

**The Highland Council**  
**Finance, Housing and Resources Committee –**  
**9 October 2013**

Agenda Item	<b>6.</b>
Report No	<b>FHR/119/13</b>

**Finance Service Revenue Monitoring Report to 31 August 2013**

**Report by Director of Finance**

**Summary**

This report provides Members with information on the revenue monitoring position for the Finance Service for the period 1 April to 31 August 2013.

**1. Financial Year 2013-14**

- 1.1 Attached as Appendix 1 is the revenue monitoring statement for the period to 31 August 2013; it shows that the Service has incurred net expenditure of £6.487m against an annual budget of £11.710m. At this point in the year an over spend of £0.413m is projected.

**2. Variances**

- 2.1 The budget for the Business Support section includes a savings target of £0.865m but due to various constraints reported to the previous FHR, mainly relating to IT challenges, it is likely £0.452m will be achieved creating an expected under achievement of savings of £0.413m.
- 2.2 Whilst the Service is projecting a break-even position, with the exception of Business Support, this is based on the assumption that the vacancy management savings target can be achieved. This savings target is extremely challenging given the demands on the Service at this time.
- 2.3 The Finance Service is examining all areas of expenditure to find compensating savings. This includes all areas over which the Finance Service has responsibility. To date the Service believes that it can deliver £600,000 of savings in loan charges due to action taken late last financial year to secure additional capital grant, and proactive management of borrowing. No budget virement is proposed in order to maintain scrutiny over this budget pressure, however, the Corporate Revenue Monitoring Report evidences this forecast offsetting saving.

**3. Implications**

- 3.1 Resource implications are noted in this report.
- 3.2 There are no Legal, Equalities, Climate Change/Carbon Clever or Risk implications arising as a direct result of this report.

#### **4. Recommendation**

Members are asked to consider and approve the Finance Service Revenue Monitoring Report for the period to 31 August 2013.

Designation:	Director of Finance
Date:	18 September 2013
Author:	Fiona Callum, Accountant
Background Papers:	None

FINANCE SERVICES Revenue Expenditure Monitoring Report

01 April 2013 to 31 August 2013 Finance Service

	£000 Actual Year To Date	£000 Annual Budget	£000 Year End Estimate	£000 Year End Variance	Notes
BY ACTIVITY					
Directorate	153	(238)	(238)	0	
Procurement	263	551	551	0	
Business Support	3,325	5,326	5,739	413	
Accounting & Budgeting	697	1,798	1,798	0	
Internal Audit & Risk Management	311	405	405	0	
Payroll, Pensions & Creditors	805	753	753	0	
Exchequer	933	3,115	3,115	0	
	6,487	11,710	12,123	413	
BY SUBJECTIVE					
Staff Costs	6,920	17,025	17,438	413	
Other Costs	1,059	1,590	1,590	0	
Gross Expenditure	7,979	18,615	19,028	413	
Grants	(718)	(1,404)	(1,404)	0	
Other Income	(774)	(5,501)	(5,501)	0	
Total Income	(1,492)	(6,904)	(6,904)	0	
	6,487	11,710	12,123	413	

Notes

1. %age of Annual Expenditure      This Year      55%  
Last Year      48%