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**Report to Resources and Audit Committee**

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**Date of Meeting: 30 April 2015**

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**Subject: Council Financial Performance 2014/15**

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**Report by: Management Accountancy Team Leader**

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**1.0 Purpose**

- 1.1 This paper provides an update on the financial performance of the Council to date in respect of both revenue and capital spend for the current financial year, 2014/15. Projected outturns up to March 2015 are also set out in the report.

**2.0 Recommendations**

- 2.1. The Committee is asked to note:
- 2.2. The forecast General Fund Revenue underspend for the year of £1.207m (paragraph 4.2 and Appendix A).
- 2.3. Delivery of 78% of the planned 2014/15 savings to date (Table 2).
- 2.4. A favourable outturn of £0.691m forecast on the Housing Revenue Account (Paragraph 5.1).
- 2.5. A forecast underspend on General Services Capital of £9.899m of which £6.935m are savings in delivery of programme, £4m of which relates to additional grant received for Redwell School, with the remainder carried forward to 2015/16 (Table 3).
- 2.6. A forecast underspend of £3.016m on HRA capital spend, all of which is carried forward to 2015/16.

**3.0 Background**

- 3.1. This report consolidates the detailed Service Committee reporting which is reported to individual service committees. The focus of the Resources and Audit Committee's remit is correspondingly the scrutiny of the corporate financial position.
- 3.2. Outturn positions reflected in this report are based on rigorous reviews of service spending activity by accountants and service managers which have

been reinforced through ongoing budget challenge sessions conducted by the Executive Group.

#### 4.0 General Fund Revenue

4.1 Appendix A to this paper sets out the revised estimate for each service area. Projected outturns for the full year have been prepared following discussions with Service Managers.

4.2 Overall the Council's net expenditure this year is expected to record an underspend of £1.207m by the end of March. This is a significant improvement on the previously reported underspend of £112k. The overspend of £1.165m within Social Services Adult and Child Care Provision is fully off-set by savings across other service areas. The overspend in social services has reduced by £715k since previously reported due to the management action taken (further detail is set out in Table 1 below). The movement is also due to the review of income reflecting the latest settlement information received at February 2015, income has increased by £370k which is not directly required by services in the year, resulting in a reduction in use of reserves of the same amount. The outturn also reflects additional income due in the year for CSBP investments of £75k and an insurance rebate for PPP schools of £194k.

4.3 Table 1 below provides an overview of the Council's outturn position within each Service Expenditure area. The commentary aims to flag the key reasons for material variances from the approved budget.

**Table 1 Summary of Service Budget Variances**

Service	Annual Budget	Projected 31.03.15 (under)/over	Commentary
Support Services	£7.121m	£66K	<p>Overspend attributable to:-</p> <ul style="list-style-type: none"> <li>- impact of the retendering of the sheriff officers contract in the year.</li> <li>- ongoing Itrent implementation costs.</li> <li>- earlier start date for Head of Service than previously projected.</li> </ul> <p>The overspend is partially offset by staffing underspends in IT of £74k.</p>
Strategy and Customer Services	£6.416m	(£381k)	<p>Underspend attributable to:-</p> <ul style="list-style-type: none"> <li>-staff turnover, vacancies, restructure and voluntary severance.</li> <li>-a new website that was created to issue replacement birth, death and marriage certificates is generating £60K of new income to the council against a budget of £30k.</li> </ul>

Service	Annual Budget	Projected 31.03.15 (under)/over	Commentary
Facilities Management	£24.829m	(£1,405k)	<p>Underspend attributable to:-</p> <p>PCU moved under the control of the Head of Housing &amp; Community Safety from April and has been restructured to reflect the change to the sit within the HRA. The restructure is now complete which has resulted in income for FM related to recharges of services provided centrally including, fleet and buildings. Income to FM of (£517k), included in figures below.</p> <p>Energy savings (£327k) due to reduced usage and closure of buildings in the year, and reduction in tariffs.</p> <p>Schools PPP, insurance rebate received in year of (£194k)</p> <p>Fleet services (£445k) due to saving in fuel charges (£101k) which have fallen since autumn, and the recharge for the PCU of (£344k).</p> <p>Catering Service (£135K). School meals income has increased due to promotion of service. Catering Service has also reduced its food costs due to improving their in house procurement arrangements.</p> <p>Waste Management (£430k) savings in refuse collection and operational review of staffing, reduction in strategic waste fund activity, offset additional costs for waste disposal due to higher volumes and reduced income from external clients.</p> <p>This is off-set by overspends in the following service areas :-</p> <p>Asset Management £137K legal fees due to contractor's dispute, shortfall in rental income and fees.</p> <p>Leisure Services £150K. Price increases not yet implemented. Leisure Facilities also continue to see a reduction in the levels of use.</p> <p>Janitors overspend £45k due to savings not being achievable, and additional costs due to long term absence cover.</p> <p>Management unit recharge of Head of Service £49k to HRA no longer appropriate following restructure, and removal costs associated with relocation to Kilncraigs.</p>

Service	Annual Budget	Projected 31.03.15 (under)/over	Commentary
Social Services	£27.184m	£1.165m	<p>Overspends attributable to :-</p> <p>Savings not yet achieved of £154K</p> <p>Saving in strategy due to recharge of shared services costs and CJA overheads (£102k)</p> <p>Increased hours Adult care at home packages £695k this is partially offset by vacancies (£283k)</p> <p>Management and transportation of additional Child Care £55K, and agency staff overspend £61k</p> <p>Residential schools budget continues to be overspent £699k but this has reduced with 4 children moving out and one placement cost has reduced due to the change in type of placement. Foster Care 39 placements overspend £631k.</p> <p>This is partly off-set by an underspend in staffing vacancies (£192K) and Kinship care budget allocated from corporate services was not fully required in year saving (£166k), and Woodside relief saving and additional income (£155k)</p>
Education	£34.973m	(£406k)	<p>Underspend attributable to:-</p> <p>timing of appointments, less EYW hours required for additional provision 600 hours and posts funded by Change fund (£88K)</p> <p>Primary staffing (£349K)</p> <p>ASN additional income - external placements (£29K)</p> <p>Psychological Services -new shared service and maternity leave saving (£20K)</p> <p>Sports Development – using existing staff to generate additional income (£31K)</p> <p>This is partially off-set by the following overspends:-</p> <p>Additional teachers seconded to shared services management £32K</p> <p>Final quarter of Transport Contract £24K</p> <p>Secondary Teaching costs overspend</p>

Service	Annual Budget	Projected 31.03.15 (under)/over	Commentary
			£66k due to supply cover for sickness and vacancies
Housing	£2.499m	(£351K)	<p>Underspend mainly attributable to vacancies as a result of ongoing restructuring (£116K) budget reduced by VS post.</p> <p>Underspend in grants and donations (£69k)</p> <p>Private Sector Housing underspend (£106k) on supported owners and empty homes initiative.</p> <p>Rent Rebates and Allowances revised to be based on mid year return, and additional DHP funding (£357k).</p> <p>Homeless accommodation is overspent £295K due to B&amp;B usage awaiting the completion of Hallpark &amp; Pine Grove, and additional costs have also been incurred for repairs on private let properties handed back to the landlord.</p>
Community and Regulatory	£5.283m	(£206K)	<p>Underspend mainly attributable to:</p> <p>Street lighting Energy (£82K)</p> <p>Vacancies across the service (£193K)</p> <p>Economic Services, share of the upward revaluation of property assets (£75k) as per the latest annual accounts of CSPB Clackmannanshire Developments Ltd of which the Council is a Joint Venture partner.</p> <p>Building Standards is projecting an overspend of £67K due lower levels of income this year this is offset by savings in staffing.</p>

Service	Annual Budget	Projected 31.03.15 (under)/over	Commentary
			<p>Planning reduction in income from fees £46k.</p> <p>Clacks Works 3 year programme ends on 31<sup>st</sup> March, overspend of £39k on apprentice trainee allowances.</p>
PCU	(£661k)	£661k	PCU has now been realigned within the HRA. The overspend is offset by savings in FM where services will be directly recharged, and central support charges which will now be charged to HRA.
Central Support Recharge	(£1.392m)	(£155K)	Saving in Central Support costs results in a reduction in recharges to non-general fund users £113k the saving is offset by the recharge for PCU services previously internal of £268k.
Corporate Adjustments	£894k	(£236k)	<p>Welfare Reform outturn projected in line with demand. Saving (£442k)</p> <p>Change fund allocated per demand. Saving ( £301k)</p> <p>Procurement savings not realised £278K</p> <p>£40k of the specific £200k managed contraction of staff savings were achieved with a significantly greater balance of vacancy management savings delivered to bring the budget back into balance from earlier in the year.</p> <p>Advice and Guidance Review no savings identified £30k.</p> <p>Holiday Pay incurred due to legislation change overspend of £47k.</p>
Non Distributed Costs	£1.610m	(£123k)	Employment Fund fully allocated. Annual pension costs (additional years) forecast saving of £122k
<b>Total</b>	<b>£108.799m</b>	<b>(£1.371k)</b>	

- 4.4 Appendix A also highlights a number of non-service expenditure and income areas of the Council budget (not detailed in Table 1).
- 4.5 Council tax records an increase in income of £48k compared to budget. Interest on revenue balances projected has reduced in line with the interest rates resulting in a shortfall of £212k.
- 4.6 The outturn reflects the latest settlement information received at February 2015, where income has increased by £370k. The additional income relates to Children's and Young People and Free School Meals funding required to provide the service in the next financial rather than current year of £165k, new

areas of funding and adjustment in service requirements £51k and changes in the base calculation by Scottish Government of £154k.

- 4.7 The 2014/15 budget incorporated approved management and policy savings of £4.222m. At this point in the year we are able to report that 73% have been achieved to date with expectation that further progress will be made in the remainder of the year. Table 2 below sets this out for each council service portfolio.

**Table 2 Budgeted 2014/15 savings progress**

<b>Department</b>	<b>Savings full year 14-15 £000</b>	<b>Progress 14-15 £000</b>	<b>Comments</b>
Support Services	12	12	Savings achieved
Strategy and Customer	345	345	Savings achieved
Facilities Management	61	61	Savings achieved
Social Work	483	329	Ongoing detailed review of budget provision
Education	627	624	£3k shortfall income target relating to the new policy for pupil transport concessionary charges.
Housing	666	666	Saving achieved
Community and Regulatory	80	80	Saving Achieved
Corporate	1,948	1,208	£1,208k savings achieved regarding staff terms & conditions, income & charging and chief officers restructure, overtime restriction. Income from Empty homes is projected at £58k against the £300k budget. Procurement and managed contraction of staff savings will not be realised.
	<b>4,222</b>	<b>3,325</b>	

## 5.0 Housing Revenue Account

- 5.1 Appendix B to this paper sets out the summary budget for the Housing Revenue Account for this year in accordance with its Business Plan. It is forecast that the Service will achieve a surplus in the year of £4.766m which is £691k greater than budgeted.
- 5.2 Staffing costs are recording an underspend of £306k. £59K of this relates to the reduction in the working week from 36 hours to 35 hours and the remaining £247K due to current vacancies. The Head of Housing has been actively reviewing the structure of the service since his appointment. Other areas of underspend include Repairs and Maintenance £140k, central support cost £98k and capital financing costs due to underspend in the capital programme of £104k.
- 5.3 The underspend is partially off-set by an overspend of £50K for additional void rent loss and the revenue costs of Vanguard £36k previously expected to be capitalised.

## 6.0 Capital

### 6.1 General Services

6.2 Appendix C to this paper details the General Services capital programme for the current year where individual projects are listed within the various asset management plans. The budget for the 2014/15 year of £16.598m. The net capital financing requirement in the year is £10.306m.

6.3 Overall, the General Services capital programme is expected to record an underspend of £9.899m against the gross budget. This is a movement of £423k from the £9.476m underspend previously reported to this committee

6.4 The significant projects that contribute to the underspend position are detailed in Table 3 below and comments are also recorded in Appendix C:

**Table 3 General Services capital budget variances**

Project	Variance (£000)	Comments
Alva Glen Hotel	(897)	Project not progressing. Paper to Council 23 <sup>rd</sup> October 2014.
2 year old school development	(331)	Option appraisals being developed to meet the requirements of the Children and Young Peoples (Scotland) Act
Redwell School	(4,000)	Unanticipated additional SFT Grant Income
B9140 (Realignment of Bends)	(575)	Feasibility of project in current form being reviewed due to substantial proposed increase in charges from third party.
The Orchard Conversion	(372)	Report to HH&C 21 <sup>st</sup> August. Building to be demolished.
Cemeteries Strategies	(200)	Delay in the handover from developer
Fibre Optic installation Tullibody.	(200)	Scoping of project underway. Estimated delivery April to June 2015
MCB	(1,890)	Project planning on-going. Settlement areas being identified and work plans progressing.
Alloa Town Centre Regeneration – Speirs Centre	200	Overspend primarily attributable to late variation to contract associated with registrars move and need to accommodate temporary library arrangements. Internal Audit and the Capital Investment Group have been asked to conduct reviews of project management systems in relation to major capital projects.
Community Development Grant	(145)	Outturn reflects current uptake.
Kelliebank	65	Additional £300K spend approved by Council 23 <sup>rd</sup> October. Due to contractual procurement



Project	Variance (£000)	Comments
		processes majority of work now unlikely to progress until next financial year.
<b>TOTAL</b>	<b>(9,899)</b>	<b>Projected underspend on General Services Capital programme</b>

### ***Housing Revenue Account***

- 6.5 Appendix D to this paper details the HRA capital programme for the current year where individual projects are listed within the various asset management plans.
- 6.6 Overall, the HRA capital programme is expected to record an underspend £3.016M against the approved budget of £9.352M.

**Table 4 HRA capital budget variances**

Project	Variance (£000)	Comments
Damp Rot	(150)	Delay in start of programme
Windows and Doors	(230)	Delay in commencement of windows contract.
Electrical Rewiring	(178)	Electrical Rewiring testing programme has progressed slower than expected
Door Entry Programme	(220)	Consultation has taken place - delay in getting design signed off, spend will now happen in March to May.
Hallpark	85	Change of specification of energy meters by client.
Fairfield	(1,086)	Programme delayed due to change in specification
Management system	(181)	Ongoing work Vanguard and Northgate continuing into new year
Council House Sales	(249)	Additional sales predicted
<b>TOTAL</b>	<b>(3,016)</b>	<b>Projected underspend on HRA Capital programme</b>

### **7.0 Conclusions**

- 7.1 General Services revenue spend is anticipated to record an underspend of £1.207m in the year.

- 7.2 There is good progress in delivering the approved savings of £4.222m.
- 7.3 The Housing Revenue Account is anticipating an underspend of £0.691m as a result of ongoing service reconfiguration.
- 7.4 The current review of the capital programme indicates that underspends (and savings) of £9.899m on General Services Capital and the specific projects involved are detailed within the report.
- 7.5 The HRA Capital Programme is projected to underspend by £3.016m.

**8.0 Sustainability Implications**

8.1 None

**9.0 Resource Implications**

*9.1 Financial Details*

9.2 The full financial implications of the recommendations are set out in the report. This includes a reference to full life cycle costs where appropriate. Yes

9.3 Finance have been consulted and have agreed the financial implications as set out in the report. Yes

*9.4 Staffing*

9.5 None

**10.0 Exempt Reports**

10.1 Is this report exempt? Yes  (please detail the reasons for exemption below) No

**11.0 Declarations**

The recommendations contained within this report support or implement our Corporate Priorities and Council Policies.

(1) **Our Priorities** (Please double click on the check box )

- The area has a positive image and attracts people and businesses
- Our communities are more cohesive and inclusive
- People are better skilled, trained and ready for learning and employment
- Our communities are safer
- Vulnerable people and families are supported
- Substance misuse and its effects are reduced
- Health is improving and health inequalities are reducing
- The environment is protected and enhanced for all

The Council is effective, efficient and recognised for excellence

**(2) Council Policies** (Please detail)

**12.0 Equalities Impact**

12.1 Have you undertaken the required equalities impact assessment to ensure that no groups are adversely affected by the recommendations? Yes

No

**13.0 Legality**

13.1 It has been confirmed that in adopting the recommendations contained in this report, the Council is acting within its legal powers. Yes

**14.0 Appendices**

14.1 Please list any appendices attached to this report. If there are no appendices, please state "none".

Appendix A Council summary of expenditure

Appendix B HRA Revenues

Appendix C General Services Capital

Appendix D HRA Capital

**15.0 Background Papers**


15.1 Have you used other documents to compile your report? (All documents must be kept available by the author for public inspection for four years from the date of meeting at which the report is considered)

Yes  (please list the documents below) No

**Author(s)**

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**Approved by**

NAME	DESIGNATION	SIGNATURE
Stephen Coulter	Head of Resources & Governance	
Nikki Bridle	Depute Chief Executive	



	Annual Budget 2014/15	Jan '15 Outturn	JANUARY '15 Variance Outturn V Budget
<b>Service</b>			
Support Services	7,121	7,187	66
Strategy and Customer Services	6,461	6,080	(381)
	13,581	13,267	(315)
	(1,392)	(1,547)	(155)
	12,189	11,720	(470)
Facilities Management	24,829	23,424	(1,405)
Social Policy	27,184	28,349	1,165
Education	34,973	34,567	(406)
Housing	2,499	2,148	(351)
Community and Regulatory	5,283	5,076	(206)
PCU	(661)	0	661
Corporate Adjustments	894	658	(236)
Misc Services - Non Distributed Cost:	1,610	1,487	(123)
<b>Service Expenditure</b>	<b>108,799</b>	<b>107,429</b>	<b>(1,371)</b>
<b>Add Requisitions from Joint Boards</b>			
Central Scotland Valuation	394	394	0
	109,193	107,823	(1,371)
Add / (Deduct)			
Interest on Revenue Balances	(287)	(75)	212
Loan Charges	9,498	9,498	0
Contribution to Bad Debt Provision	200	200	0
Contribution to Spend to Save Fund	100	100	0
	118,704	117,546	(1,159)
<b>Sources of funding</b>			
General Revenue Funding/Non-Dom	(92,306)	(92,651)	(345)
Council Tax	(18,463)	(18,511)	(48)
Council Tax Reduction Scheme	(3,501)	(3,526)	(25)
Contribution From Reserves	(2,721)	(2,351)	370
Application of unapplied capital	(1,714)	(1,714)	0
Contribution from Ear marked reserve	0	0	0
	(118,705)	(118,753)	(48)
<b>Projected (Surplus) / Shortfall</b>	<b>(0)</b>	<b>(1,207)</b>	<b>(1,207)</b>



**HRA Budget v Outturn**  
**As at January 2015**

Appendix B

	<b>Budget 14-15</b>	<b>Outturn 14-15</b>	<b>Variance 14-15</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>

This financial year sees the inclusion of the Property Contracts Unit within the Housing and Community Safety Service. At present work has established the 2014/15 budget for Property Contracts taking account of the costs that will be charged to HRA Capital, Housing General Fund, General Services, Capital and general Services Property Maintenance. For this January Outturn it has been assumed that the net costs of the PCU will produce a saving within the appropriate Repairs and Maintenance Budgets

The Service has the ambition to become one of Scotland's leading providers of local authority housing. To help achieve this Vanguard consultants have been engaged as part of the housing business management system improvement project to work with staff to redesign work. The aim is to transform the service by involving people in the organisation in the redesign of the process.

<b>Housing Revenue Account</b>	<b>(4,075)</b>	<b>(4,766)</b>	<b>(691)</b>
<b>Repairs &amp; Maintenance :-</b>			
<b>Private Contractors</b> - Virement of budget for cleaning of Voids not required at same level.	410	364	(46)
<b>Void Houses</b> - Pro rata costs of the Property Contracts January Outturn	1,201	1,208	7
<b>General Maintenance</b> - Pro rata costs of the Property Contracts January Outturn	2,219	2,163	(56)
<b>Cyclical Maintenance</b> - Pro rata costs of the Property Contracts January Outturn	740	724	(16)
<b>Gas Contract</b> - Pro rata costs of the Property Contracts January Outturn	481	471	(10)
<b>Minor Social Work Repairs</b>	43	42	(1)
<b>Repairs &amp; Maintenance Total</b>	<b>5,094</b>	<b>4,953</b>	<b>(140)</b>
<b><u>Supervision &amp; Management</u></b>			
<b>Service Management</b>	1,423	1,349	(74)
Reduction in Central Supports Services Recharges of £98k and Other Council Accounts of £20k offset by expenditure on Supplies and Services of £45k.			
<b>Tenancy &amp; Estate Management</b>	854	789	(64)
Saving from 35 Hour Week reduction.			
<b>Housing Business Management</b>	339	364	25
The £36k cost of Vanguard Consultants have now being coded to revenue from Capital. This will be off set by a reduced CFCR contribution. This cost is being offset by a £12k saving from reducing to 35 hours the working week.			

**HRA Budget v Outturn**  
**As at January 2015**

Appendix B

	<b>Budget 14-15</b>	<b>Outturn 14-15</b>	<b>Variance 14-15</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Housing Options</b>	484	463	(21)
Saving from Superannuation Reduction.			
<b>HRA General Staffing</b>	308	144	(163)
Vacancies of £94k pending completion of restructuring, £36k miscellaneous and £33k staff training.			
<b>Investment Team &amp; Staffing Recharges</b>	406	334	(72)
Current Staff vacancies £73k and reduced charges from Other Council Accounts £13k. These are offset by transport costs and Supplies and Services expenditure.			
<b>Community Engagement</b>	51	15	(36)
Savings forecast in payments to voluntary organisations £6k and contractors £34k off set by training costs and supplies and services			
<b>Supervision &amp; Management Total</b>	<u>3,864</u>	<u>3,458</u>	<u>(406)</u>
<b>Capital Financing Costs</b>			
Reduced Costs based on updated Capital Programme.			
<b>Capital Financing Costs Total</b>	<u>3,052</u>	<u>2,948</u>	<u>(104)</u>
<b>Other Expenses</b>			
<b>Tenancy Overheads :-</b>			
<b>Energy Costs</b>	12	9	(3)
<b>Void Rent Loss</b>	427	477	50
Voids projected in line with current level overspend reduced by £26k from October.			
<b>Council Tax</b>	12	12	0
<b>Bad Debt Provision</b>	290	272	(18)
Provision has increased by £70k from previously. This is as a result of increased levels of debt for both former and current arrears together with a rise in Housing Benefit overpayments both current and former.			
<b>Property Insurance</b>	206	191	(15)
Reduced allocation of premium in line with last years costs.			
<b>Tenancy Overheads Total</b>	<u>947</u>	<u>973</u>	<u>26</u>
<b>Garden Aid Scheme</b>			
No provision now made for charge from Land Services for extra work.			
<b>Garden Aid Scheme Total</b>	<u>147</u>	<u>97</u>	<u>(50)</u>
<b>Special Uplifts</b>			
Outturn based on current costs that ar going through the ledger.			
<b>Special Uplifts Total</b>	<u>110</u>	<u>118</u>	<u>8</u>
<b>Pest Control</b>			
Outturn based on current costs that ar going through the ledger.			
<b>Pest Control Total</b>	<u>13</u>	<u>21</u>	<u>8</u>
<b>Insurance Claims</b>			



**HRA Budget v Outturn**  
**As at January 2015**

Appendix B

	<b>Budget 14-15</b> <b>£'000</b>	<b>Outturn 14-15</b> <b>£'000</b>	<b>Variance 14-15</b> <b>£'000</b>
Insurance Claims Total	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL EXPENDITURE</b>	<b><u>13,226</u></b>	<b><u>12,568</u></b>	<b><u>(657)</u></b>

**HRA Budget v Outturn**  
**As at January 2015**

Appendix B

	<b>Budget 14-15</b> <b>£'000</b>	<b>Outturn 14-15</b> <b>£'000</b>	<b>Variance 14-15</b> <b>£'000</b>
<b>Income</b>			
<b>Rents - Housing</b> Outturn based on information from Revenues on level of Weekly Rents			
<b>Rents - Housing Total</b>	<u>(17,201)</u>	<u>(17,234)</u>	<u>(33)</u>
<b>Rents - general ( Garage and Ground Sites)</b> Out-turn in line with last two years actuals			
<b>Rents - general Total</b>	<u>(46)</u>	<u>(57)</u>	<u>(11)</u>
<b>Legal Fees</b>			
<b>Legal Fees Total</b>	<u>0</u>	<u>(0)</u>	<u>(0)</u>
<b>Interest (Revenue Balances)</b>			
Reduced interest rate being paid on HRA Reserves			
<b>Interest (Revenue Balances) Total</b>	<u>(53)</u>	<u>(43)</u>	<u>10</u>
<b>TOTAL INCOME</b>	<u><b>(17,300)</b></u>	<u><b>(17,334)</b></u>	<u><b>(34)</b></u>
<b>NET EXPENDITURE</b>	<u><b>(4,075)</b></u>	<u><b>(4,766)</b></u>	<u><b>(691)</b></u>

General Services Capital Programme Budget 2014/15 Appendix C	Net Budget 2014/15	Projected Out-turn 31.03.15	Variance Budget v Projected	Comments	Savings in 14/15	C/fwd to 15/16	Total underspend / overspend
Service / Project Name	£	£	£		£	£	£
<b>Property Asset Management Plan</b>							
3-12 School Development	834,300	834,300	0	Fully committed and will be spent in 2014/15.			
Free School Meal Equipment	140,000	89,000	(51,000)	Fully committed in 2014/15. Works to be completed early in 15-16 to increase capacity at CPU to meet increased demands		(51,000)	(51,000)
2yr Old School Development	476,430	145,000	(331,430)	Option Appraisals being undertaken to meet the requirements of the Children and Young People (Scotland) Act 2014 to provide early learning and childcare to additional 2 year olds. A detailed capital bid is being prepared for approval which will include the additional £453K funding allocated by Scottish Government for 2015-16. Clackmannan, Banchory and Tillicoultry have been completed.		(331,430)	(331,430)
Alva Autism Unit	88,660	86,660	(2,000)	Professional works to finalise project will be undertaken in 15/16.		(2,000)	(2,000)
Alloa Town Centre Regeneration: Speirs Centre	816,030	1,016,030	200,000	Overspend primarily attributable to late variation to contract associated with registrars move and need to accommodate temporary library arrangements over period of project. Project Management Systems in relation to major capital projects are currently being reviewed by Internal Audit and the Capital Investment Group.	200,000		200,000
Redwell	2,214,500	(1,785,500)	(4,000,000)	Unanticipated additional Grant from SFT for Redwell in February 2015.	(4,000,000)		(4,000,000)
Tillicoultry Asset Plan: Conversion of family centre to community hub	0	18,620	18,620	Underaccrued for final payment due in 2013/14.	18,620		18,620
Tillicoultry Asset Plan: Redevelop existing CAP/Library to housing	10,620	53,920	43,300	Original Budget of £150K for overall contract did not include fees and design costs.	43,300		43,300
Property Asset Management Improvements - Kilncraigs	90,660	174,226	83,566	Original budget of £250K for Kilncraigs additional works. Door Entry System and further unexpected works required.	83,566		83,566
Property Asset Management Improvements - Kelliebank	203,690	268,690	65,000	Additional £300K approved by Council. Contract for mechanical and electrical works required. Contracts have been awarded Jan 2015 with works to be completed April/May 2015. Internal refurbishment to be undertaken by PCU after M&E complete. Carry forward of £235K required in 15/16.	300,000	(235,000)	65,000
Village / Town Centre Initiative (Phase 1: Sauchie)	263,540	163,540	(100,000)	Completion of road and environmental works expected to be in 2014/15. Initiatives ongoing- underspend c/fwd to 15/16.		(100,000)	(100,000)
Village and Small Towns Initiative Phase 2	250,000	20,000	(230,000)	As per Programme Brief for Village and Small Town Centre Initiatives, It is anticipated that there will be only £20K for preparatory work being mainly fees in 2014/15.		(230,000)	(230,000)
CCTV	57,760	0	(57,760)	No planned expenditure on new CCTV equipment in 2014/15. Forth Valley CCTV Partnership ends on 31st March 2015.	(57,760)		(57,760)
Heritage Centre Improvements	261,160	(110,510)	(371,670)	Grant income received from Forestry Commission. Full works not completed as detail of the brief not yet available combined with delay in reallocating the work following the retiral of the project co-ordinator. Carry forward to 15/16 required.		(371,670)	(371,670)
The Orchard Conversion	372,000	0	(372,000)	This project is no longer going ahead as per approved housing business plan presented to Housing, Health & Care Committee 30th Oct 2014	(372,000)		(372,000)
Alva Glen Hotel	897,000	0	(897,000)	This project is no longer going ahead as per approved housing business plan presented to Housing, Health & Care Committee 30th Oct 2014	(897,000)		(897,000)
Demolition of Tillicoultry community centre	99,010	105,000	5,990	Higher costs than originally expected due to the discovery of under ground ducts on the site containing asbestos lagged pipes.	5,990		5,990

General Services Capital Programme Budget 2014/15 Appendix C	Net Budget 2014/15	Projected Out-turn 31.03.15	Variance Budget v Projected	Comments	Savings in 14/15	C/fwd to 15/16	Total underspend / overspend
Service / Project Name	£	£	£		£	£	£
Clearing of Claremont Site	120,000	0	(120,000)	Awaiting advice from Legal to confirm if work is required. Carry forward to 15/16		(120,000)	(120,000)
MCB - Tullibody	18,000	0	(18,000)	No anticipated spend in 2014/15. All capital works will be included in the Community Hub proposals.	(18,000)		(18,000)
Alloa Town Hall	140,000	75,000	(65,000)	Awaiting confirmation from Historic Scotland for approval of proposed flue size and route for heating upgrade.		(65,000)	(65,000)
Football Pitch & Running Track	19,650	19,650	0	Final account in dispute with contractor.		0	0
<b>Property Asset Management Plan Total</b>	<b>7,373,010</b>	<b>1,173,626</b>	<b>(6,199,384)</b>		<b>(4,693,284)</b>	<b>(1,506,100)</b>	<b>(6,199,384)</b>
<b>Roads Asset Management Plan</b>							
Bridge Strengthening	50,000	20,000	(30,000)	Term Contractor unable to complete this financial year. Specific works require to be retendered seperately and therefore will not be completed until 2015-16.		(30,000)	(30,000)
Flood Prevention	100,000	100,000	0	Projected on budget			
Road & Footway Improvements (SRMCS), including town centres	1,650,000	1,650,000	0	Fully committed. Projected on budget			
Accident Prevention, CWSS, Traffic management	222,000	222,000	0	Total works to be completed in 2014/15 £471K. Grant funding from Scottish Government and Sustran totalling £249K.			
National Cycle Route	200,000	200,000	0	Projected on budget			
Street Lighting	830,000	830,000	0	Projected on budget			
B9140 Realignment of Bends	600,000	25,000	(575,000)	Site investigations along the proposed realignment have identified areas of soft ground which might be worsened by exposure to winter weather. Works were rescheduled to commence in May 2015 but due to a third party substantially revising their original quote for diversionary works an alternative design is being investigated to minimise these costs. Refund expected for prepaid works.		(575,000)	(575,000)
Tullibody - Install Table at TronCourt	20,000	0	(20,000)	Works have been delayed until 2015-16 due to the larger project for Tron Court area which is at consultation stage with Tillibody Community.		(20,000)	(20,000)
<b>Roads Asset Management Plan Total</b>	<b>3,672,000</b>	<b>3,047,000</b>	<b>(625,000)</b>		<b>0</b>	<b>(625,000)</b>	<b>(625,000)</b>
<b>Land Asset Management Plan</b>							
Black Devon Landfill Gas Collection & Treatment Project	10,000	3,128	(6,872)	Retention only Paid January 2015	(6,872)		(6,872)
Cemeteries Strategy	200,000	0	(200,000)	Delay in the handover from developer of the grounds for the Dollar cemetery until their works are complete. Infrastructure works anticipated to commence in May 2015.		(200,000)	(200,000)
Parks, Play Areas & Open Spaces	50,000	50,000	0	Projected to be on budget			0
Landscape Partnership - conserve Ochills / Hillfoots	6,800	6,800	0	Projected to be on budget			0
Wheeled/Litter Bins / Strategic Waste Fund	30,000	18,500	(11,500)	Purchase of bins deferred due to proposed 3-weekly collection		(11,500)	(11,500)
Streetscape Programme	216,740	116,740	(100,000)	Works reprofiled to best fit with small towns and villages town centre initiative. Savings on anticipated costings for works in 2014-15	(100,000)		(100,000)
Drainage	80,930	20,930	(60,000)	Due to nature of works drainage needs to settle before 2nd stage completed. Works to be completed in 15-16	(10,000)	(50,000)	(60,000)
Bowmar Area Enhancements	50,000	600	(49,400)	Preliminary project works commencing in 2014/15, to be completed in 2015/16		(49,400)	(49,400)
<b>Land Asset Management Plan Total</b>	<b>644,470</b>	<b>216,698</b>	<b>(427,772)</b>		<b>(116,872)</b>	<b>(310,900)</b>	<b>(427,772)</b>

General Services Capital Programme Budget 2014/15 Appendix C	Net Budget 2014/15	Projected Out-turn 31.03.15	Variance Budget v Projected	Comments	Savings in 14/15	C/fwd to 15/16	Total underspend / overspend
Service / Project Name	£	£	£		£	£	£
<b>Fleet Asset Management Plan</b>							
Vehicle Replacement Programme	1,349,650	1,076,206	(273,444)	Awaiting a new Scotland Excel framework for Grounds Maintenance Machinery. Decision on Service redesign pending will affect choice of streetcare equipment. Roads Equipment purchase pending and will not be delivered until 2015-16	(1,444)	(272,000)	(273,444)
<b>Fleet Asset Management Plan Total</b>	<b>1,349,650</b>	<b>1,076,206</b>	<b>(273,444)</b>		<b>(1,444)</b>	<b>(272,000)</b>	<b>(273,444)</b>
<b>IT Asset Management Plan</b>							
IT Services	200,520	200,520	0	Fully committed and will be spent in 2014/15.			0
Additional IT funding for major core systems	31,520	46,558	15,038	Final Implementation costs of I-Trent	15,038		15,038
Network Infrastructure	360,000	160,000	(200,000)	Fibre Optic installation Tullibody - Works to be re-profiled to align with Community Hub proposals.		(200,000)	(200,000)
Servers & Storage	18,000	18,000	0	Rolling programme to replace end of life hardware			0
Security Systems	15,000	15,000	0	Replacement of remote access solution			0
Telephony ( Provision of telephony services)	5,000	5,000	0	Provision of IP telephones and associated systems. All council offices now using IP telephones			0
Schools (maintenance & upgrade)	260,000	260,000	0	ICT fit out of Redwell School; provision of upgraded infrastructure and computers in 3 secondary schools			0
Desktop Replacement Programme	30,000	30,000	0	Rolling replacement of workstations in council offices in line with ICT Asset plan.			0
Software (replacements & upgrades)	50,000	50,000	0	Upgrade of servers to Microsoft 2012. Upgrade of EDRMS			0
Business Continuity	60,000	60,000	0	Replacement backup solution being installed Q4			0
Contingency (essential replacement)	14,000	14,000	0	Replacement of broken fibre			0
Social Work Integrated System	50,000	0	(50,000)	Work anticipated in 2015-16 pending Shared Service business case		(50,000)	(50,000)
Finance Services - New financial system	0	18,000	18,000	Budgeted to commence in 15-16. Preparation works required in 2014-15. Project manager employed from 27th November 2014	18,000		18,000
Telecare	75,000	54,000	(21,000)	Regular replacement and provision of devices in client homes	(21,000)		(21,000)
Welfare Reform Implementation	100,000	0	(100,000)	Works completed from revenue	(100,000)		(100,000)
Digital Broadband	200,000	200,000	0	National Project which is directly funded from the general capital grant		0	0
<b>IT Asset Management Plan Total</b>	<b>1,469,040</b>	<b>1,131,078</b>	<b>(337,962)</b>		<b>(87,962)</b>	<b>(250,000)</b>	<b>(337,962)</b>
<b>Corporate Asset Management Plan</b>							
Making Clackmannanshire Better	1,890,000	0	(1,890,000)	Business transformation & Settlements reviews ongoing.	(1,890,000)		(1,890,000)
Community Grants	200,000	54,160	(145,840)	Projected with committed spend for 2014-15.	(145,840)		(145,840)
<b>Corporate Asset Management Plan Total</b>	<b>2,090,000</b>	<b>54,160</b>	<b>(2,035,840)</b>		<b>(2,035,840)</b>	<b>0</b>	<b>(2,035,840)</b>
<b>Total Capital Programme</b>	<b>16,598,170</b>	<b>6,698,768</b>	<b>(9,899,402)</b>		<b>(6,935,402)</b>	<b>(2,964,000)</b>	<b>(9,899,402)</b>
<b>General Capital Grant</b>							
General Capital Grant	(6,292,430)	(6,292,430)	0				0
<b>Total Capital Programme</b>	<b>10,305,740</b>	<b>406,338</b>	<b>(9,899,402)</b>		<b>(6,935,402)</b>	<b>(2,964,000)</b>	<b>(9,899,402)</b>



<b>Housing Capital Programme 2014/15: Appendix D</b>	<b>14-15 Budget Expenditure</b>	<b>14-15 Budget Income</b>	<b>14-15 Net Budget</b>	<b>Projected Outturn 31.05.14</b>	<b>Variance Budget v Projected</b>	<b>Comment</b>	<b>Carry Forward to 2015/16</b>
<b>SCOTTISH HOUSING QUALITY STANDARD</b>							
<b>TACKLING SERIOUS DISREPAIR</b>							
<b>PRIMARY BUILDING ELEMENTS</b>							
Structural Works	150,000	0	150,000	100,000	(50,000)	The testing and removal programmes during the bathrooms and central heating programmes in respect of Asbestos in Council Houses has found and subsequently removed less Asbestos than expected.	50,000
<b>SECONDARY BUILDING ELEMENTS</b>							
Damp/Rot	200,000	0	200,000	50,000	(150,000)	The new contract will not be signed until after the budget as it will be for a four year term. The resulting delay has necessitated the requirement for the carry forward of the underspend.	150,000
Roofs / Rainwater / External Walls	759,000	0	759,000	380,000	(379,000)	The current 2011-15 programme has been delayed by the recent low temperatures, while the new 2014-17 programme will not be in place until after the 1st April. This has resulted in the need for the carry forward.	379,000
Window & Doors - External Doors	300,000	0	300,000	70,000	(230,000)	This project is progressing by using the LHC (Local Housing Company) programme procurement basis. Tenders due end of February with start on site scheduled for the start of next financial year. Delay has resulted in requirement for carry forward.	230,000
<b>ENERGY EFFICIENCY</b>							
Full/Efficient Central Heating	1,476,690	0	1,476,690	1,346,790	(129,900)	The Bowmar CESP contract has now entered the Latent Defects stage. The Council will instruct the remedial action to be carried out and then take legal action to recover some or all of these costs. The budget is required to be carried forward to pay for the costs in the first instance.	187,900
<b>MODERN FACILITIES &amp; SERVICES</b>							
Kitchen Renewal	157,000	0	157,000	157,000	0	36 Kitchens instructed to PCU this year. Costs now through the ledger up to the end of January.	

<b>Housing Capital Programme 2014/15: Appendix D</b>	<b>14-15 Budget Expenditure</b>	<b>14-15 Budget Income</b>	<b>14-15 Net Budget</b>	<b>Projected Outturn 31.05.14</b>	<b>Variance Budget v Projected</b>	<b>Comment</b>	<b>Carry Forward to 2015/16</b>
<b>Bathrooms</b>	2,450,000	0	2,450,000	2,615,631	165,631	Bathroom replacement continuing Mitie and PCU on site. Looking to accelerate work on bathrooms for Mitie to allow programme to be finished earlier than originally scheduled. This has resulted in bathrooms being finished quicker and cheaper than programme for future years.	
<b>HEALTHY, SAFE &amp; SECURE</b>							
<b>Safe Electrical Systems/ CO Detectors</b>	774,350	0	774,350	595,890	(178,460)	2010-12 Electrical rewiring programme has finished with an underspend. The 2013-17 Rewiring contract has started with 200 houses instructed. The current Electrical Testing contract has been terminated due to poor performance. This has resulted in a need for the carry forward to finish the testing.	178,000
<b>Communal Areas (Environmentals)</b>	440,000	0	440,000	220,000	(220,000)	There has been delays in the Door Entry systems in getting the designs signed off and with the manufacture of the doors. The spend is now scheduled to take place during March to May.	220,000
<b>NON-SHS ELEMENTS PARTICULAR NEEDS HOUSING (CITC)</b>							
<b>Conversions &amp; Upgradings</b>	360,000	0	360,000	253,110	(106,890)	The demolition of the Orchard project has been delayed with the resulted requirement of the carry forward. The miscellaneous conversions and upgradings budget is being examined at the minute with a possible carry forward if special project delayed.	105,000
<b>Disabled Adaptations</b>	50,000	0	50,000	93,800	43,800	PCU currently working on programme. This programme is operated on a demand led basis.	
<b>Water Supply Pipe Replacement</b>	10,000	0	10,000	10,000	0	This budget is for reactive works and should cover work for up to three properties. If no work instructed before end of year budget will underspend.	
<b>Demolitions</b>	0	0	0	4,334	4,334		



<b>Housing Capital Programme 2014/15: Appendix D</b>	<b>14-15 Budget Expenditure</b>	<b>14-15 Budget Income</b>	<b>14-15 Net Budget</b>	<b>Projected Outturn 31.05.14</b>	<b>Variance Budget v Projected</b>	<b>Comment</b>	<b>Carry Forward to 2015/16</b>
<b>Environmental &amp; Footpath Improvement/Feasibility Work</b>	542,000	0	542,000	495,000	(47,000)	Delay in starting of rendering at Sauchie Main Street has resulted in need for carry forward of underspend.	47,000
	962,000	0	962,000	856,244	(105,756)		
<b>Council New Build Housing (Transforming Communities)</b>							
New Build Alva/Tullibody - Complete	60,000	0	60,000	98,180	38,180	Final Account now agreed following negotiations with contractor over additional costs incurred.	
Hallpark New Build	389,000	(215,000)	174,000	259,820	85,820	Project completed and handover now actioned with retention due in 2015-16. Overspend is due to a change in the specification for energy meters requested by client.	
Fairfield New Build	1,800,000	(714,000)	1,086,000	0	(1,086,000)	The project has been delayed as a result of design requirements. HubCo costs of £250,000 projectd this year with balance of expenditure requiring to be carried forward. Grant due this year will all be claimed.	1,086,000
Tillicoultry Community Centre Phase 1a	0	0	0	0	0	Grant received from Scottish Government for 17 properties at £46k per property. Net grant left after transfer costs of sit to be placed in a Capital Grants Unapplied Account to fund future costs of project.	
Off The Shelf Purchase	1,361,000	(450,000)	911,000	728,670	(182,330)	The purchase of 13 properties have been agreed with a further 6 purchases potentially taking place before the end of the year. Some of the underspend will require to be carried forward to fund the refurbishment as the properties were purchased later in the year.	125,000
Off The Shelf Refurbishment	64,000	0	64,000	56,000	(8,000)		
<b>Council New Build Housing (Transforming Communities)</b>	<b>3,674,000</b>	<b>(1,379,000)</b>	<b>2,295,000</b>	<b>1,142,670</b>	<b>(1,152,330)</b>		
<b>Other Costs / Housing Business Management System</b>	<b>225,000</b>	<b>0</b>	<b>225,000</b>	<b>44,050</b>	<b>(180,950)</b>	Work undertaken by Northgate, Vanguard work now transferred to Revenue. Balance of underspend required to be carried forward to fund remaining workstreams.	<b>145,425</b>
<b>TOTAL CAPITAL EXPENDITURE</b>	<b>11,568,040</b>	<b>(1,379,000)</b>	<b>10,189,040</b>	<b>7,578,275</b>	<b>(2,610,765)</b>		<b>2,903,325</b>
<b>SALE OF COUNCIL PROPERTY</b>	<b>0</b>	<b>(680,000)</b>	<b>(680,000)</b>	<b>(928,720)</b>	<b>(248,720)</b>		
Use of SIMCO Funding			(156,690)	(156,690)	(156,690)		156,000
<b>NET EXPENDITURE</b>	<b>11,568,040</b>	<b>(2,215,690)</b>	<b>9,352,350</b>	<b>6,492,875</b>	<b>(3,016,175)</b>		<b>3,059,325</b>

