

# Report

**3**

Report to:	<b>Corporate Resources Committee</b>
Date of Meeting:	<b>7 May 2008</b>
Report by:	<b>Executive Director (Finance and Information Technology Resources) Executive Director (Corporate Resources)</b>

Subject:	<b>Revenue Budget Monitoring 2007/2008 - Corporate Resources</b>
----------	--

## **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 2007 to 21 March 2008 for Corporate Resources
- ◆ provide a forecast for the year to 31 March 2008

## **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 £0.033million (0.17%), as detailed in Appendix A of the report, be noted; and
- (2) that following the probable outturn exercise, the forecast to 31 March 2008 of a break even position be noted.

## **3. Background**

- 3.1. This is the fourth revenue budget monitoring report presented to the Corporate Resources Committee for the financial year 2007/2008.
- 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 21 March 2008, the variance from phased budget to date is an underspend of £0.033million (0.17%).
- 5.2. Following the probable outturn exercise, the financial forecast to 31 March 2008 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)**

**Robert McIlwain**

**Executive Director (Corporate Resources)**

7 April 2008

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

- ◆ Value:  
Accountable, Effective and Efficient

### **Previous References**

- ◆ Corporate Resources Committee - 20 February 2008

### **List of Background Papers**

- ◆ Financial ledger and budget monitoring results to 21 March 2008

### **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](mailto:lorraine.o'hagan@southlanarkshire.gov.uk)

## SOUTH LANARKSHIRE COUNCIL

## Revenue Budget Monitoring Report

Corporate Resources Committee: Period Ended 21 March 2008 (No.13)

## Corporate Resources Summary

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 21/03/08	Actual 21/03/08	Variance 21/03/08		% Variance 21/03/08	Note
	£000	£000	£000	£000	£000	£000			
<b><u>Budget Category</u></b>									
Employee Costs	8,885	8,946	(61)	8,518	8,428	90	under	1.1%	
Property Costs	6,236	6,286	(50)	5,855	5,927	(72)	over	-1.2%	
Supplies & Services	1,281	1,574	(293)	1,188	1,632	(444)	over	-37.4%	
Transport & Plant	266	276	(10)	266	211	55	under	20.7%	
Administration Costs	4,022	4,009	13	3,305	3,455	(150)	over	-4.5%	
Payments to Other Bodies	4,860	4,930	(70)	3,961	3,991	(30)	over	-0.4%	
Payments to Contractors	0	0	0	0	4	(4)	over	n/a	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	642	636	6	642	645	(3)	over	-0.5%	
<b>Total Controllable Exp.</b>	26,192	26,657	(465)	23,735	24,293	(558)	over	-2.4%	
<b>Total Controllable Inc.</b>	(5,031)	(5,496)	465	(4,288)	(4,879)	591	over recovered	13.8%	
<b>Net Controllable Exp.</b>	21,161	21,161	0	19,447	19,414	33	under	0.17%	

## SOUTH LANARKSHIRE COUNCIL

## Revenue Budget Monitoring Report

Corporate Resources Committee: Period Ended 21 March 2008 (No.13)

## Corporate Resources Support

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 21/03/08	Actual 21/03/08	Variance 21/03/08		% Variance 21/03/08	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	4,030	4,281	(251)	3,881	3,997	(116)	over	-3.0%	1
Property Costs	6,089	6,151	(62)	5,714	5,797	(83)	over	-1.5%	2
Supplies & Services	164	208	(44)	161	230	(69)	over	-42.9%	3
Transport & Plant	240	250	(10)	240	182	58	under	24.2%	4
Administration Costs	1,015	965	50	791	888	(97)	over	-12.3%	5
Payments to Other Bodies	290	335	(45)	285	298	(13)	over	-4.6%	
Payments to Contractors	0	0	0	0	4	(4)	over	n/a	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	560	552	8	560	561	(1)	over	-0.2%	
<b>Total Controllable Exp.</b>	<b>12,388</b>	<b>12,742</b>	<b>(354)</b>	<b>11,632</b>	<b>11,957</b>	<b>(325)</b>	<b>over</b>	<b>-2.8%</b>	
<b>Total Controllable Inc.</b>	<b>(2,229)</b>	<b>(2,349)</b>	<b>120</b>	<b>(1,579)</b>	<b>(1,615)</b>	<b>36</b>	<b>over recovered</b>	<b>2.3%</b>	<b>6</b>
<b>Net Controllable Exp.</b>	<b>10,159</b>	<b>10,393</b>	<b>(234)</b>	<b>10,053</b>	<b>10,342</b>	<b>(289)</b>	<b>over</b>	<b>-2.9%</b>	

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

## Variance Explanations

## 1. Employee Costs

The overspend relates to early retirements in Personnel and Legal which are partially offset by vacancies within Legal Services.

## 2. Property Costs

The overspend relates to the expansion of the records centre.

## 3. Supplies &amp; Services

The overspend relates to the cost of flu injections which is offset by additional income from recharges (see 6 below) within Personnel. There is also an overspend in IT costs within Personnel which will be managed within the Resource budget.

## 4. Transport and Plant

This underspend is within the Vocational Development Programme and will be offset by an under recovery in Income ( see 6 below).

## 5. Administration Costs

The overspend is mainly due to higher than anticipated legal and printing expenses and expenditure on Employee Awards within Personnel. This will be met within the Resource Budget.

## 6. Income

The over recovery is mainly due to additional income from rental of Office Accommodation and also recharges in relation to flu injections (see 3 above). This is offset by an under recovery in the Vocational Development Programme income ( see 4 above).

## SOUTH LANARKSHIRE COUNCIL

## Revenue Budget Monitoring Report

Corporate Resources Committee: Period Ended 21 March 2008 (No.13)

## Corporate Resources Services

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 21/03/08	Actual 21/03/08	Variance 21/03/08	% Variance 21/03/08	Note
	£000	£000	£000	£000	£000	£000		
Employee Costs	4,855	4,665	190	4,637	4,431	206	under	4.4% 1a
Property Costs	147	135	12	141	130	11	under	7.8%
Supplies & Services	1,117	1366	(249)	1,027	1,402	(375)	over	-36.5% 2
Transport & Plant	26	26	0	26	29	(3)	over	-11.5%
Administration Costs	3,007	3,044	(37)	2,514	2,567	(53)	over	-2.1% 3
Payments to Other Bodies	4,570	4,595	(25)	3,676	3,693	(17)	over	-0.5% a
Payments to Contractors	0	0	0	0	0	0	-	n/a
Transfer Payments	0	0	0	0	0	0	-	n/a
Financing Charges	82	84	(2)	82	84	(2)	over	-2.4%
<b>Total Controllable Exp.</b>	<b>13,804</b>	<b>13,915</b>	<b>(111)</b>	<b>12,103</b>	<b>12,336</b>	<b>(233)</b>	<b>over</b>	<b>-1.9%</b>
<b>Total Controllable Inc.</b>	<b>(2,802)</b>	<b>(3,147)</b>	<b>345</b>	<b>(2,709)</b>	<b>(3,264)</b>	<b>555</b>	<b>over recovered</b>	<b>20.5% 4</b>
<b>Net Controllable Exp.</b>	<b>11,002</b>	<b>10,768</b>	<b>234</b>	<b>9,394</b>	<b>9,072</b>	<b>322</b>	<b>under</b>	<b>3.4%</b>

Note:- Corporate Resources Services brings together Administration, Corporate Communications/ Public Affairs and District Court Licensing & Registration

**Budget Virements**

- a. Additional Revenue Support Grant of £560k: Employee Costs £60k, Payments to Other Bodies £500k. This relates to the Clyde Valley Learning and Development Project.

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

The underspend is due to vacancies across all three Services. The recruitment processes are ongoing.

**2 Supplies and Services**

The overspend relates to supplies for clients within Corporate Communications. This is offset by an over recovery of income ( see 4 below).

**3. Administration Costs**

The overspend is due to expenditure relating to civic recognition and will be contained within the overall Resource budget.

**4 Income**

The over recovery relates to additional printroom income which offsets additional expenditure on Supplies (see 2 above). There is also an over recovery of Registration, Licensing and District Court income.