

Report

4

Report to:	Corporate Resources Committee
Date of Meeting:	4 March 2009
Report by:	Executive Director (Finance and Information Technology Resources) Executive Director (Corporate Resources)

Subject:	Revenue Budget Monitoring 2008/2009 - Corporate Resources
----------	--

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 2008 to 23 January 2009 for Corporate Resources
- ◆ provide a forecast for the year to 31 March 2009

2. Recommendation(s)

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

- (1) that the underspend on Corporate Resources' revenue budget of £0.058million (0.4%), as detailed in Appendix A of the report be noted;
- (2) that following the probable outturn exercise, the forecast to 31 March 2009 of break even, be noted; and
- (3) that the budget virements between subjective headings be approved.

3. Background

3.1. This is the fourth revenue budget monitoring report presented to the Corporate Resources Committee for the financial year 2008/2009.

3.2. The report details the financial position for Corporate Resources on Appendix A, and then details the individual services, along with variance explanations, in Appendices B to C.

4. Employee Implications

4.1. None

5. Financial Implications

5.1. As at 23 January 2009, the variance from phased budget to date is an underspend of £0.058million (0.4%).

5.2. Following the probable outturn exercise, the financial forecast to 31 March 2009 is a break even position.

5.3. Virements are also proposed to realign budgets across the services. These movements have been detailed in the appendices to this report.

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)

Robert McIlwain

Executive Director (Corporate Resources)

30 January 2009

Link(s) to Council Objectives

♦ Value: Accountable, Effective and Efficient

Previous References

♦ Corporate Resources Committee – 10 December 2008

List of Background Papers

♦ Financial ledger and budget monitoring results to 23 January 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

Corporate Resources Committee: Period Ended 23 January 2009 (No.11)

Corporate Resources Summary

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 23/01/09	Actual 23/01/09	Variance 23/01/09		% Variance 23/01/09	Note
	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>									
Employee Costs	9,306	8,982	324	7,552	7,231	321	under	4.3%	
Property Costs	6,760	7,128	(368)	5,578	5,932	(354)	over	(6.3%)	
Supplies & Services	2,128	2,086	42	1,276	1,281	(5)	over	(0.4%)	
Transport & Plant	360	368	(8)	205	207	(2)	over	(1.0%)	
Administration Costs	3,486	3,543	(57)	2,545	2,634	(89)	over	(3.5%)	
Payments to Other Bodies	2,032	2,083	(51)	1,821	1,859	(38)	over	(2.1%)	
Payments to Contractors	62	60	2	4	12	(8)	over	(200.0%)	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	633	631	2	622	614	8	under	1.3%	
Total Controllable Exp.	24,767	24,881	(114)	19,603	19,770	(167)	over	(0.9%)	
Total Controllable Inc.	(4,807)	(4,921)	114	(3,584)	(3,809)	225	over recovered	6.3%	
Net Controllable Exp.	19,960	19,960	0	16,019	15,961	58	under	0.4%	

Budget Virement

Budget virements as detailed in Appendices B and C

Variance Explanations

Variance explanations are shown in Appendices B and C

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Corporate Resources Committee: Period Ended 23 January 2009 (No.11)

Corporate Resources Support

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 23/01/09	Actual 23/01/09	Variance 23/01/09		% Variance 23/01/09	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	3,748	3,598	150	3,040	2,965	75	under	2.5%	1,a,b,c
Property Costs	6,617	6,986	(369)	5,454	5,810	(356)	over	(6.5%)	2,b
Supplies & Services	183	192	(9)	134	158	(24)	over	(17.9%)	c,d,e
Transport & Plant	149	149	0	149	149	0	-	0.0%	c
Administration Costs	676	761	(85)	512	612	(100)	over	(19.5%)	3
Payments to Other Bodies	283	359	(76)	230	273	(43)	over	(18.7%)	4
Payments to Contractors	0	0	0	0	8	(8)	over	n/a	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	550	543	7	550	538	12	under	2.2%	
Total Controllable Exp.	12,206	12,588	(382)	10,069	10,513	(444)	over	(4.4%)	
Total Controllable Inc.	(1,533)	(1,576)	43	(1,136)	(1,252)	116	over recovered	10.2%	5,d,e
Net Controllable Exp.	10,673	11,012	(339)	8,933	9,261	(328)	over	(3.7%)	

Note:- Corporate Resource Support brings together Office Accommodation, Personnel Support and Mainstream Legal

Budget Virements

- Additional 0.5% 2008/09 Pay Award: Employee Costs £0.014m.
- Realignment of Legal Services budgets in respect of Corporate Standards work: Employee Costs (£0.128m), Property Costs £0.128m.
- Realignment of Vocational Development Programme Budget: Employee costs (£0.062m); Supplies and Services £0.122m, Transport Costs (£0.060m).
- Realign Printroom budget: Supplies and Services £0.050m, Income (£0.050m).
- Realign budget in respect of National checking Service: Supplies and Services 0.030m, Income (£0.030m)

Variance Explanations

- Employee Costs**
The underspend relates to vacancies within Legal Services some of which have now been filled.
- Property Costs**
The overspend is due to Corporate Standards improvements, increased property maintenance costs and increased utilities costs. These will be managed within the overall Resource budget.
- Administration Costs**
The overspend relates mainly to the legal costs of equal pay claims and recruitment costs within Legal services.
- Payments to Other Bodies**
This overspend relates to costs associated with the delivery of the Council's Equal Opportunities Policy.
- Income**
The over recovery of income relates mainly to staff recharges within Personnel in respect of various projects.

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Corporate Resources Committee: Period Ended 23 January 2009 (No.11)

Corporate Resources Services

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 23/01/09	Actual 23/01/09	Variance 23/01/09		% Variance 23/01/09	Note
	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>									
Employee Costs	5,558	5,384	174	4,512	4,266	246	under	5.5%	1,a
Property Costs	143	142	1	124	122	2	under	1.6%	
Supplies & Services	1,945	1,894	51	1,142	1,123	19	under	1.7%	
Transport & Plant	211	219	(8)	56	58	(2)	over	(3.6%)	
Administration Costs	2,810	2,782	28	2,033	2,022	11	under	0.5%	
Payments to Other Bodies	1,749	1,724	25	1,591	1,586	5	under	0.3%	
Payments to Contractors	62	60	2	4	4	0	-	0.0%	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	83	88	(5)	72	76	(4)	over	(5.6%)	
Total Controllable Exp.	12,561	12,293	268	9,534	9,257	277	under	2.9%	
Total Controllable Inc.	(3,274)	(3,345)	71	(2,448)	(2,557)	109	over recovered	4.5%	2
Net Controllable Exp.	9,287	8,948	339	7,086	6,700	386	under	5.4%	

Note:- Corporate Resource Services brings together Administration, CCPA and District Court Licensing & Registration and Personnel services.

Budget Virements

- a. Additional 0.5% 2008/09 Pay Award: Employee Costs £0.024m.

Variance Explanations**1 Employee Costs**

The underspend relates to vacancies in Administration, CCPA and District Court Licensing and Registration, which are in the process of being filled.

2. Income

The over recovery is mainly within Licensing due to changes in legislation, and also income from District Court fines.