

REVENUE BUDGET MONITORING REPORT – JUNE 2012  
CORPORATE OVERVIEW

**FORECAST OUTTURN – OVERSPEND £14,658**

This Corporate Overview summarises the revenue budget position of the Council as at 30 June 2012. The overall outturn variance is forecast to be an overspend of £15k based on the June budget monitoring exercise.

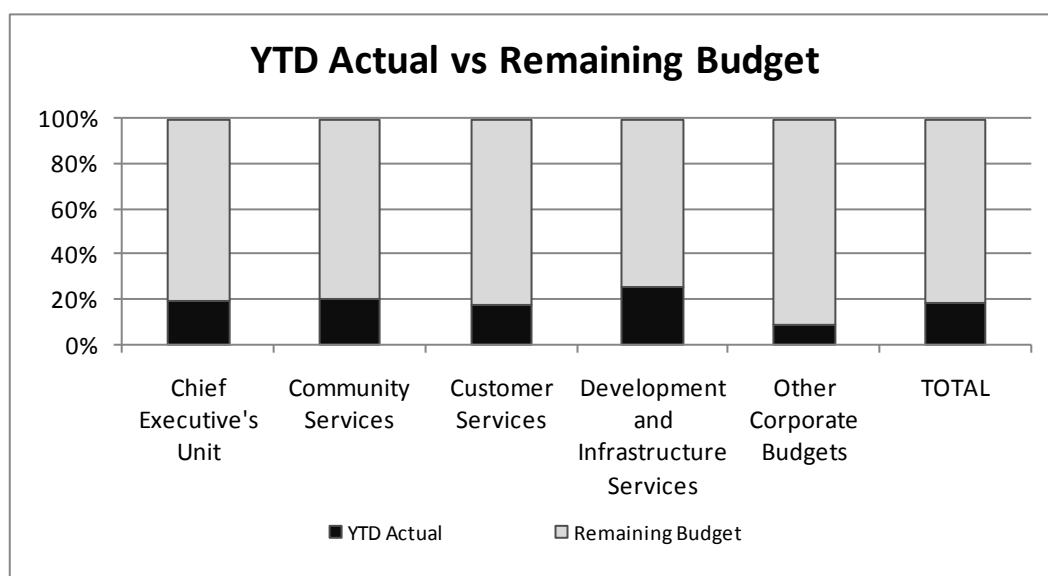
**1. CURRENT FINANCIAL POSITION**

The overall Council financial statements are included as appendices to this report. An overall Objective Summary is included in Appendix 1 and the overall Subjective Summary for the Council is included as Appendix 2.

**YEAR TO DATE POSITION**

As at the end of June 2012 there is a year to date surplus of £5.147m. The main reason for this is the profiling of budgets and the timing differences with payments being made, this is the first financial quarter and the profiling of budgets will be refined. There are also a number of year-end accrual entries still to be offset by anticipated expenditure. The material year to date surplus is not an indication of the year-end outturn position.

The graph below shows the expenditure to date against the remaining budget for each Department. This is a high level summary to give an indication of the proportion of controllable budget that each Department has spent to date. The dark shade represents the actual expenditure to date as a percentage of total budget and the lighter area at the top represents the available/remaining budget.



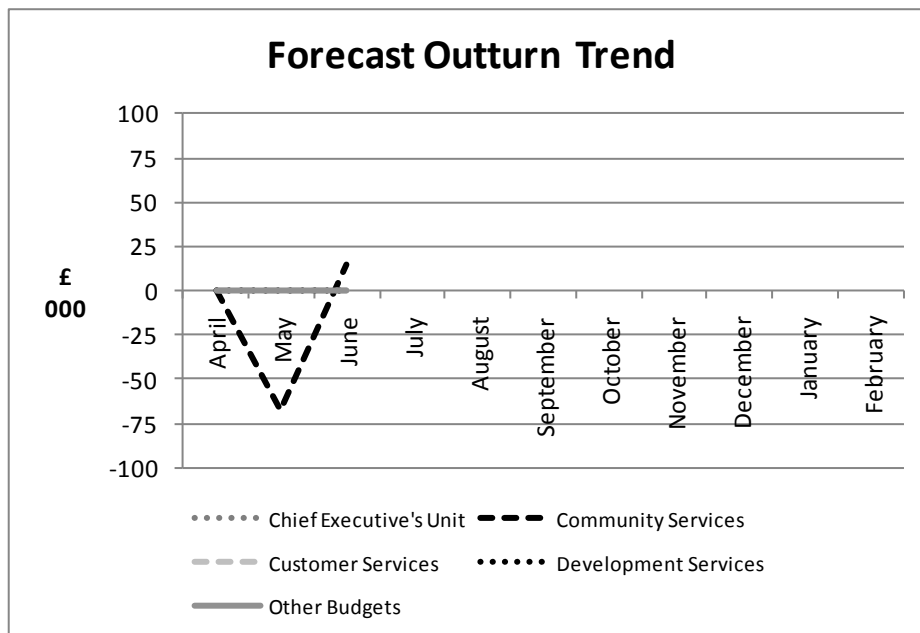
## **FORECAST OUTTURN POSITION**

The current forecast outturn position as at the end of June 2012 is a forecast overspend of £15k. The only department forecasting an outturn which is different to the annual budget is Community Services.

Community Services are projecting an overspend of £15k. The Children and Families service are projecting an overspend of £65k, this is in relation to two children going into secure placements and the extension of existing placements beyond the period initially planned. There is a projected underspend of £50k within Adult Care. The main reasons for this being underspends of £229k in Care Home Placements and £85k in Learning Disability Residential Care, these have been partly offset by overspends of £122k in Homecare and £153k across Supported Living packages, these overspends are as a result of an increase in the client base of these demand led services.

Departments will continue to closely monitor the projected outturn position and report any anticipated budget over/underspends through the budget monitoring process.

The line graph below shows the movement in the forecast outturn position for each Department from the start of the financial year.



## 2. FINANCIAL SUCCESSES, CHALLENGES, RISKS AND FUTURE ACTIONS

<b><u>SUCCESSES</u></b>	<b><u>CHALLENGES</u></b>
<p>Departmental expenditure in 2011-12 was kept within budget with an overall year-end underspend of £1.620m</p> <p>The General Fund balance increased by £0.665m during 2011-12, despite having significant challenges to meet with implementing service review savings options and meeting the costs of severance</p> <p>Departments are on target to meet savings targets with 64% of savings achieved to date</p>	<p>Maintaining favourable/balanced forecast outturn position in light of Council wide risks to expenditure</p> <p>Ongoing service reviews and challenges faced in terms of delivering services more efficiently with less resources</p> <p>Ensuring that savings options agreed as part of 2012-13 budget process are implemented and fully achieved</p> <p>Further notification on the increase to Non Domestic Rates poundage rate indicates an increase of 5.8% for 2012-13 which is greater than the 2.5% originally estimated and included in the 2012-13 budget, this could give rise to an additional cost pressure of around £0.150m. This cost pressure will be refined and the forecast outturn position will be updated in the July monitoring period</p>
<b><u>RISKS</u></b>	<b><u>FUTURE ACTIONS</u></b>
<p>Increasing demand for services with reduced resources could lead to an adverse outturn position</p> <p>Winter Maintenance spend, the outturn position for 2010-11 was an overspend of £1.7m and for 2011-12 an overspend of £0.5m. There is no way of predicting if there will be an overspend in this service area during 2012-13 and at what level this may be</p>	<p>Ongoing robust monitoring of the financial position to ensure that any budget issues are fed back to the management team and members through the budget monitoring process</p> <p>Continually refine/develop systems to accurately calculate forecast outturns and the future years financial outlook</p>

### 3. EFFICIENCY SAVINGS AND OTHER BUDGET SAVINGS

The table below summarises the total savings allocated to Departments, along with the amount of savings realised to date:

Type of Saving	2012-13 Target	Actual	Remaining
Vacancy Savings	£763,192	£20,420	£742,772
Efficiency Savings	£3,202,625	£2,457,303	£745,322
Other Savings	£2,877,143	£1,916,853	£960,290
<b>Totals</b>	<b>£6,842,960</b>	<b>£4,394,576</b>	<b>£2,448,384</b>

The Efficiency Savings and Other Savings include Year 2 Service Review Savings and Further Savings options approved as part of the 2011-12 budget where the amount of the saving was to increase in 2012-13 or Year 3 Service Review savings which were approved as part of the 2012-13 budget process.

These savings were removed from service budgets at the start of the year as part of the budget setting process, departments will monitor the budgets throughout the year to ensure these are achieved.

Overall services are on track to meet their savings. 64% of the total target has been achieved as at the end of June. A number of the savings relate to reductions to staffing budgets which have been achieved with the removal of posts.

Council Objective Summary as at 30 June 2012

Appendix 1

	YEAR TO DATE POSITION			CURRENT PROJECTED FINAL OUTTURN			PREVIOUS PROJECTED FINAL OUTTURN		
	YTD Actual	YTD Budget	YTD Variance	Annual Budget	Forecast Outturn	Forecast (over)/under spend	Forecast Outturn	Additional Funding / Transfers	Variance from Previous Outturn
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b><u>Departmental Budgets</u></b>									
Chief Executives	1,316	1,319	3	6,760	6,760	0	6,760	0	0
Community Services	27,108	31,103	3,995	133,872	133,887	-15	133,804	0	-83
Customer Services	5,693	6,554	861	33,224	33,224	0	33,207	17	0
Development and Infrastructure Services	7,888	6,590	-1,298	30,923	30,923	0	30,940	-17	0
<b>Total Departmental Budgets</b>	<b>42,005</b>	<b>45,566</b>	<b>3,561</b>	<b>204,779</b>	<b>204,794</b>	<b>-15</b>	<b>204,711</b>	<b>0</b>	<b>-83</b>
<b><u>Non-Departmental Budgets</u></b>									
Other Operating Inc & Exp	626	751	125	3,396	3,396	0	3,396	0	0
Joint Boards	3,756	3,755	-1	15,025	15,025	0	15,025	0	0
Non-Controllable Costs	-136	387	523	31,730	31,730	0	31,730	0	0
<b>Total Non-Departmental Budgets</b>	<b>4,246</b>	<b>4,893</b>	<b>647</b>	<b>50,151</b>	<b>50,151</b>	<b>0</b>	<b>50,151</b>	<b>0</b>	<b>0</b>
<b>TOTAL NET EXPENDITURE</b>	<b>46,251</b>	<b>50,459</b>	<b>4,208</b>	<b>254,930</b>	<b>254,945</b>	<b>-15</b>	<b>254,862</b>	<b>0</b>	<b>-83</b>
<b><u>Financed By</u></b>									
Aggregate External Finance	-52,519	-52,519	0	-214,561	-214,561	0	-214,561	0	0
Local Tax Requirement	-10,487	-10,488	-1	-45,050	-45,050	0	-45,050	0	0
Contributions to General Fund		940	940	3,760	3,760	0	3,760	0	0
Revenue Contribution to Capital			0	921	921	0	921	0	0
<b>Total Funding</b>	<b>-63,006</b>	<b>-62,067</b>	<b>939</b>	<b>-254,930</b>	<b>-254,930</b>	<b>0</b>	<b>-254,930</b>	<b>0</b>	<b>0</b>
<b>Deficit/(Surplus) for Period</b>	<b>-16,755</b>	<b>-11,608</b>	<b>5,147</b>	<b>0</b>	<b>15</b>	<b>-15</b>	<b>-68</b>	<b>0</b>	<b>-83</b>

Council Subjective Summary as at 30 June 2012

Appendix 2

	YEAR TO DATE POSITION			CURRENT PROJECTED FINAL OUTTURN		
	YTD Actual	YTD Budget	YTD Variance	Annual Budget	Forecast Outturn	Forecast (over)/under spend
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Subjective Category</b>						
Employee Expenses	28,604	29,049	445	130,992	131,138	-146
Premises Related Expenditure	1,154	2,843	1,689	14,554	14,554	0
Supplies and Services	5,273	5,867	594	21,936	21,936	0
Transport Related Expenditure	7,980	8,583	603	18,523	18,523	0
Third Party Payments	29,206	32,760	3,554	137,315	137,298	17
Capital Financing	-1,134	0	1,134	28,778	28,778	0
<b>TOTAL NET EXPENDITURE</b>	<b>71,083</b>	<b>79,102</b>	<b>8,019</b>	<b>352,098</b>	<b>352,227</b>	<b>-129</b>
Income	87,838	90,710	2,872	352,098	352,212	-114
<b>Deficit/(Surplus) for Period</b>	<b>-16,755</b>	<b>-11,608</b>	<b>5,147</b>	<b>0</b>	<b>15</b>	<b>-15</b>

**ARGYLL AND BUTE COUNCIL  
DEPARTMENT: CHIEF EXECUTIVE'S UNIT  
BUDGET MONITORING REPORT – JUNE 2012**

This report summaries the financial position of Chief Executive's Unit as at 30 June 2012. There are currently no forecast outturns, therefore, the department are projecting to come in on budget. Further detail is provided within this report along with other financial issues affecting the department.

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## FINANCIAL SUCCESSES, CHALLENGES, RISKS AND FUTURE ACTIONS

SUCSESSES	CHALLENGES	RISKS	FUTURE ACTIONS
The Chief Executive's Unit has an ongoing record of delivering services within budget and on achieving efficiency savings.	Continue to deliver the same level of service with reduced resources. Savings were in the most part staffing related, there is limited scope within the section to cover for unexpected costs.	Major projects such as the Council Modernisation and Process for Change fall under the CEU.	Close monitoring of budgets and the implementation of the Support Service Review savings, ensuring a favourable outturn position for the CEU.
The department had a favourable outturn position for 2011/12 and are currently forecasting to bring expenditure in 2012/13 in line with budget.	Challenge of implementing Support Service Review agreed savings whilst maintaining or improving level of service.		Prompt highlighting of and processing of forecast variances.

## EFFICIENCY SAVINGS AND OTHER BUDGET SAVINGS

Type of Saving	Target	Actual	Remaining	Explanation
Unallocated Staff Reductions	£36,349	£0	£36,349	Unallocated staff savings target in Improvement and HR, none of this target has been met so far for 2012-13.
Efficiency Savings	£223,168	£169,047	£54,121	Savings on track to be fully achieved.
Other Savings	-£60,105	-£60,105	£0	This represents the additional cost to deliver the Communications strategy for 2012-13, this offsets part of the efficiency savings achieved from the service review.
<b>Totals</b>	<b>£223,168</b>	<b>£169,047</b>	<b>£54,121</b>	

The Efficiency Savings and Other Savings are the savings amounts removed from service budgets as per the approved 2012-13 budget. These will include Year 2 Service Review Savings and Further Savings options approved as part of the 2011-12 budget where the amount of the saving was to increase during 2012-13, or Year 3 Service Review savings which were approved as part of the 2012-13 budget process.



## OBJECTIVE SUMMARY

Service	YTD Actual	YTD Budget	YTD Variance	% Variance	Annual Budget	Projected Variance	Projected Final Outturn	% Variance	Explanation
Chief Executive	£40,925	£47,335	£6,410	13.54%	£246,003	£0	£246,003	0.00%	YTD Variance - underspend due to vacant Chief Executive Support Officer post.
Head of Improvement and Strategic HR	£859,052	£843,182	-£15,870	-1.88%	£4,552,351	£0	£4,552,351	0.00%	Outwith Reporting Criteria
Head of Strategic Finance	£416,351	£428,799	£12,448	2.90%	£1,961,786	£0	£1,961,786	0.00%	Outwith Reporting Criteria
<b>Totals</b>	<b>£1,316,328</b>	<b>£1,319,316</b>	<b>£2,988</b>	<b>0.23%</b>	<b>£6,760,140</b>	<b>£0</b>	<b>£6,760,140</b>	<b>0.00%</b>	

A positive figure in the YTD Variance column indicates a favourable YTD underspend compared to the profiled YTD budget, a negative figure therefore indicates that the YTD spend has exceeded the profiled budget for the period.

A positive figure in the Projected Variance column indicates a favourable position in terms of the projected final outturn position, i.e. an underspend. Therefore a negative figure in this column indicates an adverse position or projected overspend for the year-end.

## SUBJECTIVE SUMMARY

Subjective Category	YTD Actual	YTD Budget	YTD Variance	% Variance	Annual Budget	Projected Variance	Projected Final Outturn	% Variance	Explanation
Employee	£1,155,578	£1,203,762	£48,184	4.00%	£5,681,600	£0	£5,681,600	0.00%	YTD variance is mainly due to the profiling of Management and Development Training budgets which require to be profiled in line with training plans. In addition the employee budgets require to be adjusted for sections of Improvement Service to reflect the outcome of the service review, this will reduce the YTD direct employee budget variance.
Premises	£5,369	£4,102	-£1,267	-30.89%	£311,070	£0	£311,070	0.00%	Outwith Reporting Criteria
Supplies & Services	£121,628	£66,523	-£55,105	-82.84%	£654,225	£0	£654,225	0.00%	Variance caused by profiling and year-end accrual adjustments. The Supplies and Services budget profiling will have to be refined to reflect spending plans as currently they are simply split across the year.
Transport	£15,541	£26,036	£10,495	40.31%	104822	£0	104822	0.00%	Variance caused by year-end accrual adjustments for outstanding travel claims, this variance will reduce as these outstanding claims are processed.
Third Party	£31,942	£46,493	£14,551	31.30%	£226,034	£0	£226,034	0.00%	Underspend is mainly due to outstanding year-end accrual entries for Consultancy costs.
Income	-£13,731	-£27,600	-£13,869	-50.25%	-£217,610	£0	-£217,610	0.00%	Profiling of income budgets will be refined, currently the budget is split across the year when in reality most of the income will be recovered towards the end of the year. This will be addressed for future budget monitoring.
<b>Totals</b>	<b>£1,316,327</b>	<b>£1,319,316</b>	<b>£2,989</b>	<b>0.23%</b>	<b>£6,760,141</b>	<b>£0</b>	<b>£6,760,141</b>	<b>0.00%</b>	

A positive figure in the YTD Variance column indicates a favourable YTD underspend compared to the profiled YTD budget, a negative figure therefore indicates that the YTD spend has exceeded the profiled budget for the period.

A positive figure in the Projected Variance column indicates a favourable position in terms of the projected final outturn position, i.e. an underspend. Therefore a negative figure in this column indicates an adverse position or projected overspend for the year-end.

## RED VARIANCES

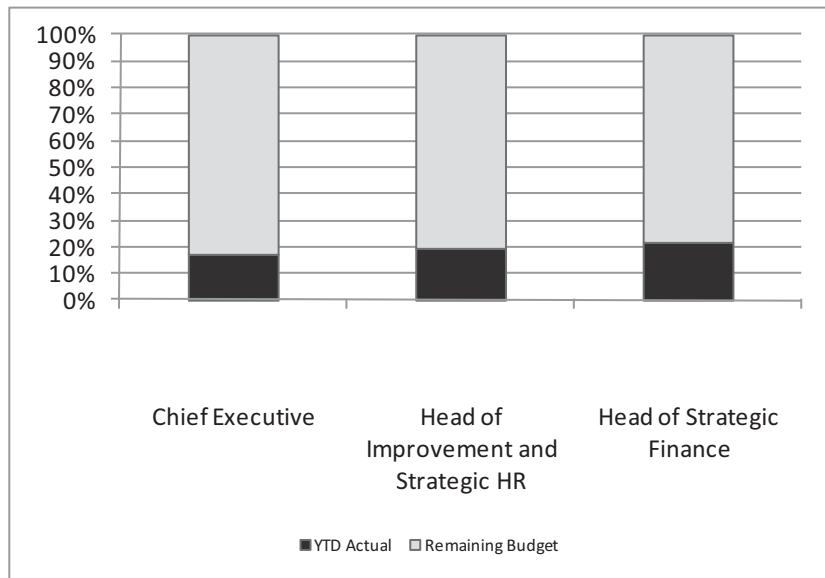
Cost Centre Description	Annual Budget	Projected Variance	Projected Final Outturn	% Variance	Explanation
There are no red variances to report this month.					

## DEPARTMENTAL BUDGET v ACTUAL GRAPH

The graph below highlights the expenditure to date against the remaining budget per Head of Service. This is a high level graph designed to help have an overall view of how much of the service budget has been spent to date.

The dark area represents the actual expenditure to date as a percentage of the total budget.

The lighter area at the top displays the remaining available budget as a percentage of the total budget.



**ARGYLL AND BUTE COUNCIL  
DEPARTMENT: COMMUNITY SERVICES  
BUDGET MONITORING REPORT – JUNE 2012**

This report summaries the financial position of Community Services as at 30 June 2012. The overall departmental projection is currently an overspend of £14,658. Further detail is provided within this report along with other financial issues affecting the department.

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## FINANCIAL SUCCESSES, CHALLENGES, RISKS AND FUTURE ACTIONS

SUCCESSES	CHALLENGES	RISKS	FUTURE ACTIONS
Department expected to meet efficiency savings target.	Ensure efficiency targets are met	Efficiencies are not generated	On-going robust monitoring and forecasting
	Containing expenditure within budget	Adverse outturn increases	On-going robust monitoring and forecasting
	To develop supporting management information to complement financial summaries	Unable to source cost drivers /base data	On-going review and development
	Provision of financial information that is relevant timely, accurate and understandable to budget holders and decision makers	Information is inaccurate and out of date. Failure to demonstrate resources aligned with priorities	

## EFFICIENCY SAVINGS AND OTHER BUDGET SAVINGS

Type of Saving	Target	Actual	Remaining	Explanation
Vacancy Savings	515,071	0	515,071	Vacancy savings have not yet been transferred to offset target.
Efficiency Savings	1,313,024	1,275,724	37,300	Savings are on track to be fully achieved.
Other Savings	1,804,194	1,277,702	526,492	Savings are on track to be fully achieved.
<b>Totals</b>	<b>3,632,289</b>	<b>2,553,426</b>	<b>1,078,863</b>	

The Efficiency Savings and Other Savings are the savings amounts removed from service budgets as per the approved 2012-13 budget. These will include Year 2 Service Review Savings and Further Savings options approved as part of the 2011-12 budget where the amount of the saving was to increase during 2012-13, or Year 3 Service Review savings which were approved as part of the 2012-13 budget process.

## OBJECTIVE SUMMARY

Service	YTD Actual	YTD Budget	YTD Variance	% Variance	Annual Budget	Projected Variance	Projected Final Outturn	% Variance	Explanation
Executive Director of Community Services	123,984	155,169	31,185	20.10%	152,162	0	152,162	0.00%	No projected outturn have been processed as priority has been the year end closedown. YTD variance it is difficult to provide any meaningful analysis until the year end accruals are processed in the old year and reversed in the new year.
Head of Education	14,892,811	15,614,976	722,165	4.62%	64,406,392	0	64,406,392	0.00%	No projected outturn have been processed as priority has been the year end closedown. YTD variance it is difficult to provide any meaningful analysis until the year end accruals are processed in the old year and reversed in the new year.
Head of Children and Families	3,700,166	3,792,856	92,690	2.44%	16,140,365	-64,946	16,205,311	-0.40%	This projected overspend is due to 2 children going into secure placements and the extension of existing placements beyond the period initially planned.
Head of Adult Care	6,261,984	8,809,190	2,547,206	28.92%	43,003,353	50,288	42,953,065	0.12%	The main contributing factors to the current projected outturn are underspends in Care Home Placements and LD Joint Residential being offset by overspends in Homecare and Supported Living packages. YTD variance is mainly profile related and should reduce significantly once invoices for care services (Homecare and Supported Living) are received and processed.
Head of Community and Culture	2,128,744	2,730,582	601,838	22.04%	10,169,813	0	10,169,813	0.00%	No projected outturn have been processed as priority has been the year end closedown. YTD variance it is difficult to provide any meaningful analysis until the year end accruals are processed in the old year and reversed in the new year.
<b>Totals</b>	<b>27,107,689</b>	<b>31,102,773</b>	<b>3,995,084</b>	<b>12.84%</b>	<b>133,872,085</b>	<b>-14,658</b>	<b>133,886,743</b>	<b>-0.01%</b>	

A positive figure in the YTD Variance column indicates a favourable YTD underspend compared to the profiled YTD budget, a negative figure therefore indicates that the YTD spend has exceeded the profiled budget for the period.

A positive figure in the Projected Variance column indicates a favourable position in terms of the projected final outturn position, i.e. an underspend. Therefore a negative figure in this column indicates an adverse position or projected overspend for the year-end.

## SUBJECTIVE SUMMARY

Subjective Category	YTD Actual	YTD Budget	YTD Variance	% Variance	Annual Budget	Projected Variance	Projected Final Outturn	% Variance	Explanation
Employee	19,026,613	19,289,919	263,306	1.36%	84,235,417	-145,937	84,381,354	-0.17%	The projected outturn variance is due to net overspends on salary costs in the Council's Residential Care homes.
Premises	552,494	1,534,139	981,645	63.99%	6,321,600	0	6,321,600	0.00%	No projected outturn have been processed as priority has been the year end closedown. YTD variance it is difficult to provide any meaningful analysis until the year end accruals are processed in the old year and reversed in the new year.
Supplies & Services	2,109,351	2,259,381	150,030	6.64%	8,451,873	0	8,451,873	0.00%	No projected outturn have been processed as priority has been the year end closedown. YTD variance it is difficult to provide any meaningful analysis until the year end accruals are processed in the old year and reversed in the new year.
Transport	297,358	309,731	12,373	3.99%	1,258,308	0	1,258,308	0.00%	No projected outturn have been processed as priority has been the year end closedown. YTD variance it is difficult to provide any meaningful analysis until the year end accruals are processed in the old year and reversed in the new year.
Third Party	9,434,209	12,847,083	3,412,874	26.57%	49,525,883	16,503	49,509,380	0.03%	The main contributing factors to the current projected outturn are underspends on Elderly Residential Care which are partially offset by overspends on Elderly Homecare, LD Supported Living and C&F Residential Placements.
Income	-4,312,337	-5,137,480	-825,143	16.06%	-15,920,995	114,776	-16,035,771	0.72%	The projected outturn variance is due to the likely net over-recovery of income in the Council's Residential Care homes due mainly to higher than expected numbers of self-funding clients.
<b>Totals</b>	<b>27,107,688</b>	<b>31,102,773</b>	<b>3,995,085</b>	<b>12.84%</b>	<b>133,872,086</b>	<b>-14,658</b>	<b>133,886,744</b>	<b>-0.01%</b>	

A positive figure in the YTD Variance column indicates a favourable YTD underspend compared to the profiled YTD budget, a negative figure therefore indicates that the YTD spend has exceeded the profiled budget for the period.

A positive figure in the Projected Variance column indicates a favourable position in terms of the projected final outturn position, i.e. an underspend. Therefore a negative figure in this column indicates an adverse position or projected overspend for the year-end.



## RED VARIANCES

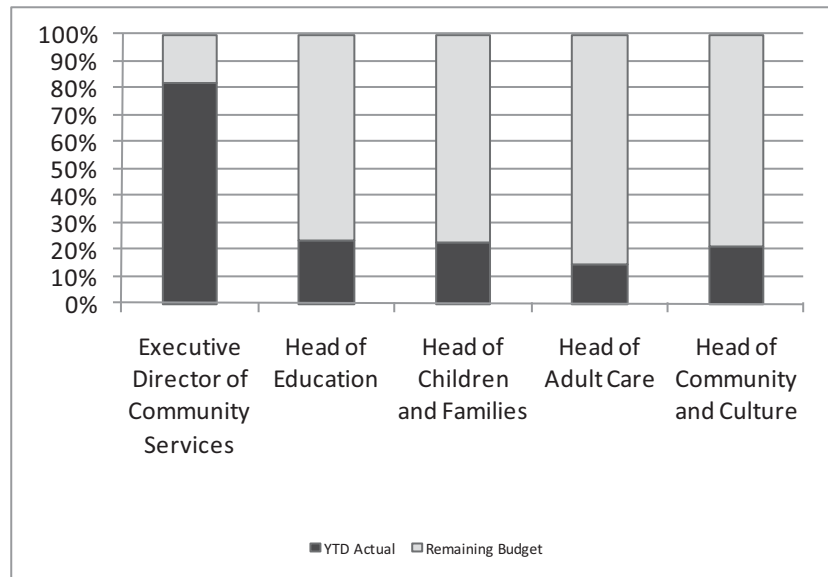
Cost Centre Description	Annual Budget	Projected Variance	Projected Final Outturn	% Variance	Explanation
Homecare	8,866,937	-122,000	8,988,937	-1.38%	Overspend reflects current level of commitment which is greater than budget.
Care Home Placements	8,131,369	228,658	7,902,711	2.81%	Underspend reflects current level of commitment being less than budget. This will in part reflect the ongoing shift in the balance of care and is currently offsetting the overspend in homecare.
Sheltered Housing	403,591	30,000	373,591	7.43%	Underspend reflects saving through redesign of service provision with Registered Social Landlords.
Council Residential Units	4,153,246	-31,161	4,184,407	-0.75%	Overspend is the net impact of overspend in employee costs which is partly offset by an over recovery of income from self funding clients.
LD Joint Residential Care	2,039,684	85,000	1,954,684	4.17%	Underspend reflects current level of commitment being less than budget, mainly due to changes in client packages.
LD Supported Living	5,455,289	-121,000	5,576,289	-2.22%	Overspend reflects current level of commitment which is greater than budget.
PD Supported Living	607,050	-20,000	627,050	-3.29%	Overspend reflects current level of commitment which is greater than budget.
PD Residential Care	37,502	-1,854	39,356	-4.94%	Overspend reflects current level of commitment which is greater than budget.
MH Supported Living	743,173	-12,000	755,173	-1.61%	Overspend reflects current level of commitment which is greater than budget.
MH Residential Placements	38,162	14,645	23,517	38.38%	Underspend reflects change in client package.
C&F Residential Placements	1,027,835	-64,946	1,092,781	-6.32%	This projected overspend is due to 2 children going into secure placements and the extension of existing placements beyond the period initially planned.
<b>Totals</b>	<b>31,503,838</b>	<b>-14,658</b>	<b>31,518,496</b>		

## DEPARTMENTAL BUDGET v ACTUAL GRAPH

The graph below highlights the expenditure to date against the remaining budget per Head of Service. This is a high level graph designed to help have an overall view of how much of the service budget has been spent to date.

The dark area represents the actual expenditure to date as a percentage of the total budget.

The lighter area at the top displays the remaining available budget as a percentage of the total budget.



**ARGYLL AND BUTE COUNCIL  
DEPARTMENT: CUSTOMER SERVICES  
BUDGET MONITORING REPORT – JUNE 2012**

This report summaries the financial position of Customer Services as at 30 June 2012. There are currently no forecast outturns, therefore, the department are projecting to come in on budget. Further detail is provided within this report along with other financial issues affecting the department.

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## FINANCIAL SUCCESSES, CHALLENGES, RISKS AND FUTURE ACTIONS

SUCCESSES	CHALLENGES	RISKS	FUTURE ACTIONS
Ongoing track record of delivering services within budget.	Achieving the savings set within the budget for 2012/13 and beyond. Specifically, the procurement savings on contract renewals for transport.	Inflationary cost pressures especially in relation to fuel.	Ongoing robust performance monitoring to ensure financial issues are promptly fed back to the Service & Departmental Management Teams.
Ongoing track record of delivering on efficiency targets.	Dealing with the impact of the loss of key staff.	Impact of Numbers/uptake - Transport, Benefits.	Efficiency savings ongoing across the Department/Council.
Achieved the overall savings set within the budget for 2011/12.	Delivering on service review outcomes.	Changes in external funding regime.	Next phase of Transformation.

## EFFICIENCY SAVINGS AND OTHER BUDGET SAVINGS

Type of Saving	Target	Actual	Remaining	Explanation
Vacancy Savings	£81,681	£20,420	£61,261	These savings will be more difficult to achieve as posts have been removed as part of service review savings options thus reducing the base available on which to make a saving.
Efficiency Savings	£676,161	£602,432	£73,729	Savings are on track to be fully achieved.
Other Savings	£212,624	£212,624	£0	Savings are on track to be fully achieved.
<b>Totals</b>	<b>£970,466</b>	<b>£835,476</b>	<b>£134,990</b>	

The Efficiency Savings and Other Savings are the savings amounts removed from service budgets as per the approved 2012-13 budget. These will include Year 2 Service Review Savings and Further Savings options approved as part of the 2011-12 budget where the amount of the saving was to increase during 2012-13, or Year 3 Service Review savings which were approved as part of the 2012-13 budget process.

## OBJECTIVE SUMMARY

Service	YTD Actual	YTD Budget	YTD Variance	% Variance	Annual Budget	Projected Variance	Projected Final Outturn	% Variance	Explanation
Executive Director of Customer Services	£2,661,237	£2,718,088	£56,851	2.09%	£13,989,309	£0	£13,989,309	0.00%	<b>YTD Variance</b> - Outwith reporting requirements. <b>Forecast Variance</b> - No outturn variances are currently forecast.
Head of Customer and Support Services	£622,887	£815,480	£192,593	23.62%	£6,360,602	£0	£6,360,602	0.00%	<b>YTD Variance</b> - Mainly due to the profiling of ICT Applications and ICT Infrastructure (£114k). <b>Forecast Variance</b> - No outturn variances are currently forecast.
Head of Governance and Law	£346,839	£587,056	£240,217	40.92%	£1,871,281	£0	£1,871,281	0.00%	<b>YTD Variance</b> - Mainly due to civic government income (£108k) where tri annual renewals are being processed and grant income in advance of spend for the Community Safety Partnership (£129k). <b>Forecast Variance</b> - No outturn variances are currently forecast.
Head of Facility Services	£2,061,928	£2,433,250	£371,322	15.26%	£11,003,163	£0	£11,003,163	0.00%	<b>YTD Variance</b> - Mainly due to profiling and year-end accrual entries. <b>Forecast Variance</b> - No outturn variances are currently forecast.
<b>Totals</b>	<b>£5,692,891</b>	<b>£6,553,874</b>	<b>£860,983</b>	<b>13.14%</b>	<b>£33,224,355</b>	<b>£0</b>	<b>£33,224,355</b>	<b>0.00%</b>	

A positive figure in the YTD Variance column indicates a favourable YTD underspend compared to the profiled YTD budget, a negative figure therefore indicates that the YTD spend has exceeded the profiled budget for the period.

A positive figure in the Projected Variance column indicates a favourable position in terms of the projected final outturn position, i.e. an underspend. Therefore a negative figure in this column indicates an adverse position or projected overspend for the year-end.

## SUBJECTIVE SUMMARY

Subjective Category	YTD Actual	YTD Budget	YTD Variance	% Variance	Annual Budget	Projected Variance	Projected Final Outturn	% Variance	Explanation
Employee	£3,144,481	£3,279,115	£134,634	4.11%	£15,410,374	£0	£15,410,374	0.00%	<b>YTD Variance</b> - There are variances over a wide range of cost centres. These will offset the vacancy saving target <b>Forecast Variance</b> - No outturn variances are currently forecast.
Premises	£317,517	£322,515	£4,998	1.55%	£2,343,414	£0	£2,343,414	0.00%	<b>YTD Variance</b> - Outwith reporting criteria. <b>Forecast Variance</b> - No outturn variances are currently forecast.
Supplies & Services	£1,210,597	£1,384,417	£173,820	12.56%	£4,235,246	£0	£4,235,246	0.00%	<b>YTD Variance</b> - This is mainly due to the profiling of catering purchases (£55k) and ICT supplies (£106k). <b>Forecast Variance</b> - No outturn variances are currently forecast.
Transport	£5,543,830	£5,609,175	£65,345	1.16%	£6,436,657	£0	£6,436,657	0.00%	<b>YTD Variance</b> - Outwith reporting criteria. <b>Forecast Variance</b> - No outturn variances are currently forecast.
Third Party	£9,705,527	£9,811,167	£105,640	1.08%	£47,384,753	£0	£47,384,753	0.00%	<b>YTD Variance</b> - Mainly due NPDO payments (£48k) and Transport payments (£49k) where spend is slightly behind profile. <b>Forecast Variance</b> - No outturn variances are currently forecast.
Income	-£14,229,062	-£13,852,514	£376,548	2.72%	-£42,586,090	£0	-£42,586,090	0.00%	<b>YTD Variance</b> - Mainly due to civic government income (£108k) where tri annual renewals are being processed and grant income in advance of spend for the Community Safety Partnership (£129k). <b>Forecast Variance</b> - No outturn variances are currently forecast.
<b>Totals</b>	<b>£5,692,890</b>	<b>£6,553,875</b>	<b>£860,985</b>	<b>13.14%</b>	<b>£33,224,354</b>	<b>£0</b>	<b>£33,224,354</b>	<b>0.00%</b>	

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## RED VARIANCES

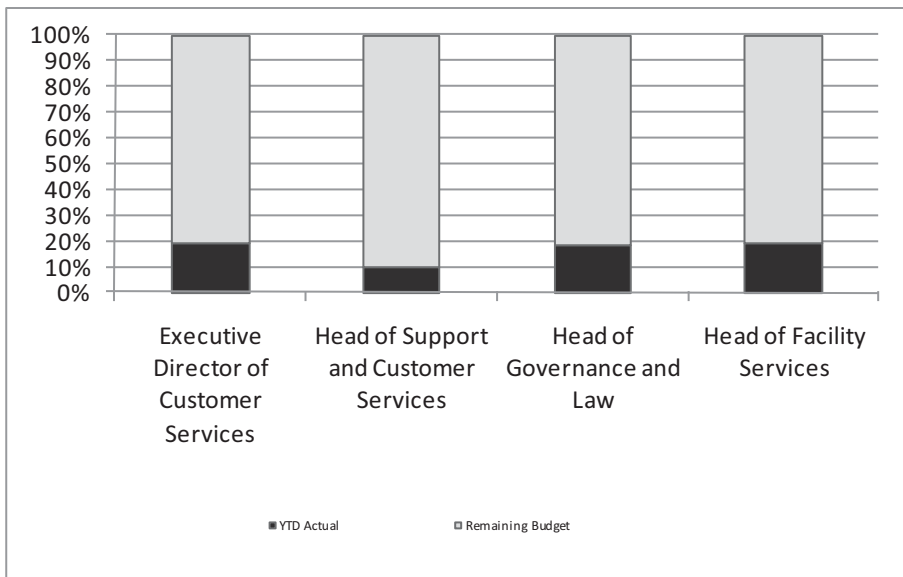
Cost Centre Description	Annual Budget	Projected Variance	Projected Final Outturn	% Variance	Explanation
There are no red variances to report this month					

## DEPARTMENTAL BUDGET v ACTUAL GRAPH

The graph below highlights the expenditure to date against the remaining budget per Head of Service. This is a high level graph designed to help have an overall view of how much of the service budget has been spent to date.

The dark area represents the actual expenditure to date as a percentage of the total budget.

The lighter area at the top displays the remaining available budget as a percentage of the total budget.





**ARGYLL AND BUTE COUNCIL**  
**DEPARTMENT: DEVELOPMENT AND INFRASTRUCTURE SERVICES**  
**BUDGET MONITORING REPORT – JUNE 2012**

This report summaries the financial position of Development and Infrastructure Services as at 30 June 2012. There are currently no forecast outturns, therefore, the department are projecting to come in on budget. Further detail is provided within this report along with other financial issues affecting the department.

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## FINANCIAL SUCCESSES, CHALLENGES, RISKS AND FUTURE ACTIONS

SUCSESSES	CHALLENGES	RISKS	FUTURE ACTIONS
	Amending the Waste PPP contract	Planning and Building Standard income not achieving budgeted amounts	Closely monitor planning and building warrant fee income
		The costs of operating Dunoon Pier do not drop in line with the reductions in income	Prepare a business plan for the operation of Dunoon Pier.
		Car park income not achieving budgetary amounts	Increased enforcement within offstreet parking

## EFFICIENCY SAVINGS AND OTHER BUDGET SAVINGS

Type of Saving	Target	Actual	Remaining	Explanation
Vacancy Savings	£130,091	£0	£130,091	Vacancy savings have not yet been identified to offset target.
Efficiency Savings	£990,272	£410,100	£580,172	A number of savings options are due to realise savings later in the financial year.
Other Savings	£920,430	£486,632	£433,798	A number of savings options are due to realise savings later in the financial year.
<b>Totals</b>	<b>£2,040,793</b>	<b>£896,732</b>	<b>£1,144,061</b>	

The Efficiency Savings and Other Savings are the savings amounts removed from service budgets as per the approved 2012-13 budget. These will include Year 2 Service Review Savings and Further Savings options approved as part of the 2011-12 budget where the amount of the saving was to increase during 2012-13, or Year 3 Service Review savings which were approved as part of the 2012-13 budget process.

## OBJECTIVE SUMMARY

Service	YTD Actual	YTD Budget	YTD Variance	% Variance	Annual Budget	Projected Variance	Projected Final Outturn	% Variance	Explanation
Executive Director of Development and Infrastructure Services	£404,107	£449,294	£45,187	10.06%	£1,982,819	£0	£1,982,819	0.00%	Variance is due to profiling which will be adjusted in July.
Head of Planning and Regulatory Services	£912,882	£688,435	£224,447	-32.60%	£2,914,412	£0	£2,914,412	0.00%	Variance is due to profiling which will be adjusted in July.
Head of Economic Development	£338,382	£843,358	£504,976	59.88%	£2,807,076	£0	£2,807,076	0.00%	Variance is due to profiling which will be adjusted in July.
Head of Roads and Amenity Services	£6,233,190	£4,609,124	£1,624,066	-35.24%	£23,218,558	£0	£23,218,558	0.00%	Variance is due to profiling which will be adjusted in July.
<b>Totals</b>	<b>£7,888,561</b>	<b>£6,590,211</b>	<b>£1,298,350</b>	<b>-19.70%</b>	<b>£30,922,865</b>	<b>£0</b>	<b>£30,922,865</b>	<b>0.00%</b>	

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## SUBJECTIVE SUMMARY

Subjective Category	YTD Actual	YTD Budget	YTD Variance	% Variance	Annual Budget	Projected Variance	Projected Final Outturn	% Variance	Explanation
Employee	£4,625,116	£4,934,968	£309,852	6.28%	£23,560,580	£0	£23,560,580	0.00%	Variance is due to profiling which will be adjusted in July.
Premises	£251,951	£634,074	£382,123	60.26%	£2,330,342	£0	£2,330,342	0.00%	Variance is due to profiling which will be adjusted in July.
Supplies & Services	£1,722,810	£1,971,743	£248,933	12.63%	£7,739,550	£0	£7,739,550	0.00%	Variance is due to profiling which will be adjusted in July.
Transport	£2,083,262	£2,565,751	£482,489	18.80%	£10,430,169	£0	£10,430,169	0.00%	Variance is due to profiling which will be adjusted in July.
Third Party	£5,784,803	£6,108,000	£323,197	5.29%	£24,384,358	£0	£24,384,358	0.00%	Variance is due to profiling which will be adjusted in July.
Capital Financing	£0	£63	£63	0.00%	£251	£0	£251	0.00%	Outwith Reporting Criteria
Income	-£6,579,381	-£9,624,388	-£3,045,007	-31.64%	-£37,522,384	£0	-£37,522,384	0.00%	Variance is due to profiling which will be adjusted in July.
<b>Totals</b>	<b>£7,888,561</b>	<b>£6,590,211</b>	<b>-£1,298,350</b>	<b>-19.70%</b>	<b>£30,922,866</b>	<b>£0</b>	<b>£30,922,866</b>	<b>0.00%</b>	

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### RED VARIANCES

Cost Centre Description	Annual Budget	Projected Variance	Projected Final Outturn	% Variance	Explanation
There are no red variances to report this month					

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