

HIGHLAND COUNCIL

Agenda Item	7
Report No	RES/05/19

Committee: Corporate Resources Committee

Date: 27 February 2019

Report Title: Chief Executive's Office And Members: Revenue Expenditure Monitoring April-December 2018/19

Report By: Chief Executive

Purpose/Executive Summary

The attached report and appendices show the monitoring position for the Chief Executive's Office 2018/19 revenue budget for the period to 31 December 2018 and the status of the Chief Executive's Office and members' savings target for the same period.

Anticipated underspends across a number of budget headings are currently expected to offset pressures elsewhere which will result in the budget being underspent by £0.118m by the end of the financial year.

The report also provides a summary of the delivery of £0.575m of approved Office savings required to deliver a balanced budget in 2018/19 and corporate and transformational savings for the 2018/19 financial year of £0.007m, amounting to £0.582m savings in total. All savings have been delivered.

Recommendations

Members are asked to:

- consider and agree the financial position of the Chief Executive's Office and Members' budget as at 31 December 2018; and
- note the status of budgeted savings in the year.

1. Budget Monitoring

- 1.1 **Appendix 1** shows the monitoring position for the Chief Executive's Office and the Members' revenue budget for the third quarter of the 2018/19 financial year. The total budget is £4.909m, with £4.138m spent to date; equating to 84% of the total budget three quarters of the way through the financial year. Of this, the members' budget accounts for £1.654m with £1.348m expenditure in Quarter 3.
- 1.2 The budget is predicting underspends amounting to £0.118m across a number of headings and the primary reasons for these were reported to the last committee. As before, it remains difficult to anticipate the end of year position with absolute certainty. However, at this stage in the year there is a high degree of confidence that there will be an underspend to return to balances.
- 1.3 There are two areas of overspend in the Chief Executive's budget – both of which have been reported previously and are as a result of approved unbudgeted expenditure for one-off activities. Chief Executive Office managers have worked hard to manage expenditure throughout the year to offset these pressures by achieving underspends in other parts of the budget. It will therefore not be necessary to seek a budget feed to cover elections expenditure in 2018/19.

2. Chief Executive's Office Savings 2018/19

- 2.1 An updated Red/Amber/Green (RAG) analysis of Office specific budget savings the corporate and transformational savings for the 2018/19 financial year is set out on **Appendix 2**. This reflects the position for the third quarter of the financial year and shows that all of the Chief Executive's Office budget savings and the corporate savings have been achieved.

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.

Designation: Donna Manson
Chief Executive

Report Author: Kate Lackie, Business Manager

Date: 14 February 2019

CHIEF EXECUTIVE'S OFFICE Revenue Expenditure Monitoring Report

1 April 2018 to 31 December 2018

	Notes	£000 Actual Year To Date	£000 Annual Budget	£000 Year End Estimate	£000 Year End Variance
BY ACTIVITY					
Members		1,348	1,654	1,650	(4)
Chief Executive		605	592	634	42
Emergency Planning		44	61	54	(7)
Operational Management Areas		846	1,163	1,160	(3)
Corporate Communications		105	102	105	3
Policy & Reform		462	469	415	(54)
Legal Services		547	162	134	(28)
Licensing		(834)	(561)	(612)	(51)
Democratic Services		465	536	519	(17)
Elections		123	106	163	57
Trading Standards		427	625	569	(56)
Total Chief Executive's		4,138	4,909	4,791	(118)
BY SUBJECTIVE					
Staff Costs		4,650	6,018	5,999	(19)
Other Costs		1,268	1,507	1,527	20
Gross Expenditure		5,918	7,525	7,526	1
Grants		(163)	(14)	(14)	0
Other Income		(1,617)	(2,602)	(2,721)	(119)
Total Income		(1,780)	(2,616)	(2,735)	(119)
		4,138	4,909	4,791	(118)

Notes

1. %age of Annual Expenditure	Dec 1819	84%
	Dec 1718	81%

**2018/19 Savings Proposals
Chief Executive's Office**

Appendix 2

Date Agreed	Ref.	Budget Heading	Name of Savings Proposal	Agreed Savings £m	Category R A G	Comments
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 16/02/17	1	Members	Reduction to 74 Members (full year effect of 2017/18 part year savings)	0.010	G	
HC 15/02/18	CEO1	Operational Management Areas	Reduce residual Ward Discretionary Budget by 50%	0.331	G	
HC 15/02/18	CEO2	Policy & Reform	Reduce community council grants	0.100	G	
HC 15/02/18	CEO3	Service-wide	Savings across various service budget headings including emergency planning, corporate communications and operational management areas	0.093	G	
Total				0.575		

Allocation of TSP & Corporate Savings

Date Agreed	Ref.	Description	Total Savings (inc 17/18 c/fwd) £m	CEO Allocations to Date £m	Category R A G	Comments
HC 15/02/18		Redesign	2.250	0.000		
HC 15/02/18	CR9	Insurance	0.311	0.001	G	
HC 15/02/18	CS31	Travel Desk	0.060	0.006	G	
HC 15/02/18	DI8	Property Asset Management (including £0.076m c/fwd from 2017/18)	0.226	0.000		
		Procurement (c/fwd from 2017/18)	1.127	0.000		
Total			3.974	0.007		