacancy management and funding received for work completed in house.
	(13)		Other minor movements.
	(85)		
Note 10			Regeneration
			Movement: There has been a favourable movement of £0.131m since P10 due to an underspend of £0.058m in employee costs due to staff vacancy and £0.065m underspend in third party payments due to delays in projects.
1,218	(58)	(5%)	Employee Costs: There is an underspend of £0.058m due to vacancy management.
906	(65)	(7%)	Third Party Payments: There is an underspend of £0.065m due to delays in projects.
	(8)		Other minor movements
			It is requested to earmark £0.121m to support the delivery of projects currently underway, including an allocation to the CWB post for the delivery of the Repurposing Property Grant Fund.
	(131)		
Note 11			Property Management and Investment
			Movement: There has been an adverse movement of £0.144m since P10 due to an under recovery in project income.
2,791	(49)	(2%)	Employee Costs: Underspend in employee costs is due to vacancy management.
(962)	217	(23%)	Income: There is an under-recovery of fee income of £0.217m which is primarily related to projects.
	(3)		Other minor movements
	165		

Budget £000	Variance £000	Variance as % of budget	Section
Note 12			Property Maintenance Costs
			Movement: There has been favourable movement of £0.116m since P10 largely due to reduced statutory compliance costs.
3,228	582	18%	Property costs: There is a £0.314m overspend related to unforeseen RAAC mitigation works (£0.159m) and other essential reactive maintenance works. In addition, there is an overspend of £0.359m in statutory compliance due to essential re-profiling of backlog electrical compliance work. This has been offset by a £0.078m underspend in PMB projects due to reprioritisation to mitigate the above overspend position.
	(8)		Other minor movements
	574		
Note 13			Property Running Costs
			Movement: There has been adverse movement of £0.118m since P10 largely due to service charges in relation to community hubs and Brooksby.
7,106	200	3%	Property Costs: There is a £0.150m overspend due to service charges for community hubs within SHU's and a £0.100m overspend in service charges in relation to other properties. These overspends are partially offset by a NDR refund of £0.079m for the revaluation of Auchenhavie Academy.
	4		Other minor movements
	204		
Note 14			Energy and Sustainability
			Movement: There has been no movement since P10.
7,828	82	1%	Property Costs: Due to the current energy crisis and after drawing down £2.524m from contingencies and earmarked funds there is an overspend in property costs of £0.082m. A number of workstreams are ongoing to reduce the above tariff related increases and as part of our overall sustainability strategy.
	(82)		Other minor movements
	-		
Note 15			Internal Transport
			Movement: There has been a favourable net movement of £0.080m since P10 due to decrease in fuel costs of £0.052m; a decrease in repair & maintenance costs of £0.067m; increase in over-recovery in bus transport income of £0.076m offset against an increase in external hires of £0.056m and an increase in transport provision of £0.046m.
1,976	(111)	(6%)	Employee Costs: There is an underspend of £0.111m due to vacancy management.
4,457	368	8%	Transport Provision Costs: There is an overspend of £0.368m due to an increase in the number of pupils requiring transport for 2023/24, along with increases in contract costs due to inflation.
1,721	(101)	(6%)	Fuel: There is an underspend in fuel of £0.101m due to lower than projected usage.
526	184	35%	External Hires: There is an overspend of £0.184m for the additional hire of vehicles. This is a due to a combination of increased rental costs from suppliers, the prolonged lead delivery times for replacement vehicles and the increase in downtime of fleet vehicles due to age and the availability of parts.
1,103	93	8%	Repairs & Maintenance: There is an overspend of £0.093m in repairs and maintenance as a result of price increases and maximising the life of assets due to replacement vehicle lead times. This is also partially offset with the underspend in employee costs due to vacancies and the need for additional external labour to support ongoing fleet maintenance and repairs.
(3,097)	(171)	6%	Income: There is an over recovery of £0.219m in bus transport income and hire of pool vehicles which is partially offset by an under-recovery of £0.058m in the pool car scheme.
	(22)		Other minor movements
	240		

OTHER CORPORATE ITEMS
BUDGETARY CONTROL 2023/24

REPORT FOR THE 12 MONTHS TO 31 MARCH 2024

Objective Summary	Annual Budget	Actual Outturn	Annual Variance Adverse or (Favourable)	% Variance	Note No
	£000	£000	£000		
Strathclyde Passenger Transport	2,257	2,234	(23)	(1%)	
SPT Concessionary Fares	286	291	5	2%	
Ayrshire Joint Valuation Board	965	932	(33)	(3%)	
	3,508	3,457	(51)	(1%)	1
Other Corporate Costs					
Pension Costs	5,790	5,790	-	0%	
Central Telephones	160	160	-	0%	
Other Corporate Items (incl Transformation Costs, Bad Debt Provision, External Audit fees and other centrally held funding.)	4,600	(1,105)	(5,705)	(124%)	2
Insurance Account	(232)	(232)	-	0%	
Housing Benefits	3,197	2,821	(376)	(12%)	3
	17,023	10,891	(6,132)	(36%)	
Less Proposed Carry Forwards		4,510	4,510		
Net Total	17,023	15,401	(1,622)	(10%)	

OTHER CORPORATE ITEMS
BUDGETARY CONTROL 2023/24

REPORT FOR THE 12 MONTHS TO 31 MARCH 2024

Budget £000	Variance £000	Variance as % of budget	Section
	Note 1		Joint Boards
			There has been no significant movement since Period 10
3,508	(51)	-1%	Underspend of £0.051m due confirmation of annual requisitions and applicable refunds.
	(51)		
	Note 2		Other Corporate Items
			There has been a favourable movement of £4.628m. This is primarily related to lower than anticipated utilisation of centrally held inflationary provisions, £0.681m, including reduced requirements for Severance costs, Bad Debt Provision and Vehicle Fuel Inflation; additional Scottish Government funding confirmed too late for full utilisation in year, £2.913m, lower than anticipated costs in relation to severance costs outwith the recent VER scheme, £0.740m, and increased income from recharges to other services, £0.294m.
4,600	(5,705)	-124%	The underspend is primarily related to centrally held inflationary cost provisions, which are being applied to offset pressures reported across other services, £1.169m, additional income from employee benefit schemes and recharges to other services of the Council, £0.513m, and additional Scottish Government grant income in relation to a range of services, including Ukrainian Resettlement, Employability and NDR reliefs, £3.256m. The majority of the Scottish Government grant income was confirmed too late in the financial year for full utilisation and is subject to a number of earmarking requests to enable these funds to be fully applied during 2024/25.
			It is proposed to earmark funds totalling £4.510m as follows: Additional workforce planning costs associated with the review of Early Learning and Childcare services, £1.700m; Provision for potential repayment of Housing Benefit income in relation to supported accommodation claims, £0.500m; Contribution to the Change and Service Redesign Fund, £0.399m; Provision for initial start up costs in relation of the Foxgrove (National Secure Adolescent Inpatient Service) unit, £0.250m; Inflation provision in relation to the Arran Local Bus Services contract, £0.204m; CCTV Review, £0.050m. Carry forward of Scottish Government grant funding required in 2024/25: £0.864m for Ukrainian resettlement; £0.394m for Employability Staffing; £0.049m for Summer Activities; £0.039m for Islands Cost Crisis Emergency; £0.036m for DWP Funding; £0.015m for Educational Psychologist and £0.010m for Firework control zones
	(5,705)		
	Note 3		Housing Benefit
			There has been a £0.276m favourable movement since Period 10 in relation to supported accommodation housing benefit income.
3,197	(376)	-12%	Underspend of £0.376m due to the provision of Housing Benefits and overpayment recovery. This is primarily in relation to additional backdated income arising from supported accommodation claims. As noted above, it is requested that £0.500m is earmarked for potential payment of this income to the DWP upon completion of an ongoing review.
	(376)		

MISCELLANEOUS ITEMS
BUDGETARY CONTROL 2023/24

REPORT FOR THE 12 MONTHS TO 31 MARCH 2024

Objective Summary	Annual Budget	Actual Outturn	Annual Variance Adverse or (Favourable)	% variance	Note No
	£000	£000	£000		
Financing Charges	22,192	22,192	-	-	
Contribution to Loans Fund Reserve	8,069	8,069	-	-	
Scottish Government Funding	(356,579)	(356,577)	2	(0%)	
Council Tax	(65,533)	(65,518)	15	(0%)	
Use of Earmarked Funds	(20,867)	(20,867)	-	-	
Net Total	(412,718)	(412,701)	17	(0%)	

Carried Forward Funds to 2024-25	£000
<u>Grants / External Funding</u>	
Ukrainian Resettlement	864
DWP Housing Benefit Review	500
Employability Staffing	394
Summer Activities	49
Island Cost Crisis Emergency	39
DWP funding not fully utilised	36
Educational Psychologist	15
Firework Control Zones	10
	1,907
<u>Other Commitments</u>	
Early Learning and Childcare Service Redesign	1,700
Contribution to Change and Service Redesign Fund	399
IT Software and Contract Pressures	354
Foxgrove - start up costs	250
Arran Bus Contract Pressures	204
Planning Income Realignment	147
CWB - delivery of the Repurposing Property Grant Fund	121
Rapid Rehousing Transition Plan	118
Elections Fund	102
Occupational Health Contract Pressures	62
CCTV Review	50
Cost of School Day	30
Community Grants	42
	3,579
	5,486

HOUSING REVENUE ACCOUNT
BUDGETARY CONTROL 2023/24

REPORT FOR THE 12 MONTHS TO 31 MARCH 2024

	Annual Budget	Actual Outturn	Annual Variance Adverse or (Favourable)	% Variance	Note No
	£	£	£		
Employee Costs	5,482	4,960	(522)	(10%)	1
Property Costs					
Responsive Repairs	7,293	7,013	(280)	(4%)	
Void Repairs	3,576	4,357	781	22%	
Planned and Cyclical Maintenance	4,834	5,065	231	5%	
Aids and Adaptions	1,667	1,613	(54)	(3%)	
Other property costs	5,472	5,592	120	2%	
Total for Property Costs	22,842	23,640	798	3%	2
Supplies & Services	568	370	(198)	(35%)	3
Transport Costs	28	15	(13)	(46%)	
Administration Costs	1,892	1,915	23	1%	
Third Party Payments	3,519	3,366	(153)	(4%)	4
Transfer Payments	172	156	(16)	(9%)	
Other Expenditure	380	661	281	74%	5
Capital Financing Costs	23,310	15,518	(7,792)	(33%)	6
Gross Expenditure	58,193	50,601	(7,592)	(13%)	
Income					
Council House Rents	(56,803)	(55,956)	847	(1%)	
Other Rents	(332)	(392)	(60)	18%	
Recharges	(828)	(952)	(124)	15%	
Other Income	(230)	(182)	48	(21%)	
Total Income	(58,193)	(57,482)	711	(1%)	7
Net Expenditure	-	(6,881)	(6,881)		

HRA
BUDGETARY CONTROL 2023/24

REPORT FOR THE 12 MONTHS TO 31 MARCH 2024

Budget £000	Variance £000	Variance as % of budget	Section
	Note 1		Employee costs
			Movement - there has been a favourable movement of £0.059m since Period 10 due to vacancy management.
5,482	(522)	-10%	An underspend in employee costs of £0.522m. This is due to vacancy management.
	(522)		
	Note 2		Property Costs
			Movement - there has been a favourable movement of £0.641m since Period 10. This is due to a favourable movement of £0.089m in Responsive Repairs, £0.165m in Planned and Cyclical Maintenance, £0.054m in Aids & Adaptations and £0.370m in other property costs, partially offset by an adverse movement of £0.038m in Void Repairs.
22,842	798	3%	An overspend of £0.798m in Property Costs. This is due to an overspend of £0.781m in Void Repairs, £0.231m in Planned and Cyclical Maintenance and £0.120m in other property costs, partially offset by an underspend of £0.280m in Responsive Repairs and £0.054m in Aids and Adaptations.
	798		
	Note 3		Supplies and Services
			Movement - there has been a favourable movement of £0.218m since Period 10. This is mainly due to a reduction of £0.104m in software licences and £0.067m in computer equipment.
568	(198)	-35%	An underspend of £0.198m in supplies and services primarily due to an underspend of £0.104m in software licences and £0.067m in computer equipment.
	(198)		
	Note 4		Third Party Payments
			Movement - there has been an adverse movement of £0.023m since Period 10.
3,519	(153)	-4%	An underspend of £0.153m in third party payments primarily due to a reduction in the ASB contribution.
	(153)		
	Note 5		Other Expenditure
			Movement - there has been an adverse movement of £0.281m due to an increase in the bad debt provision
380	281	74%	An overspend of £0.281m due to an increase in the bad debt provision.
	281		
	Note 6		Capital Financing Costs
			Movement - there has been a favourable movement of £0.732m since P10.
23,309	(7,791)	-33%	An underspend in capital financing costs of £7.791m due to lower than anticipated loan charges. This is due to the profiling within the HRA Capital budget and the continued under borrowed position as the council utilises internal funds in line with the Treasury Management and Investment Strategy. The underspend will be reflected in the Business Plan.
	(7,791)		
	Note 7		Income
			Movement - there has been an adverse movement of £0.667m since Period 10. This is mainly due to a reduction in Council House Rents of £0.426m, £0.080m in Recharges and £0.153m in Other Income.
(58,193)	711	-1%	An under recovery in income of £0.711m. This is due to an under recovery in Rental income of £0.846m, as a result of protracted and Long term voids, and £0.048m in Other Income, partially offset by an over recovery of £0.060m other rents and £0.124m in Recharges.
	711		

HRA reserves and balances	B/fwd from 2022/23	Transfer to / from Reserves	Use of Earmarked sums	Earmarking of in year surplus	Funding of Capital Projects	Projected Balance at 31/03/24
	£m	£m	£m	£m	£m	£m
Council House Building Fund	4.709	-	-	6.881	-	11.590
Sustainability Fund	5.000	-	-	-	-	5.000
Software Licences	0.123	-	-	-	-	0.123
Tenant led balance	0.636	(0.336)	-	-	-	0.300
Housing Services Transformation Prog	-	2.000	-	-	-	2.000
Contingency Balance	0.781	0.772	-	-	-	1.553
Welfare Reform	1.500	(1.500)	-	-	-	-
Voids - non programmed works	0.198	(0.198)	-	-	-	-
Infrastructure Improvements	0.416	(0.416)	-	-	-	-
Major Refurbishment Works	0.052	(0.052)	-	-	-	-
Electrical Testing	0.270	(0.270)	-	-	-	-
	13.685	-	-	6.881	-	20.566

HRA reserves form part of the overall funding to support the 30 year HRA business plan and will be drawdown in line with specific programmes

Budget Management - 31 March 2024
Virement/Budget Adjustment Requests

	2023/24		
	Perm (P) / Temp(T)	Virement £m	Directorate Total £m
1) Budget Virements			
Place			
Regeneration - Third Party Payments	T	-0.202	
Regeneration - Grant Income	T	0.202	
Roads - Third Party Payments	T	1.096	
Roads - Supplies and Services	T	-0.049	
Roads - Employee Costs	T	-0.033	
Roads - Income	T	-1.014	
Employability - Third Party Payments	T	0.189	
Employability - Transport Costs	T	0.005	
Employability - Employee Costs	T	-0.072	
Employability - Supplies and Services	T	-0.021	
Employability - Admin Costs	T	-0.001	
Employability - Income	T	-0.100	
Ayrshire Growth Deal - Employee Costs	T	0.248	
Ayrshire Growth Deal - Supplies & Services	T	0.009	
Ayrshire Growth Deal - Third Party Payments	T	0.982	
Ayrshire Growth Deal - Grant Income	T	-1.239	0.000
Communities			
Information and Culture - Third Party Payments	T	0.023	
Information and Culture - Supplies and Services	T	-0.002	
Information and Culture - Income	T	-0.021	
Community Mental Health - Employee Costs	T	0.082	
Community Mental Health - Third Party Payments	T	0.028	
Community Mental Health - Grant Income	T	-0.110	
ASN Placement Fees - Employee Costs	T	0.391	
ASN Placement Fees - Income	T	-0.391	0.000
			0.000