

SPECIAL ECONOMIC DEVELOPMENT

NORTH LANARKSHIRE COUNCIL
REPORT

To	ECONOMIC DEVELOPMENT COMMITTEE	Subject: 1996/97 REVENUE ESTIMATES - BUSINESS DEVELOPMENT URBAN PROGRAMME
From:	DIRECTOR OF FINANCE	
Date:	27 February 1996	Ref: JV/EMcC/nl/ account/30

1. INTRODUCTION

1.1. Members will recall that stage 1 budgets were submitted to the appropriate Service Committees during the months of November and December. These budgets were determined by taking the 1995/96 notional budgets for the constituent authorities and uprating them to take account of the following:-

- (a) the full year effect of 1995/96 awards
- (b) salary increments due on 1 April 1996
- (c) the effect of the increase in employer's superannuation contributions
- (d) updated loan charges for 1996/97
- (e) the revenue consequences for 1996/97 of policy decisions taken by, and of capital projects implemented by, the merging authorities

2. BUDGET ADJUSTMENTS

Since then further adjustments have been made in recognition of new and updated information becoming available. Furthermore, issues raised as a consequence of re-organisation shortfalls and new legislative requirements have been recognised and these have also been incorporated into the revenue estimates.

3. BUDGET SUMMARY

In order to provide Committee with all the relevant amendments to the notional and updated budgets, the following are attached:-

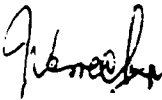
- Appendix 1 - summary of departmental budget
- Appendix 2 - approved/unavoidable increases to 1995/96 notional budget
- Appendix 3 - adjustments as a result of re-organisation shortfall, new legislation etc.
- Appendix 4 - expenditure outwith capping
- Appendix 5 - inter department movements
- Appendix 6 - savings options

With regards to Appendix 6, departments were requested to provide a list of savings options necessitated by the need to reduce spending levels to the Government's capping limit. The Committee is requested to approve a range of savings measures from this list which will contribute to the Council's overall net expenditure reduction on the understanding that the savings are weighted in accordance with the additional costs contained in Appendix 2..

4. APPROVAL OF REVENUE ESTIMATES

The Committee is asked to adopt the enclosed 1996/97 revenue budget subject to:

- (a) adjustment to incorporate approved savings
- (b) provision for 1996/97 pay award. No other general inflationary increase is recommended
- (c) a reduction in employee costs for staff turnover (£1 million is recommended across all departments)
- (d) further revision of central administration costs and their apportionment
- (e) revision of accommodation costs in light of departmental requirements
- (f) re-alignment between expenditure headings (and in some cases between departments) as necessary.



DIRECTOR OF FINANCE

**NORTH LANARKSHIRE COUNCIL
REVENUE ESTIMATES 1996/97**

DEPARTMENT : BUSINESS DEVELOPMENT

	£000	£000
1995/96 NOTIONAL BUDGET		-1012
ADD :		
(1) APPROVED / UNAVOIDABLE INCREASES TO 1995/96 NOTIONAL BUDGET (SEE APPENDIX 2)	419	
(2) ADJUSTMENTS AS A RESULT OF RE-ORGANISATION SHORTFALLS AND NEW LEGISLATION MAINLINING OF UP'S (SEE APPENDIX 3)	-	419
1996/97 CAPPING ASSESSED EXPENDITURE (SEE FOOTNOTE)		-593
ADD :		
(1) EXPENDITURE OUTWITH CAPPING (SEE APPENDIX 4)	-	
(2) MOVEMENTS BETWEEN DEPARTMENTAL BUDGETS (SEE APPENDIX 5)	-	
(3) LOAN AND LEASING COSTS	2783	2783
TOTAL 1996/97 DEPARTMENTAL BUDGET		2190
FOOTNOTE : 1996/97 G.A.E.		
<p>N.B. Does not yet include :-</p> <ul style="list-style-type: none"> (a) Approved savings (b) Pay award (c) Turnover savings (d) Revised central administration costs (e) New accommodation costs 		

**NORTH LANARKSHIRE COUNCIL
REVENUE ESTIMATES 1996/97**

DEPARTMENT : BUSINESS DEVELOPMENT

APPROVED / UNAVOIDABLE INCREASES TO
1995/96 NOTIONAL BUDGETS

	£000
1. Employee Costs:	
- Additional Costs of Staff Structure	23
- Impact of 95/96 Pay Award	9
- Increased Superannuation Contribution	4
- Increments	2
2. New Enterprise Zones at Monklands District Council	121
3. Increase in Rents and Rates payable	36
4. Central Admin. & Computer Service Charges	2
5. Income :-	
- i) Reduction due to sale of Solaglass Factory	136
- ii) Shortfall in Industrial Estates / Shop Rents	31
6. Re-alignment of Central Support Loan Charges to service departments.	55

TOTAL APPENDIX 2

419

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**NORTH LANARKSHIRE COUNCIL
REVENUE ESTIMATES 1996/97**

DEPARTMENT :

BUSINESS DEVELOPMENT

SAVINGS OPTIONS

	£
1. Increased rental income from properties	245,000
2. Reduced payments to outside Bodies & Agencies	180,000
3. Reduced level of site maintenance (open spaces)	90,000
4. Reduced "open space" grounds maintenance in industrial estates	100,000
5. Efficiency savings in business development projects	40,000
6. Reduced repairs to commercial/industrial properties	30,000
7. Reduction in Administration, Training, Conferences etc	10,000

TOTAL APPENDIX 6

695,000

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NORTH LANARKSHIRE COUNCIL - 1996/97 BUDGET ANALYSIS

ECONOMIC DEVELOPMENT COMMITTEE

SUBJECTIVE ANALYSIS

SERVICE LEVEL £'000'S	Business Development £'000's
EMPLOYEE COSTS	
SALARIES	815
WAGES	14
SUPERANNUATION	38
NATIONAL INSURANCE	64
ALLOWANCES	0
OTHER EMPLOYEE COSTS	5
SUB-TOTAL	936
PROPERTY COSTS	
RATES	70
RENTS	483
INSURANCE	26
REPAIRS & MAINTENANCE	185
ALLOWANCES	0
UPKEEP OF GROUND	270
ENERGY COSTS	60
FIXTURE & FITTINGS	1
CLEANING	22
CONTRIBUTIONS TO FUNDS	0
APPORTIONED EXPENSES	46
WATER CHARGES	2
SUB-TOTAL	1,165
SUPPLIES AND SERVICES	
EQUIPMENT	19
CLOTHING & UNIFORMS	0
LAUNDRY	0
DSO PAYMENTS	0
CONTRACTORS	0
SUB-TOTAL	19
TRANSPORT AND PLANT	
PURCHASES	0
RUNNING COSTS	0
CONTRACT HIRE	0
TRANSPORT DEPT CHARGES	1
TRAVELLING EXPENSES	49
SUB-TOTAL	50
PAGE TOTAL CARRIED FORWARD	2,170

<u>SERVICE LEVEL</u> £'000'S	<u>Business</u> <u>Development</u>
DIRECT ADMINISTRATION	
PRINTING & STATIONERY ETC	81
PROMOTIONS	127
TELEPHONES	16
SUBSISTENCE	0
TRAINING	3
CONFERENCES	2
INSURANCE	2
PROFESSIONAL FEES	138
OTHER	1
PUBLICITY	0
SUB-TOTAL	370
APPORTIONED EXPENSES	414
PAYMTS AGENCIES & OTHER BODIES	1,144
BRITISH RAIL SECTION 20 AGREEMENT	0
SECURED LOCAL SERVICES	0
PASSENGER TRANSPORT EXECUTIVE	0
PAYMTS TO TRANSPORT OPERATORS	0
CAPITAL FINANCING COSTS	2,783
OTHER EXPENDITURE	4
MAINLINING OF U.P. PROJECTS	0
INTEREST ON REVENUE BALANCES	0
GROSS EXPENDITURE	13,284
<u>INCOME</u>	
GOVERNMENT GRANTS	0
OTHER GRANTS ETC	0
CUSTOMER/CLIENT RECEIPTS	
SALES	0
FEES & CHARGES	(347)
RENTS	(3,070)
INTEREST	0
DEPARTMENTAL RECHARGES	(1,199)
OTHER	(79)
SUB-TOTAL	(4,695)
NET EXPENDITURE	2,190

**NORTH LANARKSHIRE COUNCIL
REVENUE ESTIMATES 1996/97**

DEPARTMENT : URBAN PROGRAMME

	£000	£000
1995/96 NOTIONAL BUDGET		
ADD :		
(1) APPROVED / UNAVOIDABLE INCREASES TO 1995/96 NOTIONAL BUDGET (SEE APPENDIX 2)	_____	
(2) ADJUSTMENTS AS A RESULT OF RE-ORGANISATION SHORTFALLS , NEW LEGISLATION ,MAINLINING OF U.P's (SEE APPENDIX 3)	_____	0
1996/97 CAPPING ASSESSED EXPENDITURE (SEE FOOTNOTE)		0
ADD :		
(1) EXPENDITURE OUTWITH CAPPING (SEE APPENDIX 4)	_____	2169
(2) MOVEMENTS BETWEEN DEPARTMENTAL BUDGETS (SEE APPENDIX 5)	_____	-
(3) LOAN AND LEASING COSTS	_____	2169
TOTAL 1996/97 DEPARTMENTAL BUDGET		2169
FOOTNOTE : 1996/97 G.A.E.		
<p>N.B Does not yet include :-</p> <ul style="list-style-type: none"> (a) Approved savings (b) Pay award (c) Turnover savings (d) Revised central administration costs (e) New accommodation costs 		

**NORTH LANARKSHIRE COUNCIL
REVENUE ESTIMATES 1996/97**

DEPARTMENT :

URBAN PROGRAMME

EXPENDITURE OUTWITH CAPPING	
	£000
1.0 Net cost of Urban Programme expenditure.	2169
TOTAL APPENDIX 4	2169

NORTH LANARKSHIRE COUNCIL - 1996/97 BUDGETSURBAN AID PROJECT EXPENDITURESUBJECTIVE ANALYSIS

	<u>Total £'000's</u>
EMPLOYEE COSTS	
SALARIES	1341
WAGES	111
SUPERANNUATION	65
NATIONAL INSURANCE	118
ALLOWANCES	0
OTHER EMPLOYEE COSTS	0
SUB - TOTAL	<u>1635</u>
PROPERTY COSTS	
RATES	57
RENTS	56
INSURANCE	4
REPAIRS & MAINTENANCE	15
ALLOWANCES	0
UPKEEP OF GROUND	25
ENERGY COSTS	39
FIXTURE & FITTINGS	0
CLEANING	3
WATER CHARGES	0
OTHER PROPERTY COSTS	24
APPORTIONED EXPENSES	0
SUB - TOTAL	<u>223</u>
SUPPLIES AND SERVICES	
EQUIPMENT	108
LIBRARY BOOK SHOP	0
PROVISIONS	0
CLOTHING & UNIFORMS	0
LAUNDRY	0
PUBLICATIONS	0
PAYMENTS TO SUB-CONTRACTORS	0
DSO PAYMENTS	0
PROJECT FUND	0
SUB - TOTAL	<u>108</u>
PAGE TOTAL CARRIED FORWARD	1966

NORTH LANARKSHIRE COUNCIL - 1996/97 BUDGETS

URBAN AID PROJECT EXPENDITURE

SUBJECTIVE ANALYSIS

PAGE TOTAL BROUGHT FORWARD	1966
	<u>Total £'000's</u>
TRANSPORT AND PLANT	
PURCHASES	0
RUNNING COSTS	24
CONTRACT HIRE	1
TRANSPORT DEPT CHARGES	2
TRAVELLING EXPENSES	42
SUB - TOTAL	<u>69</u>
DIRECT ADMINISTRATION	
PRINTING/STATIONERYADVERTISING etc.	101
TELEPHONES	16
SUBSISTENCE	26
TRAINING	25
CONFERENCES	1
INSURANCE	18
PROFESSIONAL FEES	19
OTHER	365
SUB - TOTAL	<u>571</u>
APPORTIONED EXPENSES	232
PAYMTS AGENCIES & OTHER BODIES	2050
CAPITAL FINANCING COSTS	1068
OTHER EXPENDITURE	72
GROSS EXPENDITURE	<u>6028</u>
INCOME	
GOVERNMENT GRANTS	-3854
OTHER GRANTS	0
CUSTOMER & CLIENT RECEIPTS	
SALES	0
FEES & CHARGES	-5
RENTS	0
DEPARTMENTAL RECHARGES	0
OTHER	0
	<u>-5</u>
NET EXPENDITURE	<u>2169</u>