

Report

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Report to:	Finance and Information Technology Resources Committee
Date of Meeting:	27 October 2009
Report by:	Executive Director (Finance and Information Technology Resources)

Subject:	Revenue Budget Monitoring 2009/2010 - Finance and Information Technology Resources
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ provide information on the actual expenditure measured against the revenue budget for the period 1 April 2009 to 4 September 2009 for Finance and Information Technology Resources
- ◆ provide a forecast for the year to 31 March 2010.

2. Recommendation(s)

2.1. The Committee is asked to approve the following recommendation(s):-

- (1) that the underspend on Finance and Information Technology Resources' revenue budget of £0.098 million (1.4%), as detailed in Appendix A of the report, and the forecast to 31 March 2010 of break even be noted
- (2) that the proposed budget virements be approved.

3. Background

- 3.1. This is the first revenue budget monitoring report presented to the Finance and Information Technology Resources Committee for the financial year 2009/2010.
- 3.2. Following approval to develop a Shared Procurement Service within the Council (Executive Committee, 10 June 2009), a new Procurement Service has been created within Finance and Information Technology Resources. The relevant staff and budgets have been transferred from Resources and the financial information in relation to the Procurement Service has been included as Appendix D to this report.
- 3.3. The report details the financial position for Finance and Information Technology Resources on Appendix A, along with budget virements in Appendices B and D and variance explanations in Appendices B and C.

4. Employee Implications

4.1. None

5. Financial Implications

5.1. As at 4 September 2009, the variance from phased budget to date is an underspend of £0.098 million (1.4%).

5.2. The financial forecast to 31 March is forecast as a break even position.

6. Other Implications

6.1. None

7. Equality Impact Assessment and Consultation Arrangements

7.1. This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy and therefore no impact assessment is required.

7.2. There is also no requirement to undertake any consultation in terms of the information contained in the report.

Linda Hardie

Executive Director (Finance and Information Technology Resources)

14 September 2009

Link(s) to Council Objectives and Values

♦ Value: Accountable, Effective and Efficient

Previous References

♦ None

List of Background Papers

♦ Financial ledger and budget monitoring results to 4 September 2009

Contact for Further Information

If you would like to inspect the background papers or want further information, please contact:-

Lorraine O'Hagan, Accounting and Budgeting Manager

Ext: 4617 (Tel: 01698 454617)

E-mail: lorraine.o'hagan@southlanarkshire.gov.uk

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Finance and Information Technology Resources Committee: Period Ended 4 September 2009 (No.6)

Finance and Information Technology Resources Summary

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 4/09/09	Actual 4/09/09	Variance 4/09/09		% Variance 4/09/09	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	11,981	11,981	0	5,095	4,972	123	under	2.4%	
Property Costs	553	553	0	157	159	(2)	over	(1.3%)	
Supplies & Services	2,554	2,554	0	1,046	1,072	(26)	over	(2.5%)	
Transport & Plant	0	0	0	0	1	(1)	over	n/a	
Administration Costs	1,827	1,827	0	748	771	(23)	over	(3.1%)	
Payments to Other Bodies	790	790	0	300	301	(1)	over	(0.3%)	
Payments to Contractors	641	641	0	253	247	6	under	2.4%	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	634	634	0	380	391	(11)	over	(2.9%)	
Total Controllable Exp.	18,980	18,980	0	7,979	7,914	65	under	0.8%	
Total Controllable Inc.	(3,792)	(3,792)	0	(1,100)	(1,133)	33	over recovered	(3.0%)	
Net Controllable Exp.	15,188	15,188	0	6,879	6781	98	under	1.4%	

Budget Virements

Budget virements are shown in Appendices B and D.

Variance Explanations

Variance explanations are shown in Appendices B and C.

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Finance and Information Technology Resources Committee: Period Ended 4 September 2009 (No.6)

Finance Services

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 4/09/09	Actual 4/09/09	Variance 4/09/09		% Variance 4/09/09	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	4,319	4,319	0	1,805	1,752	53	under	2.9%	1 a,b, c,d
Property Costs	11	11	0	5	1	4	under	80.0%	c
Supplies & Services	107	107	0	51	56	(5)	over	(9.8%)	a,c, d
Transport & Plant	0	0	0	0	1	(1)	over	n/a	
Administration Costs	204	204	0	73	66	7	under	9.6%	a,c, d
Payments to Other Bodies	611	611	0	211	211	0	-	0.0%	c
Payments to Contractors	447	447	0	223	220	3	under	1.3%	a
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	358	358	0	298	307	(9)	over	(3.0%)	a,d
Total Controllable Exp.	6,057	6,057	0	2,666	2,614	52	under	2.0%	
Total Controllable Inc.	(1,167)	(1,167)	0	(141)	(148)	7	over recovered	(5.0%)	
Net Controllable Exp.	4,890	4,890	0	2,525	2,466	59	under	2.3%	

Budget Virements

- a Transfer from the IT Development Fund of £0.656m, to fund I Procurement Development. Employee Costs- £0.176m, Supplies and Services- £0.007m, Administration Costs - £0.035m, Payment to Contractors - £0.435m, Financing Charges £0.003m.
- b Transfer to Creditors Section of £0.185m, in respect of the centralisation of the Accounts Payables function, from Housing and Technical Resources - £0.135m, Community Resources - £0.028m and Enterprise Resources - £0.022m.
- c Transfer from the IT Development Fund of £1.186m to fund the third year of the National Infrastructure Project. Employee Costs - £0.197m, Property Costs -£0.125m, Supplies and Services - £0.633m, Administration Costs £0.229m, Payments to Other Bodies - £0.002m.
- d Transfer to Procurement of Strategic Procurement section Costs of £0.203m. Employee Costs £0.193m, Supplies and Services £0.005m, Admin Costs £0.002m and Financing Costs £0.003m.

Variance Explanations1. **Employee Costs**

This underspend has arisen as a result of vacancies across the various sections within Finance Services.

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Finance and Information Technology Resources Committee: Period Ended 4 September 2009 (No.6)

Total Information Technology Services

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 4/09/09	Actual 4/09/09	Variance 4/09/09		% Variance 4/09/09	Note
	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>									
Employee Costs	6,803	6,803	0	2,921	2,851	70	under	2.4%	1
Property Costs	542	542	0	152	158	(6)	over	(3.9%)	
Supplies & Services	2,442	2,442	0	992	1,013	(21)	over	(2.1%)	
Transport & Plant	0	0	0	0	0	0	-	n/a	
Administration Costs	1,621	1,621	0	674	698	(24)	over	(3.6%)	
Payments to Other Bodies	0	0	0	0	0	0	-	n/a	
Payments to Contractors	194	194	0	30	27	3	under	10.0%	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	273	273	0	81	83	(2)	over	(2.5%)	
Total Controllable Exp.	11,875	11,875	0	4,850	4,830	20	under	0.4%	
Total Controllable Inc.	(2,625)	(2,625)	0	(959)	(985)	26	over recovered	(2.7%)	
Net Controllable Exp.	9,250	9,250	0	3,891	3,845	46	under	1.2%	

Variance Explanations**1. Employee Costs**

This underspend has arisen as a result of vacancies across the various sections within IT Services.

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Finance and Information Technology Resources Committee: Period Ended 4 September 2009 (No.6)

Procurement Services

Budget Category	Annual Budget £000	Forecast for Year £000	Annual Forecast Variance £000	Budget Proportion 4/09/09 £000	Actual 4/09/09 £000	Variance 4/09/09 £000		% Variance 4/09/09	Note
Employee Costs	859	859	0	369	369	0	-	0.0%	a
Property Costs	0	0	0	0	0	0	-	n/a	
Supplies & Services	5	5	0	3	3	0	-	0.0%	a
Transport & Plant	0	0	0	0	0	0	-	n/a	
Administration Costs	2	2	0	1	7	(6)	over	(600.0%)	a
Payments to Other Bodies	179	179	0	89	90	(1)	over	(1.1%)	
Payments to Contractors	0	0	0	0	0	0	-	n/a	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	3	3	0	1	1	0	-	0.0%	a
Total Controllable Exp.	1,048	1,048	0	463	470	(7)	over	(1.5%)	
Total Controllable Inc.	0	0	0	0	0	0	-	n/a	
Net Controllable Exp.	1,048	1,048	0	463	470	(7)	over	1.5%	

Budget Virements

- a As noted in section 3.2. of the main report, the following budget lines have been established - Employee Costs £0.859m, Supplies and Services £0.005m, Administration Costs £0.002m and Financing Costs £0.003m. These have been transferred from the following Resources ; Finance and IT Resources (Strategic Procurement) - £0.203m, Community Resources - £0.104m, Enterprise Resources - £0.128m, Housing and Technical Resources - £0.228m and Social Work Resources - £0.206m.