

ECONOMIC DEVELOPMENT

REPORT

To: ECONOMIC DEVELOPMENT COMMITTEE	Subject: REVENUE ESTIMATES 2000/01 ECONOMIC DEVELOPMENT DIVISION
From: DIRECTOR OF FINANCE	
Date: 01 March 2000	Ref RH/JV/PH

1. **Introduction**

This report seeks the Committee's consideration and approval of the Economic Development revenue budget for the year 2000/01.

2. **Determination of the 2000/01 Base Revenue Estimates**

- 2.1 The base budget for 2000/01 has been prepared by rolling forward the 1999/2000 approved budget to reflect the current service provision (CSP) costs necessary to maintain the service at the existing level during the forthcoming year.
- 2.2 Members will recall that the base estimates were submitted to the meeting of the Economic Development Committee held on the 25 November 1999. Included within these base estimates were CSP adjustments amounting to an increase of £ 0.022m to take account of such items as: -

External Contract Inflation
The impact of a changing client base
General CSP Movements
The costs of new Statutory Burdens supported in GAE
The full year impact of previous year approved budget adjustments
Recognition of budget transfers between departments.

- 2.3. Further adjustments of £0.034m have now been made to the previously reported base estimates. A revised CSP summary is included at appendix i, with a detailed explanation of allowances for further expenditure pressures such as -

An allowance for a 3% pay settlement for 2000/01
The full impact of the 1999/2000 pay awards.
Employers' superannuation contribution increases.
Allowances for DSO contract inflation.
Increased GAE resources.

3. **Savings Proposals**

In recognition of the guideline level as intimated within the Local Government Finance Settlement, consideration requires to be given to savings from the base estimates. Accordingly, the Committee is invited to identify savings within the Economic Development service.


4. **Budget Summary**

The attached appendices detail the movement of £0.056m, as adjusted per paragraph 2.3, from the 1999/2000 approved budget including the level of CSP adjustments.

5. **Recommendations**

The committee is requested to:

- i) Note the level of CSP movements set out within appendices i and ii.
- ii) Agree the base budget as per appendix iii, prior to the consideration and approval of savings proposals.
- iii) To consider and approve a range of savings in recognition of the expenditure guideline limit as notified by the Scottish Executive.


Director of Finance

North Lanarkshire Council
Current Service Provision (CSP) Adjustments 2000/2001

Committee : ECONOMIC DEVELOPMENT

Division : ECONOMIC DEVELOPMENT

CSP Increases

1 Increases in Expenditure

1.1 Pay Award Provision 2000/2001 at 3%	21,606
1.2 Pay Award Shortfall 1999/2000	2,094
1.3 Increase in Employer's Superannuation (from 170% to 200%)	9,942
1.4 Incremental Drift	22,232

Total 55,874

2 Reductions in Income

Total nil

Total C.S.P. Increases 55,874

CSP Reductions

3 Reductions in Expenditure

3.1 Insurance re-alignments	(57)
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Total (57)

4 Increases in Income

Total 0

Total C.S.P. Reductions (57)

Net CSP Movements (CSP Increases less Reductions) 55,817

Explanatory Notes to CSP Adjustments

Division :

ECONOMIC DEVELOPMENT

£

1.1	<u>Pay Award Provision 2000/2001</u> An estimated pay award settlement of 3% has been allowed for in the 2000/2001 budget estimates.	21,606
1.2	<u>Pay Award Shortfall 1999/2000</u> Budget Estimates for 1999/00 only allowed for a 3.0% pay award , however the final pay award settlement was 3.3%	2,094
1.3	<u>Increase in Employer's Superannuation</u> The employers contribution to the Superannuation Fund has increased from 170% to 200%	9,942
1.4	<u>Impact of Incremental Drift</u> Resources required to fund staff increments.	22,232
3.1	<u>Insurance Re-alignments</u> Insurance budgets were re-aligned to take account of the 1998/99 Outturn position:-	(57)
	Administration	(57)

NORTH LANARKSHIRE COUNCIL

ESTIMATE OF EXPENDITURE AND INCOME FOR THE YEAR ENDING 31st MARCH 2001

ECONOMIC DEVELOPMENT - SUBJECTIVE SUMMARY

	(1)		(2)	(3)
LINE NO.	1999/2000 REVENUE ESTIMATE	EXPENDITURE	2000/2001 BASE ESTIMATE	MOVEMENTS
	£			£
1	703,891	EMPLOYEE COSTS	759,765	55,874
2	595,000	Salaries - APT & C Staff	633,277	38,277
3	54,070	Superannuation - APT&C Staff	68,605	14,535
4	46,320	National Insurance - APT & C Staff	49,382	3,062
5	5,000	Training Costs	5,000	-
6	2,571	Pension Costs	2,571	-
7	930	Other Employee Costs	930	-
8	8,135	SUPPLIES AND SERVICES	8,135	-
9	210	Office Equipment	210	-
10	2,000	Computer Consumables	2,000	-
11	3,000	Computer Software	3,000	-
12	1,925	Computer Hardware Maintenance	1,925	-
13	1,000	Furniture & Fittings	1,000	-
14	21,000	TRANSPORT AND PLANT COSTS	21,000	-
15	21,000	Travelling Expenses	21,000	-
16	127,980	ADMINISTRATION COSTS	127,923	(57)
17	17,000	Printing & Stationery	17,000	-
18	230	Petty Outlays	230	-
19	84,000	Marketing Projects	84,000	-
20	10,000	Research	10,000	-
21	4,000	Postages	4,000	-
22	6,000	Telephones	6,000	-
23	750	Insurance (Other than Property and Transport)	693	(57)
24	1,000	Other Administration Costs	1,000	-
25	3,000	Conferences & Course Expenses	3,000	-
26	2,000	Hospitality	2,000	-
27	188,946	APPORTIONED EXPENSES	188,946	-
28	966,000	PAYMENTS TO OTHER BODIES	954,000	(12,000)
29	14,000	Donations & Subscriptions	14,000	-
30	81,000	Business Grants/Loans (Gross)	69,000	(12,000)
31	50,000	Business Start-Up Grants	50,000	-
32	20,000	Training Access Grant	20,000	-
33	222,000	Employment Grant Scheme	222,000	-
34	64,000	Management Training Tech Grant	64,000	-
35	35,000	Youth Employment Training Initiative	35,000	-
36	35,000	International Trade	35,000	-
37	97,000	Contingency for Joint Ventures	97,000	-
38	10,000	Launchpad	10,000	-
39	71,000	Town Centre Initiatives	71,000	-
40	85,000	General Development Fund	85,000	-
41	30,000	Women's Placement Programme	30,000	-
42	72,000	Training Resource Bank	72,000	-
43	65,000	NLC CCTV Ltd	65,000	-
44	15,000	Development Initiative - Petersburn	15,000	-
45	2,015,952	Total Expenditure	2,059,769	43,817

NORTH LANARKSHIRE COUNCIL

ESTIMATE OF EXPENDITURE AND INCOME FOR THE YEAR ENDING 31st MARCH 2001

ECONOMIC DEVELOPMENT - SUBJECTIVE SUMMARY

LINE NO.	(1)	INCOME	(2)	(3)
	1999/2000 REVENUE ESTIMATE		2000/2001 BASE ESTIMATE	MOVEMENTS
	£			£
1	44,000	INCOME	32,000	(12,000)
2	12,000	Boost Loan Repayments - Princ & Interest	-	(12,000)
3	20,000	New Deal ETF - Employment Services	20,000	-
4	12,000	Miscellaneous Income	12,000	-
5	44,000	Total Income	32,000	(12,000)
6	2,015,952	Gross Expenditure b/f	2,059,769	43,817
7	1,971,952	Net Expenditure	2,027,769	55,817