



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 10

Purpose of Report:
This report provides a summary of financial performance for the period 1 April 2018 to 21 December 2018.
This report was considered by the City Administration Committee on 7 February 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

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1. Introduction

1.1 This report provides a summary of financial performance for the period 1 April 2018 to 21 December 2018.

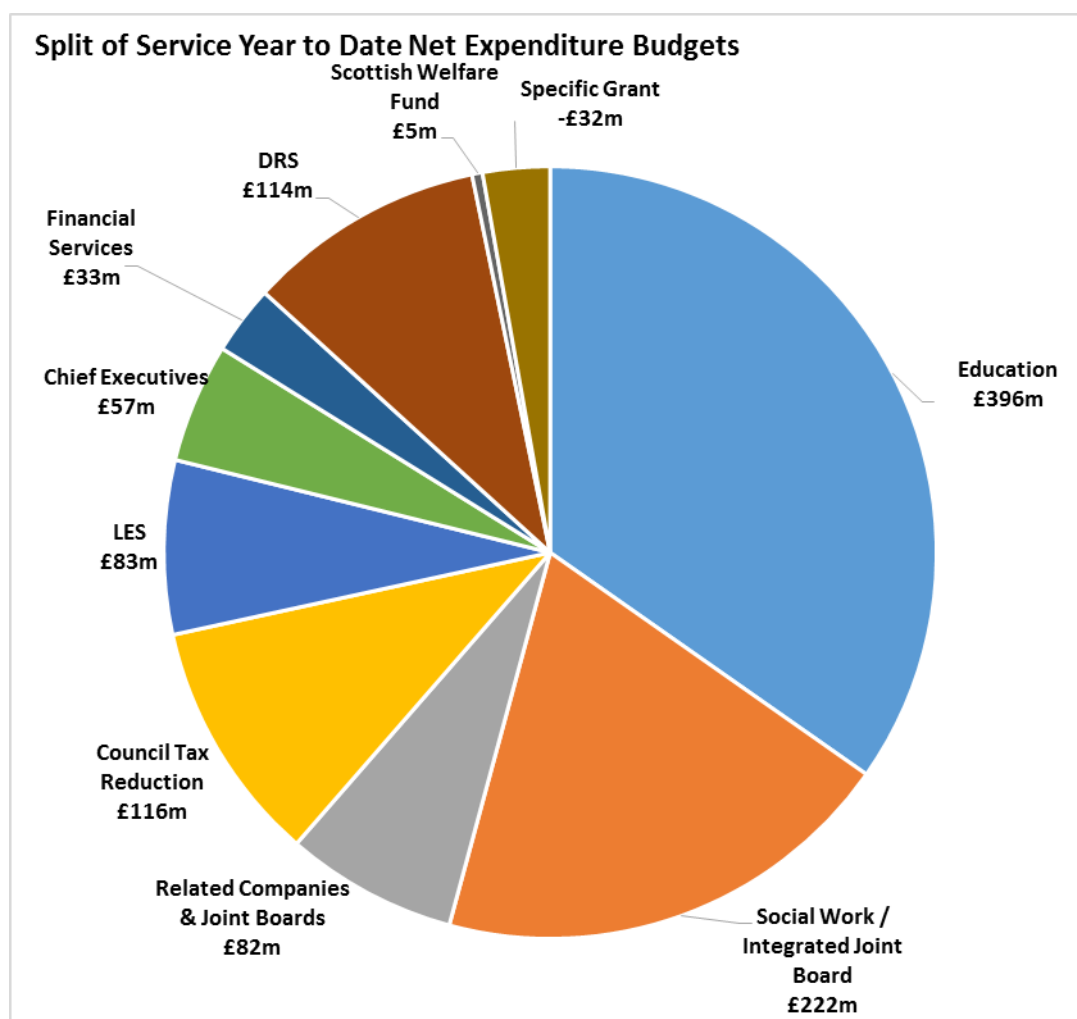
2. Reporting Format

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 10 are outlined in section 4, below.

4. Revenue Budget

- 4.1 During period 9 and 10 there has been no net change to the budget resulting in a cumulative budget increase of £19.5m to date. Service specific budget changes are summarised in the paragraph below.
- 4.2 The significant budget changes since period 8 are as follows:
- 4.2.1 Expenditure budgets have increased within Social Work Services by £0.3m in respect of additional funding from the Scottish Government for the Rapid Rehousing Transition Plan.
- 4.2.2 Expenditure budgets across services have decreased by £0.3m in respect of Central Energy Efficiency Fund (CEEF) paybacks.
- 4.2.3 Income and expenditure budgets within Social Work Services have increased by £0.2m to reflect additional Scottish Government funding for Technology Enabled Care.
- 4.2.4 Income and expenditure budgets within Development and Regeneration Services have increased by £0.2m to reflect additional Scottish Enterprise funding for the Can Do Challenge.
- 4.2.5 Income and expenditure budgets within Education Services have increased by £0.2m to reflect additional funding in respect of various small grants from external sources.
- 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 December 2018 amounts to £197.0m. This represents 84.59% of the figure to be collected and is 0.06% 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

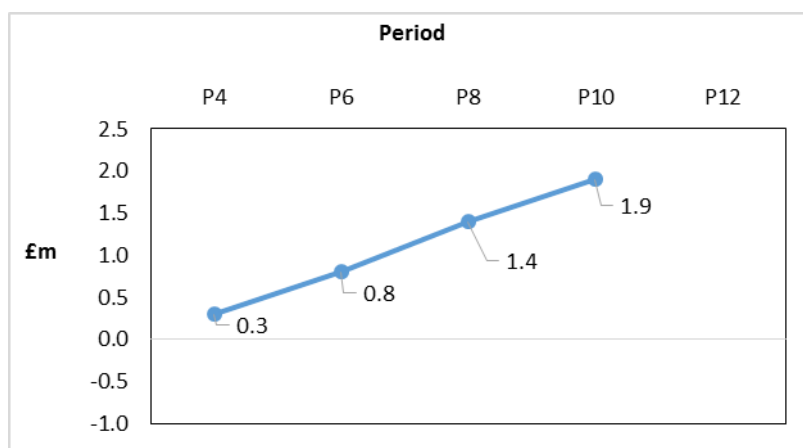
- 5.2.1 Non Domestic Rates income is allocated to councils as part of the local government settlement. The council retains all NDR it collects, however where this varies from the amount included within the Local Government settlement a commensurate increase or decrease is made to the general revenue 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 December 2018 amount to £303.0m. This represents 80.68% of the figure to be collected and is 0.59% 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 £1.9m. This reflects overspends within Development and Regeneration Services, Education Services and Land and Environmental Services offset by savings within Financial Services.

6.2 Net Expenditure Position – budget variance:



7. Services

7.1 Development and Regeneration Services £1.5m

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 Education Services £0.2m

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

7.3 Land and Environmental Services £0.3m

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

7.4 Financial Services – Council Tax Reduction / Benefits Payments -£0.1m

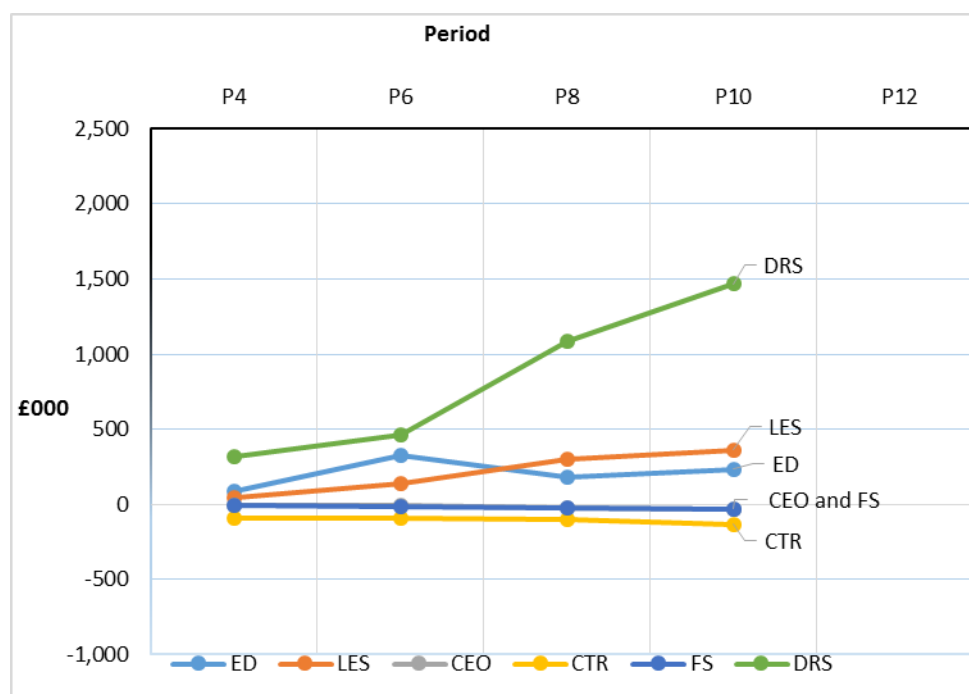
7.4.1 This reflects a lower level of commitment in respect of the Council Tax Reduction scheme.

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 10 Social Work Services is showing an overspend of £2.5m. 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 throughout the remainder of the year and any significant variances reported through the normal monitoring process.

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 10 - 1 April 2018 to 21 December 2018

Measure	Status (Under or Over Budget Profile)	Period 10	Probable
Council Tax Income	Ahead		+£3.5m
Council Tax Collection Rate	Ahead	+0.06%	
Non Domestic Rates Collection Rate	Ahead	+0.59%	
General Fund Net Expenditure	Over	+£1.9m	
<u>Service Departments:</u>			
Chief Executive's Office	On budget		On budget
Development and Regeneration Services	Over	+£1.5m	+£1.6m
Education Services	Over	+£0.2m	+£0.3m
Financial Services	On budget		-£0.1m
Financial Services – Benefit Payments	Under	-£0.1m	On budget
Financial Services – Scottish Welfare Fund	On budget		On budget
Land and Environmental Services	Over	+£0.3m	+£0.4m
		+£1.9m	+£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		+£2.5m	+£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 - Income Monitoring and Cash Collection

Period to 31 December 2018

Council Tax

Income Monitoring	Estimate 2018/19 £000	Forecast Outturn 2018/19 £000	Variance £000
	276,799	280,299	3,500

Cash Collection

Month	Actual Cash in Month £000	Actual Cash to Date £000	% of Cash Collected to Date %	Last Year Actual %	Comparison v Last Year %
April	30,120	30,120	12.93	12.48	0.45
May	20,337	50,457	21.57	21.18	0.39
June	20,480	70,937	29.90	29.84	0.06
July	21,058	91,995	38.89	38.43	0.46
August	20,416	112,411	47.74	47.21	0.53
September	20,495	132,906	56.51	56.01	0.50
October	21,595	154,501	66.01	65.56	0.45
November	20,567	175,068	75.10	74.66	0.44
December	21,922	196,990	84.59	84.53	0.06
January			0.00	90.81	
February			0.00	93.33	
March			0.00	94.98	
Total Cash to be Collected (i.e. net of Council Tax Reduction etc)		232,886			
Target collection in year (95%)		221,242			

Glasgow City Council

Budget Monitoring 2018/19

Revenues - Cash Collection

Period to 31 December 2018

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			0.00	87.38	
February			0.00	95.44	
March			0.00	97.62	
Total Cash to be Collected		375,600			
Target collection in year (97.63%)		366,698			

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

PERIOD 10: 1 APRIL 2018 TO 21 DECEMBER 2018

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	-1,150	90,864	Chief Executive's Office	68,946	68,974	11,634	11,633	57,312	57,341	-29
34,922	-106	34,816	Development & Regeneration Services	211,278	208,591	96,049	94,828	115,229	113,763	1,466 OVER
528,777	15,793	544,570	Education Services	416,065	416,250	20,067	20,486	395,998	395,764	234 OVER
36,244	2,193	38,437	Financial Services	44,328	44,360	11,035	11,035	33,293	33,325	-32
78,470	0	78,470	Financial Services - Council Tax Reduction Scheme/Benefit Payments	336,447	336,577	221,005	221,005	115,442	115,572	-130
6,812	0	6,812	Financial Services - Scottish Welfare Fund	5,038	5,038	0	0	5,038	5,038	0
110,644	3,373	114,017	Land and Environmental Services	122,252	122,077	39,245	39,432	83,007	82,645	362 OVER
107,562	-80	107,482	Related Companies and Joint Boards	83,403	83,403	997	997	82,406	82,406	0
-28,896	-3,562	-32,458	Specific Grant	0	0	32,458	32,458	-32,458	-32,458	0
966,549	16,461	983,010	TOTAL	1,287,757	1,285,270	432,490	431,874	855,267	853,396	1,871 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%		

LAND AND ENVIRONMENTAL SERVICES - MANAGED SERVICES SUMMARY

PERIOD 10: 1 APRIL 2018 TO 21 DECEMBER 2018

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>Land and Environmental Services</u> Public Analyst	2,000	1,782	2,000	1,782	0	0	0
0	0	0	TOTAL	2,000	1,782	2,000	1,782	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%		

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

PERIOD 10: 1 APRIL 2018 TO 21 DECEMBER 2018

Original Annual Budget £000	Approved Changes £000	Revised Budget £000	Department	Total Expenditure		Total Income		Net Expenditure		Variance on Net Expenditure
				Actual	Budgeted	Actual	Budgeted	Actual	Budgeted	£000
				£000	£000	£000	£000	£000	£000	£000
405,132	3,039	408,171	Social Work Services	402,185	398,335	166,736	165,344	235,449	232,991	2,458 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	2,458	0	-2,458	0	-2,458
391,441	3,039	394,480	TOTAL	402,185	398,335	180,111	176,261	222,074	222,074	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%		

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 10 - 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 21 December 2018.

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 8 the net expenditure budget had increased by £15,772,000. During periods 9 and 10 the net expenditure budget increased by £21,500 the cumulative net expenditure budget has therefore increased by £15,793,500 to 21 December 2018.

2.2 The significant changes since period 8 are as follows:

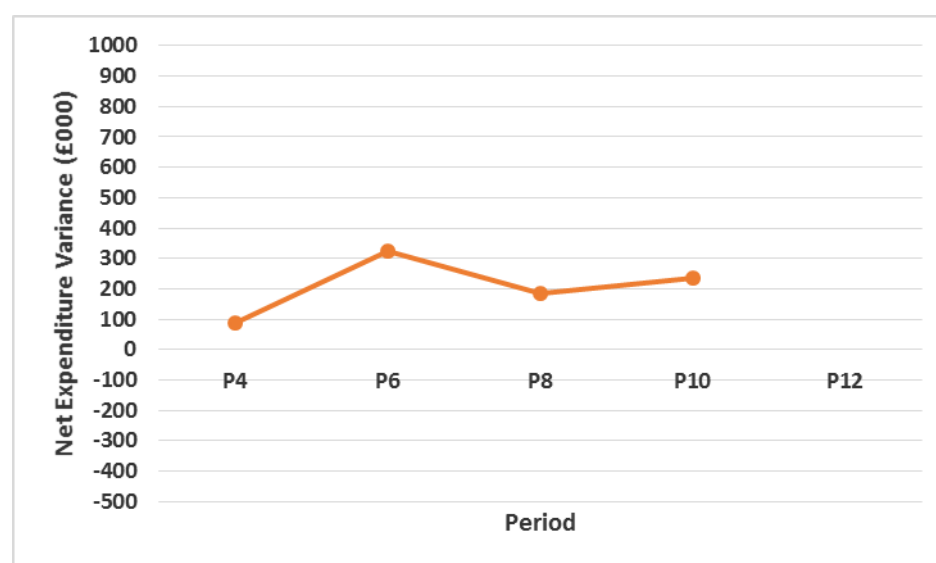
2.2.3 Income and expenditure budgets have been increased by £0.185m to reflect additional funding in respect of various small grants from external sources.

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 £185,000 less than budget and gross income is £419,000 less than budget. This results in net expenditure being £234,000 more than budget at period 10. 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	565	↑
Early Years' Service	-551	↓
Primary Schools	-82	↓
Secondary Schools	572	↑
Additional Support for Learning	-816	↑
Other Education Mainheads	546	↑

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 10 the net overspend is £565,000. The main overspend is in employee costs and relates to the non-realisation of the mobile savings target within the prior years' transformation programme.

4.3 **Early Years**

The net underspend of £551,000 at period 10 is mainly represented by an underspend in salaries of £254,000 and £167,000 for partnership payments.

The over-recovery of income, £38,000 to date, is a result of additional fee income relating to Nurture training, Early Years Milk Subsidy and cross boundary income.

4.4 **Primary**

There is a net underspend of £82,000 at period 10 arising from an underspend in supplies and services of £203,000 which is mainly due to catering within schools. There is also an over recovery in income of £266,000 linked to an improved position within school lets. This is partially offset by pressures in employees costs of £407,000 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 10 the net overspend is £572,000. This is represented by an overspend in employee costs of £107,000 and a £308,000 overspend in Supplies and services, mainly attributable to payments to the Scottish Qualifications Authority for pupil examinations and Advanced Higher Hub. This is partially offset by an underspend of £65,000 in third party payments.

There is also an under recovery in income of £209,000 due to under attainment of additional income targets.

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

The net underspend of £816,000 at period 10 is represented by an underspend of £758,000 in pupil placements within external provision which continues the reducing trend from the previous year. In addition, employee costs show an underspend of £455,000, due to turnover within the sector.

This is partially offset by an overspend in transport costs of £221,000, linked to historic pressures around the home to school transport demands within the sector. Also an under recovery in income of £192,000 in relation to pupil placements from Other Local Authorities.

4.7 **Other Education Mainheads**

The net overspend of £546,000 to period 10 comprises £304,000 in employee costs arising from incremental drift and the lack of staff turnover. Income is under recovered by £216,000 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 10 - 1 APRIL 2018 TO 21 DECEMBER 2018**

EXPENDITURE TO DATE

Original Annual Budget	Approved Changes	Revised Budget	HEADING	Actual	Budget	Variance		
£000	£000	£000		£000	£000	£000	%	
2,719	163	2,882	Support Services	2,579	2,120	459	22	OVER
71,715	3,657	75,372	Early Years Service	51,304	51,817	-513	-1	UNDER
196,276	16,931	213,207	Primary Schools	155,984	155,800	184	0	OVER
200,401	4,740	205,141	Secondary Schools	153,374	153,011	363	0	OVER
62,943	1,327	64,270	Additional Support for Learning	42,595	43,603	-1,008	-2	UNDER
3,693	141	3,834	Schools - Other	3,219	2,636	583	22	OVER
3,255	0	3,255	Education Maintenance Allowance / Bursaries	1,548	1,548	0	0	
123	0	123	Gateway	123	123	0	0	
1,888	151	2,039	Education Improvement Services	1,380	1,642	-262	-16	UNDER
2,456	-43	2,413	Education - Miscellaneous	1,793	1,793	0	0	
2,939	655	3,594	Vocational Training	2,166	2,157	9	0	OVER
548,408	27,722	576,130	TOTAL GROSS EXPENDITURE	416,065	416,250	-185	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	81	187	-106	0	UNDER
4,955	-144	4,811	Early Years Service	3,739	3,701	38	1	OVER
3,242	6,963	10,205	Primary Schools	6,762	6,496	266	4	OVER
3,344	2,860	6,204	Secondary Schools	3,805	4,014	-209	-5	UNDER
2,151	1,295	3,446	Additional Support for Learning	1,549	1,741	-192	-11	UNDER
955	-69	886	Schools - Other	398	624	-226	0	UNDER
3,000	0	3,000	Education Maintenance Allowance / Bursaries	1,464	1,464	0	0	
0	0	0	Gateway	0	0	0	0	
1,786	78	1,864	Education Improvement Services	1,908	1,906	2	0	OVER
0	40	40	Education - Miscellaneous	40	40	0	0	
0	906	906	Vocational Training	321	313	8	0	OVER
19,631	11,929	31,560	TOTAL DEPARTMENTAL INCOME	20,067	20,486	-419	-2	UNDER
528,777	15,793	544,570	DIRECT NET EXPENDITURE	395,998	395,764	234	0	OVER
28,896	3,562	32,458	Specific Government Grant	32,458	32,458	0	0	
499,881	12,231	512,112	ADJUSTED SERVICE NET EXPENDITURE	363,540	363,306	234	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 10
– 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 21 December 2018.

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 8 the net expenditure budget had increased by £2,745,000. During periods 9 and 10 the net expenditure budget has increased by £294,000. The cumulative net expenditure budget has therefore increased by £3,039,000 to 21 December 2018.

- 2.2 The significant changes since period 8 are as follows:

2.2.1 In Period 10 Income and Expenditure budgets were increased by £220,000 as a result of a Grant from the Scottish Government for Technology Enabled Care.

2.2.2 In Period 10 the Gross Expenditure Budget increased by £301,000 due to Scottish Government funding received for the Rapid Rehousing Transition Plan,

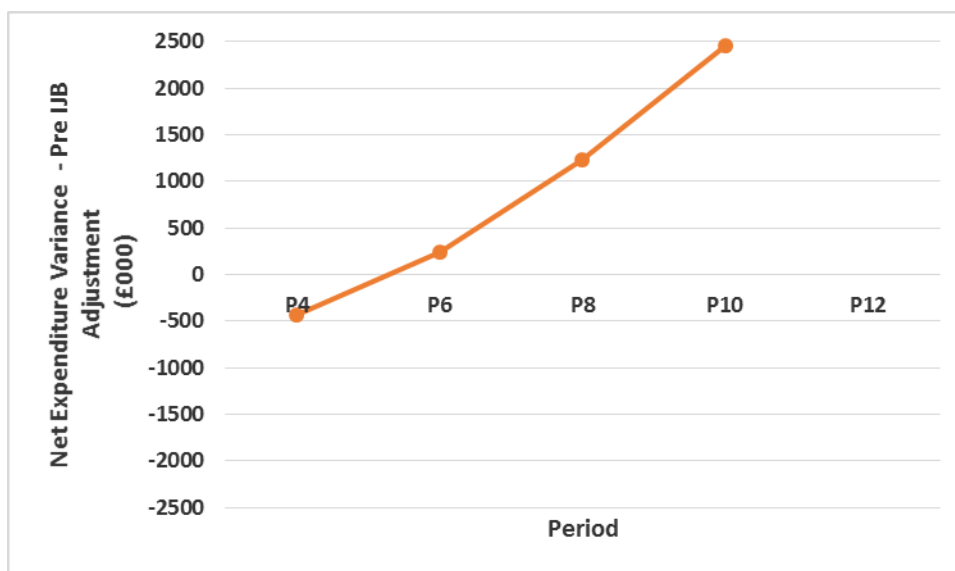
2.2.3 In addition, there have been a number of budget transfers during the period to reflect service reconfigurations. Budget adjustments include changes approved under the powers of the Executive Director of Finance.

3. Summary Position

3.1 Gross expenditure is £3,850,000 (0.97%) more than budget and income is £1,392,000 (0.84%) more than budget, giving net expenditure of £2,458,000 (1.11%) 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 packages and care home places, which is offset by an underspend in Children and Families as a result of early delivery of transformation savings.

£1,738,000 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	2,467	↑
Older People/Physical Disability	3,816	↑
Children and Families	-3,980	↓
Criminal Justice	-59	↓
Resources	214	↑

4.2 Adults Services

There is a net overspend of £2,467,000

The main area of overspend is within Purchased Care Services for Learning Disability clients (£2,624,000 overspend) and reflects current demand for services.

Within Homelessness, Housing First is overspending by £706,000 and Scottish Government funding is being pursued for this.

These overspends are partly offset by underspends in Employee Costs in Addiction Services (£322,000 underspend, due mainly to delays in the recruitment process) and Homelessness (£452,000 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 £3,816,000

Purchased Care Homes is overspent by £2,289,000 within Older People due to increased placements and lower than forecast discharges. This is offset mainly by underspend in other Purchased Care Services £2,252,000. Purchased Care Services within Physical Disability is overspent by £1,078,000.

Employee costs are overspent within Older People £1,313,000 mainly in Area Services Fieldwork £607,000 due to lower than expected levels of staff turnover and in Residential £1,500,000 mainly due to Agency and Overtime.

Homecare Services is also overspent £1,617,088 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 £3,980,000

Work continues in support of the Transformation Programme. The movement in Residential School placement numbers is a reduction of 15 since 1st April. At period 10 the underspend is £1,210,000. The full year projected underspend is £1,570,000. Purchased placements is also underspending by £1,350,000 with a full year projected underspend of £1,760,000.

In other areas within Children & Families, there are underspends in provided Foster care due to reducing placement numbers £826,000, Shared Care & Community Respite £193,000, and Purchased Care Services £524,000. This is partially offset by an overspend in Transport £211,000 mainly in respect of young people in care being taken for contact visits with family or to school, and an overspend in Direct Assistance (£688,000) mainly related to Section 29 Payments to Care Leavers.

There is an over-recovery in income of £730,000 mainly in respect of UASC (Unaccompanied Asylum Seeker Children) income from the Home Office.

4.5 Resources

There is a net overspend of £214,400 which 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 10 - 1 APRIL 2018 TO 21 DECEMBER 2018**

EXPENDITURE TO DATE

Original Annual Budget	Approved Changes	Revised Budget	HEADING	Actual	Budget	Variance		
£000	£000	£000		£000	£000	£000	%	
177,559	1,679	179,238	Adults	128,317	125,900	2,417	2	OVER
224,671	7,698	232,369	Older People/Physical Disability	147,871	143,367	4,504	3	OVER
139,488	-3,568	135,920	Children and Families	95,981	99,227	-3,246	-3	UNDER
14,929	2,868	17,797	Criminal Justice	11,503	11,567	-64	-1	UNDER
23,250	8,539	31,789	Resources	18,513	18,274	239	1	OVER
579,897	17,216	597,113	TOTAL EXPENDITURE	402,185	398,335	3,850	1	OVER

INCOME TO DATE

Original Annual Budget	Approved Changes	Revised Budget		Actual	Budget	Variance		
£000	£000	£000		£000	£000	£000	%	
79,142	-49,241	29,901	Adults	19,516	19,566	-50	0	UNDER
41,495	-23,898	17,597	Older People/Physical Disability	10,658	9,970	688	7	OVER
2,040	148	2,188	Children and Families	1,718	984	734	75	OVER
2,856	2,090	4,946	Criminal Justice	1,468	1,473	-5	0	UNDER
49,232	85,078	134,310	Resources	133,376	133,351	25	0	OVER
174,765	14,177	188,942	TOTAL INCOME	166,736	165,344	1,392	0.84	OVER
405,132	3,039	408,171	NET EXPENDITURE	235,449	232,991	2,458	1	OVER
13,691	0	13,691	Specific Grant	10,917	10,917	0		
391,441	3,039	394,480	REVISED NET EXPENDITURE	224,532	222,074	2,458	1	OVER
0	0	0	Draw from IJB reserves	-2,458	0	-2,458		
391,441	3,039	394,480	FINAL NET EXPENDITURE	222,074	222,074	0		



**Glasgow City Council
Land and Environmental Services**

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

Contact: Lorna Goldie - Ext 74367

Budget Monitoring: Period 10 – Land and Environmental Services

1. Introduction

This monitoring statement provides a summary of the financial performance of **Land and Environmental Services** including **Area Operations, Transport Trading Operations and Managed Services** for the period from 1 April to 21 December 2018.

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 8 the net expenditure budget had increased to £113,964,000. During periods 9 and 10 there were several minor changes to the net expenditure budget. The cumulative net expenditure budget is £114,017,000 to 21 December 2018.
- 2.2 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.

Area Operations Trading Operation

There is no movement in net expenditure budget to Period 10. The net budgeted surplus remains at £907,000 at 21st December, 2018.

Transport Trading Operation

There was no change in the net expenditure budget to Period 10. The net budgeted surplus remains at £696,000 at 21st December, 2018.

Managed Services

There is no movement in net expenditure budget to Period 10. The net budgeted surplus remains at £0 at 21st December, 2018.

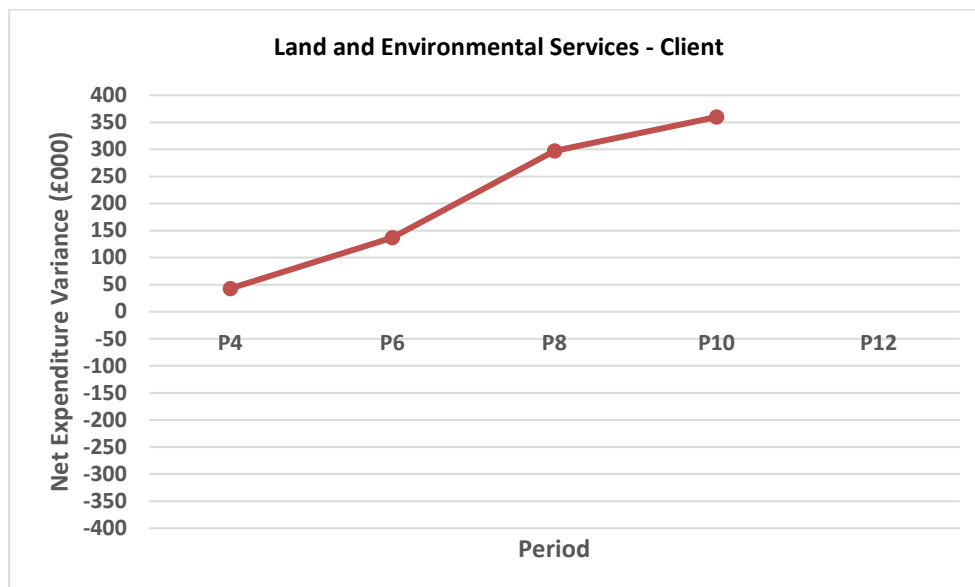
3. Summary Position

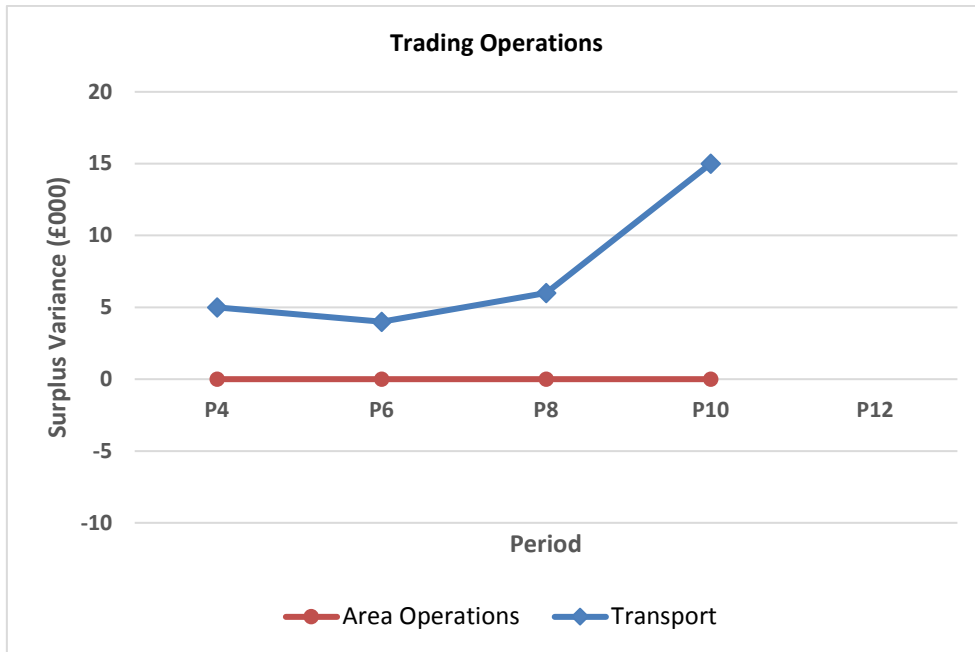
- 3.1 The 2018-19 budget includes approved savings of £4.625m. At this stage of the year, it is anticipated that actual savings will amount to £3.426m representing 74% of target. The drop in the recovery rate of the savings is due to the increases in parking charges within the City Centre zone, which 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 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, although savings over target in other areas such as Transport will partly offset any shortfalls. This is reflected in the overall financial position reported in this monitoring statement.
- 3.3 Gross expenditure is £175,000 more than budget and gross income is £187,000 less than budget. This results in net expenditure being £362,000 more than budget at period 10. This overspend is 0.44% of the overall phased budget.

The Area Trading operation is reporting a surplus of £645,000. The transport trading operation is reporting a surplus of £496,000.

The Managed Service is reporting a breakeven position.

3.4 Variance Comparison





4. Reasons for Variances

4.1 Within Land and Environmental Services, the net variances are referenced in the table below.

Service Area	Net Variance Over/Under (-) £000	Impact on Net Expenditure from Previous Report
Project Management & Design	-184	↓
Environmental Services	-283	↓
Refuse Collection	964	↑
Street Cleansing	-739	↓
Disposal Service	578	↑
Parking	535	↑
Parks & Open Spaces	-352	↑
Bereavement Services	104	↓
Roads Operations	-156	↑
Traffic	-15	↑
Trading Standards	-90	↓

Trading Operation	Surplus Variance Over/Under(-) £000	Impact on Surplus from Previous Report
Area Operations	0	-
Transport	15	↓

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 **Land & Environmental Services – Client**

4.3 **Project Management and Design** has a net underspend of £184,000. This is due to an over-recovery of income.

4.4 **Environmental Services** has a net underspend of £283,000. In the main this is due to an over recovery of income from private organisations.

4.5 **Refuse Collection** has a net overspend of £964,000. This mainly relates to an under-recovery of income of £961,000. LES have completed the rollout to the City Centre of the Trade Waste procedures and the next phase – and the South area has also commenced. The service will now be focusing on reducing the cost base across fleet and labour to help mitigate any under recovery in income.

4.6 **Street Cleansing** has a net under spend of £739,000, 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 £578,000. Income is showing an under-recovery of £1,478,000 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 £961,000 relating to expenditure controls against supplies across the division.

4.8 **Parking** has a net overspend of £535,000. Income is under-recovered by £396,000. The levels of parking within the City Centre zones has not realised the expected levels of income. This has been partially offset against higher parking income in the outwith centre zones

4.9 **Bereavement Services** has a net overspend of £104,000. This mainly relates to the cost of provision of financial assistance burials (£23,000 over). There is also an under-recovery of income of £67,000, mainly in relation to memorials.

4.10 **Roads Operations** has a net underspend of £156,000. The pressures associated with street lighting power through historic tariff increases have 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 £352,000. 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 10 is in line with 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 10 is £15,000 more than the budgeted surplus. Expenditure is overspent by £231,000 and income is over recovered by £246,000; 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 10.

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 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 **Land and Environmental Services Client**

Land and Environmental Services Client is reporting an overspend of £0.410m.

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 is reporting a surplus of £0.725m, £0.028m higher than the budgeted surplus.

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 where any material change is identified during the remainder of the year.

GLASGOW CITY COUNCIL
2018/19 REVENUE BUDGET: MONITORING REPORT

LAND AND ENVIRONMENTAL SERVICES
PERIOD 10: 1 April to 21st December 2018

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	86	92	-6	-7	UNDER
2,375	0	2,375	Clean Glasgow Projects	1,767	1,767	0	0	
4,862	78	4,940	Project Management & Design	3,423	3,469	-46	-1	UNDER
6,345	168	6,513	Environmental Services	5,476	4,605	871	19	OVER
427	1	428	Public Toilets	376	373	3	1	OVER
28,395	992	29,387	Refuse Collection	21,315	21,312	3	0	OVER
19,408	-100	19,308	Street Cleansing	13,818	14,564	-746	-5	UNDER
41,098	2,932	44,030	Disposal Service	31,248	32,148	-900	-3	UNDER
2,030	-92	1,938	Parking	1,315	1,177	138	12	OVER
26,099	44	26,143	Parks & Open Spaces	19,772	19,349	423	2	OVER
3,031	104	3,135	Bereavement Services	2,285	2,248	37	2	OVER
20,487	-10	20,477	Roads Operations	14,261	14,216	45	0	OVER
8,554	-6	8,548	Traffic	6,223	5,862	361	6	OVER
1,236	0	1,236	Trading Standards	887	895	-8	-1	UNDER
164,480	4,111	168,591	TOTAL GROSS EXPENDITURE	122,252	122,077	175	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	86	92	-6	-7	UNDER
0	0	0	Clean Glasgow Projects	0	0	0		
3,011	0	3,011	Project Management & Design	2,277	2,139	138	6	OVER
427	75	502	Environmental Services	1,447	293	1,154	394	OVER
0	0	0	Public Toilets	3	0	3		OVER
6,131	-1,400	4,731	Refuse Collection	2,312	3,273	-961	-29	UNDER
200	0	200	Street Cleansing	125	132	-7	-5	UNDER
6,540	0	6,540	Disposal Service	3,245	4,723	-1,478	-31	UNDER
21,685	1,000	22,685	Parking	15,868	16,265	-397	-2	UNDER
6,043	0	6,043	Parks & Open Spaces	5,537	4,762	775	16	OVER
4,118	300	4,418	Bereavement Services	2,901	2,968	-67	-2	UNDER
1,018	563	1,581	Roads Operations	1,500	1,299	201	15	OVER
4,495	200	4,695	Traffic	3,839	3,463	376	11	OVER
35	0	35	Trading Standards	105	23	82	357	OVER
53,836	738	54,574	TOTAL DEPARTMENTAL INCOME	39,245	39,432	-187	0	UNDER
110,644	3,373	114,017	DIRECT NET EXPENDITURE	83,007	82,645	362	0	OVER
0	0	0	Specific Government Grant	0	0	0	0	
110,644	3,373	114,017	ADJUSTED SERVICE NET EXPENDITURE	83,007	82,645	362	0	OVER

GLASGOW CITY COUNCIL

2018/19 REVENUE BUDGET: MONITORING REPORT

AREA OPERATIONS TRADING OPERATION

PERIOD 10: 1 April to 21st December 2018

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	1,000	79,221	Operating costs	58,305	58,448	-143	0	03	100%
87	0	87	Capital Financing costs	64	64	0	0	04	100%
								05	100%
78,308	1,000	79,308	Total Expenditure	58,369	58,512	-143	0	06	100%
								07	-
								08	100%
79,215	1,000	80,215	Income	59,014	59,157	-143	0	09	-
								10	100%
								11	
907	0	907	SURPLUS / DEFICIT (-)	645	645	0	0	12	

GLASGOW CITY COUNCIL

2018/19 REVENUE BUDGET: MONITORING REPORT

TRANSPORT TRADING OPERATIONS

PERIOD 10: 1 April to 21st December 2018

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	20,014	19,783	231	1	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	20,014	19,783	231	1	07	-
								08	102%
								09	-
30,942	-1,486	29,456	Income	20,510	20,264	246	1	10	103%
								11	
696	0	696	SURPLUS / DEFICIT (-)	496	481	15	3	12	

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

**SCIENTIFIC SERVICES - MANAGED SERVICES
PERIOD 10: 1 April to 21st December 2018**

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	2,000	1,782	218	12	OVER
2,871	0	2,871	TOTAL GROSS EXPENDITURE	2,000	1,782	218	12	OVER

INCOME TO DATE

Original Annual Budget	Approved Changes	Revised Budget		Actual	Budget	Variance		
£000	£000	£000		£000	£000	£000	%	
2,871	0	2,871	Scientific Services	2,000	1,782	218	12	OVER
2,871	0	2,871	TOTAL DEPARTMENTAL INCOME	2,000	1,782	218	12	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 10 - 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 21 December 2018.

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.

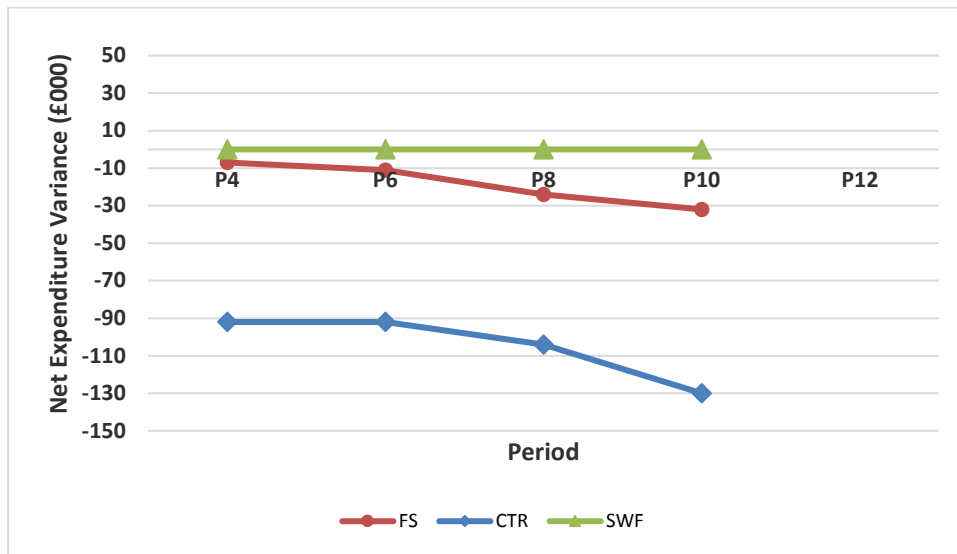
2. Budget Changes

- 2.1 Prior to the end of period 8 the net expenditure budget had increased by £2,271,800. During periods 9 and 10 the net expenditure budget decreased by £78,100. The cumulative net expenditure budget has therefore increased by £2,193,700 to 21 December 2018.
- 2.2 The budget changes since period 8 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 £32,000 less than estimate and income is on line. This results in departmental net underspend of £32,000 (0%) 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 £130,000 (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 £5,038,000 which is on line with budget.
- 3.4 Overall the Financial Services Department shows a net underspend of £162,000 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	-12	↓
Customer & Business Services	-20	↓
Council Tax Reduction	-130	↓

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 £32,000 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 10: 1 APRIL 2018 TO 21 DECEMBER 2018**

EXPENDITURE TO DATE

Original Annual Budget	Approved Changes	Revised Budget	HEADING	Actual	Budget	Variance		
£000	£000	£000		£000	£000	£000	%	
8,644	-75	8,569	Financial Strategy & Management	6,832	6,832	0	0	
1,258	33	1,291	Audit & Inspection	939	939	0	0	
5,550	100	5,650	Support Services	3,406	3,406	0	0	
2,887	340	3,227	Assessor & E.R.O.	2,400	2,400	0	0	
3,146	0	3,146	Strathclyde Pension Fund Office	2,200	2,200	0	0	
1,511	2,035	3,546	Financial Inclusion	1,480	1,492	-12	-1	UNDER
38,543	267	38,810	Customer & Business Services	27,071	27,091	-20	0	UNDER
61,539	2,700	64,239	TOTAL DEPARTMENTAL EXPENDITURE	44,328	44,360	-32	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	4,748	4,748	0	0	
172	0	172	Audit & Inspection	67	67	0	0	
2,565	0	2,565	Support Services	1	1	0	0	
451	0	451	Assessor & E.R.O.	379	379	0	0	
4,283	0	4,283	Strathclyde Pension Fund Office	30	30	0	0	
843	0	843	Financial Inclusion	480	480	0	0	
9,861	557	10,418	Customer & Business Services	5,330	5,330	0	0	
25,295	506	25,801	TOTAL DEPARTMENTAL INCOME	11,035	11,035	0	0	
36,244	2,193	38,437	DIRECT DEPARTMENTAL NET EXPENDITURE	33,293	33,325	-32	0	UNDER
0	0	0	Specific Government Grant	0	0	0		
36,244	2,193	38,437	ADJUSTED DEPARTMENTAL NET EXPENDITURE	33,293	33,325	-32	0	UNDER

COUNCIL TAX REDUCTION SCHEME/BENEFIT PAYMENTS

EXPENDITURE TO DATE

322,347	0	322,347	Housing Benefit Payments	260,523	260,523	0	0	
9,201	0	9,201	Discretionary Housing Payments	8,476	8,476	0	0	
68,269	0	68,269	Council Tax Reduction	67,448	67,578	-130	0	UNDER
399,817	0	399,817	TOTAL BENEFIT EXPENDITURE	336,447	336,577	-130	0	UNDER

INCOME TO DATE

321,347	0	321,347	Housing Benefit Payments	221,005	221,005	0	0	
321,347	0	321,347	TOTAL BENEFIT INCOME	221,005	221,005	0	0	
78,470	0	78,470	COUNCIL TAX REDUCTION SCHEME/BENEFIT PAYMENTS NET EXPENDITURE	115,442	115,572	-130		UNDER

RING-FENCED FUNDS

6,812	0	6,812	Scottish Welfare Fund	5,038	5,038	0	0	
121,526	2,193	123,719	ADJUSTED SERVICE NET EXPENDITURE	153,773	153,935	-162	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 10 – 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 21 December 2018.

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

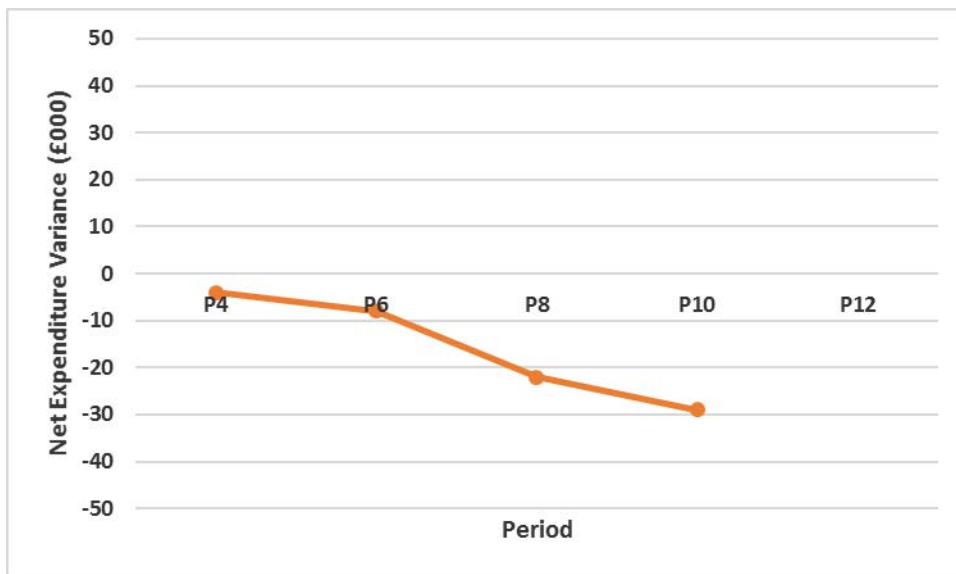
2.1 Prior to the end of period 8 the net expenditure budget has decreased by £1,232,200. During periods 9 and 10 the net expenditure budget has increased by £81,600. The cumulative net expenditure budget has therefore decreased by £1,150,600 to 21 December 2018.

2.2 There have been a number of budget transfers totalling £81,600 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 £28,000 less than budget and income is £1,000 over-recovered. This results in a net underspend of £29,000 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 and Equalities	-16	↓
Human Resources	15	↑
Procurement	11	↓
Other Chief Executive's Office Divisions	-39	↓

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 & Equalities**

The net underspend of £16,000 to period 10 is mainly due to underspends within employee costs.

4.3 **Human Resources and Procurement**

The net overspend of £15,000 in Human Resources and £11,000 in Procurement 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 10 of £39,000 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 10: 1 APRIL 2018 TO 21 DECEMBER 2018**

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	3,852	3,859	-7	0		UNDER
40,743	-2,446	38,297	Community Empowerment and Equalities	22,546	22,562	-16	0		UNDER
6,639	422	7,061	Legal & Administration	5,357	5,364	-7	0		UNDER
1,151	2	1,153	Governance	1,023	1,038	-15	-1		UNDER
3,925	255	4,180	Human Resources	3,280	3,265	15	0		OVER
1,434	156	1,590	Procurement	932	921	11	1		OVER
774	-55	719	Transforming Glasgow PMO	544	544	0			
48,215	-343	47,872	ICT	31,412	31,421	-9	0		UNDER
108,163	-1,694	106,469	TOTAL GROSS EXPENDITURE	68,946	68,974	-28	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	52	52	0			
884	0	884	Community Empowerment and Equalities	518	518	0			
5,486	34	5,520	Legal & Administration	3,685	3,684	1	0		OVER
55	0	55	Governance	43	43	0			
224	0	224	Human Resources	70	70	0			
262	0	262	Procurement	180	180	0			
62	0	62	Transforming Glasgow PMO	18	18	0			
8,987	-578	8,409	ICT	7,068	7,068	0			
16,149	-544	15,605	TOTAL DEPARTMENTAL INCOME	11,634	11,633	1	0		OVER
92,014	-1,150	90,864	DIRECT NET EXPENDITURE	57,312	57,341	-29	0		UNDER
			0 Specific Government Grant			0			
92,014	-1,150	90,864	ADJUSTED SERVICE NET EXPENDITURE	57,312	57,341	-29	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 10 – 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 21 December 2018.
- 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.

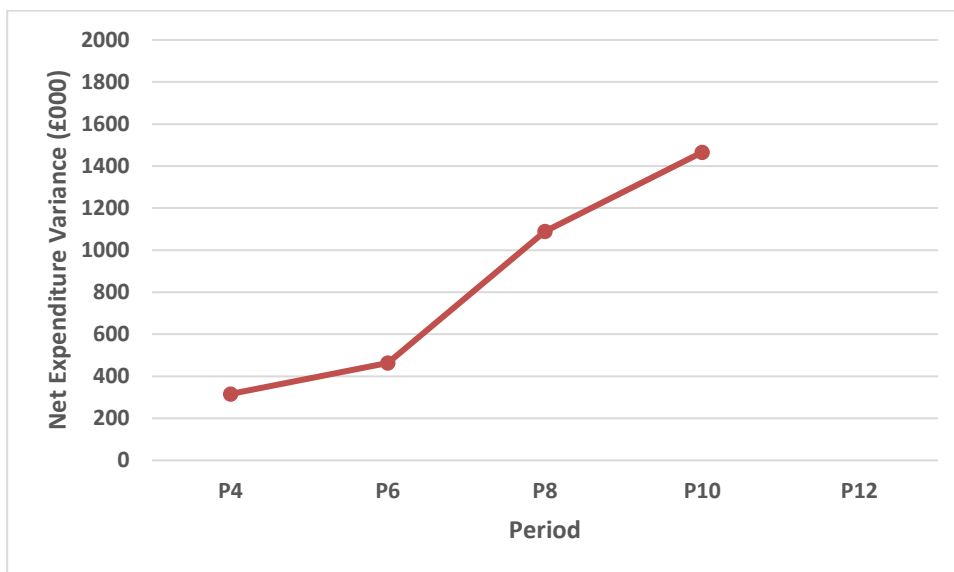
2. Budget Changes

- 2.1 Prior to period 9 the net expenditure budget had increased by £98,000. During periods 9 and 10 the net expenditure budget decreased by £204,000. The cumulative net expenditure budget has therefore decreased by £106,000 to 21 December 2018.
- 2.2 The significant changes since period 8 are as follows:
- 2.3 Removal of £261,000 of expenditure budget across the Economic Development and Property and Land Services Divisions in relation to the payback of funds to the Central Energy Efficiency Fund.
- 2.4 Expenditure and Income budgets have increased in the Service Development Division by £150,000 representing additional grant funding from Scottish Enterprise for the Can Do Challenge.
- 2.5 In addition there have been a number of budget transfers during periods 9 and 10 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 £2,687,000 more than budget and gross income is £1,221,000 more than budget. This results in net expenditure being £1,466,000 more than budget at period 10. 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 £0.770m 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 Land and Property services, the Land and Property 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	-1,260	↓
Housing Investment	1,037	↑
Project Management - Design	770	↑
Service Development	234	↑
Building Standards	308	↑
Planning Services	-1,166	↓
Property and Land Services	1,543	↑

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 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 10 - 1 APRIL 2018 TO 21 DECEMBER 2018
EXPENDITURE TO DATE**

Original Annual Budget	Approved Changes	Revised Budget	HEADING	Actual	Budget	Variance			
£000	£000	£000		£000	£000	£000	%		
21,790	3,825	25,615	Economic Development	10,923	12,252	-1,329	-11		Under
106,839	4,554	111,393	Housing Investment	69,186	68,967	219	0		Over
6,826	131	6,957	Project Management - Design	5,363	5,098	265	5		Over
4,176	182	4,358	Service Development	3,107	2,976	131	4		Over
1,740	400	2,140	Building Standards	3,430	1,425	2,005	141		Over
5,679	724	6,403	Planning Services	4,070	4,086	-16	0		Under
132,388	27,719	160,107	Property & Land Services	115,199	113,787	1,412	1		Over
		0							
279,438	37,535	316,973	TOTAL GROSS EXPENDITURE	211,278	208,591	2,687		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	1,630	1,699	-69	-4		Under
107,013	4,335	111,348	Housing Investment	68,629	69,447	-818	-1		Under
5,839	0	5,839	Project Management - Design	4,445	4,950	-505	-10		Under
574	150	724	Service Development	337	440	-103	-23		Under
3,355	0	3,355	Building Standards	4,060	2,363	1,697	72		Over
1,981	516	2,497	Planning Services	2,847	1,697	1,150	68		Over
120,688	28,940	149,628	Property & Land Services	14,101	14,232	-131	-1		Over
244,516	37,641	282,157	TOTAL DEPARTMENTAL INCOME	96,049	94,828	1,221		1	Over
34,922	-106	34,816	DIRECT NET EXPENDITURE	115,229	113,763	1,466		1	Over
0	0	0	Specific Government Grant	0	0	0	0		
34,922	-106	34,816	ADJUSTED SERVICE NET EXPENDITURE	115,229	113,763	1,466		1	Over



Glasgow City Council

Related Companies

Report by the Executive Director of Financial Services

Contact Colin McGuire Ext 74565

Budget Monitoring: Period 10 - 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 to 21 December 2018.

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). Expenditure with Cordia 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 for Cordia (£1.092m) due to the wind up of the service by 30 September 2018.

2. Budget Changes

Prior to period 10, the net expenditure budget increased by £45,000. During period 10, the net expenditure budget decreased by £125,000 in respect of Central Energy Efficiency Fund paybacks (CEEF). The cumulative net expenditure has therefore decreased by £80,000.

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 10: 1 APRIL TO 21 DECEMBER 2018**

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	0	0	0	0
5,229	-51	5,178	City Parking LLP	4,535	4,535	0	0
72,539	-24	72,515	Glasgow Life	55,709	55,709	0	0
8,705	45	8,750	Community Safety Glasgow	6,708	6,708	0	0
4,769	0	4,769	Jobs & Business Glasgow	3,577	3,577	0	0
1,331	0	1,331	City Property (Glasgow) LLP	1,024	1,024	0	0
2,419	-15	2,404	City Property Investment	1,814	1,814	0	0
10,675	0	10,675	Strathclyde Partnership for Transport	7,996	7,996	0	0
109,018	-80	108,938	TOTAL GROSS EXPENDITURE	83,403	83,403	0	0

INCOME TO DATE

Annual Budget	Approved Changes	Revised Budget		Actual	Budget	Variance	
£000	£000	£000		£000	£000	£000	%
139	0	139	City Building Joint Venture	52	52	0	0
1,317	0	1,317	City Parking LLP	945	945	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	997	997	0	0
107,562	-80	107,482	DIRECT NET EXPENDITURE	82,406	82,406	0	0
0	0	0	Specific Government Grant	0	0	0	0
107,562	-80	107,482	ADJUSTED SERVICE NET EXPENDITURE	82,406	82,406	0	0



Glasgow City Council

Common Good

Report by the Executive Director of Finance

Contact: Colin McGuire – ext 74565

Budget Monitoring: Period 10 – Common Good

1. Introduction

This monitoring statement provides a summary of the financial performance of **Common Good** for the period 1 April 2018 to 21 December 2018.

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 9 and 10.

3. Summary Position

This monitoring report covers a period equivalent to 73% of the financial year. Gross expenditure at this time is £408,000, which is 55% of the annual gross expenditure budget. Gross income received to date is £546,000, resulting in net income of £138,000.

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	£21,682
Charities	£11,509
Events	£130,409
International Visitors	£17,798
Special Individuals	£27,609
Sport	£36,910
Administration costs	£24,793
Total	£270,710

4. Forecast

To date £270,710 has been spent and a further £27,990 has been committed for civic receptions in 2018/19. The remaining civic receptions expenditure budget of £245,300 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, £54,115 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

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
04-Feb-19	Improving the Cancer Journey	27-Jul-18	£3,750	Charities
21-Feb-19	The Hospital Saturday Fund Charity Reception	14-Jun-18	£2,500	Charities
	Total for Charities		£6,250	

Date	Function	Approved	Cost	Category
17-Jan-19	Celtic Connections Opening Reception	03-Oct-18	£700	Events
24-Jan-19	Basque Country International Partnership	12-Oct-18	£280	Events
30-Jan-19	Showcase Scotland	29-Sep-18	£1,050	Events
27-Feb-19	Glasgow Film Festival 2019	30-Nov-18	£420	Events
	Total for Events		£2,450	

Date	Function	Approved	Cost	Category
15-Jan-19	Molendinar Lecture – Festival of St Mungo	29-Sep-18	£240	Special Individuals
01-Mar-19	Chartered Institute of Taxation Joint Presidents Lunch	20-Oct-17	£1,050	Special Individuals
	Total for Special Individuals		£1,290	

Date	Function	Approved	Cost	Category
23-Jan-19	European Capital of Sport	12-Dec-18	£900	Sport
01-Feb-19	Sports Person of the Year	10-Sep-18	£4,000	Sport
28-Feb-19	European Athletics Indoor Championships	17-Jan-18	£10,000	Sport
	Total for Sport		£14,900	

Total Civic Hospitality Commitments for 2018/19	£27,990
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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	Patrick 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
01-Aug-19	Paddle Steamer Preservation Society 50th 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		£30,600	

Date	Function	Approved	Cost	Category
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		£2,525	

Date	Function	Approved	Cost	Category
06-Jun-19	The Boys Brigade Queens Badge Presentation	26-Sep-18	£2,240	Events
	Total for Events		£2,240	

Date	Function	Approved	Cost	Category
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		£10,750	

Date	Function	Approved	Cost	Category
05-Jun-19	Glasgow Life Volunteers	13-Nov-18	£8,000	Sport
	Total for Sport		£8,000	

Total Civic Hospitality Commitments for 2019/20 Onwards	£54,115
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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 10 - 1 APRIL 2018 TO 21 DECEMBER 2018**

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	271	273	50
73	0	73	Property Costs	39	34	53
130	0	130	Miscellaneous Charges	98	32	75
747	0	747	TOTAL GROSS EXPENDITURE	408	339	55

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	327	121	73
54	0	54	Commission	27	27	50
245	0	245	Rental Income	192	53	78
747	0	747	TOTAL DEPARTMENTAL INCOME	546	201	73
0	0	0	NET EXPENDITURE/NET INCOME (-)	-138	138	0