

REPORT

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| To : ECONOMIC DEVELOPMENT COMMITTEE | | Subject : 1999/2000 BUDGET MONITORING REPORT PERIOD 1/4/99 - 05/12/99 ECONOMIC DEVELOPMENT |
| From : DIRECTOR OF PLANNING & ENVIRONMENT | | |
| Date : 06 January 2000 | Ref. : RH/JQ | |

1. **Introduction**

This report compares actual expenditure and income against the estimates both for the year to-date and the projected out-turn . The report also provides explanation's of the more significant out-turn variances .

Summary of Budget Variances

The net expenditure for the year-to-date shows an underspend of £42,077 (3.56%) of the budget . However , the projected out-turn indicates an underspend of £50,218 (2.55%) of the annual budget .

The projected outturn variances are made up of several factors which are summarised below .

3. **Explanations of Outturn Variances**

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3.1 **Employee Costs**

The current underspend of £8,645 is projected to out-turn at £12,218 underspend . The major variances are explained below :-

- a) Salaries & Wages 22,211 Underspend
Savings in excess of the budgeted turnover savings , generated as a result of part year vacancies in the following posts :
i) Policy Officer ii) Marketing & Tourism Devlpt Officer iii) Admin Assistant
These savings have been partly utilised to help finance the Lanarkshire Key Fund Initiative as a result of a virement approved by Finance Committee.
- b) Temporary Staff - Resider II and Objective III Programmes . 26,773 Overspend
Staff are temporarily employed on the Community Economic Regeneration Project which falls within the remit of Resider II Programme and the Information Support Worker project which falls within the remit of the Objective III programme . These additional costs will be funded from ESF contributions (see 3.4a below).
- c) Environmental Task Force 16,780 Underspend
Delay in the appointment of staff to undertake the administration of the Environmental Task Force option of the New Deal across Lanarkshire .

3.2 **Transport & Plant**

The current overspend of £8,508 is projected to out-turn at £12,000 overspend . The major variance is explained below :-

- a) Excess Travel Costs/Car Allowances 12,000 Overspend
Due to location of the department in the Northern division of North Lanarkshire ie Fleming House, Cumbernauld the majority of staff are receiving payments for excess travel . Also a number of companies administered by the Economic Development division are geographically based in the Southern and Central Divisions of North Lanarkshire

Therefore as a direct consequence of the staff being based in the Northern Division additional travel expenses are unavoidable .

3.3 Payments to Other Bodies

The current underspend of £19,619 is projected to out-turn at £20,000 underspend .
The major variance is explained below :-

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|---|-------------------|
| a) Women's Economic Initiatives | 20,000 Underspend |
| Increased partnership working and unforeseen delays in the implementation of the initiatives has resulted in reduced expenditure in this area for North Lanarkshire Council . | |

3.4 Income

The current over-recovery of £4,057 is projected to out-turn at £30,000 over-recovery .
The major variance is explained below :-

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|---|----------------------|
| a) External Sources | 30,000 Over-recovery |
| External Contributions received towards the Community Economic Regeneration Project which falls within the remit of Resider II Programme and the Information Support Worker project which falls within the remit of the Objective III programme . These monies will cover the additional staff costs incurred in operating the project (see 3.1b above) . | |

4 Financial Concurrence

The Director of Finance concurs with the financial information contained in this report and has been fully involved in its preparation .

5 Summary

The favourable projection is a result of savings within employee costs plus additional income being generated from external sources . These savings are helping to offset the budget shortfall within Transport costs .

6 Recommendation

The Committee notes the contents of this report.



Director of Planning & Environment

NORTH LANARKSHIRE COUNCIL

FINANCIAL MONITORING REPORT

1 April 1999 To 5 December 1999

COMMITTEE : ECONOMIC DEVELOPMENT

| LINE NO. (1) | DESCRIPTION (2) | BUDGET TO DATE (3) | ACTUAL TO DATE (4) | YEAR-TO-DATE VARIANCES (5) | | ANNUAL BUDGET (7) | PROJECTED OUTTURN (8) | PROJECTED OUT-TURN VARIANCES (9) | | (10) | |
|-----------------|--------------------------|-----------------------|-----------------------|-------------------------------|---------------|----------------------|--------------------------|-------------------------------------|----------|---------------|---------|
| | | £ | £ | £ | % | | | £ | % | | |
| 1. | EMPLOYEE COSTS | 433,167 | 424,522 | 8,645 | Underspend | 2.00% | 681,891 | 669,673 | 12,218 | Underspend | 1.79% |
| 2. | PROPERTY COSTS | 0 | 0 | 0 | | 0.00% | 0 | 0 | 0 | | 0.00% |
| 3. | SUPPLIES AND SERVICES | 5,629 | 4,496 | 1,133 | Underspend | 20.13% | 8,135 | 8,135 | 0 | | 0.00% |
| 4. | TRANSPORT & PLANT | 13,377 | 21,885 | (8,508) | Overspend | -63.60% | 21,000 | 33,000 | (12,000) | Overspend | -57.14% |
| 5. | ADMINISTRATION COSTS | 85,824 | 68,693 | 17,131 | Underspend | 19.96% | 127,980 | 127,980 | 0 | | 0.00% |
| 6. | PAYMENTS TO OTHER BODIES | 654,145 | 634,526 | 19,619 | Underspend | 3.00% | 988,000 | 968,000 | 20,000 | Underspend | 2.02% |
| 7. | OTHER EXPENDITURE | 0 | 0 | 0 | | 0.00% | 0 | 0 | 0 | | 0.00% |
| 8. | APPORTIONED EXPENSES | 6,117 | 6,117 | 0 | | 0.00% | 188,946 | 188,946 | 0 | | 0.00% |
| 9. | CAPITAL FINANCING COSTS | 0 | 0 | 0 | | 0.00% | 0 | 0 | 0 | | 0.00% |
| 10. | TOTAL EXPENDITURE | 1,198,259 | 1,160,239 | 38,020 | Underspend | 3.17% | 2,015,952 | 1,995,734 | 20,218 | Underspend | 1.00% |
| 11. | INCOME | 17,304 | 21,361 | 4,057 | Over-recovery | 23.45% | 44,000 | 74,000 | 30,000 | Over-recovery | 68.18% |
| 12. | NET EXPENDITURE | 1,180,955 | 1,138,878 | 42,077 | Underspend | 3.56% | 1,971,952 | 1,921,734 | 50,218 | Underspend | 2.55% |