

NORTH LANARKSHIRE COUNCIL
REPORT

TO: POLICY & RESOURCES (FINANCE) SUB COMMITTEE		SUBJECT : FINANCE DEPARTMENT – CAPITAL PROGRAMME 2001/2002 MONITORING REPORT 1 ST APRIL 2000 TO 20 TH July 2001
FROM: DIRECTOR OF FINANCE		
DATE : 16 th August 2001	REF : SW/KS	

1. Introduction

The purpose of this report is to provide a summary of the financial performance of the Finance Department capital programme for 2001/2002. The report includes information on current expenditure up to and including 20th July 2001 and provides a projected outturn position at the year-end. Supporting explanations are given for significant movements.

2. Summary of Financial Position

The current capital expenditure position for the Finance Department can be summarised as follows: -

Table 1. (£)

<u>Approved Base Programme</u>	<u>Revised Programme Expenditure</u>	<u>Movement</u>	<u>Projected Outturn</u>	<u>Projected Outturn Variance</u>
£786,000	£1,790,000	+1,004,000	£1,206,000	£584,000

A comprehensive analysis containing information on individual projects is contained at Appendix 1.

3. Annual Approved Programme 2001-02

In February 2001 the Council approved a budget of £786,000 split between the divisions of Finance and I.T. Services.

4. Revised Programme 2001-02

The table in section 2 above shows an increase of £1,004,000 in the expenditure programme, since the base budget was set. This increase is due to slippage in 2000/01 carried forward to the current financial year.

5. Current Expenditure and Projected Outturn

Actual expenditure to 20th July 2001 was £268,000, summarised in appendix 1, which represents 22% of the projected outturn.

The projected outturn expenditure is now estimated at £1,206,000 indicating slippage of £584,000 on the new Financial Ledger System. This is primarily due to purchasing less eFinancials and Business Objects licences in the current financial year, reduced hardware costs due to leasing and not buying, and second year maintenance now being met from revenue not capital. However it is anticipated that the slipped funds will be required for future phases of the project.


6. Committed Expenditure to 20th July 2001

A total of £588,000 of expenditure has been committed to date and represents 53% of the projected outturn. Details of the commitments are shown in appendix 1.

The new Non-Domestic Rates system, the tender for which was approved in conjunction with the new Council Tax system, is now estimated to cost approximately £75,000 against an approved allocation of £50,000. This increase in cost is primarily due to the requirement to transfer the data between the existing and the new system, which is now estimated to cost more than originally anticipated. This projected overspend will be managed within the overall Finance Department allocation and it is anticipated that £25,000 will be transferred from the Technology Refreshment allocation.

7. Recommendation

The Committee is asked to note the financial position of the capital programme as at 20th July 2001.



Director of Finance

FINANCE/IT DEPARTMENT

PROJECT	Annual Approved Programme 2001/02 £'000	Projected Outturn £'000	Projected Outturn Variance £'000	Current Expenditure to 20/7/2001 £'000	Committed Expenditure to 20/7/2001 £'000	COMMENTS
Park Street Premises	22	22	0	0	57	Balance of Exp. To be met from Corporate 'Upgrade Office Accom.'
Computerised Payroll System	50	50	0	0	50	
Financial Ledger System	957	373	584	131	131	
Non Domestic Rates System	50	50	0	25	75	Projected overspend to be met from Technology Refreshment.
Technology Refreshment	52	52	0	12	37	
Finance/IT Capitalised Equipment	184	184	0	45	62	
Upgrade Cash Collection	93	93	0	40	50	
Council Tax System	-7	-7	0	-	-	Savings to be identified to manage overspend b/fwd from 00/01
Intranet Development	17	17	0	-	-	
Messaging System	30	30	0	-	16	
Corporate Telecommunications	154	154	0	15	18	
Enterprise Computing	192	192	0	-	92	
Other Finance Projects	-4	-4	0	-	-	Savings to be identified to manage overspend b/fwd from 00/01
TOTAL	1,790	1,206	584	268	588	