

To: POLICY & RESOURCES (FINANCE) SUB-COMMITTEE		Subject: REVENUE MONITORING REPORT TO 17 SEPTEMBER 2004 (PERIOD 6) COUNCIL SUMMARY
From: DIRECTOR OF FINANCE		
Date: 7 October, 2004	Ref: AC/JV/PH	

1. Introduction

- 1.1 This report updates the Committee on the financial performance of both the General Fund Account and the Housing Revenue Account for the period to 17 September 2004. The report brings together the respective departmental budget projections and provides an overview of both current and emerging financial matters.
- 1.2 The report compares projected out-turn expenditure with budget and provides explanations of significant variances where appropriate.
- 1.3 In my report of the previous month, I advised of the ongoing issue in respect of the Supporting People Grant and the continued correspondence with both the Scottish Executive and the Department of Work and Pensions to redress a shortfall of some £0.900m. A meeting was held with the Scottish Executive on the 6th October 2004 and a response is awaited. No provision has yet been made within departmental budgets to meet the cost of this shortfall.

2. General Fund Summary

- 2.1 The projected position within the General Fund is summarised as follows:

	Annual Budget £000	Projected Outturn £000	Variance £000
<u>Expenditure</u>			
Net Departmental Expenditure	538,207	538,406	(199)
<u>Income</u>			
Aggregate External Finance	428,480	428,480	-
Local Tax Collection	104,056	104,056	-
Use of Balances	5,671	5,671	-
Projected variance : surplus (deficit) at 31 March 2005	Nil	(199)	(199)

2.2 The projected overspend of £0.199m represents a reduction in deficit of £0.416m from the position reported last month. The principal factors which have resulted in this reduced deficit are as follows:-

- The Education Department has now redressed the over-spend of £0.280m detailed in last month's report.
- A favourable movement of £0.069m in the assessment of the Benefits payment and income position within the Housing & Property Department.

2.3 In summary, the overall deficit projection of £0.199m is attributed to increased expenditure within the Housing & Property Department.

2.3.1 The budget pressures within the Housing & Property Department continues at a level of £0.374m. Previous reports have made reference to increased property costs within non-operational properties (overspend £0.115m), the additional uptake of property to address administrative needs (overspend £0.195m), and the use of bed and breakfast facilities for homeless families (overspend £0.127m). The Department is actively seeking solutions to recover the position.

2.4 Within the other departments, the trends of the previous months continue. Positive variations against budget are reported in Community Services, Finance and Administration. The department of the Chief Executive is, however, forecasting a small overspend of £0.054m as a result of the downward trend in income from corporate publications and the cost associated with previous early retirements.

2.5 An analysis of the General Fund Services performance against budget is shown at Appendix 1. Detailed reports on each service department's financial position have been presented to the appropriate Council committee for consideration. The major variations can be summarised as follows.

2.5.1 Departmental Expenditure

		£000
Housing & Prop (non HRA)	Increased property costs and increased use of B+B facilities	Projected deficit (0.374)
Administration	Staff turnover savings and additional income	Projected surplus 0.203
Finance	Savings in staff turnover and printing costs	Projected surplus 0.084
Chief Exec's	Downward trend in income/pension costs	Projected deficit (0.054)
Comm Serv	Minor variations across various budget lines	Projected surplus 0.015
Reduction in loan charge support for urban and loan debt		Projected deficit (0.073)
TOTAL		Projected deficit (0.199)

3. Scottish Executive Funded Initiatives

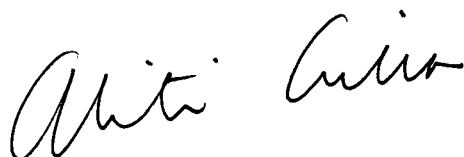
- 3.1 Outwith mainstream departmental budgets which are funded by the mechanism of the Revenue Support Grant, several initiatives are given specific resources for the Scottish Executive. These include the Social Inclusion Partnerships, the Better Neighbourhood Services Fund, the Changing Children's Service Fund, the Anti-Social Behaviour Initiatives and the Community Budgeting Pilot Project. Last month I highlighted projects totalling £13.999m had been approved from a total combined budget of £14.608m. Project approvals now total £14.228m leaving a balance of £0.380m to be considered at the next round of management board meetings scheduled for the coming weeks.
- 3.2 My comments and positional statement on the Strategic Waste Fund and "Working for Families Fund" remain unchanged.

4. Housing Revenue Account

- 4.1 It is anticipated that there will be a minor under-spend in the Housing Revenue Account of £0.046m at the end of the financial year. Inevitably small variations are projected across several budget areas to reflect the changing requirements and adjustments to the service going forward through the financial year.

5. Recommendation

- 5.1 The Committee is asked to note the contents of the report and in particular the ongoing position with regard to the shortfall in Supporting People Grant and the projected deficit of £0.199m in the General Fund Account. Every effort requires to be made to address this position and bring overall expenditure back in line with budget.



Director of Finance

NORTH LANARKSHIRE COUNCIL

SUMMARY OF FINANCIAL REPORT FOR PERIOD TO 17th September 2004

LINE NO.	DEPARTMENTAL ACCOUNT (1)	BUDGET TO - DATE (2)	ACTUAL TO - DATE (3)	VARIANCE TO - DATE (4)	ANNUAL BUDGET (5)	PROJECTED OUITTURN (6)	PROJECTED VARIANCES (7)
		£	£	£	£	£	£
1.	COMMUNITY SERVICES COMMITTEE	28,134,096	28,039,446	94,650	79,218,948	79,204,175	14,773
2.	Directorate & Support	1,064,758	1,062,337	2,421	-	-	-
3.	Parks, Sport & Transport	9,462,365	9,501,930	(39,565)	34,698,791	34,758,511	(59,720)
4.	Community Resources	8,401,564	8,295,578	105,986	24,270,624	24,247,631	22,993
5.	Cleaning & Related Services	9,205,409	9,179,601	25,808	20,249,533	20,198,033	51,500
6.	EDUCATION COMMITTEE	95,081,759	94,526,557	555,202	277,040,430	277,040,430	-
7.	Education	95,081,759	94,526,557	555,202	277,040,430	277,040,430	-
8.	POLICY & RESOURCES (FINANCE)	7,422,604	7,185,075	237,529	26,445,237	26,361,608	83,629
9.	Finance	6,190,032	5,953,638	236,394	15,663,942	15,585,463	78,479
10.	Miscellaneous Services	1,232,572	1,231,437	1,135	10,781,295	10,776,145	5,150
11.	GENERAL PURPOSES COMMITTEE	2,134,320	1,956,895	177,425	6,883,906	6,680,556	203,350
12.	Administration - Central Services	1,231,211	1,152,476	78,735	3,191,780	3,101,780	90,000
13.	Administration - Legal Support Services	753,361	721,929	31,432	2,023,140	1,988,140	35,000
14.	Administration - Legal Public Services	(9,413)	(34,533)	25,120	951,138	923,288	27,850
15.	Registrar Births, Deaths etc.	159,161	117,023	42,138	717,848	667,348	50,500
16.	HOUSING & PROPERTY COMMITTEE	7,535,402	7,631,045	(95,643)	29,909,176	30,282,735	(373,559)
17.	Housing - Non HRA and Benefits	(544,926)	(525,507)	(19,419)	(151,511)	(24,752)	(126,759)
18.	Property Unit	1,055,171	1,015,269	39,902	2,837,236	2,774,236	63,000
19.	Non-Operational Property Unit	(1,164,410)	(1,101,135)	(63,275)	4,274,131	4,389,131	(115,000)
20.	Office Accommodation	989,713	1,072,643	(82,930)	4,744,221	4,939,021	(194,800)
21.	Energy Advice Unit	90,961	92,019	(1,058)	166,983	166,983	-
22.	Design Services	1,778,067	1,742,341	35,726	4,811,344	4,811,344	-
23.	Maintenance Unit	624,813	629,236	(4,423)	1,679,075	1,679,075	-
24.	Central Repairs	4,706,013	4,706,179	(166)	11,547,697	11,547,697	-
25.	JOINT BOARDS	23,276,955	23,276,955	-	54,034,520	54,034,520	-
26.	Lands Valuation	678,000	678,000	-	1,571,520	1,571,520	-
27.	Police Force	11,519,825	11,519,825	-	28,089,000	28,089,000	-
28.	Fire Brigade	5,490,000	5,490,000	-	13,178,000	13,178,000	-
29.	Concessionary Fares	3,158,130	3,158,130	-	6,333,000	6,333,000	-
30.	Passenger Transport Executive	2,431,000	2,431,000	-	4,863,000	4,863,000	-
31.	POLICY & RESOURCES(PERSONNEL)	633,094	615,619	17,475	2,027,666	2,027,666	-
32.	Personnel Services	633,094	615,619	17,475	2,027,666	2,027,666	-
33.	PLANNING & ENVIRONMENT COMMITTEE	11,870,458	11,734,438	136,020	41,794,329	41,794,329	-
34.	Building Control	114,007	13,481	100,526	443,896	294,896	149,000
35.	Transportation	5,015,694	5,025,934	(10,240)	29,264,438	29,287,438	(23,000)
36.	Economic Development	1,184,004	1,181,510	2,494	2,699,729	2,686,129	13,600
37.	Planning	929,406	810,756	118,650	3,750,076	3,669,360	80,716
38.	Support Services	2,537,700	2,566,654	(28,954)	-	154,216	(154,216)
39.	Protective Services	2,089,647	2,136,103	(46,456)	5,636,190	5,702,290	(66,100)
40.	POLICY & RESOURCES COMMITTEE	1,231,741	1,229,895	1,846	1,141,378	1,195,378	(54,000)
41.	Chief Executives	1,231,741	1,229,895	1,846	1,141,378	1,195,378	(54,000)
42.	PPP/TRADING SURPLUSES	(608,861)	(565,820)	(43,041)	(2,340,819)	(2,340,819)	-
43.	PPP Contributions *	(659,013)	(659,013)	-	(1,519,000)	(1,519,000)	-
44.	Trading Accounts	50,152	93,193	(43,041)	(821,819)	(821,819)	-
45.	SOCIAL WORK COMMITTEE	43,505,882	43,589,707	(83,825)	105,210,474	105,210,474	-
46.	Social Work	43,505,882	43,589,707	(83,825)	105,210,474	105,210,474	-
47.	FINANCING COSTS	-	-	-	(34,402,325)	(34,329,044)	(73,281)
48.	Reversal of Capital Charge	-	-	-	(64,518,867)	(64,518,867)	-
49.	Grant Support for Urban Programme Loan Debt	-	-	-	(398,000)	(324,719)	(73,281)
50.	Loan Charges	-	-	-	32,364,542	32,364,542	-
51.	Interest on Revenue Balances	-	-	-	(1,850,000)	(1,850,000)	-
52.	Removal of Gross Central Department Budgets (Included above)	-	-	-	(48,755,489)	(48,755,489)	-
53.	TOTAL EXPENDITURE	220,217,450	219,219,812	997,638	538,207,431	538,406,519	(199,088)

NORTH LANARKSHIRE COUNCIL

SUMMARY OF FINANCIAL REPORT FOR PERIOD TO 17th September 2004

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		£	£	£	£	£	£
54.	SOURCES OF FUNDING	276,262	276,262	-	538,207,431	538,207,431	-
55.	Revenue Support Grant	-	-	-	307,949,000	307,949,000	-
56.	Non - Domestic Rates	-	-	-	120,531,000	120,531,000	-
57.	Council Tax	-	-	-	103,556,025	103,556,025	-
58.	Use of Balances	-	-	-	5,671,406	5,671,406	-
59.	Collection of Local Tax Arrears	276,262	276,262	-	500,000	500,000	-
60.	TOTAL SURPLUS (DEFICIT)	219,941,188	218,943,550	997,638	-	199,088	(199,088)
61.	SCOTTISH EXECUTIVE FUNDED INITIATIVES	4,513,921	3,391,768	1,122,153	14,608,315	14,228,519	379,796
62.	Social Inclusion Partnerships	1,491,499	1,151,144	340,355	3,668,831	3,573,076	95,755
63.	Changing Childrens Services Fund	1,651,743	1,335,762	315,981	4,935,803	4,933,303	2,500
64.	Better Neighbourhood Services Fund	1,164,088	725,967	438,121	4,166,894	3,996,930	169,964
65.	Anti Social Behaviour	174,551	146,855	27,696	1,684,570	1,602,448	82,122
66.	Community Budgeting	32,040	32,040	-	152,217	122,762	29,455
67.	HOUSING REVENUE ACCOUNT	(16,415,461)	(16,412,613)	(2,848)	-	(46,000)	46,000

* Note : The PPP contribution shown excludes that element contained within individual departmental budgets as efficiency savings. The total anticipated income from the PPP's amount to £2.087m.