

# Report

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| Report to:       | <b>Finance and Information Technology Resources Committee</b>            |
| Date of Meeting: | <b>19 January 2010</b>   |
| Report by:       | <b>Executive Director (Finance and Information Technology Resources)</b> |

|          |   |
|----------|---|
| Subject: | <b>Revenue Budget Monitoring 2009/2010 - Finance and Information Technology Resources</b> |
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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 30 October 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 £0.092 million (1.02%), as detailed in Appendix A of the report, and the forecast to 31 March 2010 of break even, be noted.

## 3. Background

- 3.1. This is the second revenue budget monitoring report presented to the Finance and Information Technology Resources Committee for the financial year 2009/2010. Further reports will follow throughout the financial year.
- 3.2. The report details the financial position for Finance and Information Technology Resources on Appendix A, along with variance explanations in Appendices B and C.

## 4. Employee Implications

4.1. None

## 5. Financial Implications

5.1. As at 30 October 2009, the variance from phased budget to date is an underspend of £0.092 million (1.02%). The forecast for the revenue budget to 31 March 2010 is 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)**

10 November 2009

### **Link(s) to Council Objectives and Values**

- ◆ Value: Accountable, Effective and Efficient

### **Previous References**

- ◆ Finance and Information Technology Resources Committee, 27 October 2009.

### **List of Background Papers**

- ◆ Financial ledger and budget monitoring results to 30 October 2009

### **Contact for Further Information**

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

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## SOUTH LANARKSHIRE COUNCIL

## Revenue Budget Monitoring Report

Finance and Information Technology Resources Committee: Period Ended 30 October 2009 (No.8)

## Finance and Information Technology Resources Summary

|                                | Annual<br>Budget | Forecast<br>for Year | Annual<br>Forecast<br>Variance | Budget<br>Proportion<br>30/10/09 | Actual<br>30/10/09 | Variance<br>30/10/09 |                   | %<br>Variance<br>30/10/09 | Note |
|--------------------------------|------------------|----------------------|--------------------------------|----------------------------------|--------------------|----------------------|-------------------|---------------------------|------|
|                                | £000             | £000                 | £000                           | £000                             | £000               | £000                 |                   |                           |      |
| <b><u>Budget Category</u></b>  |                  |                      |                                |                                  |                    |                      |                   |                           |      |
| Employee Costs                 | 11,979           | 11,979               | 0                              | 6,861                            | 6,746              | 115                  | under             | 1.7%                      |      |
| Property Costs                 | 553              | 553                  | 0                              | 332                              | 350                | (18)                 | over              | (5.4%)                    |      |
| Supplies & Services            | 2,566            | 2,566                | 0                              | 1,469                            | 1,546              | (77)                 | over              | (5.2%)                    |      |
| Transport & Plant              | 0                | 0                    | 0                              | 0                                | 1                  | (1)                  | over              | n/a                       |      |
| Administration Costs           | 1,838            | 1,838                | 0                              | 996                              | 995                | 1                    | under             | 0.1%                      |      |
| Payments to Other Bodies       | 790              | 790                  | 0                              | 548                              | 548                | 0                    | -                 | 0.0%                      |      |
| Payments to Contractors        | 641              | 641                  | 0                              | 297                              | 293                | 4                    | under             | 1.3%                      |      |
| Transfer Payments              | 0                | 0                    | 0                              | 0                                | 0                  | 0                    | -                 | n/a                       |      |
| Financing Charges              | 636              | 636                  | 0                              | 438                              | 435                | 3                    | under             | 0.7%                      |      |
| <b>Total Controllable Exp.</b> | 19,003           | 19,003               | 0                              | 10,941                           | 10,914             | 27                   | under             | 0.2%                      |      |
| <b>Total Controllable Inc.</b> | (3,792)          | (3,792)              | 0                              | (1,913)                          | (1,978)            | 65                   | over<br>recovered | 3.4%                      |      |
| <b>Net Controllable Exp.</b>   | 15,211           | 15,211               | 0                              | 9,028                            | 8,936              | 92                   | under             | 1.02%                     |      |

**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 30 October 2009 (No.8)

## Finance Services

| <b>Budget Category</b>         | <b>Annual Budget</b> | <b>Forecast for Year</b> | <b>Annual Forecast Variance</b> | <b>Budget Proportion 30/10/09</b> | <b>Actual 30/10/09</b> | <b>Variance 30/10/09</b> |                       | <b>% Variance 30/10/09</b> | <b>Note</b> |
|--------------------------------|----------------------|--------------------------|---------------------------------|-----------------------------------|------------------------|--------------------------|-----------------------|----------------------------|-------------|
|                                | <b>£000</b>          | <b>£000</b>              | <b>£000</b>                     | <b>£000</b>                       | <b>£000</b>            | <b>£000</b>              |                       |                            |             |
| Employee Costs                 | 4,319                | 4,319                    | 0                               | 2,387                             | 2,356                  | 31                       | under                 | 1.3%                       | 1           |
| Property Costs                 | 11                   | 11                       | 0                               | 6                                 | 1                      | 5                        | under                 | 83.3%                      |             |
| Supplies & Services            | 119                  | 119                      | 0                               | 85                                | 96                     | (11)                     | over                  | (12.9%)                    |             |
| Transport & Plant              | 0                    | 0                        | 0                               | 0                                 | 1                      | (1)                      | over                  | n/a                        |             |
| Administration Costs           | 205                  | 205                      | 0                               | 89                                | 83                     | 6                        | under                 | 6.7%                       |             |
| Payments to Other Bodies       | 611                  | 611                      | 0                               | 414                               | 414                    | 0                        | -                     | 0.0%                       |             |
| Payments to Contractors        | 447                  | 447                      | 0                               | 224                               | 220                    | 4                        | under                 | 1.8%                       |             |
| Transfer Payments              | 0                    | 0                        | 0                               | 0                                 | 0                      | 0                        | -                     | n/a                        |             |
| Financing Charges              | 359                  | 359                      | 0                               | 339                               | 341                    | (2)                      | over                  | (0.6%)                     |             |
| <b>Total Controllable Exp.</b> | <b>6,071</b>         | <b>6,071</b>             | <b>0</b>                        | <b>3,544</b>                      | <b>3,512</b>           | <b>32</b>                | <b>under</b>          | <b>0.9%</b>                |             |
| <b>Total Controllable Inc.</b> | <b>(1,167)</b>       | <b>(1,167)</b>           | <b>0</b>                        | <b>(244)</b>                      | <b>(247)</b>           | <b>3</b>                 | <b>over recovered</b> | <b>1.2%</b>                |             |
| <b>Net Controllable Exp.</b>   | <b>4,904</b>         | <b>4,904</b>             | <b>0</b>                        | <b>3,300</b>                      | <b>3,265</b>           | <b>35</b>                | <b>under</b>          | <b>1.1%</b>                |             |

Variance Explanations**1. 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 30 October 2009 (No.8)

## Total Information Technology Services

| <b>Budget Category</b>         | <b>Annual Budget</b> | <b>Forecast for Year</b> | <b>Annual Forecast Variance</b> | <b>Budget Proportion 30/10/09</b> | <b>Actual 30/10/09</b> | <b>Variance 30/10/09</b> |                       | <b>% Variance 30/10/09</b> | <b>Note</b> |
|--------------------------------|----------------------|--------------------------|---------------------------------|-----------------------------------|------------------------|--------------------------|-----------------------|----------------------------|-------------|
|                                | <b>£000</b>          | <b>£000</b>              | <b>£000</b>                     | <b>£000</b>                       | <b>£000</b>            | <b>£000</b>              |                       |                            |             |
| Employee Costs                 | 6,801                | 6,801                    | 0                               | 3,964                             | 3,880                  | 84                       | under                 | 2.1%                       | 1           |
| Property Costs                 | 542                  | 542                      | 0                               | 326                               | 349                    | (23)                     | over                  | (7.1%)                     |             |
| Supplies & Services            | 2,443                | 2,443                    | 0                               | 1,381                             | 1,447                  | (66)                     | over                  | (4.8%)                     | 2           |
| Transport & Plant              | 0                    | 0                        | 0                               | 0                                 | 0                      | 0                        | -                     | n/a                        |             |
| Administration Costs           | 1,622                | 1,622                    | 0                               | 898                               | 901                    | (3)                      | over                  | (0.3%)                     |             |
| Payments to Other Bodies       | 0                    | 0                        | 0                               | 0                                 | 0                      | 0                        | -                     | n/a                        |             |
| Payments to Contractors        | 194                  | 194                      | 0                               | 73                                | 73                     | 0                        | -                     | 0.0%                       |             |
| Transfer Payments              | 0                    | 0                        | 0                               | 0                                 | 0                      | 0                        | -                     | n/a                        |             |
| Financing Charges              | 273                  | 273                      | 0                               | 95                                | 90                     | 5                        | under                 | 5.3%                       |             |
| <b>Total Controllable Exp.</b> | <b>11,875</b>        | <b>11,875</b>            | <b>0</b>                        | <b>6,737</b>                      | <b>6,740</b>           | <b>(3)</b>               | <b>over</b>           | <b>0.0%</b>                |             |
| <b>Total Controllable Inc.</b> | <b>(2,625)</b>       | <b>(2,625)</b>           | <b>0</b>                        | <b>(1,669)</b>                    | <b>(1,731)</b>         | <b>62</b>                | <b>over recovered</b> | <b>3.7%</b>                | <b>3</b>    |
| <b>Net Controllable Exp.</b>   | <b>9,250</b>         | <b>9,250</b>             | <b>0</b>                        | <b>5,068</b>                      | <b>5,009</b>           | <b>59</b>                | <b>under</b>          | <b>1.2%</b>                |             |

**Variance Explanations****1. Employee Costs**

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

**2. Supplies and Services**

This overspend is the result of the provision of additional E-Messaging services. This is offset by additional income from recharges (see Income below).

**3. Income**

This over recovery is related to additional services provided for E-Messaging (see Supplies and Services above).

## SOUTH LANARKSHIRE COUNCIL

## Revenue Budget Monitoring Report

Finance and Information Technology Resources Committee: Period Ended 30 October 2009 (No.8)

## Procurement Services

|                                | Annual<br>Budget | Forecast<br>for Year | Annual<br>Forecast<br>Variance | Budget<br>Proportion<br>30/10/09 | Actual<br>30/10/09 | Variance<br>30/10/09 | %<br>Variance<br>30/10/09 | Note    |
|--------------------------------|------------------|----------------------|--------------------------------|----------------------------------|--------------------|----------------------|---------------------------|---------|
|                                | £000             | £000                 | £000                           | £000                             | £000               | £000                 |                           |         |
| <b><u>Budget Category</u></b>  |                  |                      |                                |                                  |                    |                      |                           |         |
| Employee Costs                 | 859              | 859                  | 0                              | 510                              | 510                | 0                    | -                         | 0.0%    |
| Property Costs                 | 0                | 0                    | 0                              | 0                                | 0                  | 0                    | -                         | n/a     |
| Supplies & Services            | 4                | 4                    | 0                              | 3                                | 3                  | 0                    | -                         | 0.0%    |
| Transport & Plant              | 0                | 0                    | 0                              | 0                                | 0                  | 0                    | -                         | n/a     |
| Administration Costs           | 11               | 11                   | 0                              | 9                                | 11                 | (2)                  | over                      | (22.2%) |
| Payments to Other Bodies       | 179              | 179                  | 0                              | 134                              | 134                | 0                    | -                         | 0.0%    |
| Payments to Contractors        | 0                | 0                    | 0                              | 0                                | 0                  | 0                    | -                         | n/a     |
| Transfer Payments              | 0                | 0                    | 0                              | 0                                | 0                  | 0                    | -                         | n/a     |
| Financing Charges              | 4                | 4                    | 0                              | 4                                | 4                  | 0                    | -                         | 0.0%    |
| <b>Total Controllable Exp.</b> | 1,057            | 1,057                | 0                              | 660                              | 662                | (2)                  | over                      | (0.3%)  |
| <b>Total Controllable Inc.</b> | 0                | 0                    | 0                              | 0                                | 0                  | 0                    | -                         | n/a     |
| <b>Net Controllable Exp.</b>   | 1,057            | 1,057                | 0                              | 660                              | 662                | (2)                  | over                      | (0.3%)  |