

# Report

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Report to:	<b>Finance and Information Technology Resources Committee</b>
Date of Meeting:	<b>22 November 2011</b>
Report by:	<b>Executive Director (Finance and Corporate Resources)</b>

Subject:	<b>Revenue Budget Monitoring 2011/2012 - 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 2011 to 30 September 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 £0.066 million (1.0%), as detailed in Appendix A of the report, be noted; and
- (2) that the forecast to 31 March 2012 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 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 30 September 2011, the variance from the phased budget to date is an underspend of £0.066 million (1.0%). 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 outcome 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.

**Paul Manning**

**Executive Director (Finance and Corporate Resources)**

14 October 2011

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

◆ Value: Accountable, Effective and Efficient

### **Previous References**

◆ Finance and IT Resources Committee 13 September 2011

### **List of Background Papers**

◆ Financial ledger and budget monitoring results to 30 September 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 30 September 2011 (No.7)

## Finance and Information Technology Resources Summary

<b>Budget Category</b>	<b>Annual Budget</b>	<b>Forecast for Year</b>	<b>Annual Forecast Variance</b>	<b>Budget Proportion 30/09/11</b>	<b>Actual 30/09/11</b>	<b>Variance 30/09/11</b>		<b>% Variance 30/09/11</b>	<b>Note</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>			
Employee Costs	11,806	11,806	0	5,463	5,304	159	under	2.9%	
Property Costs	480	480	0	212	203	9	under	4.2%	
Supplies & Services	3,249	3,249	0	2,292	2,354	(62)	over	(2.7%)	
Transport & Plant	22	22	0	2	4	(2)	over	(100.0%)	
Administration Costs	2,053	2,053	0	969	954	15	under	1.5%	
Payments to Other Bodies	607	607	0	414	423	(9)	over	(2.2%)	
Payments to Contractors	306	306	0	118	128	(10)	over	(8.5%)	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	686	686	0	113	105	8	under	7.1%	
<b>Total Controllable Exp.</b>	<b>19,209</b>	<b>19,209</b>	<b>0</b>	<b>9,583</b>	<b>9,475</b>	<b>108</b>	<b>under</b>	<b>1.1%</b>	
<b>Total Controllable Inc.</b>	<b>(6,344)</b>	<b>(6,344)</b>	<b>0</b>	<b>(2,744)</b>	<b>(2,702)</b>	<b>(42)</b>	<b>under recovered</b>	<b>1.5%</b>	
<b>Net Controllable Exp.</b>	<b>12,865</b>	<b>12,865</b>	<b>0</b>	<b>6,839</b>	<b>6,773</b>	<b>66</b>	<b>under</b>	<b>1.0%</b>	

**Variance Explanations**

Variance explanations are shown in Appendices B-D.

## SOUTH LANARKSHIRE COUNCIL

## Revenue Budget Monitoring Report

Finance and Information Technology Resources Committee: Period Ended 30 September 2011 (No.7)

## Finance Services

<b>Budget Category</b>	<b>Annual Budget</b>	<b>Forecast for Year</b>	<b>Annual Forecast Variance</b>	<b>Budget Proportion 30/09/11</b>	<b>Actual 30/09/11</b>	<b>Variance 30/09/11</b>		<b>% Variance 30/09/11</b>	<b>Note</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>			
Employee Costs	2,805	2,805	0	1,300	1,252	48	under	3.7%	1
Property Costs	0	0	0	0	0	0	-	n/a	
Supplies & Services	53	53	0	31	43	(12)	over	(38.7%)	
Transport & Plant	0	0	0	0	1	(1)	over	n/a	
Administration Costs	108	108	0	53	46	7	under	13.2%	
Payments to Other Bodies	607	607	0	414	415	(1)	over	(0.2%)	
Payments to Contractors	27	27	0	23	39	(16)	over	(69.6%)	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	330	330	0	73	67	6	under	8.2%	
<b>Total Controllable Exp.</b>	<b>3,930</b>	<b>3,930</b>	<b>0</b>	<b>1,894</b>	<b>1,863</b>	<b>31</b>	<b>under</b>	<b>1.6%</b>	
<b>Total Controllable Inc.</b>	<b>(769)</b>	<b>(769)</b>	<b>0</b>	<b>(138)</b>	<b>(140)</b>	<b>2</b>	<b>over recovered</b>	<b>1.4%</b>	
<b>Net Controllable Exp.</b>	<b>3,161</b>	<b>3,161</b>	<b>0</b>	<b>1,756</b>	<b>1,723</b>	<b>33</b>	<b>under</b>	<b>1.9%</b>	

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

This underspend relates to vacancies across the Service.

## SOUTH LANARKSHIRE COUNCIL

## Revenue Budget Monitoring Report

Finance and Information Technology Resources Committee: Period Ended 30 September 2011 (No.7)

## 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 30/09/11</b>	<b>Actual 30/09/11</b>	<b>Variance 30/09/11</b>		<b>% Variance 30/09/11</b>	<b>Note</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>			
Employee Costs	6,374	6,374	0	2,952	2,934	18	under	0.6%	
Property Costs	480	480	0	212	203	9	under	4.2%	
Supplies & Services	3,157	3,157	0	2,235	2,290	(55)	over	(2.5%)	1
Transport & Plant	22	22	0	2	3	(1)	over	(50.0%)	
Administration Costs	1,874	1,874	0	878	881	(3)	over	(0.3%)	
Payments to Other Bodies	0	0	0	0	1	(1)	over	n/a	
Payments to Contractors	90	90	0	0	0	0	-	n/a	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	333	333	0	26	26	0	-	0.0%	
<b>Total Controllable Exp.</b>	<b>12,330</b>	<b>12,330</b>	<b>0</b>	<b>6,305</b>	<b>6,338</b>	<b>(33)</b>	<b>over</b>	<b>(0.5%)</b>	
<b>Total Controllable Inc.</b>	<b>(5,193)</b>	<b>(5,193)</b>	<b>0</b>	<b>(2,545)</b>	<b>(2,501)</b>	<b>(44)</b>	<b>under recovered</b>	<b>(1.7%)</b>	
<b>Net Controllable Exp.</b>	<b>7,137</b>	<b>7,137</b>	<b>0</b>	<b>3,760</b>	<b>3,837</b>	<b>(77)</b>	<b>over</b>	<b>(2.0%)</b>	

**Variance Explanations****1. Supplies and Services**

This overspend relates to software licences.

**2. Income**

This under recovery reflects the income for The Caird Centre being less than anticipated to date.

## SOUTH LANARKSHIRE COUNCIL

## Revenue Budget Monitoring Report

Finance and Information Technology Resources Committee: Period Ended 30 September 2011 (No.7)

## Procurement Services

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 30/09/11	Actual 30/09/11	Variance 30/09/11		% Variance 30/09/11	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	1,379	1,379	0	636	572	64	under	10.1%	1
Property Costs	0	0	0	0	0	0	-	n/a	
Supplies & Services	9	9	0	6	4	2	under	33.3%	
Transport & Plant	0	0	0	0	0	0	-	n/a	
Administration Costs	44	44	0	24	19	5	under	20.8%	
Payments to Other Bodies	0	0	0	0	7	(7)	over	n/a	
Payments to Contractors	185	185	0	93	89	4	under	4.3%	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	12	12	0	6	7	(1)	over	(16.7%)	
<b>Total Controllable Exp.</b>	<b>1,629</b>	<b>1,629</b>	<b>0</b>	<b>765</b>	<b>698</b>	<b>67</b>	<b>under</b>	<b>8.8%</b>	
<b>Total Controllable Inc.</b>	<b>(7)</b>	<b>(7)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>n/a</b>	
<b>Net Controllable Exp.</b>	<b>1,622</b>	<b>1,622</b>	<b>0</b>	<b>765</b>	<b>698</b>	<b>67</b>	<b>under</b>	<b>8.8%</b>	

Variance Explanations**1. Employee Costs**

This underspend relates to vacancies across the Service.

## SOUTH LANARKSHIRE COUNCIL

## Revenue Budget Monitoring Report

Finance and Information Technology Resources Committee: Period Ended 30 September 2011 (No.7)

## Audit and Improvement Services

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 30/09/11	Actual 30/09/11	Variance 30/09/11		% Variance 30/09/11	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	1,248	1,248	0	575	546	29	under	5.0%	
Property Costs	0	0	0	0	0	0	-	n/a	
Supplies & Services	30	30	0	20	17	3	under	15.0%	
Transport & Plant	0	0	0	0	0	0	-	n/a	
Administration Costs	27	27	0	14	8	6	under	42.9%	
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	8	5	3	under	37.5%	
<b>Total Controllable Exp.</b>	<b>1,320</b>	<b>1,320</b>	<b>0</b>	<b>619</b>	<b>576</b>	<b>43</b>	<b>under</b>	<b>6.9%</b>	
<b>Total Controllable Inc.</b>	<b>(375)</b>	<b>(375)</b>	<b>0</b>	<b>(61)</b>	<b>(61)</b>	<b>0</b>	<b>-</b>	<b>0.0%</b>	
<b>Net Controllable Exp.</b>	<b>945</b>	<b>945</b>	<b>0</b>	<b>558</b>	<b>515</b>	<b>43</b>	<b>under</b>	<b>7.7%</b>	

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

This underspend relates to vacancies across the Service.