

Report

3

Report to:	Finance and Information Technology Resources Committee
Date of Meeting:	31 August 2010
Report by:	Executive Director (Finance and Information Technology Resources)

Subject:	Revenue Budget Monitoring 2010/2011 - Finance and Information Technology 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 2010 to 9 July 2010 for Finance and Information Technology Resources
- ◆ provide a forecast for the year to 31 March 2011.

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 £0.087 million (2.2%), as detailed in Appendix A of the report, be noted; and
- (2) that, following the probable outturn exercise, the forecast to 31 March 2011 of break even be noted.

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 2010/2011.

3.2. The report details the financial position for Finance and Information Technology Resources on Appendix A, along with a variance explanation in Appendix B.

4. Employee Implications

4.1. None

5. Financial Implications

5.1. As at 9 July 2010, the variance from phased budget to date is an underspend of £0.087 million (2.2%). The financial forecast to 31 March is a break even position.

6. Other Implications

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

The risk is managed through 4 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.

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)

4 August 2010

Link(s) to Council Values and Objectives

- ◆ Value: Accountable, Effective and Efficient

Previous References

- ◆ None

List of Background Papers

- ◆ Financial ledger and budget monitoring results to 9 July 2010

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 9 July 2010 (No.4)

Finance and Information Technology Resources Summary

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 9/07/10	Actual 9/07/10	Variance 9/07/10		% Variance 9/07/10	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	12,372	12,372	0	3,324	3,232	92	under	2.8%	
Property Costs	481	481	0	135	144	(9)	over	(6.7%)	
Supplies & Services	2,030	2,030	0	854	859	(5)	over	(0.6%)	
Transport & Plant	0	0	0	0	0	0	-	n/a	
Administration Costs	1,729	1,729	0	318	314	4	under	1.3%	
Payments to Other Bodies	820	820	0	270	286	(16)	over	(5.9%)	
Payments to Contractors	317	317	0	26	27	(1)	over	(3.8%)	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	647	647	0	59	58	1	under	1.7%	
Total Controllable Exp.	18,396	18,396	0	4,986	4,920	66	under	1.3%	
Total Controllable Inc.	(4,193)	(4,193)	0	(955)	(976)	21	over recovered	2.2%	
Net Controllable Exp.	14,203	14,203	0	4,031	3,944	87	under	2.2%	

Variance Explanations

Variance explanations are shown in Appendix B.

SOUTH LANARKSHIRE COUNCIL
Revenue Budget Monitoring Report

Finance and Information Technology Resources Committee: Period Ended 9 July 2010 (No.4)

Finance Services

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 9/07/10	Actual 9/07/10	Variance 9/07/10		% Variance 9/07/10	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	4,178	4,178	0	1,131	1,076	55	under	4.9%	a,1
Property Costs	0	0	0	0	0	0	-	n/a	
Supplies & Services	114	114	0	35	39	(4)	over	(11.4%)	a
Transport & Plant	0	0	0	0	0	0		n/a	
Administration Costs	171	171	0	25	23	2	under	8.0%	a
Payments to Other Bodies	635	635	0	224	224	0	-	0.0%	
Payments to Contractors	227	227	0	25	23	2	under	8.0%	a
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	363	363	0	40	40	0	-	0.0%	a
Total Controllable Exp.	5,688	5,688	0	1,480	1,425	55	under	3.7%	
Total Controllable Inc.	(1,178)	(1,178)	0	(147)	(149)	2	over recovered	1.4%	a
Net Controllable Exp.	4,510	4,510	0	1,333	1,276	57	under	4.3%	

Budget Virements

- a. Budget transfer from the IT Development Fund in respect of funding for the I Procurement Project. £0.324m - Employee Costs £0.076m
 Supplies and Services £0.004m, Administration Costs £0.018m, Payment to Contractors £0.216m, Financing Charges £0.002m, Income £0.008m.

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 9 July 2010 (No.4)

Total Information Technology Services

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 9/07/10	Actual 9/07/10	Variance 9/07/10		% Variance 9/07/10	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	6,752	6,752	0	1,812	1,798	14	under	0.8%	
Property Costs	481	481	0	135	144	(9)	over	(6.7%)	
Supplies & Services	1,905	1,905	0	815	817	(2)	over	(0.2%)	
Transport & Plant	0	0	0	0	0	0	-	n/a	
Administration Costs	1,496	1,496	0	289	289	0	-	0.0%	
Payments to Other Bodies	0	0	0	0	15	(15)	over	n/a	
Payments to Contractors	90	90	0	1	4	(3)	over	(300.0%)	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	273	273	0	16	16	0	-	0.0%	
Total Controllable Exp.	10,997	10,997	0	3,068	3,083	(15)	over	(0.5%)	
Total Controllable Inc.	(3,008)	(3,008)	0	(808)	(827)	19	over recovered	2.4%	
Net Controllable Exp.	7,989	7,989	0	2,260	2,256	4	under	0.2%	

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Finance and Information Technology Resources Committee: Period Ended 9 July 2010 (No.4)

Procurement Services

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 9/07/10	Actual 9/07/10	Variance 9/07/10		% Variance 9/07/10	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	1,442	1,442	0	381	358	23	under	6.0%	
Property Costs	0	0	0	0	0	0	-	n/a	
Supplies & Services	11	11	0	4	3	1	under	25.0%	
Transport & Plant	0	0	0	0	0	0	-	n/a	
Administration Costs	62	62	0	4	2	2	under	50.0%	
Payments to Other Bodies	185	185	0	46	47	(1)	over	(2.2%)	
Payments to Contractors	0	0	0	0	0	0	-	n/a	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	11	11	0	3	2	1	under	33.3%	
Total Controllable Exp.	1,711	1,711	0	438	412	26	under	5.9%	
Total Controllable Inc.	(7)	(7)	0	0	0	0	-	n/a	
Net Controllable Exp.	1,704	1,704	0	438	412	26	under	5.9%	