

Report

3

Report to:	Corporate Resources Committee
Date of Meeting:	23 November 2011
Report by:	Executive Director (Finance and Corporate Resources)

Subject:	Revenue Budget Monitoring 2011/2012 - 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 2011 to 30 September 2011 for Corporate 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 Corporate Resources' revenue budget of £0.160million (2.40%), as detailed in Appendix A of the report and the forecast to 31 March 2012 of break-even, be noted.
- (2) that the proposed budget virements be approved.

3. Background

- 3.1. This is the second revenue budget monitoring report presented to the Corporate Resources Committee for the financial year 2011/2012. Further reports will follow throughout the financial year.
- 3.2. The report details the financial position for Corporate Resources in 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 30 September 2011, the variance from the phased budget to date is an underspend of £0.160million (2.40%).
- 5.2. Budget 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. 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.

Paul Manning

Executive Director (Finance and Corporate Resources)

12 October 2011

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

◆ Value: Accountable, Effective and Efficient

Previous References

◆ Corporate Resources Committee - 14 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:-

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 30 September 2011 (No.7)

Corporate Resources Summary

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	11,574	11,574	0	5,267	5,122	145	under	2.8%	
Property Costs	148	148	0	49	67	(18)	over	(36.7%)	
Supplies & Services	1,407	1,407	0	708	719	(11)	over	(1.6%)	
Transport & Plant	367	367	0	96	93	3	under	3.1%	
Administration Costs	4,143	4,143	0	1,584	1,621	(37)	over	(2.3%)	
Payments to Other Bodies	1,718	1,718	0	875	868	7	under	0.8%	
Payments to Contractors	0	0	0	0	0	0	-	n/a	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	141	141	0	70	66	4	under	5.7%	
Total Controllable Exp.	19,498	19,498	0	8,649	8,556	93	under	1.1%	
Total Controllable Inc.	(4,459)	(4,459)	0	(2,055)	(2,122)	67	over recovered	3.3%	
Net Controllable Exp.	15,039	15,039	0	6,594	6,434	160	under	2.4%	

Variance Explanations

Variance explanations are shown in Appendices B and C as appropriate.

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Corporate Resources Committee: Period Ended 30 September 2011 (No.7)

Corporate Resources Support

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	3,880	3,880	0	1,790	1,750	40	under	2.2%	1
Property Costs	2	2	0	1	0	1	under	100.0%	
Supplies & Services	187	187	0	71	72	(1)	over	(1.4%)	
Transport & Plant	27	27	0	15	18	(3)	over	(20.0%)	
Administration Costs	237	237	0	87	141	(54)	over	(62.1%)	2
Payments to Other Bodies	235	235	0	149	149	0	-	0.0%	
Payments to Contractors	0	0	0	0	0	0	-	n/a	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	51	51	0	26	20	6	under	23.1%	
Total Controllable Exp.	4,619	4,619	0	2,139	2,150	(11)	over	(0.5%)	
Total Controllable Inc.	(761)	(761)	0	(338)	(354)	16	over recovered	4.7%	
Net Controllable Exp.	3,858	3,858	0	1,801	1,796	5	under	0.3%	

Note:- Corporate Resources Support brings together Personnel Support and Mainstream Legal

Variance Explanations**1. Employee Costs**

This underspend relates to vacancies across the Services.

2. Administration Costs.

The overspend relates mainly to Legal Costs within Personnel Support.

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Corporate Resources Committee: Period Ended 30 September 2011 (No.7)

Corporate Resources 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	7,694	7,694	0	3,477	3,372	105	under	3.0%	1,a
Property Costs	146	146	0	48	67	(19)	over	(39.6%)	
Supplies & Services	1,220	1,220	0	637	647	(10)	over	(1.6%)	a
Transport & Plant	340	340	0	81	75	6	under	7.4%	a
Administration Costs	3,906	3,906	0	1,497	1,480	17	under	1.1%	a
Payments to Other Bodies	1,483	1,483	0	726	719	7	under	1.0%	
Payments to Contractors	0	0	0	0	0	0	-	n/a	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	90	90	0	44	46	(2)	over	(4.5%)	a
Total Controllable Exp.	14,879	14,879	0	6,510	6,406	104	under	1.6%	
Total Controllable Inc.	(3,698)	(3,698)	0	(1,717)	(1,768)	51	over recovered	3.0%	2,a
Net Controllable Exp.	11,181	11,181	0	4,793	4,638	155	under	3.2%	

Note:- Corporate Resources Service brings together Administration, Corporate Communications and Public Affairs, Licensing and Registration and Personnel Services

Budget Virements/Transfers

a Realignment of training and funded programmes within Personnel Services. Net Effect 0 : Employee Costs (£0.106m), Supplies and Services £0.016m, Transport £0.065m, Administration Costs (£0.030m), Financing Charges (£0.004m), Income £0.059m,

Variance Explanations**1. Employee Costs**

This underspend relates to vacancies across the Services.

2. Income

This over recovery relates mainly to Licensing and Registration Income.