

## REPORT

TO	SOCIAL WORK COMMITTEE	Subject : Financial Monitoring Report
FROM	DIRECTOR OF FINANCE	
DATE	10 JANUARY 1997 Ref. : PH/BC2	

**Introduction**

The Financial Monitoring Report attached sets out the position of the Sheltered Workshops spending level against the approved budget for the period 1st April 1996 to 8th December 1996 (i.e. 9 Accounting periods).

The report contains only that expenditure which is within the Social Work department's direct control, and therefore excludes items such as loan charges, central administration recharges, and the central repairs account, each of which will be reported by the appropriate charging department.

**Background**

The 1996/97 Revenue Budget was prepared at a time of major change within Local Government and in many cases without the benefit of comparative prior year information. Many expenditure heads were simply a proportionate share of the former Strathclyde region's budget, and as such may not have been specifically based on the past needs of North Lanarkshire.

With this in mind the committee is asked to note that the 1996/97 budgets continue to be re-aligned to reflect accurate provision, thereby entering the process of ongoing refinement.

**Financial Performance**

The total overspend for the year to date is £39,249 (or 36% of the Budget to date).

The main reason for this variance is the reduced workload of the Blindcraft workshop culminating in a reduced level of income, coupled with the insufficient level of disaggregated budget to meet the cost of existing manpower.

**Recommendation**

The committee note the contents of this report..

**NORTH LANARKSHIRE COUNCIL****FINANCIAL MONITORING REPORT****1 April 1996 To 8 December 1996****COMMITTEE : SOCIAL WORK****SERVICE : SHELTERED WORKSHOPS**

TOTAL BUDGET (1)	LINE NO. (2)	DESCRIPTION (3)	BUDGET TO DATE (4)	ACTUAL TO DATE (5)	VARIANCE			
					TOTAL (6)	TIMING (7)	ACTUAL (8)	% (9)
149,600		EMPLOYEE COSTS	103,500	140,811	(37,311)		(37,311)	36%
3,770		PROPERTY COSTS	2,610	11,794	(9,184)		(9,184)	352%
110,530		SUPPLIES AND SERVICES	76,520	54,793			21,727	-28%
19,480		TRANSPORT & PLANT	13,400	1,267	12,133	12,133		
570		ADMINISTRATION COSTS	450	547	(97)	-	(97)	22%
100,670		PAYMENTS TO OTHER BODIES	69,600	83,083	(13,483)	(13,483)		
		OTHER EXPENDITURE		211	(211)	-		
384,620		TOTAL EXPENDITURE	266,080	292,506	(26,426)	(1,350)	(25,076)	9%
225,850		INCOME	156,357	142,184	14,173	-	(14,173)	9%
158,770		NET EXPENDITURE	109,723	150,322	(40,599)	(1,350)	(39,249)	36%

**ANALYSIS OF MAJOR VARIANCES****EMPLOYEE COSTS**

Disaggregated Budget insufficient to meet the cost of existing manpower.

**PROPERTY COSTS**

Mainly due to cleaning costs.

**SUPPLIES AND SERVICES**

Reduced level of work - linked to fall in workload of Blindcraft Workshop.

**ADMINISTRATION COSTS**

Telephone costs higher than expected.

**OTHER EXPENDITURE**

Miscellaneous items of expenditure. (subject to investigation)

**INCOME**

Reduced workload of Blindcraft Workshop.