

## ANGUS COUNCIL

FINANCE & INFORMATION TECHNOLOGY COMMITTEE - 1 May 2001  
POLICY & RESOURCES COMMITTEE - 8 May 2001

ITEM No 5

## REVENUE MONITORING STATEMENT

## REPORT BY THE DIRECTOR OF FINANCE

**ABSTRACT**

This report appraises members of the actual revenue expenditure incurred and income received in respect of the Council's departments for the period 1 April 2000 to 28 February 2001. The report also advises members of the estimated overall revenue budget shortfall arising from the settlement of the 2000 pay award for Local Government employees and puts forward the suggested approach for dealing with this budget shortfall.

**1. RECOMMENDATION**

It is recommended that the Committee -

- a) notes the contents of this report for its interest;
- b) approves the proposed approach to funding the estimated 2000 pay award shortfall as outlined in this report.

**2. BACKGROUND**

At the Special meeting of Angus Council on 9 March 2000 the Council approved the revenue budget estimates for the 2000/2001 financial year. Details of the individual departmental revenue budgets are contained in the Final Revenue and Capital Budgets Volume 2000/2001 issued to members in April 2000.

**3. INTRODUCTION**

This report sets out the actual revenue expenditure incurred and income received for the period 1 April 2000 to 28 February 2001 for each Angus Council department as well as the Police, Fire and Valuation Joint Boards.

**4. FORMAT OF REPORT****4.1 General**

The report is broken down into eight separate sections covering the Council's General Fund departments and the Housing Revenue Account. Sections A to G cover the Council's General Fund departments, that is those funded by the Council taxpayer whilst Section H appraises members of the position in relation to the Housing Revenue Account, that is, those services funded by Council house rentpayers.

**4.2 General Fund Departments**

Section A is a comparison of overall net expenditure by department, Sections B to F cover the main types of expenditure which these departments incur and Section G relates to income from fees and charges.

In each section a comparison of actual compared with a profiled budget is provided. The profiled budget for a given period is intended to reflect the timing of when expenditure is expected to be incurred or income received. The more predictable nature of staff costs payments allows the annual budget to be more readily profiled taking into account seasonal staffing variations and other factors. Despite the less predictable nature of other types of expenditure and income the annual budgets for these have also been profiled. These profiles have been based on income and expenditure patterns experienced in the first four years of Angus Council, adjusted for any deviations expected in the current year.

The expected surpluses from Angus/Tayside Contracts are shown in Section A for information.

#### 4.3 Housing Revenue Account

Section H of the report sets out the actual expenditure incurred for the year to date on the Housing Revenue Account and compares this with the profiled budget for the same period.

#### 5. PAY AWARD SHORTFALL 2000/2001

Members will recall that as part of the 2000/2001 revenue budget considerations a pay award provision of some 2.5% was included within the budget estimates for the cost of the 2000 pay award for all non-teaching local authority employees.

It was noted in Report 167/01 to the Finance and Information Technology Committee of 30 January 2001 that the latest offer of 3.015% had been accepted by two trade unions and that an allowance had been set aside in General Fund balances to meet this 0.515% excess over the original budget provision.

Following acceptance of the 3.015% pay offer by the final trade union, formal approval is now sought to fund the budget shortfall in the 2000/2001 pay award provision of £246k from General Fund balances.

Supplementary budget allocations will be advised to all service directors and, given that the 2000/2001 financial year has now ended, will be utilised for finalising the monitoring of the 2000/2001 revenue budget and preparing the Council's 2000/2001 Final Accounts.

#### 6. COMMENTARY ON INFORMATION SHOWN IN STATEMENT

Members may recall Report 136/00 to the Finance and Information Technology Committee of 1 February 2000 which set out proposals for virement flexibility between financial years 1999/2000 and 2000/2001. This virement flexibility permits each General Fund department to carry forward 50% of any underspend in 1999/2000 to the 2000/2001 financial year.

The Departmental budgets shown in the attached Statement have been amended to reflect sums available under the 50% carry forward scheme.

Virement has been made from the General Fund balances to Law & Administration of £38.3k. This relates to legal costs of the assisted area dispute in Arbroath and was approved by Committee report 861/2000.

Virement has also been made from General Fund balances to Policy Led Budgeting for £289k. This is a result of expenditure on Phases 1 and 2 projects now materialising and generating a funding shortfall in 2000/2001. This was approved by Committee Report 966/2000.

This monitoring statement assumes that additional costs arising from above-average levels of spending on Winter Maintenance will be met by virement from Roads Maintenance after transfer of Roads Maintenance expenditure to Repairs and Renewals Fund.

The monitoring statement reflects the supplementary budget allocation for the 2000/2001 pay award as outlined in Section 5 of this report.

The overall position shown in Section A indicates that net expenditure has been held within budget during the first eleven months of the year.

#### 7. HUMAN RIGHTS IMPLICATIONS

There are no Human Rights implications arising from this report.

## **8. CONSULTATION**

The Chief Executive and Director of Law and Administration have been consulted in the preparation of this report.

## **9. CONCLUSION**

It will be further noted from the information set out in Sections B to F of this report that under some of the cost heads, individual departmental actual expenditure is currently ahead of the phased budget. This position will continue to be monitored closely to ensure that overall net expenditure does not exceed departmental cash limited budgets. A further revenue monitoring report covering the year to 31 March 2001 will be submitted to the Committee when finalised.

DAVID S. SAWERS  
DIRECTOR OF FINANCE

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

DSS/GW/NS  
6 March 2001

## Section A - Summary Of Net Revenue Expenditure - General Fund Services (Sections B to G)

Statement showing Total Net Revenue Expenditure For The Period 1 April 2000 to 28 February 2001 compared with the Total Net Budget for the financial year (excluding Capital Financing Costs, Central Support Service Recharges and certain Specific/Other Grants)

Department / Service	(1) Budgeted Net Expenditure 2000/01 £000	(2) Virement £000	(3) Revised Net Budget £000	(4) Budgeted Expenditure For 11 Months To 28/02/2001 £000	(5) Actual Net Expenditure For 11 Months To 28/02/2001 £000	(6) Column (5) As A Percentage Of Column (4) %
Education	58,699	83	58,782	51,165	51,066	99.81%
Social Work	23,775	79	23,854	22,182	21,687	97.77%
Roads	5,298	(1)	5,297	5,003	4,989	99.71%
Cultural Services	2,078	16	2,094	1,861	1,748	93.91%
Environmental & Consumer Protection	5,705	84	5,789	4,745	4,439	93.54%
Planning & Transport	2,059	8	2,067	1,949	1,708	87.62%
Recreation Services	5,275	46	5,321	4,820	4,435	92.02%
Central Support Services	8,107	238	8,345	8,267	7,716	93.34%
Economic Development	544	34	578	539	527	97.80%
Training Services	180	22	202	186	111	59.73%
Finance - Revenues	1,330	13	1,343	1,425	1,352	94.88%
Miscellaneous Other Services	1,060	2	1,062	905	673	74.36%
Other Housing	1,267	0	1,267	944	719	76.17%
Other Expenditure	273	7	280	184	141	76.63%
Policy Led Budgeting	317	307	624	407	391	96.07%
<b>Total Angus Council Departments</b>	<b>115,967</b>	<b>938</b>	<b>116,905</b>	<b>104,583</b>	<b>101,702</b>	<b>97.25%</b>
Police Joint Board Allocation to Angus Council	7,277	0	7,277	6,671	6,671	100.00%
Fire Joint Board Allocation to Angus Council	3,518	0	3,518	3,225	3,225	100.00%
Valuation Joint Board Allocation to Angus Council	627	0	627	575	575	100.00%
<b>Total Joint Board Allocations</b>	<b>11,422</b>	<b>0</b>	<b>11,422</b>	<b>10,471</b>	<b>10,471</b>	<b>100.00%</b>
<b>Net Expenditure</b>	<b>127,389</b>	<b>938</b>	<b>128,327</b>	<b>115,054</b>	<b>112,173</b>	<b>97.50%</b>
Angus Contracts Surplus	(420)	0	(420)	(257)	(288)	112.06%
Tayside Contracts	(210)	0	(210)	(193)	(193)	100.00%
	<b>126,759</b>	<b>938</b>	<b>127,697</b>	<b>114,604</b>	<b>111,693</b>	<b>97.46%</b>

## Section B - Staff Costs

Statement showing Staff Costs for the period 1 April 2000 to 28 February 2001 compared with the profiled budget for the same period.

Department / Service	(1) Budgeted Net Expenditure 2000/01 £000	(2) Virement £000	(3) Revised Net Budget £000	(4) Budgeted Expenditure For 11 Months To 28/02/2001 £000	(5) Actual Net Expenditure For 11 Months To 28/02/2001 £000	(6) Column (5) As A Percentage Of Column (4) %
Education	44,599	27	44,626	39,915	39,867	99.88%
Social Work	15,593	336	15,929	14,528	13,999	96.36%
Roads	1,764	8	1,772	1,616	1,614	99.86%
Cultural Services	1,422	7	1,429	1,301	1,312	100.81%
Environmental & Consumer Protection	1,358	7	1,365	1,251	1,198	95.73%
Planning & Transport	1,586	8	1,594	1,461	1,433	98.06%
Recreation Services	1,176	6	1,182	1,088	1,038	95.45%
Central Support Services	7,959	85	8,044	7,374	7,239	98.17%
Economic Development	430	2	432	396	395	99.79%
Training Services	495	14	509	467	450	96.39%
Finance - Revenues	1,359	41	1,400	1,287	1,256	97.59%
Miscellaneous Other Services	181		181	83	80	96.39%
Other Housing	73		73	7	8	114.29%
Other Expenditure	320	(12)	308	282	267	94.68%
Policy Led Budgeting	182	52	234	206	206	100.00%
<b>Total Angus Council Departments</b>	<b>78,497</b>	<b>581</b>	<b>79,078</b>	<b>71,262</b>	<b>70,362</b>	<b>98.74%</b>
Police Joint Board Allocation to Angus Council	n/a	n/a	n/a	n/a	n/a	n/a
Fire Joint Board Allocation to Angus Council	n/a	n/a	n/a	n/a	n/a	n/a
Valuation Joint Board Allocation to Angus Council	n/a	n/a	n/a	n/a	n/a	n/a
<b>Total Joint Board Allocations</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>
<b>Total Net Expenditure</b>	<b>78,497</b>	<b>581</b>	<b>79,078</b>	<b>71,262</b>	<b>70,362</b>	<b>98.74%</b>

## Section C - Property Costs

Statement showing Property Costs for the period 1 April 2000 to 28 February 2001 compared with the profiled budget for the same period.

Department / Service	(1) Budgeted Net Expenditure 2000/01 £000	(2) Virement £000	(3) Revised Net Budget £000	(4) Budgeted Expenditure For 11 Months To 28/02/2001 £000	(5) Actual Net Expenditure For 11 Months To 28/02/2001 £000	(6) Column (5) As A Percentage Of Column (4) %
Education	6,620	41	6,661	5,569	5,504	98.83%
Social Work	718	17	735	519	515	99.23%
Roads	102		102	97	105	108.25%
Cultural Services	412	20	432	357	336	94.12%
Environmental & Consumer Protection	289	30	299	275	191	69.45%
Planning & Transport	55		55	46	34	73.91%
Recreation Services	735	(5)	730	613	532	86.79%
Central Support Services	922	-1	921	871	750	86.11%
Economic Development	167		167	110	98	89.09%
Training Services	63		63	59	32	54.24%
Finance - Revenues	94		94	84	66	78.57%
Miscellaneous Other Services	208		208	191	173	90.58%
Other Housing	12		12	12	20	166.67%
Other Expenditure	46	2	48	44	33	75.00%
Policy Led Budgeting	12	14	26	12	12	100.00%
<b>Total Angus Council Departments</b>	<b>10,435</b>	<b>104</b>	<b>10,553</b>	<b>8,859</b>	<b>8,401</b>	<b>94.83%</b>
Police Joint Board Allocation to Angus Council	n/a	n/a	n/a	n/a	n/a	n/a
Fire Joint Board Allocation to Angus Council	n/a	n/a	n/a	n/a	n/a	n/a
Valuation Joint Board Allocation to Angus Council	n/a	n/a	n/a	n/a	n/a	n/a
<b>Total Joint Board Allocations</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>
<b>Total Net Expenditure</b>	<b>10,435</b>	<b>104</b>	<b>10,553</b>	<b>8,859</b>	<b>8,401</b>	<b>94.83%</b>

## Section D - Supplies & Services

Statement showing Supplies & Services for the period 1 April 2000 to 28 February 2001 compared with the profiled budget for the same period.

Department / Service	(1) Budgeted Net Expenditure 2000/01 £000	(2) Virement £000	(3) Revised Net Budget £000	(4) Budgeted Expenditure For 11 Months To 28/02/2001 £000	(5) Actual Net Expenditure For 11 Months To 28/02/2001 £000	(6) Column (5) As A Percentage Of Column (4) %
Education	3,775	4	3,779	3,444	3,655	106.13%
Social Work	918	182	1,100	1,012	960	94.86%
Roads	534	(9)	525	467	446	95.50%
Cultural Services	573	(11)	562	511	397	77.69%
Environmental & Consumer Protection	2,054	67	2,121	1,599	1,434	89.68%
Planning & Transport	230		230	211	147	69.67%
Recreation Services	200	(6)	194	166	151	90.96%
Central Support Services	1,089	167	1,256	1,157	1,026	88.88%
Economic Development	151	(3)	148	136	115	84.56%
Training Services	74	18	92	84	79	94.05%
Finance - Revenues	316		316	287	256	89.20%
Miscellaneous Other Services	595	2	597	548	339	61.86%
Other Housing	4		4	4	7	175.00%
Other Expenditure	186	5	191	175	151	86.29%
Policy Led Budgeting	133	232	365	208	208	100.00%
<b>Total Angus Council Departments</b>	<b>10,832</b>	<b>648</b>	<b>11,480</b>	<b>10,009</b>	<b>9,371</b>	<b>93.63%</b>
Police Joint Board Allocation to Angus Council	n/a	n/a	n/a	n/a	n/a	n/a
Fire Joint Board Allocation to Angus Council	n/a	n/a	n/a	n/a	n/a	n/a
Valuation Joint Board Allocation to Angus Council	n/a	n/a	n/a	n/a	n/a	n/a
<b>Total Joint Board Allocations</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>
<b>Total Net Expenditure</b>	<b>10,832</b>	<b>648</b>	<b>11,480</b>	<b>10,009</b>	<b>9,371</b>	<b>93.63%</b>

## Section E - Third Party Payments

Statement showing Third Party Payments for the period 1 April 2000 to 28 February 2001 compared with the profiled budget for the same period.

Department / Service	(1) Budgeted Net Expenditure 2000/01 £000	(2) Virement £000	(3) Revised Net Budget £000	(4) Budgeted Expenditure For 11 Months To 28/02/2001 £000	(5) Actual Net Expenditure For 11 Months To 28/02/2001 £000	(6) Column (5) As A Percentage Of Column (4) %
Education	2,357		2,357	1,417	1,350	95.27%
Social Work	11,775	(111)	11,664	10,303	10,353	100.49%
Roads	3,635		3,635	3,415	3,753	109.90%
Cultural Services	0		0	0	0	n/a
Environmental & Consumer Protection	4,621	14	4,635	3,431	3,577	104.26%
Planning & Transport	1,061		1,061	1,008	925	91.77%
Recreation Services	4,256	51	4,307	3,792	3,628	95.67%
Central Support Services	59	(5)	54	50	31	62.00%
Economic Development	349		349	332	310	93.37%
Training Services	0		0	0	0	n/a
Finance - Revenues	128	(28)	100	0	0	n/a
Miscellaneous Other Services	387		387	367	387	105.45%
Other Housing	14,531		14,531	13,594	13,357	98.26%
Other Expenditure	104	12	116	35	46	131.43%
Policy Led Budgeting	9	9	18	1	1	100.00%
<b>Total Angus Council Departments</b>	<b>43,272</b>	<b>(58)</b>	<b>43,214</b>	<b>37,745</b>	<b>37,718</b>	<b>99.93%</b>
Police Joint Board Allocation to Angus Council	7,277		7,277	6,671	6,671	100.00%
Fire Joint Board Allocation to Angus Council	3,518		3,518	3,225	3,225	100.00%
Valuation Joint Board Allocation to Angus Council	627		627	575	575	100.00%
<b>Total Joint Board Allocations</b>	<b>11,422</b>	<b>0</b>	<b>11,422</b>	<b>10,471</b>	<b>10,471</b>	<b>100.00%</b>
<b>Total Net Expenditure</b>	<b>54,694</b>	<b>(58)</b>	<b>54,636</b>	<b>48,216</b>	<b>48,189</b>	<b>99.94%</b>



## Section F - Other Expenditure

Statement showing Other Expenditure for the period 1 April 2000 to 28 February 2001 compared with the profiled budget for the same period.

Department / Service	(1) Budgeted Net Expenditure 2000/01 £000	(2) Virement £000	(3) Revised Net Budget £000	(4) Budgeted Expenditure For 11 Months To 28/02/2001 £000	(5) Actual Net Expenditure For 11 Months To 28/02/2001 £000	(6) Column (5) As A Percentage Of Column (4) %
Education	2,482		2,482	1,901	1,903	100.11%
Social Work	840	32	872	683	745	109.08%
Roads	141		141	146	123	84.25%
Cultural Services	66		66	61	50	81.97%
Environmental & Consumer Protection	390	10	400	364	387	106.32%
Planning & Transport	82		82	86	85	98.84%
Recreation Services	215		215	196	150	76.53%
Central Support Services	304	(3)	301	279	270	96.77%
Economic Development	24		24	30	30	100.00%
Training Services	65	(10)	55	50	30	60.00%
Finance - Revenues	28		28	24	21	87.50%
Miscellaneous Other Services	20		20	20	21	105.00%
Other Housing	369		369	0	0	n/a
Other Expenditure	7		7	6	3	50.00%
Policy Led Budgeting	8		8	7	7	100.00%
<b>Total Angus Council Departments</b>	<b>5,041</b>	<b>29</b>	<b>5,070</b>	<b>3,853</b>	<b>3,825</b>	<b>99.27%</b>
Police Joint Board Allocation to Angus Council	n/a	n/a	n/a	n/a	n/a	n/a
Fire Joint Board Allocation to Angus Council	n/a	n/a	n/a	n/a	n/a	n/a
Valuation Joint Board Allocation to Angus Council	n/a	n/a	n/a	n/a	n/a	n/a
<b>Total Joint Board Allocations</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>
<b>Total Net Expenditure</b>	<b>5,041</b>	<b>29</b>	<b>5,070</b>	<b>3,853</b>	<b>3,825</b>	<b>99.27%</b>

## Section G - Income

Statement showing Income for the period 1 April 2000 to 28 February 2001 compared with the profiled budget for the financial year (excluding certain specific and other grant income).

Department / Service	(1) Budgeted Net Income 2000/01 £000	(2) Virement £000	(3) Revised Net Budget £000	(4) Budgeted Income For 11 Months To 28/02/2001 £000	(5) Actual Net Income For 11 Months To 28/02/2001 £000	(6) Column (5) As A Percentage Of Column (4) %
Education	1,134	-11	1,123	1,081	1,213	112.21%
Social Work	6,069	377	6,446	4,863	4,885	100.45%
Roads	878		878	738	1,052	142.55%
Cultural Services	395		395	369	347	94.04%
Environmental & Consumer Protection	2,987	44	3,031	2,175	2,348	107.95%
Planning & Transport	955		955	863	916	106.14%
Recreation Services	1,307		1,307	1,035	1,064	102.80%
Central Support Services	2,226	5	2,231	1,464	1,600	109.29%
Economic Development	577	(35)	542	465	421	90.54%
Training Services	517		517	474	480	101.27%
Finance - Revenues	595		595	257	247	96.11%
Miscellaneous Other Services	331		331	304	327	107.57%
Other Housing	13,722		13,722	12,673	12,673	100.00%
Other Expenditure	390		390	358	359	100.28%
Policy Led Budgeting	27		27	27	43	159.26%
<b>Total Angus Council Departments</b>	<b>32,110</b>	<b>380</b>	<b>32,490</b>	<b>27,146</b>	<b>27,975</b>	<b>103.05%</b>
Police Joint Board Allocation to Angus Council	n/a	n/a	n/a	n/a	n/a	n/a
Fire Joint Board Allocation to Angus Council	n/a	n/a	n/a	n/a	n/a	n/a
Valuation Joint Board Allocation to Angus Council	n/a	n/a	n/a	n/a	n/a	n/a
<b>Total Joint Board Allocations</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>
<b>Total Net Expenditure</b>	<b>32,110</b>	<b>380</b>	<b>32,490</b>	<b>27,146</b>	<b>27,975</b>	<b>103.05%</b>

## Section H - Housing Revenue Account

Statement showing the Housing Revenue Account for the period 1 April 2000 to 28 February 2001 compared with the profiled budget for the financial year.

	(1)	(2)	(3)	(4)	(5)	(6)
<u>Department / Service</u>	Budgeted Net Expenditure 2000/01 £000	Virement £000	Revised Net Budget £000	Budgeted Expenditure For 11 Months To 28/02/2001 £000	Actual Net Expenditure For 11 Months To 28/02/2001 £000	Column (5) As A Percentage Of Column (4) %
Financing Costs	7,335		7,335	6,724	6,724	100%
Administrative Costs	3,941		3,941	3,613	3,613	100%
R&M, Shell Hsg & Spec Needs	5,538		5,538	4,668	3,262	70%
Other Costs	413		413	379	379	100%
<b>Total</b>	<b>17,227</b>	<b>0</b>	<b>17,227</b>	<b>15,384</b>	<b>13,978</b>	<b>91%</b>
<u>Income</u>	Budgeted Income 2000/01 £000	Virement £000	Revised Net Budget £000	Budgeted Income For 11 Months To 28/02/2001 £000	Actual Net Income For 11 Months To 28/02/2001 £000	Column (5) As A Percentage Of Column (4) %
Council House Rents	15,770		15,770	15,317	14,912	97%
Other Rents	470		470	431	431	100%
Interest, etc.	352		352	n/a	n/a	n/a
Application of Reserves	635		635	n/a	n/a	n/a
<b>Total</b>	<b>17,227</b>	<b>0</b>	<b>17,227</b>	<b>15,748</b>	<b>15,343</b>	<b>97%</b>

