

Report

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Report to:	Finance and Information Technology Resources Committee
Date of Meeting:	13 September 2011
Report by:	Chief Executive

Subject:	Revenue Budget Monitoring 2011/2012 - 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 2011 to 5 August 2011 for Finance and Information Technology Resources
- ◆ provide a forecast for the year to 31 March 2012.

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 £0.097 million (2.0%), as detailed in Appendix A of the report, be noted;
- (2) that the forecast to 31 March 2012 of break even be noted; and
- (3) 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 2011/2012.
- 3.2. The report details the financial position for Finance and Information Technology Resources on Appendix A, along with details of budget virements in Appendix C.

4. Employee Implications

4.1. None

5. Financial Implications

5.1. As at 5 August 2011, the variance from phased budget to date is an underspend of £0.097 million (2.0%). The financial forecast to 31 March 2012 is a break even position.

6. Other Implications

6.1. The main risk associated with the Council's Revenue Budget is that there is a significant overspend. The risk has been assessed as low given the detailed budget management applied across the Resources.

The risk is managed through four weekly Budget Monitoring Meetings at which any variance is analysed. In addition, the probable outturn exercise ensures early warning for corrective action to be taken where appropriate.

6.2 There are no implications for sustainability in terms of the information contained in this report.

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.

Archibald Strang
Chief Executive

12 August 2011

Link(s) to Council Values/Improvement Themes/Objectives

◆ Value: Accountable, Effective and Efficient

Previous References

◆ Finance and IT Resources Committee 14 June 2011

List of Background Papers

◆ Financial ledger and budget monitoring results to 5 August 2011

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 5 August 2011 (No.5)

Finance and Information Technology Resources Summary

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 05/08/11	Actual 05/08/11	Variance 05/08/11		% Variance 05/08/11	Note
	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>									
Employee Costs	11,661	11,661	0	3,641	3,555	86	under	2.4%	
Property Costs	480	480	0	135	118	17	under	12.6%	
Supplies & Services	3,255	3,255	0	1,884	1,906	(22)	over	(1.2%)	
Transport & Plant	22	22	0	1	1	0	-	0.0%	
Administration Costs	2,053	2,053	0	796	770	26	under	3.3%	
Payments to Other Bodies	607	607	0	213	222	(9)	over	(4.2%)	
Payments to Contractors	306	306	0	69	61	8	under	11.6%	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	694	694	0	102	103	(1)	over	(1.0%)	
Total Controllable Exp.	19,078	19,078	0	6,841	6,736	105	under	1.5%	
Total Controllable Inc.	(6,290)	(6,290)	0	(1,954)	(1,946)	(8)	under recovered	(0.4%)	
Net Controllable Exp.	12,788	12,788	0	4,887	4,790	97	under	2.0%	

Variance Explanations

Variance explanations are shown in Appendice D

Budget Virements

Budget virements are shown in Appendix C.

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Finance and Information Technology Resources Committee: Period Ended 5 August 2011 (No.5)

Finance Services

<u>Budget Category</u>	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 05/08/11	Actual 05/08/11	Variance 05/08/11		% Variance 05/08/11	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	2,805	2,805	0	866	850	16	under	1.8%	
Property Costs	0	0	0	0	0	0	-	n/a	
Supplies & Services	73	73	0	34	41	(7)	over	(20.6%)	
Transport & Plant	0	0	0	0	0	0	-	n/a	
Administration Costs	108	108	0	38	26	12	under	31.6%	
Payments to Other Bodies	607	607	0	213	214	(1)	over	(0.5%)	
Payments to Contractors	27	27	0	20	16	4	under	20.0%	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	338	338	0	68	66	2	under	2.9%	
Total Controllable Exp.	3,958	3,958	0	1,239	1,213	26	under	2.1%	
Total Controllable Inc.	(830)	(830)	0	(92)	(83)	(9)	under recovered	(9.8%)	
Net Controllable Exp.	3,128	3,128	0	1,147	1,130	17	under	1.5%	

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Finance and Information Technology Resources Committee: Period Ended 5 August 2011 (No.5)

Total Information Technology Services

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 05/08/11	Actual 05/08/11	Variance 05/08/11		% Variance 05/08/11	Note
	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>									
Employee Costs	6,229	6,229	0	1,968	1,960	8	under	0.4%	
Property Costs	480	480	0	135	118	17	under	12.6%	
Supplies & Services	3,140	3,140	0	1,829	1,844	(15)	over	(0.8%)	a
Transport & Plant	22	22	0	1	1	0	-	0.0%	
Administration Costs	1,874	1,874	0	731	731	0	-	0.0%	
Payments to Other Bodies	0	0	0	0	1	(1)	over	n/a	
Payments to Contractors	90	90	0	1	0	1	under	100.0%	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	333	333	0	25	25	0	-	0.0%	
Total Controllable Exp.	12,168	12,168	0	4,690	4,680	10	under	0.2%	
Total Controllable Inc.	(5,071)	(5,071)	0	(1,825)	(1,826)	1	over recovered	0.1%	a
Net Controllable Exp.	7,097	7,097	0	2,865	2,854	11	under	0.4%	

Budget Virements

a. Realignment in respect of server support expenditure and income recharges budgets. Net effect 0: Supplies and Services £0.631m, Income (£0.631m).

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Finance and Information Technology Resources Committee: Period Ended 5 August 2011 (No.5)

Procurement Services

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 05/08/11	Actual 05/08/11	Variance 05/08/11		% Variance 05/08/11	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	1,379	1,379	0	425	384	41	under	9.6%	1
Property Costs	0	0	0	0	0	0	-	n/a	
Supplies & Services	12	12	0	4	4	0	-	0.0%	
Transport & Plant	0	0	0	0	0	0	-	n/a	
Administration Costs	44	44	0	17	8	9	under	52.9%	
Payments to Other Bodies	0	0	0	0	7	(7)	over	n/a	
Payments to Contractors	185	185	0	46	45	1	under	2.2%	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	12	12	0	4	7	(3)	over	(75.0%)	
Total Controllable Exp.	1,632	1,632	0	496	455	41	under	8.3%	
Total Controllable Inc.	(7)	(7)	0	0	0	0	-	n/a	
Net Controllable Exp.	1,625	1,625	0	496	455	41	under	8.3%	

Variance Explanations**1. Employee Costs**

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

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Finance and Information Technology Resources Committee: Period Ended 5 August 2011 (No.5)

Audit and Improvement Services

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 05/08/11	Actual 05/08/11	Variance 05/08/11		% Variance 05/08/11	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	1,248	1,248	0	382	361	21	under	5.5%	
Property Costs	0	0	0	0	0	0	-	n/a	
Supplies & Services	30	30	0	17	17	0	-	0.0%	
Transport & Plant	0	0	0	0	0	0	-	n/a	
Administration Costs	27	27	0	10	5	5	under	50.0%	
Payments to Other Bodies	0	0	0	0	0	0	-	n/a	
Payments to Contractors	4	4	0	2	0	2	under	100.0%	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	11	11	0	5	5	0	-	0.0%	
Total Controllable Exp.	1,320	1,320	0	416	388	28	under	6.7%	
Total Controllable Inc.	(382)	(382)	0	(37)	(37)	0	-	0.0%	
Net Controllable Exp.	938	938	0	379	351	28	under	7.4%	