

NORTH LANARKSHIRE COUNCIL

REPORT

To: GENERAL PURPOSES COMMITTEE	Subject: 2005/2006 BUDGET MONITORING REPORT
From: DIRECTOR OF ADMINISTRATION	PERIOD 01/04/05 – 31/03/06 (PROVISIONAL OUTTURN)
Date: 2 May 2006 Ref: BB/1	ADMINISTRATION DEPT. (EXCLUDING PERSONNEL)

1. Introduction

1.1 This report compares provisional outturn expenditure and income for 2005/2006 against the annual budget. The report also presents provisional budget variances for the Department and provides explanations of the more significant variances.

2. Corporate Review of Expenditure

2.1 The Council has requested each Department to conduct detailed reviews of all areas of "non-essential" expenditure towards the end of the financial year. As a direct consequence of this request, the Administration Department has engaged in a pro-active review of its immediate spending requirements. Due to the continued effective management of vacancies, the identification of further areas of operational efficiency and a curtailment/delay in non-essential areas of immediate expenditure, the Department has been able to contribute total savings in excess of its original target of £200,000 towards the Council's corporate requirements.

3. Summary of Budget Variances

3.1 Net expenditure for the year-end shows a provisional underspend of £304,416 or 4% of the budget and has increased compared to the previously reported projected underspend of £205,500 despite higher than anticipated expenditure within Legal Public for Licensing Board advertising and fees together with external fees in relation to the District Courts' Administration system. Additional income generated from Licensing Board and Taxi Licence applications, Registration fees and also Court Fines has more than offset this higher level of expenditure. Reductions within "non-essential" areas of expenditure, mainly within Central Services e.g. Supplies and Services and Administration Costs have also contributed to the increased provisional outturn.

3.2 The table below provides an objective analysis of the provisional outturns and variances across the divisions that are included in the Administration Department excluding Personnel Services.

Division of Service Analysis	Annual Budget (£)	Provisional Outturn (£)	Provisional Variance (£)	%
Central Services	3,814,162	3,673,221	140,941 underspend	4
Legal Support Services	2,071,339	2,029,848	41,491 underspend	2
Legal Public Services	598,096	534,798	63,298 underspend	11
Registrars	534,618	475,932	58,686 underspend	11
Total	7,018,215	6,713,799	304,416 underspend	4

4. **Departmental Trend Throughout the Financial Year**

4.1 It is anticipated that variations against budget will occur within a number of expenditure and income lines which can be summarised as follows:

- The overall effect of the various divisions' employee cost reductions has resulted in a saving of £150,727.
- Savings have also been realised in Property costs (£6,365), Supplies and Services (£39,043) and Town Twinning costs (£20,556) and through the generation of additional income from both Legal and Registrars fees (£238,957), all of which offset the overspends in Transport (£14,016), Administration costs (£117,833) and Other Expenditure (£20,593).

Details of these variances are included within the Departmental Outturn Variances' Section of this report.

5.	<u>Explanation of the Major Departmental Outturn Variances :</u>	£
5.1	<u>Employee Costs</u> Savings as a result of vacancies within each of the Divisions together with reductions in other employee related costs are within Central Services (£59,887), Legal Support (£39,783), Legal Public (£45,197) and Registrars (£5,860).	150,727 Underspend
5.2	<u>Supplies and Services</u> This underspend relates to savings in a number of expenditure headings mainly within the Central Services division.	39,043 Underspend
5.3	<u>Transport Costs</u> Transport costs within Legal Public Services are overspent as a result of the level of enforcement activity undertaken in the course of the year.	14,016 Overspend
5.4	<u>Administration Costs</u> This overspend within Legal Public Services is due to increased expenditure on advertising costs and external fees for cases relating to the Licensing Board. Also, increased expenditure on Taxi Licensing plates and badges and external fees relating to the District Courts Administration system have resulted in this adverse variance. However this overspend is offset by the over-recovery of income as detailed in 5.7 below.	117,833 Overspend
5.5	<u>Payments to other Bodies</u> This underspend reflects the reduced number of Town Twinning grant applications received in the course of the year.	20,556 Underspend
5.6	<u>Other Expenditure</u> This overspend is attributable to the increase in the volume of appointments/caseloads undertaken by Childrens Panel Safeguarders throughout the year and the fees applicable as a result.	20,593 Overspend

5.7 Income

238,957 Over-recovery

Income throughout the Department is over-recovered due to increased fee generation within Legal Support Services, Legal Public Services and Registration Services, which offsets the projected under-recovery within Central Services and also the overspends detailed above in 5.4.

6. Financial Concurrence

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

7. Summary

7.1 The favourable provisional outturn is the result of a series of budget variances within the Department where savings arising from vacancies and additional income generation have offset pressures in some areas where increased expenditure has been incurred.

The Department has also complied with the requirement to review all areas of non-essential expenditure and as a direct consequence has managed to identify areas which can positively contribute towards the Council's corporate goals. This can be quantified as an overall provisional Departmental underspend of £304,416, although there are still some factors and adjustments to be processed at the year-end which may alter this provisional underspend.

8. Recommendation

8.1 It is recommended that the Committee notes the contents of this report.


Director of Administration

For further information please contact Brian Boyle on tel. ext. 2244

NORTH LANARKSHIRE COUNCIL

FINANCIAL MONITORING REPORT

2005/2006 PROVISIONAL OUTTURN -1 APRIL 2005 to 31 MARCH 2006

COMMITTEE: GENERAL PURPOSES

SERVICE: ADMINISTRATION DEPARTMENT SUMMARY (EXCLUDING PERSONNEL)

LINE No	DESCRIPTION	ANNUAL BUDGET	PROVISIONAL OUTTURN	PROVISIONAL VARIANCE	%
(1)	(2)	(3)	(4)	(5)	(6)
1.	EMPLOYEE COSTS	4,909,898	4,759,171	150,727	3
2.	PROPERTY COSTS	53,699	47,334	6,365	12
3.	SUPPLIES AND SERVICES	511,453	472,410	39,043	8
4.	TRANSPORT AND PLANT	152,473	166,489	(14,016)	(9)
5.	ADMINISTRATION COSTS	702,363	820,196	(117,833)	(17)
6.	PAYMENTS TO OTHER BODIES	47,000	26,444	20,556	44
7.	OTHER COSTS	69,500	90,093	(20,593)	(30)
8.	APPORTIONED EXPENSES	2,420,799	2,420,799	0	0
9.	CAPITAL FINANCING CHARGES	136,603	135,393	1,210	1
10.	TOTAL EXPENDITURE	9,003,788	8,938,329	65,459	1
11.	INCOME	1,985,573	2,224,530	238,957	12
12.	NET EXPENDITURE	7,018,215	6,713,799	304,416	4

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FINANCIAL MONITORING REPORT

2005/2006 PROVISIONAL OUTTURN -1 APRIL 2005 to 31 MARCH 2006

COMMITTEE: GENERAL PURPOSES

SERVICE: CENTRAL SERVICES

LINE No	DESCRIPTION	ANNUAL BUDGET	PROVISIONAL OUTTURN	PROVISIONAL VARIANCE	%
(1)	(2)	(3)	(4)	(5)	(6)
1.	EMPLOYEE COSTS	2,086,085	2,026,198	59,887	3
2.	PROPERTY COSTS	27,871	23,506	4,365	16
3.	SUPPLIES AND SERVICES	469,532	434,515	35,017	7
4.	TRANSPORT AND PLANT	110,889	107,115	3,774	3
5.	ADMINISTRATION COSTS	511,588	431,082	80,506	16
6.	PAYMENTS TO OTHER BODIES	45,000	22,511	22,489	50
7.	OTHER COSTS	53,000	75,421	(22,421)	(42)
8.	APPORTIONED EXPENSES	1,025,443	1,025,443	0	0
9.	CAPITAL FINANCING CHARGES	43,900	43,366	534	1
10.	TOTAL EXPENDITURE	4,373,308	4,189,157	184,151	4
11.	INCOME	559,146	515,936	(43,210)	(8)
12.	NET EXPENDITURE	3,814,162	3,673,221	140,941	4

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FINANCIAL MONITORING REPORT

2005/2006 PROVISIONAL OUTTURN -1 APRIL 2005 to 31 MARCH 2006

COMMITTEE: GENERAL PURPOSES

SERVICE: LEGAL SUPPORT SERVICES

LINE No	DESCRIPTION	ANNUAL BUDGET	PROVISIONAL OUTTURN	PROVISIONAL VARIANCE	%
(1)	(2)	(3)	(4)	(5)	(6)
1.	EMPLOYEE COSTS	1,697,660	1,657,877	39,783	2
2.	PROPERTY COSTS	0	0	0	0
3.	SUPPLIES AND SERVICES	30,625	30,777	(152)	(0)
4.	TRANSPORT AND PLANT	28,400	31,296	(2,896)	(10)
5.	ADMINISTRATION COSTS	46,278	82,006	(35,728)	(77)
6.	PAYMENTS TO OTHER BODIES	0	0	0	0
7.	OTHER COSTS	0	0	0	0
8.	APPORTIONED EXPENSES	504,576	504,576	0	0
9.	CAPITAL FINANCING CHARGES	0	0	0	0
10.	TOTAL EXPENDITURE	2,307,539	2,306,532	1,007	0
11.	INCOME	236,200	276,684	40,484	17
12.	NET EXPENDITURE	2,071,339	2,029,848	41,491	2

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FINANCIAL MONITORING REPORT

2005/2006 PROVISIONAL OUTTURN -1 APRIL 2005 to 31 MARCH 2006

COMMITTEE: GENERAL PURPOSES

SERVICE: LEGAL PUBLIC SERVICES (DISTRICT COURT / LICENSING)

LINE No	DESCRIPTION	ANNUAL BUDGET	PROVISIONAL OUTTURN	PROVISIONAL VARIANCE	%
(1)	(2)	(3)	(4)	(5)	(6)
1.	EMPLOYEE COSTS	558,849	513,652	45,197	8
2.	PROPERTY COSTS	10,121	10,121	0	0
3.	SUPPLIES AND SERVICES	0	0	0	0
4.	TRANSPORT AND PLANT	6,184	20,107	(13,923)	(225)
5.	ADMINISTRATION COSTS	123,744	283,522	(159,778)	(129)
6.	PAYMENTS TO OTHER BODIES	0	0	0	0
7.	OTHER COSTS	16,500	14,672	1,828	11
8.	APPORTIONED EXPENSES	564,906	564,906	0	0
9.	CAPITAL FINANCING CHARGES	63,792	63,297	495	1
10.	TOTAL EXPENDITURE	1,344,096	1,470,277	(126,181)	(9)
11.	INCOME	746,000	935,479	189,479	25
12.	NET EXPENDITURE	598,096	534,798	63,298	11

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FINANCIAL MONITORING REPORT

2005/2006 PROVISIONAL OUTTURN -1 APRIL 2005 to 31 MARCH 2006

COMMITTEE: GENERAL PURPOSES

SERVICE: REGISTRATION OF BIRTHS, DEATHS and MARRIAGES

LINE No	DESCRIPTION	ANNUAL BUDGET	PROVISIONAL OUTTURN	PROVISIONAL VARIANCE	%
(1)	(2)	(3)	(4)	(5)	(6)
1.	EMPLOYEE COSTS	567,304	561,444	5,860	1
2.	PROPERTY COSTS	15,707	13,707	2,000	13
3.	SUPPLIES AND SERVICES	11,296	7,118	4,178	37
4.	TRANSPORT AND PLANT	7,000	7,971	(971)	(14)
5.	ADMINISTRATION COSTS	20,753	23,586	(2,833)	(14)
6.	PAYMENTS TO OTHER BODIES	2,000	3,933	(1,933)	(97)
7.	OTHER COSTS	0	0	0	0
8.	APPORTIONED EXPENSES	325,874	325,874	0	0
9.	CAPITAL FINANCING CHARGES	28,911	28,730	181	1
10.	TOTAL EXPENDITURE	978,845	972,363	6,482	1
11.	INCOME	444,227	496,431	52,204	12
12.	NET EXPENDITURE	534,618	475,932	58,686	11