

PERTH & KINROSS COUNCIL

Strategic Policy & Resources Committee

12 September 2018

REVENUE BUDGET 2018/19 – MONITORING REPORT NUMBER 1

Report by the Head of Finance (Report No. 18/284)

PURPOSE OF REPORT

This report provides an update on progress with the 2018/19 General Fund Revenue Budget based upon the June 2018 ledger, updated for any subsequent known material movements, and the projected financial position of the Housing Revenue Account.

The total net projected over spend on the 2018/19 General Fund Management Budget is £508,000 (see Appendix 1).

1. BACKGROUND / MAIN ISSUES

- 1.1. This is the first report updating the Committee on progress with the 2018/19 Revenue Budget. Appendix 1 to this report summarises the current projected year end (outturn) position for each Service based upon the June 2018 ledger, updated for any subsequent known material movements.
- 1.2. The budget total reflected in Column 1 of Appendix 1 to this report is that approved by the Council in setting the Final Revenue Budget for 2018/19 on 22 February 2018 (Report No. 18/47 refers). In addition, adjustments that were approved by the Council on 20 June 2018 (Report No 18/213 refers) and the Strategic Policy and Resources Committee on 18 April 2018 (Report No. 18/133 refers) are reflected in Appendix 1 (Column 2).
- 1.3. The Council's Financial Regulations allow Executive Directors to vire budgets up to £100,000 within their Service. Any virements between Services or in excess of £100,000 are either included in the body of the revenue monitoring report or in the appendices for approval.
- 1.4. This report details the latest projected outturns and proposed adjustments to the 2018/19 General Fund and Housing Revenue Account budgets.

2. PROPOSALS

2.1 Service Budgets

- 2.1.1 Details of variances against Service budgets are shown in Appendix 2 to this report with the most significant variances summarised below. The total net projected under spend on Service budgets, as set out in Appendix 1 to this report, is £988,000 which represents 0.37% of total net Service expenditure.

(In the corresponding report in September 2017, the projected under spend was £1,592,000 which represented 0.50% of total net Service expenditure).

2.1.2 The utilisation of these Service under spends is considered throughout the financial year and may also be considered as part of the Revenue Budget strategy for future years.

2.1.3 **Education & Children's Services:** The projected outturn (excluding the Devolved School Management (DSM) and Pupil Equity Fund (PEF) budgets) is currently anticipated to be £878,000 less than budget.

2.1.4 This projected net under spend is made up as follows -

- Staff costs (under spend of £268,000) due to additional slippage in excess of budgeted levels.
- Property Costs (under spend of £11,000) due to deductions to the Investment in Learning contract to date.
- Supplies & Services (under spend of £294,000) due, in the main, to approved Revenue Budget Flexibility from 2017/18 no longer being required.
- Transport costs (under spend of £45,000) on car allowances and travel.
- Home to School Transport (over spend of £200,000) due to changing demand patterns in relation to additional support needs provision.
- Third Party Payments (under spend of £36,000) due, in the main, to a lower than anticipated uptake for continuing care.
- Residential Schools / Foster Care & Kinship Care (net under spend of £446,000) due primarily, to changes in activity and the number of foster carers.
- Income (over spend of £22,000) due to variances across a number of income streams within the Service.

2.1.5 There is a projected under spend of £570,000 on Devolved School Management budgets (DSM) due, mainly, to staff slippage, educational materials and additional income. It is anticipated that, in line with the approved DSM scheme, the eventual over and under spends will be carried forward into 2019/20.

2.1.6 The projected carry forward of £570,000 represents 0.63% of the overall DSM budget.

2.1.7 At this stage of the academic year, expenditure from the Pupil Equity Fund is projected to be £106,000 less than the allocation from the Scottish Government of £1,661,520. In line with the terms of this funding, it is anticipated that this under spend will be carried forward to 2019/20 to meet future commitments.

2.1.8 **Housing & Environment:** The projected outturn is currently anticipated to be £48,000 less than budget,

2.1.9 This projected net under spend is made up as follows –

- Service Wide Budgets (over spend of £340,000) due to challenges in the identification of procurement savings.
- Planning & Development (under spend of £150,000) due to additional income from annual rent reviews and higher occupancy levels.
- Roads & Transport (over spend of £100,000) due to increased public transport tender costs.
- Operations, Waste Strategy & Fleet Management (over spend of £100,000) due to increases in fuel costs offset by additional income from recyclates.
- Housing (over spend of £30,000) due to additional property costs.
- Safer Communities (under spend of £10,000) due to additional staff slippage.
- Property (under spend of £300,000) due to savings on energy and water costs.
- Business & Resources (under spend of £158,000) due to additional staff slippage and the accelerated delivery of approved savings.

2.1.10 **Corporate and Democratic Services:** The projected outturn is currently anticipated to be £62,000 less than budget.

2.1.11 This projected under spend is made up as follows –

- Staff slippage in excess of budgeted levels (under spend of £15,000).
- Other net under spends across all Divisions (under spend of £47,000).

2.2 Issues Arising from Financial Year 2017/18

2.2.1 In completing the 2017/18 Unaudited Annual Accounts a number of issues have been identified which require adjustments to be made to the 2018/19 Management Budget.

Devolved School Management (DSM)

2.2.2 In setting the 2018/19 Final Revenue Budget on 22 February 2018 (Report No. 18/47 refers) the Council approved a Devolved School Management (DSM) carry forward of £859,000. However, the final under spend on the DSM scheme was £1,205,000, an increase of £346,000 mainly due to additional slippage and a rephasing of expenditure in line with the academic year.

2.2.3 **ACTION:** The Committee is requested to allocate the additional under spend of £346,000 to Education & Children's Services to reflect the additional Devolved School Management scheme balances brought forward from 2017/18. This adjustment is reflected in Appendix 1 (Column 3) to this report and has no overall impact on the level of uncommitted Reserves.

Revenue Grants

- 2.2.4 Accounting arrangements under International Accounting Standards require that, subject to certain conditions, revenue grants which were received by the Council in 2017/18 but not utilised by 31 March 2018 should be accounted for in Reserves at the end of the financial year. During 2017/18 £1,318,000 of revenue grants were received including the Pupil Equity Fund, Developing Scotland's Young Workforce, 1 + 2 Languages and Syrian Refugees.
- 2.2.5 Approval is now sought to adjust the budgets of Education & Children's Services (£908,000), Housing & Environment (£300,000), Corporate & Democratic Services (£11,000) and Health & Social Care (£99,000) for the additional grant funding of £1,318,000.
- 2.2.6 **ACTION:** The Committee is asked to approve the adjustments totalling £1,318,000 to the above Service budgets, funded from Reserves, to reflect revenue grants received in 2017/18 in respect of expenditure which will not be incurred until 2018/19. These additional adjustments are reflected in Appendix 1 (Column 3) to this report and have no overall impact on the budgeted level of uncommitted Reserves.

Modern Apprentice Programme

- 2.2.7 On 29 November 2017 the Strategic Policy & Resources Committee approved that the final under spend in 2017/18 on the Modern Apprentice programme be carried forward to meet future commitments (Report No. 17/388 refers). The final under spend of £172,000 in 2017/18 has been earmarked in Reserves in the Unaudited Annual Accounts considered by the Audit Committee on 27 June 2018 (Report No. 18/233 refers). Approval is now sought to draw down £101,000 of this earmarked Reserve to support known commitments.
- 2.2.8 **ACTION:** The Committee is asked to transfer £101,000 from Reserves to Corporate & Democratic Services to fund known commitments in relation to the Modern Apprentice Programme. This adjustment is reflected in Appendix 1 (Column 3) to this report and has no overall impact on the budgeted level of uncommitted Reserves.

Transformation Programme (including Workforce Management and Organisational Change)

- 2.2.9 The 2017/18 Unaudited Accounts include a rephasing of expenditure in relation to a number of previously approved transformation projects. Approval is sought to adjust the budgets for Education & Children's Services (£90,000), Housing & Environment (£14,000), Corporate & Democratic Services (£103,000) and Health & Social Care (£59,000) to reflect this.
- 2.2.10 **ACTION:** The Committee is asked to transfer £266,000 from Reserves to the Services listed above to reflect revised expenditure profiles in relation to Transformation. These adjustments are reflected in Appendix 1 (Column 3) to

this report and have no overall impact on the budgeted level of uncommitted Reserves.

2.3 Movements in Funding

- 2.3.1 Since the 2018/19 Final Revenue Budget was updated by the Strategic Policy & Resources Committee on 18 April 2018 (Report No. 18/133 refers), notification has been received of additional resources in the current financial year as set out in paragraphs 2.3.2, 2.3.4 and Appendix 3.

Scottish Government: Revenue Support Grant: (£121,070)

- National Minimum School Clothing Grant: £73,000 (Education & Children's Services – ECS)
 - Access to Free Sanitary Products: £48,070 (ECS)
- 2.3.2 The Scottish Government has advised that the increase in Revenue Support Grant of £121,070 will be made through a redetermination of the Council's Revenue Support Grant. It is, therefore necessary to adjust both the budget for Education & Children's Services and Revenue Support Grant.
- 2.3.3 **ACTION:** The Committee is asked to approve the adjustments set out at 2.3.1 above. These adjustments are reflected in Appendix 1 (Column 4) to this report.

Scottish Government Ring Fenced Grant (reduction of £3,000)

- 2.3.4 The Scottish Government has confirmed that the final amount allocated for Gaelic Education will be £3,000 less than previously anticipated. It is therefore necessary to adjust both the budget for Education & Children's Services and Ring Fenced Grant.
- 2.3.5 **ACTION:** The Committee is asked to approve the adjustments set out at 2.3.4 above. This adjustment is reflected in Appendix 1 (Column 4) to this report.

Other Funding: (£1,513,118)

- 2.3.6 Other funding amounting to £1,513,118 will be paid outside the Revenue Support Grant mechanism as Other Grant income and is, therefore, cost neutral in terms of the budget summary. Details of this other funding are set out in Appendix 3.
- 2.3.7 **ACTION:** The Committee is asked to note the receipt of £1,513,118 of additional resources, with this funding being reflected within Education & Children's Services; Housing & Environment and Corporate & Democratic Services as additional grant income. The current projected outturn assumes that all of these additional resources will be fully expended in 2018/19.

2.4 Virements

Contribution to/from Capital Fund

- 2.4.1 In line with the strategy for managing the Council's Capital Programme over the medium term (as reported to Council on 20 June 2018 – Report No. 18/213 refers) it is recommended that the eventual over or under spend on Capital Financing Costs and Interest on Revenue Balances be transferred from or to the Capital Fund.
- 2.4.2 The latest monitoring indicates a reduction in the projected outturn for capital financing costs (loan charges) of £3,770,000 which reflects the review of the operation of the Loans Fund, particularly around asset lives and the write down / amortisation of capital expenditure, reported to Council on 20 December 2017 (Report No. 17/414 refers). There is also a reduction in the projected level of income from Interest on Revenue Balances of £67,000. These projections reflect the financial implications of treasury management activity in the year to date.
- 2.4.3 **ACTION:** The Committee is requested to approve the virement of £3,770,000 from the Capital Financing Costs (Loan Charges) Budget and £67,000 to Interest on Revenue Balances with an increase of £3,703,000 in the projected Contribution to the Capital Fund. These adjustments have been reflected in Appendix 1 (Column 5) to this report.

Service Virements

- 2.4.4 In order to ensure that the 2018/19 Management Revenue Budget continues to reflect current Service needs and operational requirements the following virements between budgets are required.
- Building Ambition – a blueprint for a 21st Century Council (considered by the SP&R Committee on 7 February 2018 (Report No. 18/44 refers)) approved the consolidation of “all corporate, business and governance functions” under the leadership of the Depute Chief Executive in his capacity as Chief Operating Officer. To that end a net virement (£4,130,000) is required to transfer the budgets for Revenues & Benefits, Welfare Rights and the Customer Service Centre from Housing & Environment to Corporate & Democratic Services.
 - Housing & Environment to Health & Social Care (net virement of £156,000) to reflect activity, primarily around the Independent Advocacy Service.
 - Renewal & Repair Fund to Corporate & Democratic Services (£20,000) to fund a number of developments on the Integrated Human Resources & Payroll System – see Capital Monitoring Report No. 3 to the Strategic Policy & Resources Committee on 7 February 2018 (Report No. 18/42 refers).

- Education & Children's Services to Corporate & Democratic Services (£12,000) for Community Learning & Development.
- Housing & Environment to Corporate & Democratic Services (£14,000) for village hall payments.

2.4.5 **ACTION:** The Committee is asked to approve the adjustments to Service Revenue Budgets listed in 2.4.4 above. These adjustments are reflected in Appendix 1 (Column 5) to this report.

2.5 Movements in Reserves

Transformation Programme (including Workforce Management and Organisational Change)

- 2.5.1 Approval is sought to adjust the budgets for a number of approved transformation projects as set out in Appendix 4 to reflect changes in the phasing of expenditure.
- 2.5.2 **ACTION:** The Committee is asked to transfer £746,000 from Reserves to the Services listed in Appendix 4 to reflect revised expenditure profiles in relation to Transformation. These adjustments are reflected in Appendix 1 (Column 6) to this report and have no overall impact on the budgeted level of uncommitted Reserves.
- 2.5.3 In addition, the 2017/18 Unaudited Annual Accounts includes £1,360,000 in an earmarked Reserve for further transformation and organisational development. Previous Strategic Policy & Resources Committees have already approved contributions from this earmarked Reserve towards a number of projects.
- 2.5.4 Services have identified a number of further proposals which the Executive Officer Team has now had the opportunity to review and endorse.

Digital Skills / Workplace Programme – £67,000

- This initiative originally received funding in December 2017 which funded the recruitment of two graduates for the period until December 2018. To date this funding has enabled the provision of a range of digital skills opportunities across the Council. This bid seeks to extend the existing graduate posts until 31 March 2020, to further develop the digital approaches on offer, including those available to elected members.

Staff Engagement – £12,000

- The Horizons Conference took place on 26 April 2018 which promoted the Corporate Plan 2018 – 2022, acknowledged the Council's progress to date and set out the next stages of its transformation journey. The conference was attended by over 200 members of staff and community planning partners. The purpose was to inform and to inspire colleagues

through the provision of a range of conference experiences created to support learning and networking for growth and development.

Early Years Programme – Career Pathway - £64,000

- This funding will create a career pathway for four staff at Beechgrove Residential Care Home, who were at risk of redundancy. The pathway includes the creation of a new programme which allows staff to work towards their SQA Level 3 in Social Services (Children & Young People) and gain experience in early learning and childcare, with a guarantee of an Early Childhood Practitioner (ECP) post at the end of the programme. These posts will contribute to the Council delivering on the expansion of early learning and childcare (1140 hours).

Restorative Approaches £3,000

- This funding will continue to build capacity to support the embedding of restorative approaches within schools through the provision of 3 days' professional development to a group of 10 teaching staff. The approach will support restorative practitioners and teaching staff to deliver training to others throughout Perth and Kinross schools, supported by Education Scotland. This model has been commended as good practice by Education Scotland. More specialist professional development is now required in order to continue to support schools to broaden and deepen their knowledge and skills, and to ensure sustainability and embedding of this approach.

Leadership & Management – £5,000

- This proposal will build the leadership capacity of a cohort of Principal Teachers across secondary and primary schools in Perth and Kinross. Twenty Principal Teachers will work with a leadership consultant over six days to explore the key features of middle leadership through engagement in high quality professional learning, enquiry and collaboration.

2.5.5 **ACTION:** The Committee is asked to approve the transfer from Reserves of £79,000 to Corporate & Democratic Services and £72,000 to Education & Children's Services. These adjustments are reflected in Appendix 1 (Column 6) to this report and have no overall impact on the budgeted level of uncommitted Reserves.

Provision of Affordable Housing - Council Tax 2nd Home and Long Term Empty Property Discount

2.5.6 The Strategic Policy & Resources Committee of 18 April 2018 approved the utilisation of £200,000 in 2018/19 from the earmarked Reserve for Affordable Housing (resources accrued from reductions in Council Tax discounts) to take forward the Empty Homes Initiative project that brings unused domestic properties back into use (Report No. 18/133 refers).

- 2.5.7 Due to the success of this initiative and of the work of the Private Sector Access Team, there has been an increase in demand from landlords to bring further empty properties back into use. As a result of this, the Committee is asked to approve an additional contribution of £180,000 in 2018/19 from the earmarked Reserve for Affordable Housing.
- 2.5.8 **ACTION:** The Committee is asked to approve the transfer from Reserves of £180,000 to Housing & Environment for further expenditure on the Empty Homes Initiative. This adjustment is reflected in Appendix 1 (Column 6) to this report and has no overall impact on the budgeted level of uncommitted Reserves.

Review of Residential Care Services

- 2.5.9 Following the review of residential care services and the decision to close Beechgrove Residential Care Home for the Elderly, the Council is required to identify options for the employees affected. Of the 35 employees affected, 26 individuals have been redeployed (four of whom are included in the Early Years Programme described at 2.5.4 above) and 9 individuals have sought to voluntarily leave the employment of the Council. The upfront costs to the Council of Voluntary Severance for the 9 employees concerned is £218,000 therefore approval is sought to transfer the required amount to Health & Social Care which will be funded from the earmarked Reserve in the 2017/18 Unaudited Accounts for the Health and Social Care Partnership.
- 2.5.10 **ACTION:** The Committee is asked to approve the transfer from Reserves of £218,000 to Health & Social Care to fund workforce management costs. This adjustment is reflected in Appendix 1 (Column 6) to this report and has no overall impact on the budgeted level of uncommitted Reserves.

REACH Project (formerly the review and remodelling of residential care (children & young people))

- 2.5.11 Approval is sought to transfer funding from earmarked Reserves towards the Reach Transformation project. The Council has previously approved the use of up to £1,700,000 of earmarked Reserves to deliver this project (Report No. 17/262 refers) and £302,000 is required in the current year.
- 2.5.12 **ACTION:** The Committee is asked to approve the transfer from earmarked Reserves of £302,000 to Education & Children's Services to take forward the REACH project. This adjustment is reflected in Appendix 1 (Column 6) to this report and has no overall impact on the budgeted level of uncommitted Reserves.

3. CORPORATE BUDGETS

Council Tax Income

- 3.1 The monitoring of Council Tax Income as at 30 June 2018 indicates that additional income in excess of budget in the order of £300,000 will be

generated in the current year. The primary reasons for this additional income are anticipated favourable movements in the provisions for bad debts and a net increase in the Council Tax base in excess of budget assumptions.

- 3.2 These projections are indicative at this stage and are subject to further review. This additional income is reflected in Appendix 1.

Health & Social Care - Perth & Kinross Integration Joint Board

- 3.3 The projected outturn for Health & Social Care is split between that which is delegated to Perth & Kinross Integration Joint Board and that which remains with the Council. Full details of the projected outturn for Health & Social Care are set out in Appendix 5.

- 3.4 The meeting of Perth & Kinross Integration Joint Board (IJB) of 28 September 2018 will consider a financial update as at 31 July 2018 from the Board's Chief Finance Officer which will set out a projected net over spend of £1,413,000.

- 3.5 This projected net over spend is made up as follows –

- Older People (over spend of £712,000) due primarily to increased demand for Care at Home, the increasing costs of interim care home placements, increased demand for direct payments and occupational therapy equipment and rising demand for physical disability residential and nursing home placements. This is partially offset by additional income in relation to local authority residential homes.
- Adult Support & Wellbeing (projected over spend of £573,000) due in the main, to increased demand for complex care including learning disability and mental health placements and increased direct payments partially offset by projected non-recurring under spends within the Supported Living Service.
- Localities and Early Intervention & Prevention (projected under spend of £50,000) due to savings on staff, property, transport and third party costs across this area of Service delivery.
- Management & Commissioned Services (projected over spend of £178,000) due, in the main, to savings in relation to procurement and modernisation not being achieved partially offset by additional income and staff slippage.

- 3.6 The approved Integration Scheme sets out a clear process by which projected over spends should be handled –

- “The Chief Officer and Chief Finance Officer must take remedial action to prevent the over spend materialising.
- In the event that the remedial action cannot prevent the over spend, the IJB will present a recovery plan to the Partners to address any in year over

spends and any recurring over spends for future financial years without impacting on the achievement of performance outcomes.

- In the event that the recovery plan is unsuccessful, and an over spend is still projected at the year-end, uncommitted Reserves held by the IJB would firstly be used to address any over spend.
- If after the application of Reserves there remains a forecast overspend, a revised Strategic Plan must be developed to enable the over spend to be managed in subsequent years.
- In the event that an over spend is evident following the application of a recovery plan, use of Reserves or, where the Strategic Plan cannot be adjusted, the over spend may be allocated based on each Partner's proportionate contribution to the IJB's Budget Requisition for that financial year on a like for like basis".

3.7 Therefore, if all of the options listed above are fully exhausted, this projected over spend will require to be funded by the Council. This position will be kept under review and reported to future meetings of the Strategic Policy & Resources Committee.

3.8 There are a number of functions that are not devolved to Perth & Kinross Integration Joint Board and, therefore, remain with the Council. In respect of these non-devolved functions there is a projected over spend of £375,000.

3.9 This projected net over spend is made up as follows –

- Mental Health Officers (over spend of £25,000) due to the non-achievement of staff slippage at this time.
- Learning & Development (under spend of £12,000) due to additional staff slippage.
- Forensic Team (under spend of £38,000) due to additional staff slippage.
- Non-Residential Charging Income (over spend of £400,000) following the decision of the Executive Sub-Committee of the Strategic Policy and Resources Committee to defer implementation of the revised charging policy (Report No. 18/262 refers).

3.10 The total projected overspend on Health & Social Care is £1,788,000 which is set out in Appendix 5. Of this projected over spend the Executive Sub-Committee of the Strategic Policy & Resources Committee has previously agreed to fund £400,000 (Report No. 18/262 refers).

Contributions to Tayside Valuation Joint Board

3.11 The Treasurer of the Tayside Valuation Joint Board is currently projecting that expenditure is in line with budget.

Unfunded Pension Costs

3.12 The latest projected outturn, based on current recharges from the Tayside Pension Fund, indicates an under spend of £50,000 which is reflected in Appendix 1.

Apprenticeship Levy

- 3.13 The latest projected outturn, based on current levels of remittance to HM Revenue & Customs, indicates an under spend of £4,000 which is reflected in Appendix 1.

Discretionary Non-Domestic Rates Relief Scheme

- 3.14 On 13 September 2017 the Strategic Policy & Resources Committee approved a package of “Assistance to Business Occupation of Key Vacant Property in Perth & Kinross through Non-Domestic Rates Relief” (Report No. 17/281 refers). The maximum cost of this non-recurring proposal was estimated at £100,000 and this amount was earmarked in Reserves.
- 3.15 To date, financial support from this discretionary scheme has been awarded at a cost of £62,000 which is reflected in Appendix 1 to the report.

4. HOUSING REVENUE ACCOUNT (HRA)

- 4.1 The Executive Director (Housing & Environment) is currently projecting a break even position on the Housing Revenue Account. Within this projection there are a number of variances which are set out below.
- Improvements and South (projected under spend of £6,000) due to additional staff slippage.
 - Letham and North (projected under spend of £3,000) due to additional staff slippage.
 - Perth City and Specialist (projected over spend of £39,000) due to the non achievement of slippage targets at this point.
 - Housing Management (projected over spend of £1,000) due to security costs at Pomarium car park.
 - Administration (projected over spend of £29,000) due to increased loan charges.
- 4.2 The net projected over spends described above result in a reduction in the projected contribution to Capital Financed from Current Revenue (CFCR) (£60,000) available for the HRA Capital Programme.
- 4.3 Full details of the movement against the HRA Revenue Budget are set out in Appendix 6.

5. CONCLUSION AND RECOMMENDATIONS

- 5.1. The total net projected over spend on the 2018/19 General Fund, as set out in Appendix 1 to this report, is £508,000.
- 5.2. Additionally, the projected under spend on Devolved School Management Budgets currently stands at £570,000 and £106,000 from the Pupil Equity Fund.

- 5.3. There is a projected over spend on Health & Social Care of £1,788,000.
- 5.4. The Executive Director (Housing & Environment) is currently projecting a break even position on the Housing Revenue Account in 2018/19.
- 5.5. The Committee is requested to:
- Note the contents of the report;
 - Approve the adjustments to the 2018/19 Management Revenue Budget detailed in Appendices 1 & 2 and Section 2 & 3 above;
 - Approve 2018/19 Service virements summarised in Appendices 2 and 6;
 - Note the Health & Social Care projected outturn summarised in Paragraphs 3.3 to 3.10 and Appendix 5;
 - Note the Housing Revenue Account projected outturn summarised in Section 4 above and Appendix 6.

Author(s)

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Approved

Name	Designation	Date
Stewart Mackenzie	Head of Finance	15 August 2018
Jim Valentine	Depute Chief Executive and Chief Operating Officer	31 August 2018

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1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

Strategic Implications	Yes / None
Community Plan / Single Outcome Agreement	None
Corporate Plan	Yes
Resource Implications	
Financial	Yes
Workforce	Yes
Asset Management (land, property, IST)	Yes
Assessments	
Equality Impact Assessment	Yes
Strategic Environmental Assessment	Yes
Sustainability (community, economic, environmental)	Yes
Legal and Governance	None
Risk	None
Consultation	
Internal	Yes
External	None
Communication	
Communications Plan	None

1. Strategic Implications

Corporate Plan

1.1 The Council's Corporate Plan 2018 – 2022 lays out five outcome focussed strategic objectives which provide clear strategic direction, inform decisions at a corporate and service level and shape resources allocation. They are as follows:

- (i) Giving every child the best start in life;
- (ii) Developing educated, responsible and informed citizens;
- (iii) Promoting a prosperous, inclusive and sustainable economy;
- (iv) Supporting people to lead independent, healthy and active lives; and
- (v) Creating a safe and sustainable place for future generations.

1.2 This report relates to all of these objectives.

2. Resource Implications

Financial

2.1 There are no direct financial implications arising from this report other than those reported within the body of the main report.

Workforce

- 2.2 There are no direct workforce implications arising from this report other than those reported within the body of the main report.

Asset Management (land, property, IT)

- 2.3 There are no direct asset management implications arising from this report other than those reported within the body of the main report.

3. Assessments

Equality Impact Assessment

- 3.1 Under the Equality Act 2010, the Council is required to eliminate discrimination, advance equality of opportunity, and foster good relations between equality groups. Carrying out Equality Impact Assessments for plans and policies allows the Council to demonstrate that it is meeting these duties.
- 3.2 The information contained within this report has been considered under the Corporate Equalities Impact Assessment process (EqIA) and has been assessed as **not relevant** for the purposes of EqIA.

Strategic Environmental Assessment

- 3.3 The Environmental Assessment (Scotland) Act 2005 places a duty on the Council to identify and assess the environmental consequences of its proposals.
- 3.4 The information contained within this report has been considered under the Act. However, no action is required as the Act does not apply to the matters presented in this report.

Sustainability

- 3.5 Under the provisions of the Local Government in Scotland Act 2003 the Council has to discharge its duties in a way which contributes to the achievement of sustainable development. In terms of the Climate Change Act, the Council has a general duty to demonstrate its commitment to sustainability and the community, environmental and economic impacts of its actions.
- 3.6 The information contained within this report has been considered under the Act. However, no action is required as the Act does not apply to the matters presented in this report.

4. Consultation

Internal

- 4.1 The Executive Officer Team have been consulted in the preparation of this report.

2. BACKGROUND PAPERS

No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to any material extent in preparing the above report.

3. APPENDICES

Appendix 1 –	General Fund 2018/19 Revenue Budget - Summary
Appendix 2 –	General Fund 2018/19 Projected Outturn – Service Analysis
Appendix 3 –	Other 2018/19 Funding
Appendix 4 –	Corporate Transformation Funding 2018/19
Appendix 5 –	Health & Social Care 2018/19 Projected Outturn
Appendix 6 –	Housing Revenue Account 2018/19 Projected Outturn