

Agenda item	9.
Report no	RES/24/18

HIGHLAND COUNCIL

Committee:	Corporate Resources Committee
Date:	24 May 2018
Report Title:	Chief Executive's Office And Members: Near Final Revenue Monitoring Out-turn 2016/17
Report By:	The Chief Executive

Purpose/Executive Summary

The attached report and appendices show the near final out-turn position for the Chief Executive's Office revenue budget for the period 1 April 2017 to 31 March 2018 and the status of the Chief Executive's Office and members' savings target for the same period.

Appendix 1 shows that the total budget, including members, was £5.801m and at the year-end the budget was underspent by £0.368m.

The report also provides a summary of the delivery of £0.434m of approved Office savings required to deliver a balanced budget in 2017/18 and corporate and transformational savings for the 2017/18 financial year of £0.015m, amounting to £0.449m savings, or 8% of the total annual budget. These are detailed in Appendix 2.

Recommendations

Members are asked to:

- consider and agree the financial out-turn position of the Chief Executive's Office and Members' budget for the period 1 April 2017 to 31 March 2018; and
- note the Chief Executive's Office achieved £0.443m savings in 2017/18.

1. Budget Monitoring

- 1.1 **Appendix 1** shows the near final out-turn position for the Chief Executive's Office revenue budget for the period 1 April 2017 to 31 March 2018. The total budget was £5.801m, with £5.433m spent by the end of the year.
- 1.2 A number of underspends across the budget headings have resulted in a total underspend of £0.368m. These underspends are attributable to:
- vacancies, including in the members' budget, which have been flagged in previous monitoring reports to Corporate Resources Committee;
 - a reduction in expenditure across a range of budget headings including training, hospitality, travel and subsistence which has been achieved through staff changing the way they undertake their business and will enable £0.094m of these savings to be made permanent from 2018/19;
 - access to external Scottish Government funding for participatory budgeting, enabling a reduction in grant expenditure for the 17/18 period;
 - a underspend on communication support and foreign language interpretation. These services are demand-led and it is not yet clear why this reduction occurred - services will continue to be monitored going forward;
 - increased income arising from licensing, partnership contributions and central services recharges;
 - a number of small one-off government grants.

2. Chief Executive's Office Savings 2017/18

- 2.1 An updated Red/Amber/Green (RAG) analysis of Office specific budget savings the corporate and transformational savings for the 2017/18 financial year is set out on **Appendix 2**. This reflects the position for the final quarter of the financial year and shows that 99% of the Chief Executive's Office budget savings and all of the corporate savings have been achieved.
- 2.2 The only amber measure in the Chief Executive's Office savings relates to the delay in achieving a full year's saving from the reduction of a post in the Emergency Planning and Resilience Team. This has been reported previously and the full year's saving will be achieved in the coming financial year.

3. Implications

- 3.1 Resources - There are no resource implications other than those already set out.
- 3.2 There are no risk, legal, equality, climate change/Carbon Clever, rural or Gaelic implications arising as a direct result of this report.

Report Author: Kate Lackie, Business Manager

Date: 15 May 2017

CHIEF EXECUTIVE'S OFFICE Revenue Expenditure Monitoring Report

1 April 2017 to 31 March 2018

	Notes	£000 Actual Year To Date	£000 Annual Budget	£000 Year End Estimate	£000 Year End Variance
BY ACTIVITY					
Members		1,620	1,652	1,620	(32)
Chief Executive		634	656	634	(22)
Emergency Planning		71	87	71	(16)
Operational Management Areas		1,542	1,550	1,542	(8)
Corporate Communications		120	103	120	16
Policy & Reform		478	573	478	(95)
Legal Services		111	163	111	(52)
Licensing		(686)	(562)	(686)	(124)
Democratic Services		517	536	517	(19)
Elections		465	418	465	47
Trading Standards		562	625	562	(63)
Total Chief Executive's		5,433	5,801	5,433	(368)

BY SUBJECTIVE

Staff Costs		6,307	6,188	6,307	119
Other Costs		2,439	2,314	2,439	126
Gross Expenditure		8,746	8,501	8,746	245
Grants		(356)	(23)	(356)	(334)
Other Income		(2,956)	(2,677)	(2,956)	(279)
Total Income		(3,313)	(2,700)	(3,313)	(613)
		5,433	5,801	5,433	(368)

Notes

1. %age of Annual Expenditure	Mar 1718	94%
	Mar 1617	98%

Date Agreed	Ref.	Activity Heading	Savings Proposal	2017/18 £m	Savings RAG
HC 18/12/14	2	Policy and Reform	Reduction in discretionary budgets	0.005	G
HC 18/12/14	4	Operational Management Areas	Reduction in ward discretionary budgets	0.036	G
HC 18/12/14	5	Corporate Communications	Income Generation	0.001	G
HC 18/12/14	7	Corporate Leadership Support	Reduction in discretionary budgets	0.005	G
HC 16/02/17	1	Members	Reduction to 74 Members	0.093	G
HC 16/02/17	2	Policy & Reform	Various non-staffing budget reductions	0.086	G
HC 16/02/17	3	Service-wide	Reduce staffing	0.078	A
HC 16/02/17	4	Members	Reduce spend on non-staffing budgets including advertising and responsibility allowances	0.068	G
HC 16/02/17	4	Corporate Governance (formerly part of Corp Development)	Identify savings from non-staffing budgets across Legal, Democratic Services and Trading Standards and increase income	0.062	G
Total				0.434	0.000

Ref.	Activity Heading	Savings Proposal	2017/18 Allocations CEO £m	Saving RAG
PIM2	Attendance Management	Reduction in sickness absence by continuing to adopt a robust and consistent approach to attendance management	0.001	G
	Information Management		0.002	G
Corp/8	Sickness Absence / Attendance Management		0.001	G
CD/4 (2016/17)	ICT Contract - Managed Print Service	ICT Contract - Managed Print Service	0.008	G
FIN/2	Corporate Finance	Insurance Services - increased self-insurance	0.003	G
Total Corporate Savings			0.015	