

NORTH LANARKSHIRE COUNCIL  
REPORT

<b>To</b>	<b>PLANNING &amp; ENVIRONMENT COMMITTEE</b>	<b>Subject</b> 2005/2006 Budget Monitoring Planning and Environment Department For the period ending 16 September, 2005
<b>From</b>	<b>DIRECTOR OF PLANNING AND ENVIRONMENT</b>	
<b>Date</b>	<b>30 September 2005</b> <b>Ref. AL/1027</b>	

**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 both year-to-date and projected outturn, with major variances being highlighted and explained.

The projected outturn for the year indicates a break even (nil variance) position. There are a number of over and under spends forecast within individual budget heads. These include cost overruns in respect of lighting electricity costs, public and local plan inquiry costs, reorganisation costs and recruitment advertising, offset by an overrecovery of planning and building standards income.

An increase totalling £700,000 has been included in the Department's 2005/06 budget from the 'winter maintenance contingency' funding mechanism (£600,000), and roads maintenance summer works carry forward (£100,000). An additional sum of £50,000 has been added to the Department's budget to support Debt Awareness activities.

**2. Summary of Budget Variances**

The variance to date shows a net under spend of £335,586, largely due to an overrecovery of Planning and Building Standards income. The current out-turn projection is for a break even position.

It is assumed that the winter maintenance contingency budget will be fully utilised through expenditure on winter maintenance activities, or if it is unused, carried forward into the next financial year.

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

	BUDGET TO DATE	ACTUAL TO DATE	VARIANCE TO DATE	PROJECTED OUTTURN VARIANCE
	£	£	£	£
Planning	872,103	678,092	194,011 Underspend	168,500 Underspend
Building Standards	105,331	(261,596)	366,927 Underspend	144,500 Underspend
Transportation	6,010,424	6,111,347	(100,923) Overspend	(67,000) Overspend
Policy & Economic Development	1,594,282	1,634,366	(40,084) Overspend	NIL
Protective Services	2,516,617	2,613,187	(96,570) Overspend	(120,000) Overspend
Support Services	7,599,797	7,587,571	12,226 Underspend	(126,000) Overspend
<b>TOTALS</b>	<b>18,698,553</b>	<b>18,362,967</b>	<b>335,586 Underspend</b>	<b>0 Break even</b>

### **3.0 Explanations of Major Outturn Variances**

Highlighted below are the major variances within the service areas provided by the Planning and Environment Department.

#### **3.1 Planning -- £168,500 Under-spend**

- a) Projected savings of £107,000 on employee costs are anticipated due to vacancies within the division.
- b) Administration costs are projected to overspend by £100,000 due to higher than anticipated public and local plan inquiry costs. These costs are out-with departmental control.
- c) The current projection indicates that planning fee income will exceed budgeted levels by £178,500, due to an anticipated increase in the volume of planning applications.

#### **3.2 Building Standards -- £144,500 Under-spend**

- a) Projected savings of £43,000 on employee costs are anticipated due to vacancies within the division.
- b) The current projection indicates that Building Warrant and other income will exceed budgeted levels by £101,000.

#### **3.3 Transportation -- £67,000 Overspend**

- a) In order to achieve the increased level of programme activity there is a projected over-spend of £462,000 on employee costs due to the requirement for overtime working and the employment of agency staff. These additional costs will be funded by an over-recovery of design fee and other income.
- b) Lighting electricity costs are projected to overspend by £267,000 due to an increase in tariffs resulting from recent energy price inflation. However, two funding sources have been identified which will partially offset the unfunded inflation increase in lighting costs. These are shown in c. & d. below.
- c) Transportation has received £110,000 from NHBC following the settlement of claims for works carried out on their behalf.
- d) The summer work carry forward (£100,000), will also partly fund the lighting overspend at 3.3 b.

#### **3.4 Policy & Economic Development -- NIL**

- a) There is a projected over spend of £68,000 on employee costs that will be funded from grant income and administration charges.
- b) There is a projected over spend of transport costs (Mileage, vehicle hires etc) of £15,000, based on the outturn for 2004/05. Similar to 3.4a, this will be funded from additional income.

#### **3.5 Protective Services --- £120,000 Overspend**

- a) There is a projected overspend on employee costs of £294,000 partially funded by grants for noise nuisance activities (£146,000) and by the recharge of additional staff costs in respect of waste management activities (£97,000). The remaining projected overspend relates to essential overtime working by pest control and environmental health officers.
- b) Transport and plant costs (mileage, vehicle hires etc.) are anticipated to overspend by approximately £49,000, based on the outturn for 2004/05.

- c) Administration costs are projected to overspend by £120,000. Similar to 3.5a above, the extra cost will be funded through the additional noise nuisance activity grant, and represents projected spending on Contact Centre support (£20,000), Police support (£33,000), office admin and accommodation (£38,000), and equipment, IT and publicity (£28,000).

### **3.6 Support Services --- £126,000 Overspend**

- a) Employee costs are anticipated to under spend by £85,000, due to vacancy savings.
- b) Ongoing departmental reorganisation, involving removals/relocation of staff and associated building and IT costs will be funded from under-spends in other budget lines. At present, the expenditure for 2005/06 is estimated at £100,000, and has been included in the out turn position above. Although this expenditure is contained within Support Services, it relates to costs across all divisions of Planning & Environment.
- c) Transport and plant costs (mileage, vehicle hires etc.) are anticipated to overspend by approximately £22,000, based on the outturn for 2004/05.
- d) Within administration costs, the budget for recruitment advertising is anticipated to overspend by £63,000, based on the outturn for 2004/05. There is also an anticipated overspend in Ordnance Survey fees of £25,000, due to an expected increase in the Ordnance Survey licence charge.
- e) At the financial year end, the final total of Support Services costs is allocated to the main Departmental services.

## **4. Management Summary**

We are approaching the mid-point of the financial year, and at present are anticipating a break even (nil-variance) out-turn position for the department at year-end. A number of cost pressures have been described in the report however to date, through taking appropriate management action the effects of these overspends have been mitigated.

## **5. Financial Concurrence**

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

## **6. Recommendation**

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



**David M Porch**  
**Director of Planning and Environment**  
**30 September 2005**

Local Government Access to Information Act: for further information about this report, please contact Alastair Love (01236 616236)

**NORTH LANARKSHIRE COUNCIL**

**FINANCIAL MONITORING REPORT**

**1st April 2005 to 16th September 2005**

**Planning & Environment - Summary**

LINE NO.	DESCRIPTION	BUDGET TO DATE	ACTUAL TO DATE	YEAR TO DATE VARIANCES	% VARIANCE	ANNUAL BUDGET	PROJECTED OUTTURN	PROJECTED OUTTURN VARIANCE	% VARIANCE
1.	EMPLOYEE COSTS	£ 6,463,670	£ 6,784,852	£ (321,182) Overspend	-4.97%	14,120,550	14,709,550	(589,000) Overspend	-4.17%
2	PROPERTY COSTS	314,039	319,747	(5,708) Overspend	-1.82%	557,600	557,600	0	0.00%
3	SUPPLIES & SERVICES	682,258	797,099	(114,841) Overspend	-16.83%	1,609,330	1,976,330	(367,000) Overspend	-22.80%
4	PAYMENTS TO CONTRACTORS	3,189,621	3,189,621	0	0.00%	13,004,412	12,894,412	110,000 Underspend	0.85%
5	WINTER CONT& SUMMER WORK	46,150	0	46,150 Underspend	100.00%	700,000	600,000	100,000 Underspend	14.29%
6	TRANSPORT & PLANT	826,691	891,195	(64,504) Overspend	-7.80%	2,157,133	2,265,133	(108,000) Overspend	-5.01%
7	ADMINISTRATION COSTS	1,878,324	1,992,826	(114,501) Overspend	-6.10%	19,296,012	19,605,012	(309,000) Overspend	-1.60%
8	APPORTIONED EXPENSES	109,906	109,906	0	0.00%	2,579,041	2,579,041	0	0.00%
9	PAYMENTS TO OTHER BODIES	1,832,665	1,849,261	(16,596) Overspend	-0.91%	4,081,080	4,105,580	(24,500) Overspend	-0.60%
10	TRANSFER PAYMENTS	0	0	0	0.00%	0	0	0	0.00%
11	CAPITAL FINANCING COSTS	4,780,148	4,780,148	0	0.00%	10,640,396	10,640,396	0	0.00%
12	OTHER EXPENDITURE	20,916	20,916	(0) Overspend	0.00%	54,164	54,164	0	0.00%
13	TOTAL EXPENDITURE	20,144,389	20,735,571	(591,181) Overspend	-2.93%	68,799,718	69,987,218	(1,187,500) Overspend	-1.73%
14	INCOME	1,445,836	2,372,604	926,768 Over-Recovery	64.10%	24,779,618	25,967,118	1,187,500 Over-Recovery	4.79%
15	NET EXPENDITURE	18,698,553	18,362,967	335,586 Underspend	1.79%	44,020,100	44,020,100	0 Break even	0.00%

**NORTH LANARKSHIRE COUNCIL**

**FINANCIAL MONITORING REPORT**

**1st April 2005 to 16th September 2005**

**Planning**

LINE NO.	DESCRIPTION	BUDGET TO DATE	ACTUAL TO DATE	YEAR TO DATE VARIANCES		% VARIANCE	ANNUAL BUDGET	PROJECTED OUTTURN	PROJECTED OUTTURN VARIANCES		% VARIANCE
		£	£	£							
1.	EMPLOYEE COSTS	1,176,061	1,119,517	56,544	Underspend	4.81%	2,581,107	2,474,107	107,000	Underspend	4.15%
2	PROPERTY COSTS	0	0	0		0.00%	0	0	0		0.00%
3	SUPPLIES & SERVICES	2,814	2,424	390	Underspend	13.85%	6,910	6,910	0		0.00%
4	PAYMENTS TO CONTRACTORS	0	0	0		0.00%	0	0	0		0.00%
5	TRANSPORT & PLANT	29,671	42,853	(13,182)	Overspend	-44.43%	64,290	78,290	(14,000)	Overspend	-21.78%
6	ADMINISTRATION COSTS	59,295	127,454	(68,159)	Overspend	-114.95%	2,236,868	2,336,868	(100,000)	Overspend	-4.47%
7	APPORTIONED EXPENSES	0	0	0		0.00%	0	0	0		0.00%
8	PAYMENTS TO OTHER BODIES	59,807	70,657	(10,850)	Overspend	-18.14%	112,843	115,843	(3,000)	Overspend	-2.66%
9	TRANSFER PAYMENTS	0	0	0		0.00%	0	0	0		0.00%
10	CAPITAL FINANCING COSTS	0	0	0		0.00%	0	0	0		0.00%
11	OTHER EXPENDITURE	0	0	0		0.00%	0	0	0		0.00%
12	TOTAL EXPENDITURE	1,327,648	1,362,906	(35,258)	Overspend	-2.66%	5,002,018	5,012,018	(10,000)	Overspend	-0.20%
13	INCOME	455,545	684,814	229,269	Over-Recovery	50.33%	1,284,471	1,462,971	178,500	Over-Recovery	13.90%
14	NET EXPENDITURE	872,103	678,092	194,011	Underspend	22.25%	3,717,547	3,549,047	168,500	Underspend	4.75%

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**1st April 2005 to 16th September 2005**

**Building Standards**

LINE NO.	DESCRIPTION	BUDGET TO DATE	ACTUAL TO DATE	YEAR TO DATE VARIANCES		% VARIANCE	ANNUAL BUDGET	PROJECTED OUTTURN	PROJECTED OUTTURN VARIANCES		% VARIANCE
		£	£	£							
1.	EMPLOYEE COSTS	551,429	532,038	19,391	Underspend	3.52%	1,189,182	1,146,182	43,000	Underspend	3.62%
2	PROPERTY COSTS	14,156	14,156	0		0.00%	50,000	50,000	0		0.00%
3	SUPPLIES & SERVICES	1,936	1,118	818	Underspend	42.24%	4,740	4,740	0		0.00%
4	PAYMENTS TO CONTRACTORS	0	0	0		0.00%	0	0	0		0.00%
5	TRANSPORT & PLANT	23,399	38,653	(15,254)	Overspend	-65.19%	50,707	54,707	(4,000)	Overspend	-7.89%
6	ADMINISTRATION COSTS	6,356	5,578	778	Underspend	12.25%	427,419	427,419	0		0.00%
7	APPORTIONED EXPENSES	0	0	0		0.00%	0	0	0		0.00%
8	PAYMENTS TO OTHER BODIES	0	0	0		0.00%	4,500	0	4,500	Underspend	100.00%
9	TRANSFER PAYMENTS	0	0	0		0.00%	0	0	0		0.00%
10	CAPITAL FINANCING COSTS	0	0	0		0.00%	0	0	0		0.00%
11	OTHER EXPENDITURE	0	0	0		0.00%	0	0	0		0.00%
12	TOTAL EXPENDITURE	597,276	591,542	5,734	Underspend	0.96%	1,726,548	1,683,048	43,500	Underspend	2.52%
13	INCOME	491,945	853,138	361,193	Over-Recovery	73.42%	1,296,610	1,397,610	101,000	Over-Recovery	7.79%
14	NET EXPENDITURE	105,331	(261,596)	366,927	Underspend	348.36%	429,938	285,438	144,500	Underspend	50.62%

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**1st April 2005 to 16th September 2005**

**Transportation**

LINE NO.	DESCRIPTION	BUDGET TO DATE	ACTUAL TO DATE	YEAR TO DATE VARIANCES	% VARIANCE	ANNUAL BUDGET	PROJECTED OUTTURN	PROJECTED OUTTURN VARIANCES	% VARIANCE	
1.	EMPLOYEE COSTS	£ 1,680,334	£ 1,907,324	£ (226,990)	Overspend	3,707,856	4,169,856	(462,000)	Overspend	-12.46%
2	PROPERTY COSTS	217,048	217,048	0		374,166	374,166	0		0.00%
3	SUPPLIES & SERVICES	489,734	599,184	(109,450)	Overspend	1,207,403	1,474,403	(267,000)	Overspend	-22.11%
4	PAYMENTS TO CONTRACTORS	3,189,621	3,189,621	0		13,004,412	12,894,412	110,000	Underspend	0.85%
5	WINTER CONT& SUMMER WORK	46,150	0	46,150	Underspend	700,000	600,000	100,000	Underspend	14.29%
6	TRANSPORT & PLANT	675,315	677,205	(1,891)	Overspend	1,821,616	1,825,616	(4,000)	Overspend	-0.22%
7	ADMINISTRATION COSTS	47,688	63,686	(15,998)	Overspend	13,455,898	13,455,898	0		0.00%
8	APPORTIONED EXPENSES	0	0	0		0	0	0		0.00%
9	PAYMENTS TO OTHER BODIES	67,630	73,375	(5,745)	Overspend	137,281	143,281	(6,000)	Overspend	-4.37%
10	TRANSFER PAYMENTS	0	0	0		0	0	0		0.00%
11	CAPITAL FINANCING COSTS	0	0	0		0	0	0		0.00%
12	OTHER EXPENDITURE	0	0	0		0	0	0		0.00%
13	TOTAL EXPENDITURE	6,413,521	6,727,444	(313,923)	Overspend	34,408,632	34,937,632	(529,000)	Overspend	-1.54%
14	INCOME	403,097	616,097	213,000	Over-Recovery	3,171,356	3,633,356	462,000	Over-Recovery	14.57%
15	NET EXPENDITURE	6,010,424	6,111,347	(100,923)	Overspend	31,237,276	31,304,276	(67,000)	Overspend	-0.21%

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**1st April 2005 to 16th September 2005**

**Economic Development**

LINE NO.	DESCRIPTION	BUDGET TO DATE	ACTUAL TO DATE	YEAR TO DATE VARIANCE		% VARIANCE	ANNUAL BUDGET	PROJECTED OUTTURN	PROJECTED OUTTURN VARIANCE		% VARIANCE
		£	£	£							
1.	EMPLOYEE COSTS	584,376	620,501	(36,125)	Overspend	-6.18%	1,262,036	1,330,036	(68,000)	Overspend	-5.39%
2	PROPERTY COSTS	0	0	0		0.00%	0	0	0		0.00%
3	SUPPLIES & SERVICES	2,424	98	2,326	Underspend	95.96%	7,170	7,170	0		0.00%
4	PAYMENTS TO CONTRACTORS	0	0	0		0.00%	0	0	0		0.00%
5	WINTER CONT& SUMMER WORK	0	0	0		0.00%	0	0	0		0.00%
6	TRANSPORT & PLANT	12,261	18,546	(6,285)	Overspend	-51.26%	26,566	41,566	(15,000)	Overspend	-56.46%
7	ADMINISTRATION COSTS	49,186	49,186	0		0.00%	507,863	507,863	0		0.00%
8	APPORTIONED EXPENSES	0	0	0		0.00%	0	0	0		0.00%
9	PAYMENTS TO OTHER BODIES	998,304	998,304	0		0.00%	2,749,136	2,749,136	0		0.00%
10	TRANSFER PAYMENTS	0	0	0		0.00%	0	0	0		0.00%
11	CAPITAL FINANCING COSTS	0	0	0		0.00%	0	0	0		0.00%
12	OTHER EXPENDITURE	0	0	0		0.00%	0	0	0		0.00%
13	TOTAL EXPENDITURE	1,646,551	1,686,635	(40,084)	Overspend	-2.43%	4,552,771	4,635,771	(83,000)	Overspend	-1.82%
14	INCOME	52,269	52,269	(0)	Under-Recovery	0.00%	1,802,000	1,885,000	83,000	Over-Recovery	4.61%
15	NET EXPENDITURE	1,594,282	1,634,366	(40,084)	Overspend	-2.51%	2,750,771	2,750,771	0		0.00%



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**1st April 2005 to 16th September 2005**

**Protective Services**

LINE NO.	DESCRIPTION	BUDGET TO DATE	ACTUAL TO DATE	YEAR TO DATE VARIANCES		% VARIANCE	ANNUAL BUDGET	PROJECTED OUTTURN	PROJECTED OUTTURN VARIANCES		% VARIANCE
		£	£	£							
1.	EMPLOYEE COSTS	1,598,769	1,765,083	(166,314)	Overspend	-10.40%	3,484,013	3,778,013	(294,000)	Overspend	-8.44%
2	PROPERTY COSTS	75,653	75,653	0		0.00%	108,002	108,002	0		0.00%
3	SUPPLIES & SERVICES	57,123	57,123	0		0.00%	144,926	144,926	0		0.00%
4	PAYMENTS TO CONTRACTORS	0	0	0		0.00%	0	0	0		0.00%
5	TRANSPORT & PLANT	78,392	103,858	(25,465)	Overspend	-32.48%	177,363	226,363	(49,000)	Overspend	-27.63%
6	ADMINISTRATION COSTS	21,819	49,916	(28,097)	Overspend	-128.77%	931,889	1,051,889	(120,000)	Overspend	-12.88%
7	APPORTIONED EXPENSES	0	0	0		0.00%	0	0	0		0.00%
8	PAYMENTS TO OTHER BODIES	706,924	706,924	0		0.00%	1,077,320	1,097,320	(20,000)	Overspend	-1.86%
9	TRANSFER PAYMENTS	0	0	0		0.00%	0	0	0		0.00%
10	CAPITAL FINANCING COSTS	0	0	0		0.00%	0	0	0		0.00%
11	OTHER EXPENDITURE	20,916	20,916	0		0.00%	54,164	54,164	0		0.00%
12	TOTAL EXPENDITURE	2,559,597	2,779,473	(219,876)	Overspend	-8.59%	5,977,677	6,460,677	(483,000)	Overspend	-8.08%
13	INCOME	42,980	166,286	123,306	Over-Recovery	286.89%	93,109	456,109	363,000	Over-Recovery	389.87%
14	NET EXPENDITURE	2,516,617	2,613,187	(96,570)	Overspend	-3.84%	5,884,568	6,004,568	(120,000)	Overspend	-2.00%

**NORTH LANARKSHIRE COUNCIL**

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**1st April 2005 to 16th September 2005**

**Support Services**

LINE NO.	DESCRIPTION	BUDGET TO DATE	ACTUAL TO DATE	YEAR TO DATE VARIANCES		% VARIANCE	ANNUAL BUDGET	PROJECTED OUTTURN	PROJECTED OUTTURN VARIANCE		% VARIANCE
		£	£	£							
1.	EMPLOYEE COSTS	872,701	840,389	32,313	Underspend	3.70%	1,896,356	1,811,356	85,000	Underspend	4.48%
2	PROPERTY COSTS	7,182	12,890	(5,708)	Overspend	-79.48%	25,432	25,432	0		0.00%
3	SUPPLIES & SERVICES	128,227	137,152	(8,925)	Overspend	-6.96%	238,181	338,181	(100,000)	Overspend	-41.98%
4	PAYMENTS TO CONTRACTORS	0	0	0		0.00%	0	0	0		0.00%
5	TRANSPORT & PLANT	7,653	10,080	(2,427)	Overspend	-31.72%	16,591	38,591	(22,000)	Overspend	-132.60%
6	ADMINISTRATION COSTS	1,693,980	1,697,006	(3,026)	Overspend	-0.18%	1,736,075	1,825,075	(89,000)	Overspend	-5.13%
7	APPORTIONED EXPENSES	109,906	109,906	0		0.00%	2,579,041	2,579,041	0		0.00%
8	PAYMENTS TO OTHER BODIES	0	0	0		0.00%	0	0	0		0.00%
9	TRANSFER PAYMENTS	0	0	0		0.00%	0	0	0		0.00%
10	CAPITAL FINANCING COSTS	4,780,148	4,780,148	0		0.00%	10,640,396	10,640,396	0		0.00%
11	OTHER EXPENDITURE	0	0	0		0.00%	0	0	0		0.00%
12	TOTAL EXPENDITURE	7,599,797	7,587,571	12,226	Underspend	0.16%	17,132,072	17,258,072	(126,000)	Overspend	-0.74%
13	INCOME	0	0	0		0.00%	17,132,072	17,132,072	0		0.00%
14	NET EXPENDITURE	7,599,797	7,587,571	12,226	Underspend	0.16%	0	126,000	(126,000)	Overspend	-100.00%