

To: CORPORATE SERVICES COMMITTEE		Subject: REVENUE MONITORING REPORT CORPORATE SERVICES 1 APRIL 2012 – 20 JULY 2012 (PERIOD 4)
FROM: EXECUTIVE DIRECTOR OF CORPORATE SERVICES		
DATE: 2 August 2012	Ref: PD/JMcE	

### 1. Purpose of Report

- 1.1 This report advises Committee on the overall financial position of Corporate Services for the period 1 April 2012 to 20 July 2012. Variances are reported for both year-to-date and projected outturn, with major outturn variances being highlighted and explained.

### 2. Approved Revenue Budget 2011-2012

- 2.1. The Council approved an overall Base Revenue Budget of £780.5 million on 9 February 2012, £29.2m (3.7%) of which was the approved Gross Revenue Budget for Corporate Services. Whilst the 2012-2013 budget process recognised various budget pressures facing Corporate Services', it also resulted in the Service contributing around £1.3m towards the Council's approved 2012-2013 efficiency savings. Further details regarding this year's budget are available within the general revenue monitoring appendices 1 and 2.

### 3. Summary of Financial Position

- 3.1. The Service is currently projecting a year-end surplus of £435,000. This is attributable to turnover savings across all divisions in Corporate Services, but primarily within the Design and Property Services division. Additional details regarding budget variations are outlined in paragraph four below, and the appendices to this report.

### 4. Risks and Uncertainty

- 4.1. Although risks are inherent in any financial planning and monitoring process, the continuing economic climate has the potential to impact upon the Council's ability to provide services within its existing budgetary provision.
- 4.2 At this point in time there are no significant risks likely to have a significant impact on the final outturn position of Corporate Services.

### 5. Major Variations

- 5.1. Appendices 1 and 2 outline the Services' performance against budget, with a summary of the major variances within each division outlined within the table below. Appendix 3 provides some additional information on expenditure items contained within the "Payments to Other Bodies" category.
- 5.2. Included within the overall outturn position for Corporate Services is a projected underspend on employee costs of £447,000. The Service currently has 330 FTEs, and a budgeted turnover of £371,000 (11.0 FTEs). At period 4 there were 26.5 vacant posts within the Service, contributing to meet this turnover requirement and generating the further savings, mentioned above, as well.

5.3. Service Overview:

<b>Corporate Services</b>	<b>Budget to date (£)</b>	<b>Actual to date (£)</b>	<b>Variance to date (£)</b>	<b>Projected Outturn Variance (£)</b>
Central Services	1,191,836	1,182,296	9,540	<b>30,000 Underspend</b>
Design & Property Services	6,017,132	5,893,290	123,842	<b>385,000 Underspend</b>
Human Resources	673,350	665,806	7,544	<b>15,000 Underspend</b>
Legal Services	605,793	604,204	1,589	<b>5,000 Underspend</b>
<b>Total</b>	<b>8,488,111</b>	<b>8,345,596</b>	<b>142,515</b>	<b>435,000 Underspend</b>

5.4 **Central Services (including Registration)** £ 30,000 Underspend

Central Services and Registration are projected to have an underspend of £30,000 against budget for the year at this early stage. It is anticipated that this will be achieved mainly from an underspend in Employee Costs coupled with an over recovery in Registration income.

5.5 **Design & Property Services** 385,000 Underspend

The Design & Property Services division is projecting expenditure to be £385,000 less than budget at the year end. The main reason for this is the number of vacant posts within the Design Unit.

The number of vacancies within Design stands at 19.5 posts with the majority of these vacant posts being on hold, at the moment. This is the primary factor in the already large underspend being projected for this division.

Within the Property side of the division there are a further 2 posts vacant.

The anticipated year end saving for Design and Property Services in employee costs at this point of the year is £400,000.

5.6 **Human Resources** 15,000 Underspend

At the moment the outturn for the Human Resources division is an underspend of £15,000 at the year end. Within this there are a couple of variances which are offsetting one another in respect of Medical Referral expenses which are being projected to be in excess of budget by £78,000 come the year end. This will be fully offset though by a corresponding over-recovery in income, with all costs being fully recharged on to the appropriate Service. This area is purely demand led with all costs only being incurred following order requests and referrals from the other Services of the Council.

5.7 **Legal Services** 5,000 Underspend

This small favourable projected outturn position at this early juncture is mainly down to anticipated savings against Employee costs.

For the period covered by this report there was 1 vacancy within Legal Services contributing to his position.

**6. Management Action**

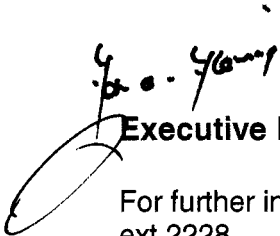
6.1 The year end variance for Corporate Services projected forward from this Period 4 report, is an anticipated underspend of £435,000. This is being achieved mainly through the management of vacancy levels across all Divisions of the Service while minimising the impact on service delivery.

**7. Financial Concurrence**

7.1. The Head of Financial Services has confirmed that the information detailed within this report reflects the anticipated financial position of the Service.

**8. Recommendations**

8.1. Members are asked to note the Services approved 2012-13 budget and projected performance against this.

*John Fleming*  


**Executive Director of Corporate Services**

For further information on this report please contact John Fleming, Corporate Services on ext 2228.

**NORTH LANARKSHIRE COUNCIL****FINANCIAL MONITORING REPORT - Divisional Analysis****1 April 2012 to 20 July 2012****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	1,191,836	1,182,296	9,540 Underspend	4,173,475	4,143,475	30,000 Underspend	0.7%	Printing / Stationery
2.	DESIGN & PROPERTY SERVICES	6,017,132	5,893,290	123,842 Underspend	21,423,526	21,038,526	385,000 Underspend	1.8%	Vacancy levels
3	HUMAN RESOURCES	673,350	665,806	7,544 Underspend	1,797,521	1,782,521	15,000 Underspend	0.8%	Vacancy levels
4	LEGAL SERVICES	605,793	604,204	1,589 Underspend	1,789,689	1,784,689	5,000 Underspend	0.3%	Vacancy levels
<b>6</b>	<b>NET EXPENDITURE</b>	<b>8,488,111</b>	<b>8,345,596</b>	<b>142,515 Underspend</b>	<b>29,184,211</b>	<b>28,749,211</b>	<b>435,000 Underspend</b>	<b>1.5%</b>	

## NORTH LANARKSHIRE COUNCIL

## FINANCIAL MONITORING REPORT - Subjective Analysis

1 April 2012 to 20 July 2012

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	3,718,664	3,577,710	140,954 Underspend	13,020,202	12,573,202	447,000 Underspend	3.4%	Vacancy levels
2.	PROPERTY COSTS	3,537,478	3,554,831	(17,353) Overspend	11,828,043	11,873,043	(45,000) Overspend	-0.4%	Rental Increases
3.	SUPPLIES AND SERVICES	66,538	63,131	3,407 Underspend	426,215	421,215	5,000 Underspend	1.2%	IT Equipment Maintenance
4.	TRANSPORT & PLANT	95,891	81,263	14,628 Underspend	407,046	379,046	28,000 Underspend	6.9%	Delivery / Travel Exp's /Allowances
5.	ADMINISTRATION COSTS	234,026	237,485	(3,459) Overspend	1,056,752	1,069,752	(13,000) Overspend	-1.2%	Myjob Website Contribution
6.	PAYMENTS TO OTHER BODIES	48,327	72,083	(23,756) Overspend	173,900	251,900	(78,000) Overspend	-44.9%	Medical Referral Fees
7.	OTHER COSTS	-	-	- -	910,000	910,000	- -	-	
8.	APPORTIONED EXPENSES	1,259,887	1,259,887	- -	4,094,492	4,094,492	- -	-	
9.	CAPITAL FINANCING CHARGES	210,144	210,144	- -	673,651	673,651	- -	-	
10.	C.F.C.R	-	-	- -	-	-	- -	-	
11.	TOTAL EXPENDITURE	9,170,955	9,056,534	114,421 Underspend	32,590,301	32,246,301	344,000 Underspend	1.1%	
12.	INCOME	682,844	710,938	28,094 Over-recovery	3,406,090	3,497,090	91,000 Over-recovery	2.7%	Medical Referral recharges..
13.	NET EXPENDITURE	8,488,111	8,345,596	142,515 Underspend	29,184,211	28,749,211	435,000 Underspend	1.5%	

**NORTH LANARKSHIRE COUNCIL**

**FINANCIAL MONITORING REPORT**

**1 April 2012 to 20 July 2012**

**COMMITTEE: CORPORATE SERVICES**

**SERVICE: CENTRAL SERVICES (including Registration)**

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	778,895	775,989	2,906 Underspend	2,630,333	2,623,333	7,000 Underspend	0.3%	Full Estab in Registrars
2.	PROPERTY COSTS	6,019	5,706	313 Underspend	35,804	35,804	- -	-	
3.	SUPPLIES AND SERVICES	34,312	32,544	1,768 Underspend	194,274	189,274	5,000 Underspend	2.6%	Equipment maintenance
4.	TRANSPORT & PLANT	18,116	15,032	3,084 Underspend	99,462	91,462	8,000 Underspend	8.0%	Delivery / Travel Exp's /Allowances
5.	ADMINISTRATION COSTS	121,510	122,714	(1,204) Overspend	473,084	473,084	- -	-	
6.	PAYMENTS TO OTHER BODIES	20,554	20,355	199 Underspend	84,000	84,000	- -	-	
7.	OTHER COSTS	-	-	- -	10,000	10,000	- -	-	
8.	APPORTIONED EXPENSES	466,847	466,847	- -	1,517,212	1,517,212	- -	-	
9.	CAPITAL FINANCING CHARGES	2,553	2,553	- -	8,301	8,301	- -	-	
10.	C.F.C.R	-	-	- -	-	-	- -	-	
11.	TOTAL EXPENDITURE	1,448,806	1,441,740	7,066 Underspend	5,052,470	5,032,470	20,000 Underspend	0.4%	
12.	INCOME	256,970	259,444	2,474 Over-recovery	878,995	888,995	10,000 Over-recovery	1.1%	Printing / Stat / Postage rechgs
13.	NET EXPENDITURE	1,191,836	1,182,296	9,540 Underspend	4,173,475	4,143,475	30,000 Underspend	0.7%	

**NORTH LANARKSHIRE COUNCIL**

**FINANCIAL MONITORING REPORT**

**1 April 2012 to 20 July 2012**

**COMMITTEE: CORPORATE SERVICES**

**SERVICE: DESIGN & 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	1,688,264	1,561,555	126,709	Underspend	5,913,362	5,513,362	400,000	Underspend	6.8%	Vacancy Levels
2.	PROPERTY COSTS	3,531,459	3,549,125	(17,666)	Overspend	11,792,239	11,837,239	(45,000)	Overspend	-0.4%	Long term leases / Rents
3.	SUPPLIES AND SERVICES	15,457	14,602	855	Underspend	135,219	135,219	-	-	-	
4.	TRANSPORT & PLANT	61,789	51,609	10,180	Underspend	233,297	213,297	20,000	Underspend	8.6%	Travel Expenses/Allowances
5.	ADMINISTRATION COSTS	24,311	23,252	1,059	Underspend	129,370	129,370	-	-	-	
6.	PAYMENTS TO OTHER BODIES	112	-	112	Underspend	-	-	-	-	-	
7.	OTHER COSTS	-	-	-	-	900,000	900,000	-	-	-	
8.	APPORTIONED EXPENSES	640,387	640,387	-	-	2,081,198	2,081,198	-	-	-	
9.	CAPITAL FINANCING CHARGES	202,818	202,818	-	-	649,841	649,841	-	-	-	
10.	C.F.C.R	-	-	-	-	-	-	-	-	-	
11.	TOTAL EXPENDITURE	6,164,597	6,043,348	121,249	Underspend	21,834,526	21,459,526	375,000	Underspend	1.7%	
12.	INCOME	147,465	150,058	2,593	Over-recovery	411,000	421,000	10,000	Over-recovery	2.4%	Misc Property Fees
13.	NET EXPENDITURE	6,017,132	5,893,290	123,842	Underspend	21,423,526	21,038,526	385,000	Underspend	1.8%	

**NORTH LANARKSHIRE COUNCIL**

**FINANCIAL MONITORING REPORT**

**1 April 2012 to 20 July 2012**

**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	586,862	582,281	4,581	Underspend	2,168,982	2,153,982	15,000	Underspend	0.7%	Vacancy
2.	PROPERTY COSTS	-	-	-	-	-	-	-	-	-	
3.	SUPPLIES AND SERVICES	7,002	6,350	652	Underspend	61,746	61,746	-	-	-	
4.	TRANSPORT & PLANT	1,726	1,411	315	Underspend	11,713	11,713	-	-	-	
5.	ADMINISTRATION COSTS	56,286	58,564	(2,278)	Overspend	339,087	352,087	(13,000)	Overspend	-3.8%	
6.	PAYMENTS TO OTHER BODIES	27,661	51,728	(24,067)	Overspend	89,900	167,900	(78,000)	Overspend	-86.8%	
7.	OTHER COSTS	-	-	-	-	-	-	-	-	-	
8.	APPORTIONED EXPENSES	68,758	68,758	-	-	223,465	223,465	-	-	-	
9.	CAPITAL FINANCING CHARGES	4,773	4,773	-	-	15,509	15,509	-	-	-	
10.	C.F.C.R	-	-	-	-	-	-	-	-	-	
11.	TOTAL EXPENDITURE	753,068	773,865	(20,797)	Overspend	2,910,402	2,986,402	(76,000)	Overspend	-2.6%	
12.	INCOME	79,718	108,059	28,341	Over-recovery	1,112,881	1,203,881	91,000	Over-recovery	8.2%	Medical Referral recharges..
13	NET EXPENDITURE	673,350	665,806	7,544	Underspend	1,797,521	1,782,521	15,000	Underspend	0.8%	

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**NORTH LANARKSHIRE COUNCIL**

**FINANCIAL MONITORING REPORT**

**1 April 2012 to 20 July 2012**

**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	664,643	657,885	6,758	Underspend	2,307,525	2,282,525	25,000	Underspend	1.1%	Vacancy levels
2.	PROPERTY COSTS	-	-	-	-	-	-	-	-	-	
3.	SUPPLIES AND SERVICES	9,767	9,635	132	Underspend	34,976	34,976	-	-	-	
4.	TRANSPORT & PLANT	14,260	13,211	1,049	Underspend	62,574	62,574	-	-	-	
5.	ADMINISTRATION COSTS	31,919	32,955	(1,036)	Overspend	115,211	115,211	-	-	-	
6.	PAYMENTS TO OTHER BODIES	-	-	-	-	-	-	-	-	-	
7.	OTHER COSTS	-	-	-	-	-	-	-	-	-	
8.	APPORTIONED EXPENSES	83,895	83,895	-	-	272,617	272,617	-	-	-	
9.	CAPITAL FINANCING CHARGES	-	-	-	-	-	-	-	-	-	
10.	C.F.C.R	-	-	-	-	-	-	-	-	-	
11.	TOTAL EXPENDITURE	804,484	797,581	6,903	Underspend	2,792,903	2,767,903	25,000	Underspend	0.9%	
12.	INCOME	198,691	193,377	(5,314)	Under-Recovery	1,003,214	983,214	(20,000)	Under-Recovery	-2.0%	Legal Fees
13.	NET EXPENDITURE	605,793	604,204	1,589	Underspend	1,789,689	1,784,689	5,000	Underspend	0.3%	

**NORTH LANARKSHIRE COUNCIL****FINANCIAL MONITORING REPORT****1 April 2012 to 20 July 2012****COMMITTEE: CORPORATE SERVICES****PAYMENT TO OTHER BODIES**

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.	<b>Central Services</b>	<b>20,554</b>	<b>20,355</b>	<b>199</b>	Underspend	<b>84,000</b>	<b>84,000</b>	-	-	-	
2.	TOWN TWINNING	8,752	8,702	50	Underspend	19,000	19,000	-	-	-	
3.	CHILDREN'S PANEL	11,802	11,653	149	Underspend	65,000	65,000	-	-	-	
4.	<b>Human Resources</b>	<b>27,661</b>	<b>51,728</b>	<b>(24,067)</b>	Overspend	<b>89,900</b>	<b>167,900</b>	<b>(78,000)</b>	Overspend	-86.8%	Offset by Income
5.	MEDICAL REFERRALS	27,661	51,728	(24,067)	Overspend	89,900	167,900	(78,000)	Overspend	-86.8%	
8.	TOTAL EXPENDITURE	48,215	72,083	(23,868)	Overspend	173,900	251,900	(78,000)	Overspend	-44.9%	