

To: CORPORATE SERVICES COMMITTEE		Subject: REVENUE MONITORING REPORT CORPORATE SERVICES 01/04/08 to 18/07/08 (PERIOD 4)
FROM: EXECUTIVE DIRECTOR OF CORPORATE SERVICES		
DATE: 6-Aug-08	Ref: JMcE	

1. Purpose of Report

1.1. This report advises Committee on the overall financial position of Corporate Services for the period 1st April 2008 to 18th July 2008. Variances are reported for both year-to-date and projected outturn, with major outturn variances being highlighted and explained.

2. Executive Summary of Financial Position

2.1. The Service is currently projecting a year-end underspend of £108,500. This underspend is primarily attributable to vacancies across the Service, but particularly within Design Services. These being able to offset the cost pressures that do exist within Property Services. An analysis of variances at divisional and subjective level are provided in Appendices 1 and 2 respectively.

3. Corporate Review of Expenditure

3.1. The Council review of "non-essential" expenditure remains an integral element of the Council's financial strategy. As a direct consequence of this request, Corporate Services continues to engage in a pro-active review of its immediate spending requirements.

4. Explanation of Major Out-Turn Variances

4.1. Appendices 1 and 2 outline the Services' performance against budget; however a summary of the major variances within each division is outlined within the table below.

4.2. Service Overview

CORPORATE SERVICES	Budget to date (£)	Actual to date (£)	Variance to date (£)	Projected Outturn Variance (£)
Central Services	1,397,219	1,363,899	33,320	42,000 Underspend
Design Services	4,031,585	3,977,873	53,712	103,000 Underspend
Human Resources	542,991	536,486	6,505	10,000 Underspend
Legal Services	572,621	570,340	1,281	2,500 Underspend
Property Services	1,441,213	1,469,342	(28,129)	(49,000) Overspend
Total	7,984,629	7,917,940	66,689	108,500 Underspend

£

4.3 Central Services 42,000 Underspend

An underspend of £42,000 is anticipated and is mainly as a result of vacancies that exist at present within Central Services (£30,000). The other main areas of variance is within Administration costs where savings against printing and stationery costs will be achievable (£20,000). There are other smaller variances, such as an under-recovery in income and minor underspends anticipated against transport and plant which are largely offsetting one another. These are not significant overall but will be continued to be monitored throughout the year.

4.4 Design Services 103,000 Underspend

The Design Services division is projecting expenditure to be £103,000 less than budget at the year end. The main reason for this is the continued number of vacant posts within both the Design and Maintenance Units.

It should be noted that the Central Repairs Account is currently projected to be on budget at the year end.

4.5 Human Resources 10,000 Underspend

There is a Projected underspend of £10,000 expected within the Human Resources division. This is due to the vacancies that currently exist within the Human Resources division. There are overspends against the existing budgets within Human Resources for both Job Adverts and Medical Referral costs, however these are offset completely by a corresponding over-recovery in income when these costs are recharged to other Services.

4.6 Legal Services 2,500 Underspend

This projected outturn position favourable variance is result of a series of anticipated underspends, overspends and income over-recoveries.

The main area of overspend is within administration costs in the Legal Public sector and is due to the licensing and maintenance costs of the District Court Administration System. This is expected to be more than fully offset by an over-recovery in licensing income, which is expected to enable an overall surplus position to be achieved in Legal Services at the year end.

4.7 Property Services (49,000) Overspend

The projected year end variance reported at this stage is an overspend of £49,000.

The most significant area of variance at this early stage of the financial year is anticipated against property costs in the Office Accommodation division.

In particular, the on going issue with rents payable costs exceeding historical budget provisions still continuing and also the likelihood that the full year benefit of the identified efficiency saving relating to the purchase of Fleming House may not be achieved in 2008/09.

A report to approve the purchase of Fleming House, detailing the necessary Capital funding required is currently being prepared by Property Services management.

5. Service Efficiency Measures

5.1 The projected year-end variance for Corporate Services as a whole is an underspend of £108,500, which is mainly as a result of the number of vacancies in various divisions across the Service.

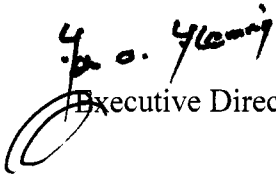
5.2.1 The overspends within Property relate to on-going budget pressures in relation to the Office Accommodation strategy and the achievement of approved efficiency savings for 2008/09. Every effort will continue to be made to minimise the areas of overspend and maximise the income streams within the Commercial property sector in order to try and reduce the overall adverse effect of areas where budget shortfalls do exist.

6. Financial Concurrence

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

7. Recommendations

7.1. It is recommended that the contents of this report be noted.



Executive Director of Corporate Services

NORTH LANARKSHIRE COUNCIL**FINANCIAL MONITORING REPORT - Divisional Analysis****1 April 2008 to 18 July 2008****COMMITTEE: CORPORATE SERVICES****SERVICE: CORPORATE SERVICES DIVISIONAL SUMMARY**

LINE NO. (1)	DESCRIPTION (2)	BUDGET TO DATE (3)	ACTUAL TO DATE (4)	YEAR TO DATE VARIANCES (5)	ANNUAL BUDGET (6)	PROJECTED OUTTURN (7)	PROJECTED OUTTURN VARIANCES (8)	% (9)	Analysis (10)
		£	£	£	£	£	£		
1.	CENTRAL SERVICES	1,397,219	1,363,899	33,320 Underspend	4,552,463	4,510,463	42,000 Underspend	0.9%	Vacancies & Printing costs
2.	DESIGN SERVICES	4,031,585	3,977,873	53,712 Underspend	13,184,284	13,081,284	103,000 Underspend	0.8%	Vacancy levels
3.	HUMAN RESOURCES	542,991	536,486	6,505 Underspend	1,924,590	1,914,590	10,000 Underspend	0.5%	Vacancy levels
4.	LEGAL SERVICES	571,621	570,340	1,281 Underspend	2,115,883	2,113,383	2,500 Underspend	0.1%	Licensing Income
5.	PROPERTY SERVICES	1,441,213	1,469,342	(28,129) Overspend	7,289,705	7,338,705	(49,000) Overspend	-0.7%	Property Rents & Service charges
6	NET EXPENDITURE	7,984,629	7,917,940	66,689 Underspend	29,066,925	28,958,425	108,500 Underspend	0.4%	

NORTH LANARKSHIRE COUNCIL

FINANCIAL MONITORING REPORT - Subjective Analysis

1 April 2008 to 18 July 2008

COMMITTEE: CORPORATE SERVICES

SERVICE: CORPORATE SERVICES (CONSOLIDATED)

LINE NO. (1)	DESCRIPTION (2)	BUDGET TO DATE (3)	ACTUAL TO DATE (4)	YEAR TO DATE VARIANCES (5)		ANNUAL BUDGET (6)	PROJECTED OUTTURN (7)	PROJECTED OUTTURN VARIANCES (8)		% (9)	Analysis (10)
		£	£	£		£	£	£			
1.	EMPLOYEE COSTS	4,313,173	4,204,342	108,831	Underspend	15,094,832	14,902,832	192,000	Underspend	1.3%	Vacancy levels
2.	PROPERTY COSTS	3,532,575	3,599,944	(67,369)	Overspend	15,221,663	15,327,663	(106,000)	Overspend	-0.7%	Property Rents & Service charges
3.	SUPPLIES AND SERVICES	110,507	112,421	(1,914)	Overspend	471,146	486,146	(15,000)	Overspend	-3.2%	IT Equipment purchases/leases
4.	TRANSPORT & PLANT	188,257	180,736	7,521	Underspend	712,335	699,835	12,500	Underspend	1.8%	Lower travel costs across service
5.	ADMINISTRATION COSTS	483,199	512,109	(28,910)	Overspend	1,564,495	1,623,495	(59,000)	Overspend	-3.8%	Job Adverts / Professional Fees
6.	PAYMENTS TO OTHER BODIES	77,018	94,394	(17,376)	Overspend	238,882	268,882	(30,000)	Overspend	-12.6%	Medical Fees
7.	OTHER COSTS	2,012	819	1,193	Underspend	(89,589)	(89,589)			-	
8.	APPORTIONED EXPENSES	1,515,411	1,515,411			5,020,603	5,020,603			-	
9.	CAPITAL FINANCING CHARGES	383,218	383,218			1,245,411	1,245,411			-	
10.	C.F.C.R									-	
11	TOTAL EXPENDITURE	10,605,370	10,603,394	1,976	Underspend	39,479,778	39,485,278	(5,500)	Overspend	0.0%	
12	INCOME	2,620,741	2,685,454	64,713	Over-recovery	10,412,853	10,526,853	114,000	Over-recovery	1.1%	HR Recharges & & Licensing Fees
13	NET EXPENDITURE	7,984,629	7,917,940	66,689	Underspend	29,066,925	28,958,425	108,500	Underspend	0.4%	

NORTH LANARKSHIRE COUNCIL

FINANCIAL MONITORING REPORT

1 April 2008 to 18 July 2008

COMMITTEE: CORPORATE SERVICES

SERVICE: CENTRAL SERVICES

LINE NO. (1)	DESCRIPTION (2)	BUDGET TO DATE (3)	ACTUAL TO DATE (4)	YEAR TO DATE VARIANCES (5)	ANNUAL BUDGET (6)	PROJECTED OUTTURN (7)	PROJECTED OUTTURN VARIANCES (8)	% (9)	Analysis (10)
		£	£	£	£	£	£		
1.	EMPLOYEE COSTS	827,883	809,188	18,695 Underspend	2,880,389	2,850,389	30,000 Underspend	1.0%	Vacancy levels
2.	PROPERTY COSTS	2,258	2,117	141 Underspend	42,923	42,923			
3.	SUPPLIES AND SERVICES	53,215	52,110	1,105 Underspend	237,862	237,862			
4.	TRANSPORT & PLANT	29,564	27,691	1,873 Underspend	131,807	131,807			
5.	ADMINISTRATION COSTS	240,095	227,819	12,276 Underspend	805,354	785,354	20,000 Underspend	2.5%	
6.	PAYMENTS TO OTHER BODIES	27,793	27,879	(86) Overspend	98,410	98,410			
7.	OTHER COSTS	1,576	564	1,012 Underspend	10,000	10,000	- -		
8.	APPORTIONED EXPENSES	419,238	419,238		1,362,496	1,362,496	- -		
9.	CAPITAL FINANCING CHARGES	9,590	9,590		31,165	31,165	- -		
10.	C.F.C.R						- -		
11.	TOTAL EXPENDITURE	1,611,212	1,576,196	35,016 Underspend	5,600,406	5,550,406	50,000 Underspend	0.9%	
12.	INCOME	213,993	212,297	(1,696) Under-Recovery	1,047,943	1,039,943	(8,000) Under-Recovery	-0.8%	Registration Fees
13.	NET EXPENDITURE	1,397,219	1,363,899	33,320 Underspend	4,552,463	4,510,463	42,000 Underspend	0.9%	

NORTH LANARKSHIRE COUNCIL

FINANCIAL MONITORING REPORT

1 April 2008 to 18 July 2008

COMMITTEE: CORPORATE SERVICES

SERVICE: DESIGN SERVICES

LINE NO. (1)	DESCRIPTION (2)	BUDGET TO DATE (3)	ACTUAL TO DATE (4)	YEAR TO DATE VARIANCES (5)		ANNUAL BUDGET (6)	PROJECTED OUTTURN (7)	PROJECTED OUTTURN VARIANCES (8)		% (9)	Analysis (10)
		£	£	£		£	£	£			
1.	EMPLOYEE COSTS	1,551,586	1,490,113	61,473	Underspend	5,645,599	5,535,599	110,000	Underspend	1.9%	Vacancy levels
2.	PROPERTY COSTS	1,971,492	1,977,456	(5,964)	Overspend	5,877,051	5,877,051				
3.	SUPPLIES AND SERVICES	25,155	28,345	(3,190)	Overspend	89,865	99,865	(10,000)	Overspend	-11.1%	It & Equip Leases
4.	TRANSPORT & PLANT	107,937	105,387	2,550	Underspend	417,422	407,422	10,000	Underspend	2.4%	Lower travel costs
5.	ADMINISTRATION COSTS	41,755	43,736	(1,981)	Overspend	139,083	146,083	(7,000)	Overspend	-5.0%	
6.	PAYMENTS TO OTHER BODIES	643		643	Underspend	2,820	2,820				
7.	OTHER COSTS	436	255	181	Underspend	1,411	1,411				
8.	APPORTIONED EXPENSES	304,680	304,680	-		1,100,363	1,100,363				
9.	CAPITAL FINANCING CHARGES	27,901	27,901	-		90,670	90,670				
10.	C.F.C.R			-							
11.	TOTAL EXPENDITURE	4,031,585	3,977,873	53,712	Underspend	13,364,284	13,261,284	103,000	Underspend	0.8%	
12.	INCOME	-	-	-	-	180,000	180,000	-	-	-	
13.	NET EXPENDITURE	4,031,585	3,977,873	53,712	Underspend	13,184,284	13,081,284	103,000	Underspend	0.8%	

NORTH LANARKSHIRE COUNCIL

FINANCIAL MONITORING REPORT

1 April 2008 to 18 July 2008

COMMITTEE: CORPORATE SERVICES

SERVICE: HUMAN RESOURCES

LINE NO. (1)	DESCRIPTION (2)	BUDGET TO DATE (3)	ACTUAL TO DATE (4)	YEAR TO DATE VARIANCES (5)	ANNUAL BUDGET (6)	PROJECTED OUTTURN (7)	PROJECTED OUTTURN VARIANCES (8)	% (9)	Analysis (10)
		£	£	£	£	£	£		
1.	EMPLOYEE COSTS	411,710	406,065	5,645 Underspend	1,453,791	1,443,791	10,000 Underspend	0.7%	Vacancy levels Job Advert costs Medical Referral costs
2.	PROPERTY COSTS								
3.	SUPPLIES AND SERVICES	7,689	7,251	438 Underspend	63,978	63,978			
4.	TRANSPORT & PLANT	3,315	1,536	1,779 Underspend	27,013	27,013			
5.	ADMINISTRATION COSTS	82,916	88,999	(6,083) Overspend	288,005	303,005	(15,000) Overspend	-5.2%	
6.	PAYMENTS TO OTHER BODIES	46,892	65,056	(18,164) Overspend	119,900	149,900	(30,000) Overspend	-25.0%	
7.	OTHER COSTS								
8.	APPORTIONED EXPENSES	54,746	54,746		177,917	177,917			
9.	CAPITAL FINANCING CHARGES	33,807	33,807		109,864	109,864			
10.	C.F.C.R								
11.	TOTAL EXPENDITURE	641,075	657,460	(16,385) Overspend	2,240,468	2,275,468	(35,000) Overspend	-1.6%	
12.	INCOME	98,084	120,974	22,890 Over-recovery	315,878	360,878	45,000 Over-recovery	14.2%	Medical Referral and Job Advert.. recharges
13.	NET EXPENDITURE	542,991	536,486	6,505 Underspend	1,924,590	1,914,590	10,000 Underspend	0.5%	

NORTH LANARKSHIRE COUNCIL

FINANCIAL MONITORING REPORT

1 April 2008 to 18 July 2008

COMMITTEE: CORPORATE SERVICES

SERVICE: LEGAL SERVICES

LINE NO. (1)	DESCRIPTION (2)	BUDGET TO DATE (3)	ACTUAL TO DATE (4)	YEAR TO DATE VARIANCES (5)		ANNUAL BUDGET (6)	PROJECTED OUTTURN (7)	PROJECTED OUTTURN VARIANCES (8)		% (9)	Analysis (10)
		£	£	£		£	£	£			
1.	EMPLOYEE COSTS	749,228	750,975	(1,747)	Overspend	2,476,564	2,481,564	(5,000)	Overspend	-0.2%	
2.	PROPERTY COSTS			-	-	10,121	10,121	-	-		
3.	SUPPLIES AND SERVICES	5,690	5,107	583	Underspend	28,238	28,238	-	-	-	
4.	TRANSPORT & PLANT	17,859	16,530	1,329	Underspend	35,074	32,574	2,500	Underspend	7.1%	Lower travel costs
5.	ADMINISTRATION COSTS	57,854	76,035	(18,181)	Overspend	139,279	176,279	(37,000)	Overspend	-26.6%	District Court Income System software & licence costs
6.	PAYMENTS TO OTHER BODIES	1,578	1,459	119	Underspend	17,383	17,383				
7.	OTHER COSTS			-	-			-	-		
8.	APPORTIONED EXPENSES	173,868	173,868	-	-	550,526	550,526	-	-		
9.	CAPITAL FINANCING CHARGES	6,738	6,738	-	-	21,898	21,898	-	-		
10.	C.F.C.R			-	-			-	-		
11.	TOTAL EXPENDITURE	1,012,815	1,030,712	(17,897)	Overspend	3,279,083	3,318,583	(39,500)	Overspend	-1.2%	
12.	INCOME	441,194	460,372	19,178	Over-recovery	1,163,200	1,205,200	42,000	Over-recovery	3.6%	Licensing fees
13.	NET EXPENDITURE	571,621	570,340	1,281	Underspend	2,115,883	2,113,383	2,500	Underspend	0.1%	

NORTH LANARKSHIRE COUNCIL

FINANCIAL MONITORING REPORT

1 April 2008 to 18 July 2008

COMMITTEE: CORPORATE SERVICES

SERVICE: PROPERTY SERVICES

LINE NO. (1)	DESCRIPTION (2)	BUDGET TO DATE (3)	ACTUAL TO DATE (4)	YEAR TO DATE VARIANCES (5)		ANNUAL BUDGET (6)	PROJECTED OUTTURN (7)	PROJECTED OUTTURN VARIANCES (8)		% (9)	Analysis (10)
		£	£	£		£	£	£			
1.	EMPLOYEE COSTS	772,766	748,001	24,765	Underspend	2,638,489	2,591,489	47,000	Underspend	1.8%	Vacancy levels
2.	PROPERTY COSTS	1,558,825	1,620,371	(61,546)	Overspend	9,291,568	9,397,568	(106,000)	Overspend	-1.1%	Property rents and service chrgs
3.	SUPPLIES AND SERVICES	18,758	19,608	(850)	Overspend	51,203	56,203	(5,000)	Overspend	-9.8%	IT Equipment purchases
4.	TRANSPORT & PLANT	29,582	29,592	(10)	Overspend	101,019	101,019				Lower travel costs
5.	ADMINISTRATION COSTS	60,579	75,520	(14,941)	Overspend	192,774	212,774	(20,000)	Overspend	-10.4%	Training / Job Advert costs
6.	PAYMENTS TO OTHER BODIES	112		112	Underspend	369	369				
7.	OTHER COSTS					(101,000)	(101,000)				
8.	APPORTIONED EXPENSES	562,879	562,879			1,829,301	1,829,301				
9.	CAPITAL FINANCING CHARGES	305,182	305,182			991,814	991,814				
10.	C.F.C.R										
11.	TOTAL EXPENDITURE	3,308,683	3,361,153	(52,470)	Overspend	14,995,537	15,079,537	(84,000)	Overspend	-0.6%	
12.	INCOME	1,867,470	1,891,811	24,341	Over-recovery	7,705,832	7,740,832	35,000	Over-recovery	0.5%	Management Fees
13.	NET EXPENDITURE	1,441,213	1,469,342	(28,129)	Overspend	7,289,705	7,338,705	(49,000)	Overspend	-0.7%	