



Glasgow City Council

Finance and Audit Scrutiny Committee

Report by the Executive Director of Finance

Contact: Martin Booth Ext: 73837

BUDGET MONITORING 2018-19; PERIOD 12

Purpose of Report:

This report provides a summary of financial performance for the period 1 April 2018 to 15 February 2019.

This report was considered by the City Administration Committee on 4 April 2019.

Recommendations:

The Committee is asked to note the contents of this report.

Ward No(s):

Citywide: ✓

Local member(s) advised: Yes No

consulted: Yes No

PLEASE NOTE THE FOLLOWING:

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1. Introduction

1.1 This report provides a summary of financial performance for the period 1 April 2018 to 15 February 2019.

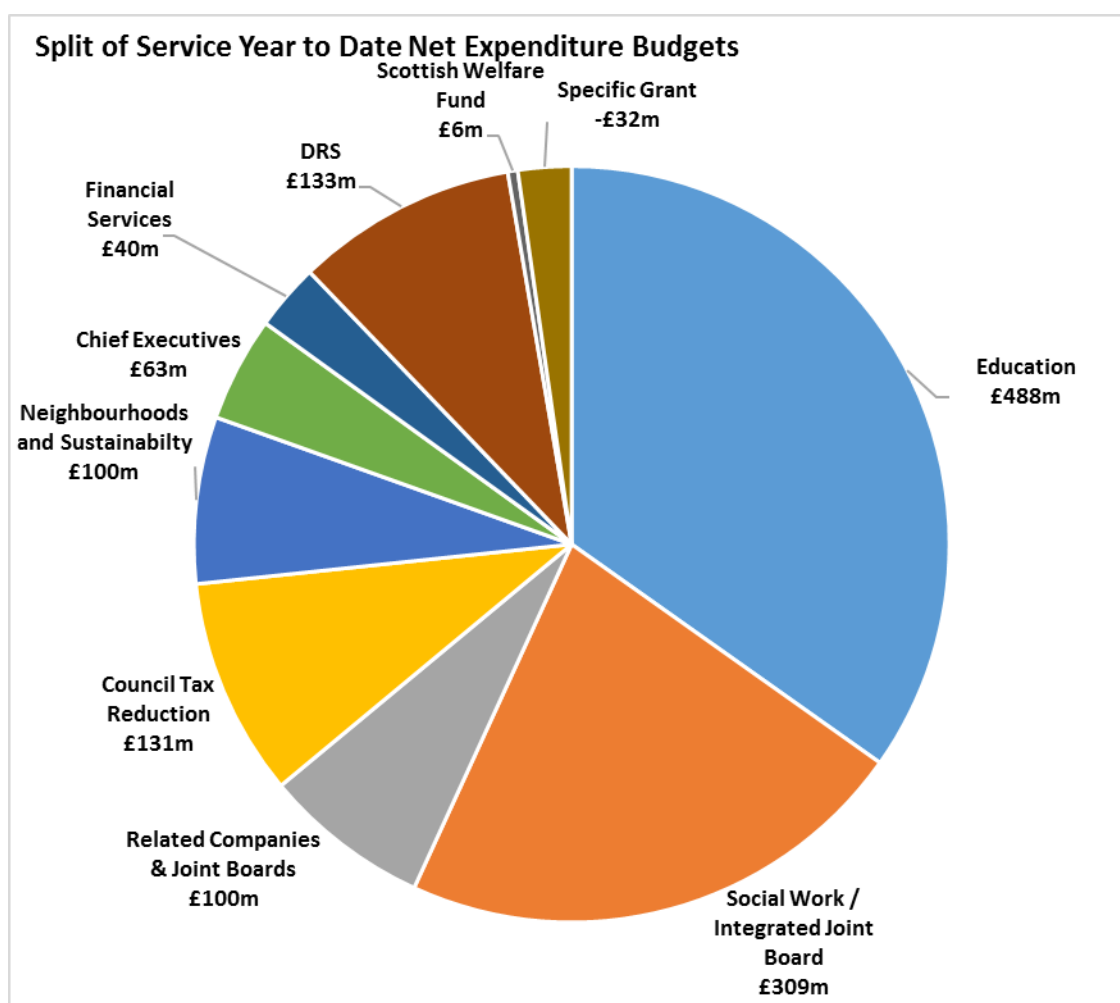
2. Reporting Format

2.1 This report provides a summary of the Council's financial position.

3. Approved Budget

3.1 The 2018-19 budget was approved by Council on 22 February 2018 and the detailed service estimates subsequently approved by the City Administration Committee on 19 April 2018. These budgets are shown as "Original Annual Budget", in the attached monitoring statements. In order to monitor financial performance accurately, budgets will be updated each period to reflect new monies, operational changes and any additional approvals.

3.2



3.3 The key changes to the original budget made up to period 12 are outlined in section 4, below.

4. Revenue Budget

- 4.1 During period 11 and 12 there has been a net budget increase of £0.1m resulting in a cumulative budget increase of £19.6m to date. Service specific budget changes are summarised in the paragraph below.
- 4.2 The significant budget changes since period 10 are as follows:
 - 4.2.1 Income budgets within Neighbourhoods and Sustainability have decreased by £0.025m in respect of Scottish Government funding for free child burials.
 - 4.2.2 There has been virement of £1.0m from Chief Executives to Social Work Services in respect of the Early Intervention and Resilience programme.
 - 4.2.3 Income and expenditure budgets within Education Services have increased by £1.0m to reflect additional Scottish Government funding for the West Partnership Regional Improvement Collaborative (£0.8m) and additional funding in respect of various small grants (£0.2m).
 - 4.2.4 Income and expenditure budgets within Development and Regeneration Services have increased by £0.1m to reflect additional grant funding for the Scottish Energy Efficiency Programme (SEEP).
- 4.3 There have also been adjustments to income and expenditure budgets in line with the Executive Director of Finance's delegated powers and budget realignments between and within various service departments to reflect the transfer of responsibilities and service reconfigurations.

5. Summary Position

Revenues

5.1 Council Tax

- 5.1.1 A probable outturn exercise has now been completed and is projecting that the actual income expected to be collected from council tax is £280.3m. This is £3.5m more than budget.
- 5.1.2 The council tax collected to 31 January 2019 amounts to £211.5m. This represents 91.02% of the figure to be collected and is 0.21% ahead of last year's equivalent collection figure. The target rate of collection for Council Tax this year is 95.0%.

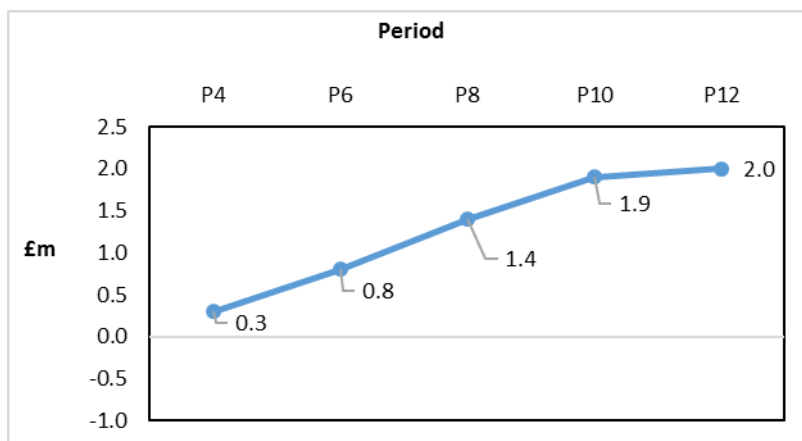
5.2 Non Domestic Rates

- 5.2.1 Non Domestic Rates income is allocated to councils as part of the local government settlement. The council retains all NDR it collects, however where this varies from the amount included within the Local Government settlement a commensurate increase or decrease is made to the general revenue grant to ensure no overall change in the total revenue support provided by the Scottish Government.
- 5.2.2 The Non Domestic Rates collected to 31 January 2019 amount to £332.7m. This represents 88.95% of the figure to be collected and is 1.57% ahead of last year's equivalent collection figure. The target rate for collection for Non Domestic Rates for this year is 97.63%.

6. General Fund

6.1 Net expenditure is running at 100.2% of profile, representing an overspend of £2.0m. This reflects overspends within Development and Regeneration Services, Neighbourhoods and Sustainability and Education Services offset by savings within Financial Services.

6.2 Net Expenditure Position – budget variance:



7. Services

7.1 Development and Regeneration Services £1.4m

7.1.1 This reflects an overspend in the property and land services division due to non achievement of savings together with overspends against repairs and utilities and an overspend in the building standards division due to additional costs incurred for emergency repairs on dangerous buildings. These are partly offset by increased income from planning fees and building warrants and by an underspend in relation to the Glasgow Guarantee scheme.

7.2 Neighbourhoods and Sustainability £0.5m

7.2.1 This reflects lower commercial refuse income and lower parking income offset by increased income in parks and open spaces due to events and underspends from vacancy management.

7.3 Education Services £0.3m

7.3.1 This reflects overspends in employee costs and transport offset by savings in Additional Support for Learning external placements.

7.4 Financial Services – Council Tax Reduction / Benefits Payments -£0.2m

7.4.1 This reflects a lower level of commitment in respect of the Council Tax Reduction scheme.

8. Social Work Services

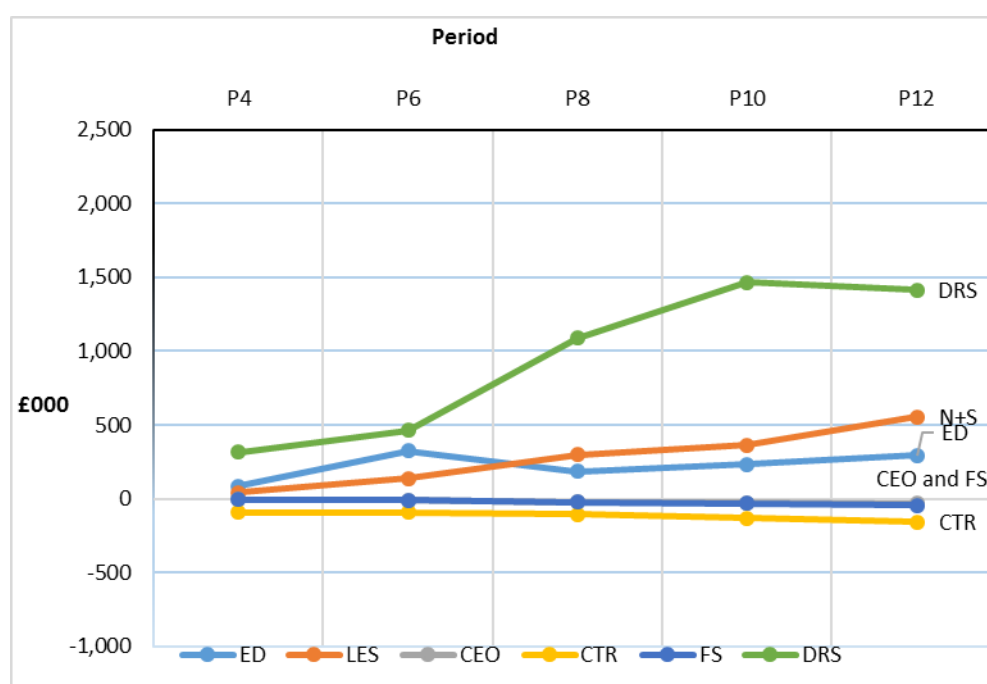
8.1 The Glasgow City Integration Joint board (IJB) is now responsible for the planning and commissioning of health and social care services within the city.

8.2 While the financial position of Social Work Services continues to be monitored through the Council's existing reporting structures the overall financial position is now the responsibility of the IJB and is therefore reported separately from the General Fund. The Reserves policy of the IJB has resulted in the transfer of previous year underspends to IJB reserves to mitigate any ongoing or future budget pressures. The IJB uncommitted reserve balance is currently £7.4m.

8.3 At period 12 Social Work Services is showing an overspend of £1.8m. This overspend is mainly within Homecare Services, within Older People, and is reflective of costs of services which have transferred from Cordia. There are also overspends within Older Peoples Services and Adult Services for care packages and care home places, which is offset by an underspend in Children and Families as a result of early delivery of transformation savings. This overspend will be met from IJB reserves and has no net impact on the Council's overall financial position.

9 Service Variance Comparison

9.1 Service financial performance across the year to date is illustrated below:



10. Trading Operations

10.1 Both Trading Operations are currently generating a surplus in line with budget.

10.2 It is expected that both trading operations will achieve a break-even position in 2018-19 (excluding IAS 19 employee benefits costs, which are not included in Trading Operations' charge-out rates).

11. Forecast

11.1 As previously reported the probable outturn is forecasting a £0.5m reduction in the level of contribution from general fund reserves as detailed in appendix 1.

11.2 This position will continue to be reviewed with the final position reported as part of the outturn for 2018/19.

12. Recommendations

12.1 The Committee is asked to note the contents of this report.

LIST of Attachments:

- Key Figures
- Council Tax Income
- Non Domestic Rates Income
- General Fund Summary
- Social Work Services Summary
- Detailed Service Reports

APPENDIX 1

GLASGOW CITY COUNCIL
BUDGET MONITORING

KEY FIGURES

PERIOD 12 - 1 April 2018 to 15 February 2019

Measure	Status (Under or Over Budget Profile)	Period 12	Probable
Council Tax Income	Ahead		+£3.5m
Council Tax Collection Rate	Ahead	+0.21%	
Non Domestic Rates Collection Rate	Ahead	+1.57%	
General Fund Net Expenditure	Over	+£2.2m	
<u>Service Departments:</u>			
Chief Executive's Office	On budget		On budget
Development and Regeneration Services	Over	+£1.4m	+£1.6m
Education Services	Over	+£0.3m	+£0.3m
Financial Services	On budget		-£0.1m
Financial Services – Benefit Payments	Under	-£0.2m	On budget
Financial Services – Scottish Welfare Fund	On budget		On budget
Neighbourhoods and Sustainability	Over	+£0.5m	+£0.4m
		+£2.0m	+£2.2m
Financing Costs			-£3.0m
Related Companies and Trading Operations			+£3.8m
Reduction in Contribution from General Fund Balances			+£0.5m
Probable Outturn			Nil
Social Work Services		+£1.8m	+£4.3m
<u>General Fund Balances</u>			
2018-19 Budget Contribution from Balances			£3.8m
Reduction in Contribution			£0.5m
Revised 2018-19 Contribution from Balances			£3.3m

Glasgow City Council

Budget Monitoring 2018/19

Revenues - Cash Collection

Period to 31 January 2019

Non Domestic Rates

Month	Actual Cash in Month £000	Actual Cash to Date £000	% of Cash Collected to Date %	Last Year Actual %	Comparison v Last Year %
April	34,992	34,992	9.05	7.43	1.62
May	33,032	68,024	17.65	17.15	0.50
June	29,639	97,663	25.49	24.17	1.32
July	27,899	125,562	33.04	31.76	1.28
August	30,394	155,956	41.15	40.01	1.14
September	52,049	208,005	54.99	47.42	7.57
October	35,609	243,614	64.69	62.95	1.74
November	28,903	272,517	72.51	71.95	0.56
December	30,512	303,029	80.68	80.09	0.59
January	29,715	332,744	88.95	87.38	1.57
February			0.00	95.44	
March			0.00	97.62	
Total Cash to be Collected		374,071			
Target collection in year (97.63%)		365,206			

GLASGOW CITY COUNCIL
2018/19 REVENUE BUDGET : MONITORING REPORT
GENERAL FUND SERVICE SUMMARY

PERIOD 12: 1 APRIL 2018 TO 15 FEBRUARY 2019

Original Annual Budget £000	Approved Changes £000	Revised Budget £000	Department	Total Expenditure		Total Income		Net Expenditure		Variance on Net Expenditure £000
				Actual	Budgeted	Actual	Budgeted	Actual	Budgeted	
				£000	£000	£000	£000	£000	£000	
92,014	-2,045	89,969	Chief Executive's Office	77,092	77,123	14,138	14,137	62,954	62,986	-32
34,922	-148	34,774	Development & Regeneration Services	257,768	254,258	123,704	121,607	134,064	132,651	1,413 OVER
528,777	15,779	544,556	Education Services	513,486	513,802	24,890	25,498	488,596	488,304	292 OVER
36,244	2,211	38,455	Financial Services	52,183	52,229	12,576	12,576	39,607	39,653	-46
78,470	0	78,470	Financial Services - Council Tax Reduction Scheme/Benefit Payments	377,601	377,757	246,978	246,978	130,623	130,779	-156
6,812	0	6,812	Financial Services - Scottish Welfare Fund	5,978	5,978	0	0	5,978	5,978	0
110,644	3,401	114,045	Neighbourhoods and Sustainability	148,197	148,126	47,150	47,634	101,047	100,492	555 OVER
107,562	-80	107,482	Related Companies and Joint Boards	100,898	100,898	1,272	1,272	99,626	99,626	0
-28,896	-3,562	-32,458	Specific Grant	0	0	32,458	32,458	-32,458	-32,458	0
966,549	15,556	982,105	TOTAL	1,533,203	1,530,171	503,166	502,160	1,030,037	1,028,011	2,026 OVER

Net Expenditure : Rate of Spend as Percentage of Budget to Date

	1 & 2	3	4	5	6	7	8	9	10	11	12
Percentage	-	100.2%	100.2%	100.2%	100.2%	-	100.2%	-	100.2%	-	100.2%

NEIGHBOURHOODS AND SUSTAINABILITY - MANAGED SERVICES SUMMARY

PERIOD 12: 1 APRIL 2018 TO 15 FEBRUARY 2019

Original Annual Budget £000	Approved Changes £000	Revised Budget £000	Committee/Department	Total Expenditure		Total Income		Net Expenditure		Variance on Net Expenditure
				Actual	Budgeted	Actual	Budgeted	Actual	Budgeted	
				£000	£000	£000	£000	£000	£000	
0	0	0	<u>Neighbourhoods and Sustainability</u> Public Analyst	2,432	2,200	2,432	2,200	0	0	0
0	0	0	TOTAL	2,432	2,200	2,432	2,200	0	0	0

Expenditure as a Percentage of Income to Date

	1 & 2	3	4	5	6	7	8	9	10	11	12
Percentage	-	100.0%	100.0%	100.0%	100.0%	-	100.0%	-	100.0%	-	100.0%

CITY OF GLASGOW COUNCIL
2018/19 REVENUE BUDGET : MONITORING REPORT
SOCIAL WORK SERVICES SUMMARY

PERIOD 12: 1 APRIL 2018 TO 15 FEBRUARY 2019

Original Annual Budget £000	Approved Changes £000	Revised Budget £000	Department	Total Expenditure		Total Income		Net Expenditure		Variance on Net Expenditure £000
				Actual	Budgeted	Actual	Budgeted	Actual	Budgeted	
				£000	£000	£000	£000	£000	£000	
405,132	4,007	409,139	Social Work Services	500,800	497,196	178,923	177,144	321,877	320,052	1,825 OVER
-13,691	0	-13,691	Specific Grant	0	0	10,917	10,917	-10,917	-10,917	0
0	0	0	Draw from IJB reserves	0	0	1,825	0	-1,825	0	-1,825
391,441	4,007	395,448	TOTAL	500,800	497,196	191,665	188,061	309,135	309,135	0

Net Expenditure : Rate of Spend as Percentage of Budget to Date

	1 & 2	3	4	5	6	7	8	9	10	11	12
Percentage	-	100.0%	100.0%	100.0%	100.0%	-	100.0%	-	100.0%	-	100.0%

DETAILED SERVICE STATEMENTS



Glasgow City Council

Education Services

**Joint Report by the Executive Director of Finance and the
Executive Director of Education Services.**

Contact: David McClelland – ext. 74573

Revenue Budget Monitoring: Period 12 - Education Services
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1. Introduction

This monitoring statement provides a summary of the financial performance of Education Services for the period 1 April 2018 to 15 February 2019.

The statement is based on information contained in the council's corporate financial system and includes accruals and adjustments in line with agreed financial policies.

The attached monitoring statements compare actual financial performance to date with the budgeted position.

2. Budget Changes

2.1 Prior to the end of period 10 the net expenditure budget had increased by £15,793,500. During periods 11 and 12 the net expenditure budget decreased by £14,200 the cumulative net expenditure budget has therefore increased by £15,779,000 to 15 February 2019.

2.2 The significant changes since period 10 are as follows

2.2.3 Income and expenditure budgets have increased by £0.828m to reflect additional funding from the Scottish Government in relation to West Partnership Regional Improvement Collaborative

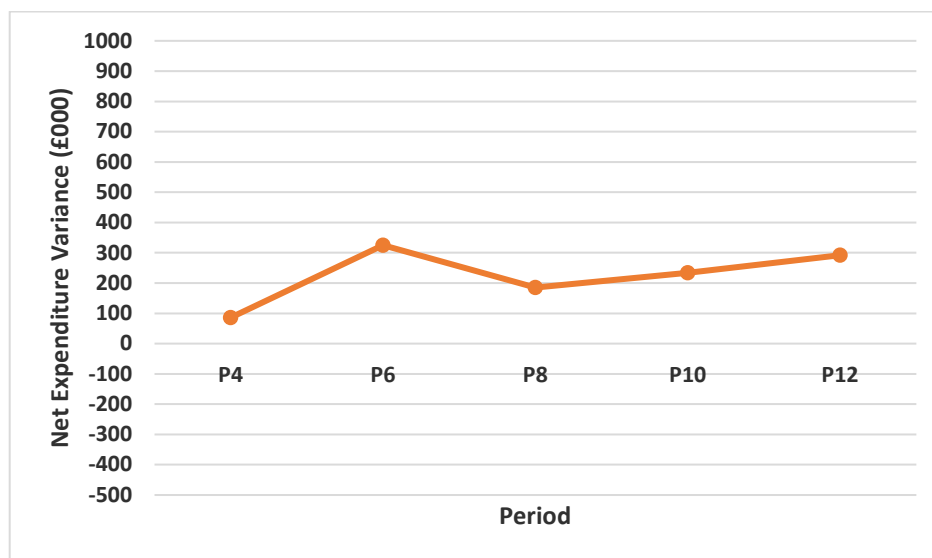
2.2.4 Income and expenditure budgets have increased by £0.157m to reflect additional funding in respect of various small grants from external sources.

2.3 In addition, there have been a number of budget transfers during the period to reflect service reconfigurations. Budget adjustments include changes approved under the delegated powers of the Executive Director of Finance.

3. Summary Position-

3.1 Gross expenditure is £316,000 less than budget and gross income is £608,000 less than budget. This results in net expenditure being £292,000 more than budget at period 12. This overspend is 0.06% of the overall phased budget. This reflects overspends in employee costs and Transport offset by savings in Additional Support for Learning external placements.

3.2 Variance Comparison



3.3 The 2018-19 budget includes approved savings of £1.828m. At this stage of the year, it is anticipated that actual savings will amount to £0.402m representing 22% of target. This is reflected in the overall financial position reported in this monitoring statement. The key areas of under-recovery are Early Years Income, LEAN and Blairvadach. Compensatory savings measures have been initiated elsewhere in the service.

4. **Reasons for Variances**

4.1 Within Education Services, the net variances are referenced in the table below.

Service Area	Net Variance Over/Under (-) £000	Impact on Net Expenditure from Previous Report
Support Services	739	↑
Early Years Service	-633	↓
Primary Schools	-368	↓
Secondary Schools	860	↑
Additional Support for Learning	-984	↓
Other Education Mainheads	678	↑

Note: An upward arrow indicates a deteriorating position and a downward arrow indicates an improving position.

A detailed analysis of variances is presented below.

4.2 **Support Services**

At period 12 the net overspend is £739,000. The main overspend is in employee costs and relates to the non-realisation of the mobile and advertising savings target within the prior years' transformation programme.

4.3 **Early Years**

The net underspend of £633,000 at period 12 is mainly represented by an underspend in salaries of £400,000 and £231,000 for partnership payments. There is also an underspend in supplies and services in relation to catering costs.

An under recovery of income for early years fees is partially offset by additional fee income relating to Nurture training, Early Years Milk Subsidy and cross boundary income, leaving a net under recovery of £57,000

4.4 **Primary**

There is a net underspend of £368,000 at period 12 arising from an underspend in supplies and services of £845,000 which is mainly due to catering within schools. There is also an over recovery in income of £248,000 linked to an improved position within school lets. This is partially offset by pressures in employees costs of £740,000 linked to teacher staffing and support staff costs.

The service continues to progress reforms to minimise the impact of rising pupil rolls on employee cost budgets as well as re-directing any available resources into this area.

4.5 **Secondary**

At period 12 the net overspend is £860,000. This is represented by an overspend in employee costs of £338,000 and a £394,000 overspend in Supplies and services, mainly attributable to payments to the Scottish Qualifications Authority for pupil examinations and Advanced Higher Hub.

There is also an under recovery in income of £179,000 due to under attainment of additional income targets.

4.6 **Additional Support for Learning (ASL)**

The net underspend of £984,000 at period 12 is represented by an underspend of £793,000 in pupil placements within external provision which continues the reducing trend from the previous year. In addition, employee costs show an underspend of £516,000, due to turnover within the sector. Other supplies & services underspend £158,000

This is partially offset by an overspend in transport costs of £284,000, linked to historic pressures around the home to school transport demands within the sector. There is also an under recovery in income of £204,000 in relation to pupil placements from other Local Authorities.

4.7 **Other Education Mainheads**

The net overspend of £679,000 to period 12 comprises £401,000 in employee costs arising from incremental drift and the lack of staff turnover. Income is under recovered by £270,000 due to the non realisation of savings. Measures have been identified in response to the target applied to Blairvadach Outdoor Education Centre. Projections indicate that the saving is not fully realisable without detriment to the delivery of the service and alternative measures are being sought to address the shortfall from elsewhere in Education.

5. **Action**

The Executive Director of Education Services continues to review the budget across all areas of the Service in conjunction with the Leadership Team to mitigate the budget pressures outlined in this report.

- Close scrutiny of primary and secondary staffing to ensure schools are staffed to entitlement, and taking appropriate action if not.
- Progressing savings initiatives
- Recruitment to posts by exception only
- Identifying further opportunities to secure external funding
- Adopting a targeted approach to improving attendance in those areas of the service affected by high levels of absence and cover.
- Reconfiguration of staffing within Early Years to align with the demand for extended day and extended year provision.
- Identifying opportunities for efficiencies through procurement.

6. **Forecast**

The senior management team will continue to address the financial pressures through a series of management actions to contain the level of overspend over the remainder of the year.

The probable outturn for 2018-19 has now been completed. Education Services is reporting an overspend of £0.308m. This position continues to be reviewed and will be updated through the normal monitoring process where any material change is identified during the remainder of the year.

**GLASGOW CITY COUNCIL
2018/19 REVENUE BUDGET: MONITORING REPORT**

**EDUCATION SERVICES
PERIOD 12 - 1 APRIL 2018 TO 15 FEBRUARY 2019**

EXPENDITURE TO DATE

Original Annual Budget	Approved Changes	Revised Budget	HEADING	Actual	Budget	Variance		
£000	£000	£000		£000	£000	£000	%	
2,719	98	2,817	Support Services	3,083	2,490	593	24	OVER
71,715	3,574	75,289	Early Years Service	64,177	64,867	-690	-1	UNDER
196,276	17,276	213,552	Primary Schools	190,478	190,598	-120	0	UNDER
200,401	4,592	204,993	Secondary Schools	191,090	190,409	681	0	OVER
62,943	1,365	64,308	Additional Support for Learning	51,709	52,898	-1,189	-2	UNDER
3,693	148	3,841	Schools - Other	3,946	3,238	708	22	OVER
3,255	0	3,255	Education Maintenance Allowance / Bursaries	1,914	1,914	0	0	
123	0	123	Gateway	123	123	0	0	
1,888	211	2,099	Education Improvement Services	1,652	1,951	-299	-15	UNDER
2,456	784	3,240	Education - Miscellaneous	2,350	2,350	0	0	
2,939	646	3,585	Vocational Training	2,964	2,964	0	0	
548,408	28,694	577,102	TOTAL GROSS EXPENDITURE	513,486	513,802	-316	0	UNDER

INCOME TO DATE

Original Annual Budget	Approved Changes	Revised Budget		Actual	Budget	Variance		
£000	£000	£000		£000	£000	£000	%	
198	0	198	Support Services	88	234	-146	0	UNDER
4,955	-137	4,818	Early Years Service	4,707	4,764	-57	-1	UNDER
3,242	6,976	10,218	Primary Schools	8,902	8,654	248	3	OVER
3,344	2,928	6,272	Secondary Schools	4,653	4,832	-179	-4	UNDER
2,151	1,295	3,446	Additional Support for Learning	1,798	2,003	-205	-10	UNDER
955	-59	896	Schools - Other	489	761	-272	0	UNDER
3,000	0	3,000	Education Maintenance Allowance / Bursaries	1,821	1,821	0	0	
0	0	0	Gateway	0	0	0	0	
1,786	138	1,924	Education Improvement Services	2,007	2,004	3	0	OVER
0	868	868	Education - Miscellaneous	40	40	0	0	
0	906	906	Vocational Training	385	385	0	0	UNDER
19,631	12,915	32,546	TOTAL DEPARTMENTAL INCOME	24,890	25,498	-608	-2	UNDER
528,777	15,779	544,556	DIRECT NET EXPENDITURE	488,596	488,304	292	0	OVER
28,896	3,562	32,458	Specific Government Grant	32,458	32,458	0	0	
499,881	12,217	512,098	ADJUSTED SERVICE NET EXPENDITURE	456,138	455,846	292	0	OVER



Glasgow City Council

Glasgow City Health and Social Care Partnership

**Joint Report by the Executive Director of Finance and the
Chief Officer, Glasgow Health and Social Care Partnership**

Contact: Sharon Wearing - ext 78838

**Budget Monitoring: 2018/19 Period 12
– Social Work Services**

1. Introduction

- 1.1 This monitoring statement provides a summary of the financial performance of **Social Work Services** for the period 1 April 2018 to 15 February 2019.

The statement is based on information contained in the council's corporate financial system and includes accruals and adjustments in line with agreed financial policies.

The attached monitoring statements compare actual financial performance to date with the budgeted position.

- 1.2 The Glasgow City Integration Joint Board (IJB) is now responsible for the planning and commissioning of health and social care services in the city. While the financial position of Social Work Services continues to be monitored through the Council's existing reporting structures the overall financial position is now the responsibility of the IJB and is therefore reported separately from the General Fund.

The Reserves policy of the IJB has resulted in the transfer of previous year underspends to IJB reserves to mitigate any ongoing or future budget pressures. The IJB uncommitted reserve balance is currently £7.4m.

2. Budget Changes

- 2.1 Prior to the end of period 10 the net expenditure budget had increased by £3,039,000. During periods 11 and 12 the net expenditure budget has increased by £968,000. The cumulative net expenditure budget has therefore increased by £4,007,000 to 15 February 2019.

- 2.2 The significant changes since period 10 are as follows:

- 2.2.1 In Period 12 Children & Families budgets were increased by a total of £987,000 due to Integrated Grand Fund (IGF) budget transferred from Chief Executives.

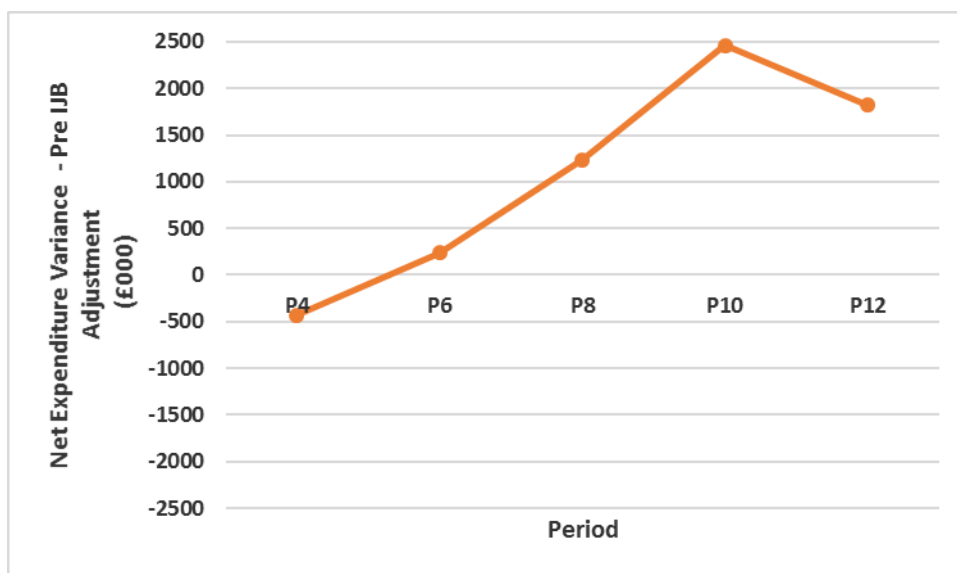
- 2.2.2 In addition, there have been a number of budget transfers during the period to reflect service reconfigurations. Budget adjustments include changes approved under the powers of the Executive Director of Finance.

3. Summary Position

3.1 Gross expenditure is £3,604,000 (0.72%) more than budget and income is £1,779,000 (1.00%) more than budget, giving net expenditure of £1,825,000 (0.6%) more than budget. This overspend is mainly within Homecare Services in Older People and is reflective of costs of services which have transferred from Cordia LLP. There are also overspends within Older People Services and Adult Services for care home places and care packages, which is offset by an underspend in Children and Families as a result of early delivery of transformation savings.

£2,370,000 of this overspend is in relation to services which have transferred from Cordia LLP. The IJB has agreed to fund the budget shortfall in 2018/19 on a 50/50 basis with the Council, with the IJB's share coming from reserves. Scottish Government funding for Housing First is being pursued within Homelessness. The remaining overspend can be contained within the IJB's overall financial position and has no net impact on the Council's overall financial position.

3.2 Variance Comparison



3.3 The 2018-19 budget includes approved savings of £10.630m. At this stage of the year, it is anticipated that actual savings will amount to £8.716m representing 82% of target. This is linked to the delivery of a saving in purchased services in Learning Disability and care home placements within Older People. Demand for these services in 2018/19 is impacting on the ability to deliver these savings.

Further scrutiny of the financial position, including authorisations, reviews and transitions from Children and Family, Adults and Older People is currently underway.

This is reflected in the overall financial position reported in this monitoring statement.

4. Reasons for Budget Variances

4.1 Within Social Work Services, the net variances are referenced in the table below.

Service Area	Net Variance Over/Under (-) £000	Impact on Net Expenditure from Previous Report
Adults	2,495	↑
Older People/Physical Disability	4,754	↑
Children and Families	-5,555	↓
Criminal Justice	-71	↓
Resources	202	↓

4.2 Adults Services

There is a net overspend of £2,495,000

The main area of overspend is within Purchased Care Services for Learning Disability clients (£2,223,000 overspend) and reflects current demand for services.

Within Homelessness, Housing First is overspending by £925,000 and Scottish Government funding is being pursued for this.

These overspends are partly offset by underspends in Employee Costs in Addiction Services (£406,000 underspend, due mainly to delays in the recruitment process) and Homelessness (£554,000 underspend due to a number of staff being on salary points lower than that budgeted for). This will diminish over time as staff move through the salary scales.

4.3 Older People/Physical Disability

There is a net overspend of £4,754,000

Purchased Care Homes is overspent by £2,870,000 within Older People due to increased placements and lower than forecast discharges. This is offset mainly by underspend in other Purchased Care Services £2,488,000. Purchased Care Services within Physical Disability is overspent by £308,000.

Employee costs are overspent within Older People £1,603,000 mainly in Area Services Fieldwork £700,000 due to lower than expected levels of staff turnover and in Residential £1,132,000 mainly due to Agency and Overtime.

Homecare Services is also overspent £2,276,000 and is reflective of the costs of services which have transferred from Cordia LLP.

4.4 Children and Families

There is a net underspend of £5,555,000

Work continues in support of the Transformation Programme. The movement in Residential School placement numbers is a reduction of 16 since 1st April. At period 12 the underspend is £1,550,000. The full year projected underspend is £1,680,000. Purchased placements is also underspending by £1,710,000 with a full year projected underspend of £1,860,000.

In other areas within Children & Families, there are underspends in provided Foster care due to reducing placement numbers £940,000, Shared Care & Community Respite £240,000, and Purchased Care Services £610,000. This is partially offset by an overspend in Transport £213,000 mainly in respect of young people in care being taken for contact visits with family or to school, and an overspend in Direct Assistance (£917,000) mainly related to Section 29 Payments to Care Leavers.

There is an over-recovery in income of £892,000 mainly in respect of UASC (Unaccompanied Asylum Seeker Children £450,000) income from the Home Office, and over recovery of income in respect of secondments, recovery of Fostering and Kinship overpayments, and income from the Family Rights Group

Employee costs is underspent by £1,541,000 mainly due to vacancies in Social Worker posts, which is partially offset by overtime in the residential units required for absence cover.

Property costs is overspent by £623,000 related in the main to the part year delivery of the saving in terminating the lease for Stanley Street, and City Building repairs in respect of the provided residential units.

4.5 Resources

There is a net overspend of £202,000 which in the main is in relation to support services which have transferred from Cordia. Additional investment is required in infrastructure to support service delivery.

5 Action

The Chief Officer continues to manage and review the budget across all areas of the Service in conjunction with the leadership team.

6 Conclusion

The probable outturn for 2018-19 has now been completed. Social Work Services is reporting a net overspend of £4.320m, £3.230m of which relates to the IJB's 50% contribution to the budget shortfall in services which have transferred from Cordia and £1.548m relates to funding awaited for Housing First. This position continues to be reviewed and will be updated through the normal monitoring process where any material change is identified during the remainder of the year.

GLASGOW CITY COUNCIL
2018/19 REVENUE BUDGET: MONITORING REPORT
SERVICE SUMMARY

SOCIAL WORK SERVICES
PERIOD 12 - 1 APRIL 2018 TO 15 FEBRUARY 2019

EXPENDITURE TO DATE

Original Annual Budget	Approved Changes	Revised Budget	HEADING	Actual	Budget	Variance	%	
£000	£000	£000		£000	£000	£000		
177,559	2,366	179,925	Adults	152,831	150,540	2,291	2	OVER
224,671	-36	224,635	Older People/Physical Disability	197,065	191,347	5,718	3	OVER
139,488	-2,582	136,906	Children and Families	114,150	118,809	-4,659	-4	UNDER
14,929	2,868	17,797	Criminal Justice	13,802	13,879	-77	-1	UNDER
23,250	16,298	39,548	Resources	22,952	22,621	331	1	OVER
579,897	18,914	598,811	TOTAL EXPENDITURE	500,800	497,196	3,604	1	OVER

INCOME TO DATE

Original Annual Budget	Approved Changes	Revised Budget		Actual	Budget	Variance	%	
£000	£000	£000		£000	£000	£000		
79,142	-49,143	29,999	Adults	23,542	23,746	-204	-1	UNDER
41,495	-23,401	18,094	Older People/Physical Disability	14,870	13,906	964	7	OVER
2,040	148	2,188	Children and Families	2,017	1,121	896	80	OVER
2,856	2,090	4,946	Criminal Justice	4,557	4,563	-6	0	UNDER
49,232	85,213	134,445	Resources	133,937	133,808	129	0	OVER
174,765	14,907	189,672	TOTAL INCOME	178,923	177,144	1,779	1.00	OVER
405,132	4,007	409,139	NET EXPENDITURE	321,877	320,052	1,825	1	OVER
13,691	0	13,691	Specific Grant	10,917	10,917	0		
391,441	4,007	395,448	REVISED NET EXPENDITURE	310,960	309,135	1,825	1	OVER
0	0	0	Draw from IJB reserves	-1,825	0	-1,825		
391,441	4,007	395,448	FINAL NET EXPENDITURE	309,135	309,135	0		



**Glasgow City Council
Neighbourhoods and Sustainability**

**Joint Report by the Executive Director of Finance and the Executive
Director of Neighbourhoods and Sustainability**

Contact: Lorna Goldie - Ext 74367

Budget Monitoring: Period 12 – Neighbourhoods and Sustainability

1. Introduction

This monitoring statement provides a summary of the financial performance of **Neighbourhoods and Sustainability** including **Area Operations, Transport Trading Operations and Managed Services** for the period from 1 April to 15 February 2019.

It is based on information contained in the Council's corporate financial system and includes accruals and adjustments in line with agreed financial policies.

The attached monitoring statements compare actual financial performance to date with the budgeted position.

2. Budget Changes

- 2.1 Prior to the end of period 10 the net expenditure budget had increased to £114,017,000. During periods 11 and 12 the net expenditure budget increased by £28,000. The cumulative net expenditure budget is £114,045,000 to 15 February 2019.
- 2.2 Income budgets have been decreased by £25,000 to reflect Scottish Government funding for Free Child Burials.
- 2.3 In addition there have been a number of budget transfers during periods 11 and 12 to reflect service reconfigurations. Budget adjustments include changes approved under the delegated powers of the Executive Director of Finance.

Area Operations Trading Operation

There is no movement in net expenditure budget to Period 12. The net budgeted surplus remains at £907,000 at 15th February, 2019. There was a further realignment of £1,000,000 in expenditure and income to reflect the revenue investment in streets.

Transport Trading Operation

There was no change in the net expenditure budget to Period 12. The net budgeted surplus remains at £696,000 at 15th February, 2019.

Managed Services

There is no movement in net expenditure budget to Period 12. The net budgeted surplus remains at £0 at 15th February, 2019.

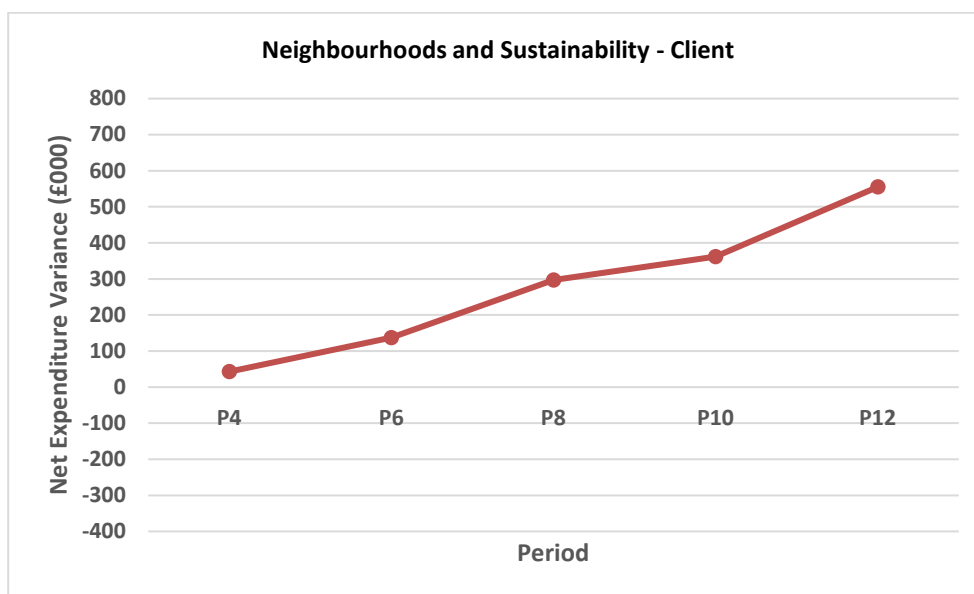
3. Summary Position

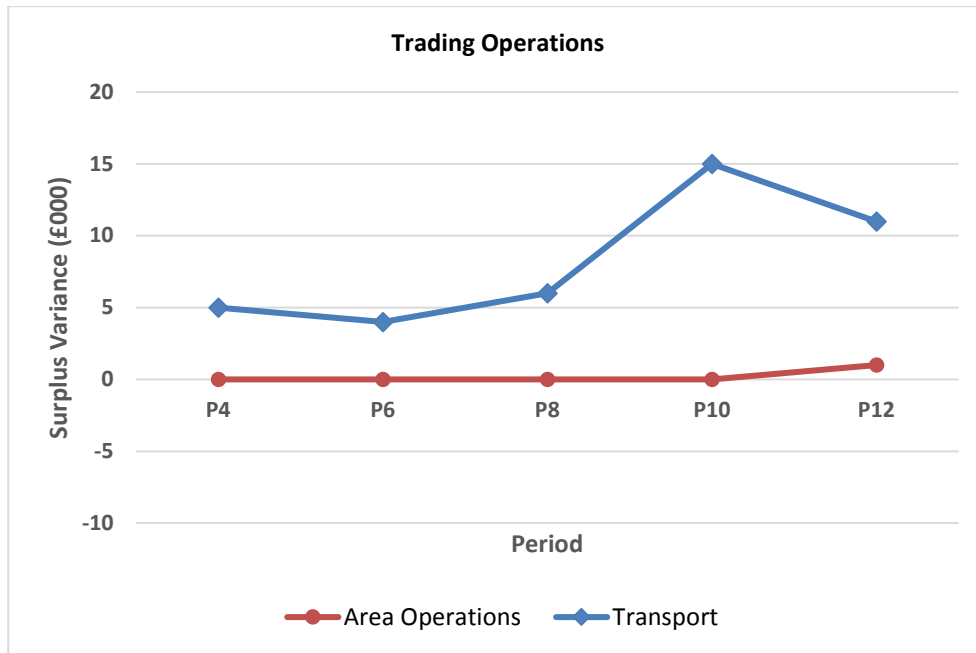
- 3.1 The 2018-19 budget includes approved savings of £4.625m. At this stage of the year, it is anticipated that actual savings will amount to £3.426m representing 74% of target. The drop in the recovery rate of the savings is due to the increases in parking charges within the City Centre zone, which has failed to maintain the expected levels of income recovery, coupled with the delay in implementing Sunday parking. Both these options are partially offset by an over-recovery in the outer zones.
- 3.2 The recovery in relation to the Glass Collection contract extension, has resulted in a cost pressure and not a saving. There are also issues identifying additional LEAN and income maximisation savings.
- 3.3 Gross expenditure is £71,000 more than budget and gross income is £484,000 less than budget. This results in net expenditure being £555,000 more than budget at period 12. This overspend is 0.6% of the overall phased budget.

The Area Trading operation is reporting a surplus of £690,000. The transport trading operation is reporting a surplus of £602,000.

The Managed Service is reporting a breakeven position.

3.4 Variance Comparison





4. Reasons for Variances

4.1 Within Neighbourhoods and Sustainability, the net variances are referenced in the table below.

Service Area	Net Variance Over/Under (-) £000	Impact on Net Expenditure from Previous Report
Clean Glasgow Projects	1	↑
Project Management & Design	-182	↑
Environmental Services	-496	↓
Public Toilets	-6	↓
Refuse Collection	1,208	↑
Street Cleansing	-865	↓
Disposal Service	835	↑
Parking	962	↑
Parks & Open Spaces	-443	↓
Bereavement Services	201	↑
Roads Operations	-360	↓
Traffic	-169	↓
Trading Standards	-131	↓

Trading Operation	Surplus Variance Over/Under(-) £000	Impact on Surplus from Previous Report
Area Operations	1	↓
Transport	11	↑

Note: An upward arrow indicates a deteriorating position and a downward arrow indicates an improving position.

A detailed analysis of variances is presented below

4.2 **Neighbourhoods and Sustainability – Client**

4.3 **Project Management and Design** has a net underspend of £182,000. This is due to an over-recovery of income associated with a higher number of chargeable hours due to the number of projects.

4.4 **Environmental Services** has a net underspend of £496,000. In the main this is due to an over recovery of income from private organisations.

4.5 **Refuse Collection** has a net overspend of £1,208,000. This mainly relates to an under-recovery of income of £1,297,000. LES have completed the rollout of the Trade Waste procedures. The service will now be focusing on reducing the cost base across fleet and labour to help mitigate any under recovery in income. There has been a reduction in the number of commercial clients which has resulted in further budgetary pressures in year. Many of these are moving to national frameworks for facilities management services.

4.6 **Street Cleansing** has a net under spend of £865,000, this mainly relates to levels of turnover and a lower level of bin repairs due to the bin replacement programme and expenditure controls.

4.7 **Waste Disposal** has a net overspend of £835,000. Income is showing an under-recovery of £1,821,000 mainly relating to an under recovery of commercial income and recycling income, resulting from a downturn in the global recycling market. This is partially offset by an underspend of £1,056,000 relating to supplies and third party payments across the division. There is also an underspend of £215,000 on premises costs associated with Cathkin. The movement in overspend is caused by the incremental effect of the pressures within bulk and paper.

4.8 **Parking** has a net overspend of £962,000. Income is under-recovered by £740,000. The number of chargeable minutes within city centre zones has fallen. There have also been a significant drop in the people who are parking for between 2-4 hours. This has been partially offset against higher parking income in the outwith centre zones, which have been brought in a phased implementation across the current financial year. There

is also an under-recovery in income relating to Bus Lane enforcement. There is an overspend of £202,000 on supplies in relation the RingGo service charge of £122,000 and the £67,000 costs in relation to changing parking signage.

4.9 **Bereavement Services** has a net overspend of £201,000. This mainly relates to an under-recovery of income of £144,000, mainly in relation to memorials.

4.10 **Roads Operations** has a net underspend of £360,000. The pressure associated with street lighting power through historic tariff increases has been offset by underspends in employee costs through vacancy management and an underspend relating to the current work programme.

4.11 **Parks & Open Spaces** has a net under spend of £443,000. This mainly relates to an over recovery of income due to various events, partly offset by overspends on the costs associated with these events and some unanticipated property repairs.

4.12 **Area Operations Trading Operation**

The actual surplus at Period 12 is £1,000 more than the budgeted surplus. Expenditure is underspent mainly due to the current work programme and expenditure controls, which is reflected in decreased income.

4.13 **Transport Trading Operation**

The surplus at Period 12 is £11,000 more than the budgeted surplus. Expenditure is overspent by £83,000 and income is over recovered by £94,000; an overspend on fuel, in the main due to price increases, is fully rechargeable to customers.

4.14 **Managed Services**

The actual net expenditure is in line with budget at Period 12.

5. **Action**

Vacancy management and strict management controls over expenditure will continue throughout 2018/19 in order to meet budgeted targets.

Energy costs relating to street lighting and pressures relating to income and the global downturn in the recycling market will continue to be managed within the context of the overall budget through 2018/19.

6 **Forecast**

The probable outturn for 2018-19 has now been completed.

6.1 **Neighbourhoods and Sustainability Client**

Neighbourhoods and Sustainability Client was reporting an overspend of £0.410m. The continued reduction in parking levels coupled with the global downturn in recycling and a fall in commercial income will place further pressure on this position.

6.2 **Area Operations Trading Operation**

Area Operations Trading Operation is reporting a surplus of £0.917m, £0.010m higher than the budgeted surplus.

6.3 Transport Trading Operation

Transport trading operation was reporting a surplus of £0.725m, £0.028m higher than the budgeted surplus. However this will now be more in line with the budgeted surplus due to emergency repairs required within the MOT bay.

6.4 Managed Services

Managed Services is reporting a break even position, in line with the budget position for the year.

This position continues to be reviewed and will be updated through the normal monitoring process.

GLASGOW CITY COUNCIL
2018/19 REVENUE BUDGET: MONITORING REPORT

NEIGHBOURHOODS AND SUSTAINABILITY
PERIOD 12: 1 April to 15 February 2019

EXPENDITURE TO DATE

Original Annual Budget	Approved Changes	Revised Budget	HEADING	Actual	Budget	Variance			
£000	£000	£000		£000	£000	£000	%		
133	0	133	Business Support	92	113	-21	-19		UNDER
2,375	0	2,375	Clean Glasgow Projects	2,271	2,270	1	0		OVER
4,862	78	4,940	Project Management & Design	4,018	4,113	-95	-2		UNDER
6,345	168	6,513	Environmental Services	6,941	5,572	1,369	25		OVER
427	1	428	Public Toilets	423	425	-2	0		UNDER
28,395	992	29,387	Refuse Collection	25,733	25,822	-89	0		UNDER
19,408	-100	19,308	Street Cleansing	16,059	16,945	-886	-5		UNDER
41,098	2,931	44,029	Disposal Service	37,981	38,967	-986	-3		UNDER
2,030	-92	1,938	Parking	1,591	1,369	222	16		OVER
26,099	44	26,143	Parks & Open Spaces	23,460	23,210	250	1		OVER
3,031	104	3,135	Bereavement Services	2,858	2,801	57	2		OVER
20,487	-7	20,480	Roads Operations	18,104	18,261	-157	-1		UNDER
8,554	-6	8,548	Traffic	7,597	7,173	424	6		OVER
1,236	0	1,236	Trading Standards	1,069	1,085	-16	-1		UNDER
164,480	4,113	168,593	TOTAL GROSS EXPENDITURE	148,197	148,126	71	0		OVER

INCOME TO DATE

Original Annual Budget	Approved Changes	Revised Budget		Actual	Budget	Variance			
£000	£000	£000		£000	£000	£000	%		
133	0	133	Business Support	92	113	-21	-19		UNDER
0	0	0	Clean Glasgow Projects	0	0	0			
3,011	0	3,011	Project Management & Design	2,689	2,602	87	3		OVER
427	75	502	Environmental Services	2,218	353	1,865	528		OVER
0	0	0	Public Toilets	4	0	4			OVER
6,131	-1,400	4,731	Refuse Collection	2,712	4,009	-1,297	-32		UNDER
200	0	200	Street Cleansing	148	169	-21	-12		UNDER
6,540	0	6,540	Disposal Service	3,905	5,726	-1,821	-32		UNDER
21,685	1,000	22,685	Parking	19,002	19,742	-740	-4		UNDER
6,043	0	6,043	Parks & Open Spaces	6,242	5,549	693	12		OVER
4,118	275	4,393	Bereavement Services	3,525	3,669	-144	-4		UNDER
1,018	562	1,580	Roads Operations	1,663	1,460	203	14		OVER
4,495	200	4,695	Traffic	4,806	4,213	593	14		OVER
35	0	35	Trading Standards	144	29	115	397		OVER
53,836	712	54,548	TOTAL DEPARTMENTAL INCOME	47,150	47,634	-484	-1		UNDER
110,644	3,401	114,045	DIRECT NET EXPENDITURE	101,047	100,492	555	1		OVER
0	0	0	Specific Government Grant	0	0	0	0		
110,644	3,401	114,045	ADJUSTED SERVICE NET EXPENDITURE	101,047	100,492	555	1		OVER

GLASGOW CITY COUNCIL

2018/19 REVENUE BUDGET: MONITORING REPORT

AREA OPERATIONS TRADING OPERATION

PERIOD 12: 1 April to 15 February 2019

Original Business Plan	Approved Variations	Revised Business Plan		Actual To Date	Budget To Date	Variance (-under) (over)		Surplus / Deficit (-) as % of Budget to date	
								Period	%
£000	£000	£000		£000	£000	£000	%	02	100%
78,221	2,000	80,221	Operating costs	70,156	70,272	-116	0	03	100%
87	0	87	Capital Financing costs	77	77	0	0	04	100%
								05	100%
78,308	2,000	80,308	Total Expenditure	70,233	70,349	-116	0	06	100%
								07	-
								08	100%
79,215	2,000	81,215	Income	70,923	71,038	-115	0	09	-
								10	100%
								11	-
907	0	907	SURPLUS / DEFICIT (-)	690	689	1	0	12	100%

GLASGOW CITY COUNCIL

2018/19 REVENUE BUDGET: MONITORING REPORT

TRANSPORT TRADING OPERATIONS

PERIOD 12: 1 April to 15 February 2019

Original Business Plan	Approved Variations	Revised Business Plan		Actual To Date	Budget To Date	Variance (-under) (over)		Surplus / Deficit (-) as % of Budget to date	
								Period	%
£000	£000	£000		£000	£000	£000	%	02	96%
30,246	-1,486	28,760	Operating costs	24,263	24,180	83	0	03	96%
0	0	0	Cost Of Use of Assets	0	0	0		04	103%
								05	101%
								06	100%
30,246	-1,486	28,760	Total Expenditure	24,263	24,180	83	0	07	-
								08	102%
								09	-
30,942	-1,486	29,456	Income	24,865	24,771	94	0	10	103%
								11	-
696	0	696	SURPLUS / DEFICIT (-)	602	591	11	2	12	102%

**CITY OF GLASGOW COUNCIL
2018/19 REVENUE BUDGET: MONITORING REPORT**

**SCIENTIFIC SERVICES - MANAGED SERVICES
PERIOD 12: 1 April to 15 February 2019**

EXPENDITURE TO DATE

Original Annual Budget	Approved Changes	Revised Budget	HEADING	Actual	Budget	Variance		
£000	£000	£000		£000	£000	£000	%	
2,871	0	2,871	Scientific Services	2,432	2,200	232	11	OVER
2,871	0	2,871	TOTAL GROSS EXPENDITURE	2,432	2,200	232	11	OVER

INCOME TO DATE

Original Annual Budget	Approved Changes	Revised Budget	HEADING	Actual	Budget	Variance		
£000	£000	£000		£000	£000	£000	%	
2,871	0	2,871	Scientific Services	2,432	2,200	232	11	OVER
2,871	0	2,871	TOTAL DEPARTMENTAL INCOME	2,432	2,200	232	11	OVER
0	0	0	DIRECT NET EXPENDITURE / Net Income (-)	0	0	0		
0	0	0	Specific Government Grant	0	0	0		
0	0	0	REVISED NET EXPENDITURE / Net Income (-)	0	0	0		



Glasgow City Council

Financial Services

Report by the Executive Director of Finance

Contact: Colin McGuire – ext 74565

Budget Monitoring: Period 12 - Financial Services
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1. Introduction

This monitoring statement provides a summary of the financial performance of **Financial Services** for the period 1 April 2018 to 15 February 2019.

The statement is based on information contained in the council's corporate financial system and includes accruals and adjustments in line with agreed financial policies.

The attached monitoring statements compare actual financial performance to date with the budgeted position.

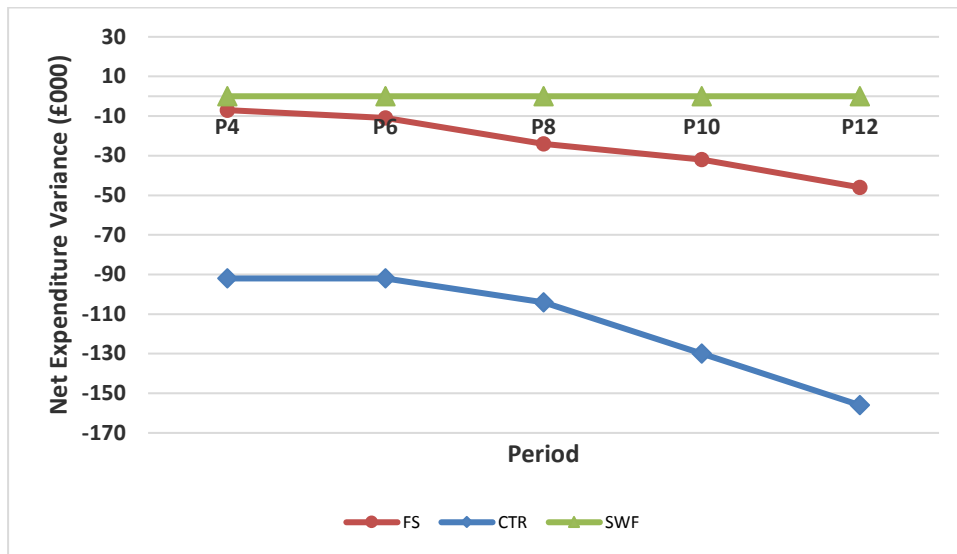
2. Budget Changes

- 2.1 Prior to the end of period 10 the net expenditure budget had increased by £2,193,700. During periods 11 and 12 the net expenditure budget increased by £17,300. The cumulative net expenditure budget has therefore increased by £2,211,000 to 15 February 2019.
- 2.2 The budget changes since period 10 have been to reflect service reconfigurations. Budget adjustments include changes approved under the delegated powers of the Executive Director of Finance.

3. Summary Position

- 3.1 Gross expenditure is £46,000 less than estimate and income is on line. This results in departmental net underspend of £46,000 (0.1%) to date.
- 3.2 Financial Services is also responsible for benefit payments, including related income streams, and Council Tax Reduction. Council Tax Reduction expenditure is currently £156,000 (0.2%) underspent.
- 3.3 Financial Services is also responsible for ring-fenced funds, including the Scottish Welfare Fund. The Scottish Welfare Fund is currently reporting spend of £5,978,000 which is on line with budget.
- 3.4 Overall the Financial Services Department shows a net underspend of £202,000 or 0.1% of the net budget to date.

3.5 Variance Comparison



3.6 The 2018-19 budget includes approved savings of £2.358m. At this stage of the year, it is anticipated that actual savings will amount to £2.358m representing 100% of target. This is reflected in the overall financial position reported in this monitoring statement.

4. Reasons for Variances

4.1 Within Financial Services, the net variances are referenced in the table below.

Service Area	Net Variance Over/Under (-) £000	Impact on Net Expenditure from Previous Report
Financial Inclusion	-18	↓
Customer & Business Services	-28	↓
Council Tax Reduction	-156	↓

Note: An upward arrow indicates a deteriorating position and a downward arrow indicates an improving position.

A detailed analysis of variances is presented below.

4.2 **Customer & Business Services and Financial Inclusion**

The net underspend of £46,000 is due to an underspend in employee costs due to staff turnover.

4.3 **Council Tax Reduction**

Within Council Tax Reduction Scheme and Benefits payments, more accurate real time information is being received from HMRC leading to a negative impact on the amount of Council Tax Reduction awarded.

5. **Action**

No action is required at this stage.

6. **Forecast**

The probable outturn for 2018-19 has now been completed. Financial Services Department is reporting an underspend of £0.055m. The probable outturn for Council Tax Reduction and Benefits is projected to break even since it is anticipated that there will be an overspend in Discretionary Housing Payments later in the year which will be offset by Council Tax Reduction underspends.

This position continues to be reviewed and will be updated through the normal monitoring process where any material change is identified during the remainder of the year.

**GLASGOW CITY COUNCIL
2018/19 REVENUE BUDGET: MONITORING REPORT**

**FINANCIAL SERVICES
PERIOD 12: 1 APRIL 2018 TO 15 FEBRUARY 2019**

EXPENDITURE TO DATE

Original Annual Budget	Approved Changes	Revised Budget	HEADING	Actual	Budget	Variance		
£000	£000	£000		£000	£000	£000	%	
8,644	-58	8,586	Financial Strategy & Management	7,611	7,611	0	0	
1,258	33	1,291	Audit & Inspection	1,142	1,142	0	0	
5,550	100	5,650	Support Services	3,751	3,751	0	0	
2,887	340	3,227	Assessor & E.R.O.	2,827	2,827	0	0	
3,146	0	3,146	Strathclyde Pension Fund Office	2,648	2,648	0	0	
1,511	2,035	3,546	Financial Inclusion	1,860	1,878	-18	-1	UNDER
38,543	267	38,810	Customer & Business Services	32,344	32,372	-28	0	UNDER
61,539	2,717	64,256	TOTAL DEPARTMENTAL EXPENDITURE	52,183	52,229	-46	0	UNDER

INCOME TO DATE

Original Annual Budget	Approved Changes	Revised Budget		Actual	Budget	Variance		
£000	£000	£000		£000	£000	£000	%	
7,120	-51	7,069	Financial Strategy & Management	4,981	4,981	0	0	
172	0	172	Audit & Inspection	135	135	0	0	
2,565	0	2,565	Support Services	1	1	0	0	
451	0	451	Assessor & E.R.O.	450	450	0	0	
4,283	0	4,283	Strathclyde Pension Fund Office	30	30	0	0	
843	0	843	Financial Inclusion	599	599	0	0	
9,861	557	10,418	Customer & Business Services	6,380	6,380	0	0	
25,295	506	25,801	TOTAL DEPARTMENTAL INCOME	12,576	12,576	0	0	
36,244	2,211	38,455	DIRECT DEPARTMENTAL NET EXPENDITURE	39,607	39,653	-46	0	UNDER
0	0	0	Specific Government Grant	0	0	0		
36,244	2,211	38,455	ADJUSTED DEPARTMENTAL NET EXPENDITURE	39,607	39,653	-46	0	UNDER

COUNCIL TAX REDUCTION SCHEME/BENEFIT PAYMENTS

EXPENDITURE TO DATE

322,347	0	322,347	Housing Benefit Payments	301,022	301,022	0	0	
9,201	0	9,201	Discretionary Housing Payments	9,201	9,201	0	0	
68,269	0	68,269	Council Tax Reduction	67,378	67,534	-156	0	UNDER
399,817	0	399,817	TOTAL BENEFIT EXPENDITURE	377,601	377,757	-156	0	UNDER

INCOME TO DATE

321,347	0	321,347	Housing Benefit Payments	246,978	246,978	0	0	
321,347	0	321,347	TOTAL BENEFIT INCOME	246,978	246,978	0	0	
78,470	0	78,470	COUNCIL TAX REDUCTION SCHEME/BENEFIT PAYMENTS NET EXPENSE	130,623	130,779	-156		UNDER

RING-FENCED FUNDS

6,812	0	6,812	Scottish Welfare Fund	5,978	5,978	0	0	
121,526	2,211	123,737	ADJUSTED SERVICE NET EXPENDITURE	176,208	176,410	-202	0	UNDER



Glasgow City Council

Chief Executive's Office

Joint Report by the Executive Director of Finance and the Chief Executive

Contact: Colin McGuire – ext 74565

Budget Monitoring: Period 12 – Chief Executive's Office

1. Introduction

This monitoring statement provides a summary of the financial performance of the **Chief Executive's Office** for the period 1 April 2018 to 15 February 2019.

The monitoring statement is based on information contained in the council's corporate financial system and includes accruals and adjustments in line with agreed financial policies.

The attached monitoring statements compare actual financial performance to date with the budgeted position.

2. Budget Changes

2.1 Prior to the end of period 10 the net expenditure budget has decreased by £1,150,600. During periods 11 and 12 the net expenditure budget has decreased by £894,400. The cumulative net expenditure budget has therefore decreased by £2,045,000 to 15 February 2019.

2.2 The significant changes since period 10 are as follows:

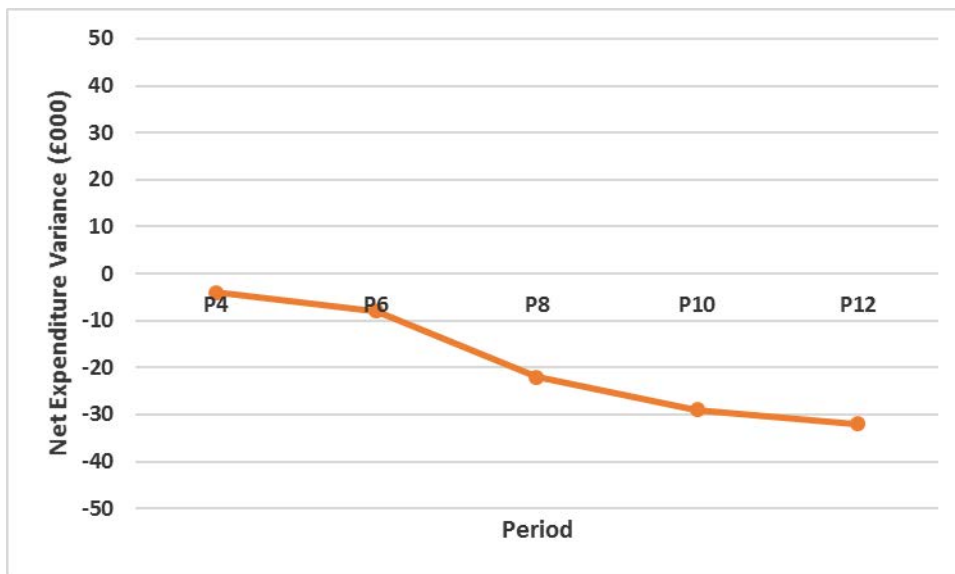
2.2.1 Expenditure budgets have decreased by £987,000 to reflect the transfer of budget to Social Work Services in respect of the Early Intervention and Resilience programme

2.3 There have been a number of budget transfers during the period to reflect service reconfigurations. Budget adjustments include changes approved under the delegated powers of the Executive Director of Finance.

3. Summary Position

3.1 Gross expenditure is £31,000 less than budget and income is £1,000 over-recovered. This results in a net underspend of £32,000 to date. The underspend is mainly due to underspends in supplies and services across the service.

3.2 Variance Comparison



3.3 The 2018-19 budget includes approved savings of £2.191m. At this stage of the year, it is anticipated that actual savings will amount to £2.191m representing 100% of target. This is reflected in the overall financial position reported in this monitoring statement.

4. Reasons for Variances

4.1 Within Chief Executive's Office, the net variances are referenced in the table below:

Service Area	Net Variance Over/Under (-) £000	Impact on Net Expenditure from Previous Report
Community Empowerment Services	-19	↓
Governance	-20	↓
Human Resources	20	↑
Other Chief Executive's Office Divisions	-13	-

Note: An upward arrow indicates a deteriorating position and a downward arrow indicates an improving position.

A detailed analysis of variances is presented below:

4.2 **Community Empowerment Services and Governance**

The net underspend of £19,000 for Community Empowerment Services and £20,000 for Governance to period 12 is mainly due to underspends within employee costs.

4.3 **Human Resources**

The net overspend of £20,000 in Human Resources is due to overspends in employee costs due to a lower than budgeted level of attrition for these divisions.

4.4 **Other Chief Executive's Office Divisions**

The net underspend to period 12 of £13,000 is mainly due to underspends in supplies and services across the division.

5. **Action**

No action is required at this stage.

6. **Forecast**

The probable outturn for 2018-19 has now been completed. Chief Executive's Office is reporting an underspend of £0.038m. This position continues to be reviewed and will be updated through the normal monitoring process where any material change is identified during the remainder of the year

**GLASGOW CITY COUNCIL
2018/19 REVENUE BUDGET: MONITORING REPORT**

**CHIEF EXECUTIVE'S OFFICE
PERIOD 12: 1 APRIL 2018 TO 15 FEBRUARY 2019**

EXPENDITURE TO DATE

Original Annual Budget	Approved Changes	Revised Budget	HEADING	Actual	Budget	Variance			
£000	£000	£000		£000	£000	£000	%		
5,282	315	5,597	Chief Executive's Office	4,528	4,535	-7	0		UNDER
40,743	-3,486	37,257	Community Empowerment Services	26,131	26,150	-19	0		UNDER
6,639	422	7,061	Legal & Administration	6,201	6,208	-7	0		UNDER
1,151	2	1,153	Governance	1,060	1,080	-20	-2		UNDER
3,925	274	4,199	Human Resources	3,799	3,779	20	1		OVER
1,434	156	1,590	Procurement	1,529	1,516	13	1		OVER
774	-55	719	Transforming Glasgow PMO	589	589	0			
48,215	-217	47,998	ICT	33,255	33,266	-11	0		UNDER
108,163	-2,589	105,574	TOTAL GROSS EXPENDITURE	77,092	77,123	-31	0		UNDER

INCOME TO DATE

Original Annual Budget	Approved Changes	Revised Budget		Actual	Budget	Variance			
£000	£000	£000		£000	£000	£000	%		
189	0	189	Chief Executive's Office	92	92	0			
884	0	884	Community Empowerment Services	678	678	0			
5,486	34	5,520	Legal & Administration	4,578	4,577	1	0		OVER
55	0	55	Governance	55	55	0			
224	0	224	Human Resources	113	113	0			
262	0	262	Procurement	168	168	0			
62	0	62	Transforming Glasgow PMO	48	48	0			
8,987	-578	8,409	ICT	8,406	8,406	0			
16,149	-544	15,605	TOTAL DEPARTMENTAL INCOME	14,138	14,137	1	0		OVER
92,014	-2,045	89,969	DIRECT NET EXPENDITURE	62,954	62,986	-32	0		UNDER
			0 Specific Government Grant			0			
92,014	-2,045	89,969	ADJUSTED SERVICE NET EXPENDITURE	62,954	62,986	-32	0		UNDER



Glasgow City Council

Development and Regeneration Services

**Joint Report by the Executive Director of Finance and the
Executive Director of Regeneration and the Economy**

Contact: Jenny O'Hagan – ext. 79901

Budget Monitoring: Period 12 – Development and Regeneration Services

1. Introduction

- 1.1 This monitoring statement provides a summary of the revenue financial performance of **Development and Regeneration Services** for the period 1 April 2018 to 15 February 2019.
- 1.2 The statement is based on information contained in the Council's corporate financial system and includes accruals and adjustments in line with agreed financial policies.
- 1.3 The attached monitoring statements compare actual financial performance to date with the budgeted position.

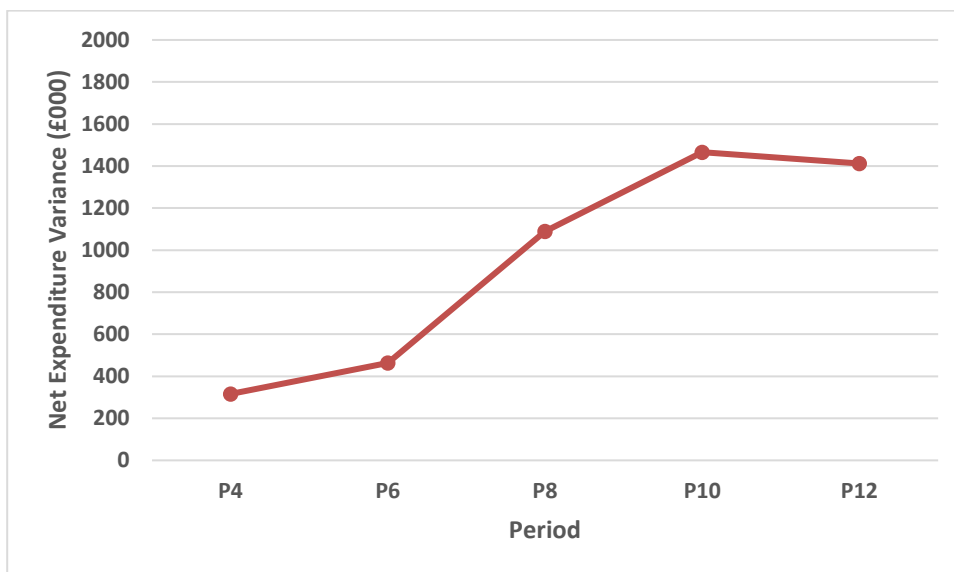
2. Budget Changes

- 2.1 Prior to period 11 the net expenditure budget had decreased by £106,000. During periods 11 and 12 the net expenditure budget decreased by £42,000. The cumulative net expenditure budget has therefore decreased by £148,000 to 15 February 2019.
- 2.2 The significant changes since period 10 are as follows:
- 2.3 Expenditure and income budgets have increased by £123,000 in the Housing Division representing additional grant funding for the Scottish Energy Efficiency Programme (SEEP).
- 2.4 In addition there have been a number of budget transfers during periods 11 and 12 to reflect service reconfigurations and budget adjustments approved under the delegated powers of the Executive Director of Finance.

3. Summary Position

3.1 Gross expenditure is £3,510,000 more than budget and gross income is £2,097,000 more than budget. This results in net expenditure being £1,413,000 more than budget at period 12. This overspend is 1% of the overall phased budget. This reflects overspends in premises costs and third party expenditure partly offset by an underspend from the Glasgow Guarantee scheme and higher than expected income from planning fees and building warrants.

3.2 Variance Comparison



3.3 The 2018-19 budget includes approved savings of £1.744m. At this stage of the year, it is anticipated that actual savings will amount to £0.773m representing 44% of the target. This is reflected in the overall financial position reported in this monitoring statement. The key areas of under-recovery are efficiencies in energy consumption within Property and Land services, the Property and Land City Centre review, and income generation resulting from charging for the laser scanner. The latter two initiatives are timing issues requiring an extended implementation period before savings can be realised.

4. Reasons for Variances

4.1 Within Development and Regeneration Services, the net variances are referenced in the table below.

Service Area	Net Variance Over/Under (-) £000	Impact on Net Expenditure from Previous Report
Economic Development	-1,786	↓
Housing Investment	1,320	↑
Project Management - Design	693	↓
Service Development	208	↓
Building Standards	150	↓
Planning Services	-1,069	↑
Property and Land Services	1,897	↑

Note: An upward arrow indicates a deteriorating position and a downward arrow indicates an improving position.

A detailed analysis of variances is presented below

4.2 Economic Development

The underspend in this Division is due to a lower than expected take up for places in the Glasgow Guarantee scheme.

4.3 Housing Investment

The variance is explained by income being less than budget in the Housing Investment Division due to a reduced section 30/50 home improvement programme

4.4 Project Management – Design

Allocations and fees are less than expected due to a lower number of agency staff employed and recharged to the Council's capital programme.

4.5 Service Development

The variance is a combination of lower than expected fees from the laser scanner as highlighted in paragraph 3.3 and higher than budgeted cost of office storage.

4.6 Building Standards

The variance within Building Standards is the net effect of an overspend on third party payments relating to emergency repairs to dangerous buildings partly offset by higher than expected income from Building warrants.

4.7 Planning Services

The variance is due to an increase in income from planning applications relating in particular to a higher number of large applications.

4.8 Property and Land Services

The variance mainly relates to non-achievement of savings together with overspends against electricity and property repairs.

5. **Action**

5.1 The Executive Director of Development and Regeneration Services continues to review the budget across all areas of the Service in conjunction with the Leadership Team to mitigate the budget pressures as outlined in this report. In particular:-

- Review opportunities for income generation whether through charging for existing services or identifying new sources of grant funding.
- To continue to review current operational procedures in order to generate efficiencies in the cost of the day to day running of the Department.
- Implement an action plan targeting the legacy overspends in Property and Land Services including the timing of savings as highlighted in this report.

6. **Forecast**

6.1 The probable outturn for 2018-19 has now been completed. Development and Regeneration Services is reporting an overspend of £1.604m. This position continues to be reviewed and will be updated through the normal monitoring process where any material change is identified during the remainder of the year.

**GLASGOW CITY COUNCIL
2018/2019 REVENUE BUDGET: MONITORING REPORT**

**DEVELOPMENT and REGENERATION SERVICES
PERIOD 12 - 1 APRIL 2018 TO 15 FEBRUARY 2019
EXPENDITURE TO DATE**

Original Annual Budget	Approved Changes	Revised Budget	HEADING	Actual	Budget	Variance			
£000	£000	£000		£000	£000	£000	%		
21,790	3,845	25,635	Economic Development	13,140	14,863	-1,723	-12		Under
106,839	4,677	111,516	Housing Investment	86,481	86,150	331	0		Over
6,826	131	6,957	Project Management - Design	6,231	5,963	268	4		Over
4,176	120	4,296	Service Development	3,689	3,503	186	5		Over
1,740	400	2,140	Building Standards	3,845	1,764	2,081	118		Over
5,679	724	6,403	Planning Services	4,872	4,877	-5	0		Under
132,388	26,171	158,559	Property & Land Services	139,510	137,138	2,372	2		Over
		0							
279,438	36,068	315,506	TOTAL GROSS EXPENDITURE	257,768	254,258	3,510	1		Over

INCOME TO DATE

Original Annual Budget	Approved Changes	Revised Budget		Actual	Budget	Variance			
£000	£000	£000		£000	£000	£000	%		
5,066	3,700	8,766	Economic Development	2,367	2,304	63	3		Over
107,013	4,458	111,471	Housing Investment	85,715	86,704	-989	-1		Under
5,839	0	5,839	Project Management - Design	4,848	5,273	-425	-8		Under
574	150	724	Service Development	436	458	-22	-5		Under
3,355	0	3,355	Building Standards	4,793	2,862	1,931	67		Over
1,981	516	2,497	Planning Services	3,065	2,001	1,064	53		Over
120,688	27,392	148,080	Property & Land Services	22,480	22,005	475	2		Over
244,516	36,216	280,732	TOTAL DEPARTMENTAL INCOME	123,704	121,607	2,097	2		Over
34,922	-148	34,774	DIRECT NET EXPENDITURE	134,064	132,651	1,413	1		Over
0	0	0	Specific Government Grant	0	0	0	0		
34,922	-148	34,774	ADJUSTED SERVICE NET EXPENDITURE	134,064	132,651	1,413	1		Over



Glasgow City Council

Related Companies

Report by the Executive Director of Financial Services

Contact Colin McGuire Ext 74565

Budget Monitoring: Period 12 - Related Companies and Joint Boards

1. Introduction

This monitoring statement provides a summary of the financial performance of **Related Companies and Joint Boards** for the period 1 April 2018 to 15 February 2019.

The statement is based on information contained in the Council's corporate financial system and includes accruals and adjustments in line with agreed financial policies.

The attached monitoring statements compare actual financial performance to date with the budgeted position of service fees due to, and service income due from the Council's Arms Length Organisations (ALEO's). Cordia expenditure is not included in these monitoring statements as those budgets are held across a range of services and are included in those service monitoring statements.

The council's budget includes estimated contributions from City Building (Joint Venture) and City Building Contracts (£7.100m), City Property (£3.422m) and part year contributions from Cordia (£1.092m) due to the wind up of the service at 30 September 2018.

2. Budget Changes

Prior to period 12, the cumulative net expenditure budget decreased by £80,000. There were no budget changes during period 12.

3. Summary Position

Net expenditure is in line with budget to date.

4. Forecast

The probable outturn for 2018/19 has now been completed. Related Companies is reporting in line with budget. This position continues to be reviewed and will be updated through the normal monitoring process where any material change is identified during the remainder of the year.

As mentioned above, the Council's budget includes contributions from Related Companies. The probable outturn is forecasting shortfalls in City Building Contracts (£0.500m) and Cordia (£3.266m). It is anticipated the remaining contributions will be achieved.

**GLASGOW CITY COUNCIL
2018/19 REVENUE BUDGET: MONITORING REPORT**

**RELATED COMPANIES AND JOINT BOARDS
PERIOD 12: 1 APRIL 2018 TO 15 FEBRUARY 2019**

EXPENDITURE TO DATE

Original Annual Budget	Approved Changes	Revised Budget	HEADING	Actual	Budget	Variance	
£000	£000	£000		£000	£000	£000	%
2,851	-35	2,816	City Building Joint Venture	2,040	2,040	0	0
500	0	500	City Building Contracts	500	500	0	0
5,229	-51	5,178	City Parking LLP	5,137	5,137	0	0
72,539	-24	72,515	Glasgow Life	66,828	66,828	0	0
8,705	45	8,750	Community Safety Glasgow	7,729	7,729	0	0
4,769	0	4,769	Jobs & Business Glasgow	4,371	4,371	0	0
1,331	0	1,331	City Property (Glasgow) LLP	1,228	1,228	0	0
2,419	-15	2,404	City Property Investment	2,404	2,404	0	0
10,675	0	10,675	Strathclyde Partnership for Transport	10,661	10,661	0	0
109,018	-80	108,938	TOTAL GROSS EXPENDITURE	100,898	100,898	0	0

INCOME TO DATE

Annual Budget	Approved Changes	Revised Budget	HEADING	Actual	Budget	Variance	
£000	£000	£000		£000	£000	£000	%
139	0	139	City Building Joint Venture	85	85	0	0
1,317	0	1,317	City Parking LLP	1,187	1,187	0	0
0	0	0	Glasgow Life	0	0	0	0
0	0	0	Community Safety Glasgow	0	0	0	0
0	0	0	Jobs & Business Glasgow	0	0	0	0
0	0	0	City Property (Glasgow) LLP	0	0	0	0
0	0	0	City Property Investment	0	0	0	0
0	0	0	Strathclyde Partnership for Transport	0	0	0	0
1,456	0	1,456	TOTAL DEPARTMENTAL INCOME	1,272	1,272	0	0
107,562	-80	107,482	DIRECT NET EXPENDITURE	99,626	99,626	0	0
0	0	0	Specific Government Grant	0	0	0	0
107,562	-80	107,482	ADJUSTED SERVICE NET EXPENDITURE	99,626	99,626	0	0



Glasgow City Council

Common Good

Report by the Executive Director of Finance

Contact: Colin McGuire – ext 74565

Budget Monitoring: Period 12 – Common Good

1. Introduction

This monitoring statement provides a summary of the financial performance of **Common Good** for the period 1 April 2018 to 15 February 2019.

It is based on information contained in the council's corporate financial system and includes accruals and adjustments in line with agreed financial policies.

The attached monitoring statements compare actual financial performance to date with the budgeted position.

2. Budget Changes

There have been no budget changes to the Common Good budget during periods 11 and 12.

3. Summary Position

This monitoring report covers a period equivalent to 88% of the financial year. Gross expenditure at this time is £490,000, which is 66% of the annual gross expenditure budget. Gross income received to date is £663,000, resulting in net income of £173,000.

The majority of gross expenditure incurred by the Common Good Fund relates to Civic Receptions held throughout the year, with a budget of £544,000 for 2018/19, including administration costs.

The table below details the year to date expenditure on Civic Receptions:

Category	Actual Costs
Anniversaries	£21,683
Charities	£11,509
Events	£165,083
International Visitors	£18,629
Special Individuals	£41,923
Sport	£45,889
Administration costs	£27,050
Total	£331,766

4. Forecast

To date £331,766 has been spent and a further £18,595 has been committed for civic receptions in 2018/19. The remaining civic receptions expenditure budget of £193,639 is available for spend up to 31 March 2019. These figures reflect the revision of hospitality costs in relation to increased prices, together with other changes to the list of events.

In addition, £70,165 has been committed in respect of events beyond 2018/19 and it is envisaged that this will be funded from future year's budget. A detailed breakdown of 2018/19 and 2019/20 commitments is provided in Appendix 1.

Income is mainly derived from returns on Common Good investments and these returns are closely monitored throughout the year. Any significant fluctuations in Common Good income up to 31 March 2019 will be reflected through budget changes in 2019/20 with a view to maintaining the overall capital value of the Fund.

The Common Good Fund is expected to remain within the annual net expenditure budget for 2018/19.

Appendix 1

Civic Receptions Committed 2018/19

2018/19 Civic Hospitality Commitments
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Date	Function	Approved	Cost	Category
21-Feb-19	Scottish Ballet 50 th Anniversary	07-Aug-17	£3,000	Anniversaries
22-Feb-19	29th Glasgow Scout Group 100th Anniversary	03-Oct-17	£100	Anniversaries
	Total for Anniversaries		£3,100	

Date	Function	Approved	Cost	Category
21-Feb-19	The Hospital Saturday Fund Charity Reception	14-Jun-18	£2,500	Charities
21-Mar-19	Beatson Cancer Charity Volunteers	17-Jan-19	£1,000	Charities
	Total for Charities		£3,500	

Date	Function	Approved	Cost	Category
27-Feb-19	Glasgow Film Festival 2019	30-Nov-18	£420	Events
	Total for Events		£420	

Date	Function	Approved	Cost	Category
22-Feb-19	Spanish School Visit	28-Jan-19	£305	International Visitors
08-Mar-19	UWS International Music Exchange	09-Jan-19	£1,000	International Visitors
	Total for International Visitors		£1,305	

Date	Function	Approved	Cost	Category
01-Mar-19	Chartered Institute of Taxation Joint Presidents Lunch	20-Oct-17	£1,050	Special Individuals
08-Mar-19	Presentation of BEM to Prof Haythornwaite	09-Jan-19	£320	Special Individuals
15-Mar-19	Queen's Ambulance Award	24-Jan-19	£400	Special Individuals
29-Mar-19	Hamilton Bequest	12-Dec-18	£1,000	Special Individuals
	Total for Special Individuals		£2,770	

Date	Function	Approved	Cost	Category
28-Feb-19	European Athletics Indoor Championships	17-Jan-18	£7,500	Sport
	Total for Sport		£7,500	

Total Civic Hospitality Commitments for 2018/19	£18,595
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Civic Receptions Committed 2019/20

2019/20 Onwards Civic Hospitality Commitments
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Date	Function	Approved	Cost	Category
12-Apr-19	Partick Saint Mary's Lodge No. 117 250 th Anniversary	13-Feb-17	£5,000	Anniversaries
26-Apr-19	Incorporation of Coopers 450 th Anniversary	15-Jan-18	£10,000	Anniversaries
10-May-19	Weir Recreation Group 100th Anniversary	17-Dec-18	£7,500	Anniversaries
01-Aug-19	Paddle Steamer Preservation Society 50 th Anniversary	09-Nov-18	£1,600	Anniversaries
09-Aug-19	Lodge Tollcross No. 1194 Centenary	20-Jun-17	£4,000	Anniversaries
18-Oct-19	Knights of St Columba Centenary	10-Feb-17	£10,000	Anniversaries
	Total for Anniversaries		£38,100	

Date	Function	Approved	Cost	Category
27-Apr-19	Lord Provost Charity Lunch in aid of the Lord Provost's Malawi Fund	26-Oct-18	£6,000	Charities
11-Jun-19	The Girls' Brigade AGM	20-Aug-18	£525	Charities
22-Aug-19	Sovereign Order of St John of Jerusalem Knights Hospitaller	26-Sep-18	£2,000	Charities
	Total for Charities		£8,525	

Date	Function	Approved	Cost	Category
20-May-19	Glasgow Senior Citizens Orchestra Annual Concert	15-Jan-19	£1,610	Events
06-Jun-19	The Boys Brigade Queens Badge Presentation	26-Sep-18	£2,240	Events
20-Jun-19	Jazz Festival 2019	21-Jan-19	£700	Events
	Total for Events		£4,550	

Date	Function	Approved	Cost	Category
10-May-19	Glasgow Fairtrade Cooperative Celebratory Event	12-Dec-18	£240	Special Individuals
05-Jun-19	Glasgow Life Volunteers	13-Nov-18	£8,000	Special Individuals
28-Sep-19	National Police Memorial Day	05-Apr-17	£10,000	Special Individuals
30-Oct-19	Glasgow Golden Generation AGM	28-Nov-18	£750	Special Individuals
	Total for Special Individuals		£18,990	

Total Civic Hospitality Commitments for 2019/20 Onwards	£70,165
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Note: commitments reported to this committee for the first time have been highlighted in bold.

**GLASGOW CITY COUNCIL
2018/19 REVENUE BUDGET: MONITORING REPORT**

**COMMON GOOD
PERIOD 12 - 1 APRIL 2018 TO 15 FEBRUARY 2019**

EXPENDITURE TO DATE

Original Annual Budget	Approved Changes	Revised Annual Budget	HEADING	Actual	Remaining Budget	Budget Spent to Date
£000	£000	£000		£000	£000	%
544	0	544	Civic Hospitality	332	212	61
73	0	73	Property Costs	40	33	55
130	0	130	Miscellaneous Charges	118	12	91
747	0	747	TOTAL GROSS EXPENDITURE	490	257	66

INCOME TO DATE

Original Annual Budget	Approved Changes	Revised Annual Budget	HEADING	Actual	Remaining Budget	Budget Received to Date
£000	£000	£000		£000	£000	%
448	0	448	Investment Income & Realised Gains	394	54	88
54	0	54	Commission	37	17	69
245	0	245	Rental Income	232	13	95
747	0	747	TOTAL DEPARTMENTAL INCOME	663	84	89
0	0	0	NET EXPENDITURE/NET INCOME (-)	-173	173	0