

NORTH LANARKSHIRE COUNCIL

REPORT AGENDA ITEM NO. 10

To	PLANNING AND ENVIRONMENT COMMITTEE	Subject	2001/2002 Budget Monitoring Planning and Environment Department Provisional Outturn for the year ending 31 March 2002
From	DIRECTOR OF PLANNING AND ENVIRONMENT		
Date	1 May 2002	Ref. DP/AL/1027	

1. Introduction

The purpose of this report is to provide comparative information with regard to budget estimates and actual expenditure / income. Variances are reported for annual budget versus provisional outturn, with major variances being highlighted and explained.

Committee approval was received on 12 September 2001 to utilise an element of the departmental underspend, to fund on a one off basis, alterations and adaptations associated with the departmental restructuring exercise. The undernoted financial outturn reflects this position.

2. Summary of Budget Variances

The provisional outturn figures show a break-even position for the department as a whole. However, there are a number of significant variances as previously reported to Committee. These include vacancy savings, re-organisation costs, restructuring costs and increased public enquiry costs. Within the Transportation division Winter Maintenance costs are lower than anticipated due to the mild weather. However, 'roads lighting' electricity costs are higher than anticipated.

Included within the break-even position is a £100,000 contribution to the Winter Maintenance Contingency Fund and a £30,000 contribution to roads maintenance during the summer period of financial year 2002/03. This is in line with the Committee Report of 12 December 2001 which introduced an element of flexibility into roads and winter maintenance activities year on year.

The table below provides an analysis of the projected outturn variance. The information is provided across the departmental services.

SERVICE	ANNUAL BUDGET	PROVISIONAL OUTTURN	PROJECTED VARIANCE	%	
	£	£	£		
Building Control	441,387	220,354	221,033	50.08%	Underspend
Planning	3,890,004	3,691,234	198,770	5.11%	Underspend
Transportation	27,596,917	27,790,620	(193,703)	-0.70%	Overspend
Protective Services	4,803,968	4,916,756	(112,788)	-2.35%	Overspend
Policy & Economic Development	2,074,253	2,187,565	(113,312)	-5.46%	Overspend
TOTALS	38,806,529	38,806,529	0	0%	

3. Departmental trend throughout the financial year

3.1 The provisional year-end figures indicate a break-even position.

3.2 The main departmental variances are highlighted in the table below: -

Underspends	£'s
Vacancy Savings	774,000 underspend
Payments to Roads Contractors	220,000 underspend
Overspends	
Staff Restructuring Costs	386,000 overspend
Office Adaptation & IT Costs	287,000 overspend
Electrical Power	111,000 overspend

4 Provisional Out-turn Position at 31 March 2002

The major variances within the service areas provided by the Planning and Environment Department are as follows: -

4.1 Building Control -- £221,033 underspend

- (a) There are savings in employee costs through vacancies of £142,000.
- (b) The service's share of office adaptation and IT costs are estimated to be £29,000.
- (c) Income from Building Warrant fees, etc. has exceeded budget by £67,000.

4.2 Planning -- £198,770 underspend

- (a) Savings, amounting to £315,000, have been generated in employee costs because of vacancies, but are partly offset by staff re-organisation costs of £96,000.
- (b) The service's share of office adaptation and IT costs are estimated to be £72,000.
- (c) Travelling expenses have over spent by £17,000.
- (d) Additional unavoidable statutory costs in relation to public inquiries will amount to £25,000, and other administration costs have over spent by £46,000.
- (e) Income from planning fees are over-recovered by £141,000.

4.3 Transportation -- £193,703 overspend

- (a) Savings due to vacancies have amounted to £211,000 in the course of the year.
- (b) The service's share of office adaptation and IT costs are expected to be £86,000.
- (c) The department included a saving of £150,000 for roads electricity payments during 2001/02 in comparison with the previous financial year, in anticipation of lower prices resulting from a re-negotiation of the electricity contract. However, the actual contract has yielded less savings than previously envisaged. This effect coupled with other factors including additional roads adoptions and the power consumption effects of equipment upgrades undertaken for community safety reasons has caused an overspend of £111,000.
- (d) Payments to contractors for Roads and Winter Maintenance are underspent by £220,000.
- (e) School Crossing Patrol expenditure is £33,000 higher than budget.
- (f) As a consequence of (a) above, there will be an under-recovery of design fee income. This together with lower than anticipated rechargeable work, has resulted in an under-recovery of income of £254,000.

4.4 Protective Services -- £112,788 overspend

- (a) One - off early retirements within Protective Services division have been partially off set by savings in employee costs which have arisen as a result of vacancies, leaving a net overspend of £148,000.
- (b) The service's share of office adaptation and IT costs are estimated to be £72,000.
- (c) Administration costs are anticipated to underspend by £52,000.
- (d) Other Expenses are anticipated to underspend by £47,000.
- (e) Income from fees and charges has over-recovered by £8,000.

4.5 Policy & Economic Development -- £113,312 overspend

- (a) An over spend of employee costs will result from a one-off early retirement payment.
- (b) The service's share of office adaptation and IT costs are estimated to be £31,000.
- (c) There is a projected overspend of £40,000 in payments to other bodies due to preparatory and anticipated spending for the 'Life After Steel' conference.

5 Management Summary

The Department is currently projecting a break-even position. During the year the budget has been managed within a dynamic environment which has included major staff restructuring and relocation, major emergency road repairs and funding of the Life After Steel European Conference. It is also pleasing to note that the department is able to make the initial £100,000 payment to the Severe Winter Contingency Fund which should help planning and funding of excessive winter maintenance costs should a severe winter occur in future years.

6 Financial Concurrence

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

7 Recommendation

It is recommended that the Committee note the contents of this report.



David M Porch
Director of Planning and Environment
24 April 2002

For further information, please contact Alastair Love (01236 616236)

PLANNING AND ENVIRONMENT - SUMMARY
PROVISIONAL OUT TURN FOR THE YEAR ENDING
31 MARCH 2002

LINE NO.	DESCRIPTION	ANNUAL BUDGET	PROVISIONAL OUTTURN	PROVISIONAL OUTTURN VARIANCES	% VARIANCE
1	Employee Costs	11,642,840	11,255,294	387,546 Underspend	3.33%
2	Property Costs	582,510	835,601	(253,091) Overspend	(43.45%)
3	Supplies and Services	1,510,368	1,622,675	(112,307) Overspend	(7.44%)
4	Payments to Contractors	8,378,933	8,289,297	89,636 Underspend	1.07%
5	Transport and Plant	1,721,193	1,745,728	(24,536) Overspend	(1.43%)
6	Administration Costs	1,882,575	1,901,054	(18,479) Overspend	(0.98%)
7	Payments to Other Bodies	1,906,178	1,979,383	(73,205) Overspend	(3.84%)
8	Other Expenditure	202,402	155,402	47,000	23.22%
9	Apportioned Expenses	2,656,737	2,656,737	0	0.00%
10	Capital Financing Costs	12,233,299	12,233,299	0	0.00%
11	GROSS EXPENDITURE	42,717,035	42,674,471	42,564 Underspend	0.10%
12	Income	3,910,507	3,867,943	(42,564) Under-recovery	(1.09%)
13	NET EXPENDITURE	38,806,528	38,806,528	0 Underspend	0.00%

**PLANNING AND ENVIRONMENT - BUILDING CONTROL
PROVISIONAL OUT TURN FOR THE YEAR ENDING
31 MARCH 2002**

LINE NO.	DESCRIPTION	BUDGET TO DATE	ANNUAL BUDGET	PROVISIONAL OUTTURN	PROVISIONAL OUTTURN VARIANCES	% VARIANCE
1	Employee Costs	1,105,089	1,105,089	963,559	141,530 Underspend	12.81%
2	Property Costs	50,750	50,750	33,918	16,832 Underspend	33.17%
3	Supplies and Services	60,445	60,445	60,445	0	0.00%
4	Payments to Contractors	0	0	0	0	0.00%
5	Transport and Plant	56,482	56,532	56,532	(0)	(0.00%)
6	Administration Costs	28,752	28,702	28,702	0	0.00%
7	Payments to Other Bodies	4,500	4,500	4,500	0	0.00%
8	Other Expenditure	0	0	0	0	0.00%
9	Apportioned Expenses	202,837	202,837	202,837	0	0.00%
10	Capital Financing Costs	0	0	0	0	0.00%
11	GROSS EXPENDITURE	1,508,855	1,508,855	1,350,493	158,362 Underspend	10.50%
12	Income	1,067,468	1,067,468	1,130,141	62,673 Over-recovery	5.87%
13	NET EXPENDITURE	441,387	441,387	220,352	221,035 Underspend	50.08%

**PLANNING AND ENVIRONMENT - PLANNING
PROVISIONAL OUT TURN FOR THE YEAR ENDING
31 MARCH 2002**

LINE NO.	DESCRIPTION	ANNUAL BUDGET	PROVISIONAL OUTTURN	PROVISIONAL OUTTURN VARIANCES		% VARIANCE
1	Employee Costs	3,173,928	2,955,078	218,850	Underspend	6.90%
2	Property Costs	7,462	79,123	(71,661)	Overspend	(960.35%)
3	Supplies and Services	88,444	90,121	(1,677)	Overspend	(1.90%)
4	Payments to Contractors		0	0		0.00%
5	Transport and Plant	56,600	73,943	(17,343)	Overspend	(30.64%)
6	Administration Costs	277,678	348,157	(70,479)	Overspend	(25.38%)
7	Payments to Other Bodies	103,619	103,619	0		0.00%
8	Other Expenditure		0	0		0.00%
9	Apportioned Expenses	1,003,496	1,003,496	0		0.00%
10	Capital Financing Costs		0	0		0.00%
11	GROSS EXPENDITURE	4,711,227	4,653,537	57,690	Underspend	1.22%
12	Income	821,223	962,303	141,080	Over-recovery	17.18%
13	NET EXPENDITURE	3,890,004	3,691,234	198,770	Underspend	5.11%

**PLANNING AND ENVIRONMENT - TRANSPORTATION
PROVISIONAL OUT TURN FOR THE YEAR ENDING
31 MARCH 2002**

LINE NO.	DESCRIPTION	ANNUAL BUDGET	PROVISIONAL OUTTURN	PROVISIONAL OUTTURN VARIANCES	% VARIANCE
1	Employee Costs	3,534,737	3,323,963	210,774 Underspend	5.96%
2	Property Costs	409,510	505,438	(95,928) Overspend	(23.43%)
3	Supplies and Services	1,229,851	1,340,481	(110,630) Overspend	(9.00%)
4	Payments to Contractors	8,378,933	8,289,297	89,636 Underspend	1.07%
5	Transport and Plant	1,411,155	1,411,155	0	0.00%
6	Administration Costs	882,212	882,212	(0) Overspend	(0.00%)
7	Payments to Other Bodies	953,059	986,264	(33,205) Overspend	(3.48%)
8	Other Expenditure	20,388	20,388	(0)	(0.00%)
9	Apportioned Expenses	645,456	645,456	0	0.00%
10	Capital Financing Costs	12,013,299	12,013,299	0	0.00%
11	GROSS EXPENDITURE	29,478,600	29,417,954	60,646 Underspend	0.21%
12	Income	1,881,684	1,627,333	(254,351) Under-recovery	(13.52%)
13	NET EXPENDITURE	27,596,916	27,790,621	(193,705) Overspend	(0.70%)

PLANNING AND ENVIRONMENT - PROTECTIVE SERVICES
PROVISIONAL OUT TURN FOR THE YEAR ENDING
31 MARCH 2002

LINE NO.	DESCRIPTION	ANNUAL BUDGET	PROVISIONAL OUTTURN	PROVISIONAL OUTTURN VARIANCES	% VARIANCE
1	Employee Costs	3,019,759	3,167,955	(148,196) Overspend	(4.91%)
2	Property Costs	114,788	186,414	(71,626) Overspend	(62.40%)
3	Supplies and Services	123,458	123,458	0	0.00%
4	Payments to Contractors	0	0	0	0.00%
5	Transport and Plant	174,635	174,635	0	0.00%
6	Administration Costs	567,527	515,527	52,000 Underspend	9.16%
7	Payments to Other Bodies	0	0	0	0.00%
8	Other Expenditure	182,014	135,014	47,000 Underspend	25.82%
9	Apportioned Expenses	459,919	459,919	0	0.00%
10	Capital Financing Costs	220,000	220,000	0	0.00%
11	GROSS EXPENDITURE	4,862,100	4,982,922	(120,822) Overspend	(2.48%)
12	Income	58,132	66,166	8,034 Over-recovery	13.82%
13	NET EXPENDITURE	4,803,968	4,916,756	(112,788) Overspend	(2.35%)

PLANNING AND ENVIRONMENT - POLICY AND ECONOMIC DEVELOPMENT
PROVISIONAL OUT TURN FOR THE YEAR ENDING
31 MARCH 2002

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LINE NO.	DESCRIPTION	ANNUAL BUDGET	PROVISIONAL OUTTURN	PROVISIONAL OUTTURN VARIANCES	% VARIANCE
1	Employee Costs	809,327	844,739	(35,412) Overspend	(4.38%)
2	Property Costs	0	30,708	(30,708) Overspend	0.00%
3	Supplies and Services	8,170	8,170	0	0.00%
4	Payments to Contractors	0	0	0	0.00%
5	Transport and Plant	22,271	29,463	(7,192) Overspend	(32.29%)
6	Administration Costs	126,456	126,456	0	0.00%
7	Payments to Other Bodies	845,000	885,000	(40,000) Overspend	(4.73%)
8	Other Expenditure		0	0	0.00%
9	Apportioned Expenses	345,029	345,029	0	0.00%
10	Capital Financing Costs		0	0	0.00%
11	GROSS EXPENDITURE	2,156,253	2,269,565	(113,312) Overspend	(5.26%)
12	Income	82,000	82,000	0	0.00%
13	NET EXPENDITURE	2,074,253	2,187,565	(113,312) Overspend	(5.46%)