

To: CORPORATE SERVICES COMMITTEE		Subject: REVENUE MONITORING REPORT CORPORATE SERVICES 1 APRIL 2012 – 4 JAN 2013 (PERIOD 10)
FROM: EXECUTIVE DIRECTOR OF CORPORATE SERVICES		
DATE: 17 Jan 2013	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 4 January 2013. 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 £755,822. This is a favourable movement of around £121,000 from the position previously reported for P9. This movement is primarily attributable to water charge rebates received over the past few periods (£125k in total) as well as additional savings anticipated from vacancies. 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 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 £523,686. The Service currently has 330 FTEs, and a budgeted turnover of £367,000 (10.5 FTEs). At period 10 there were 32.4 vacant posts within the Service, contributing to meet this turnover requirement and generating the further savings, mentioned above, as well.

5.3. Service Overview:

Corporate Services	Budget to date (£)	Actual to date (£)	Variance to date (£)	Projected Outturn Variance (£)
Central Services	3,078,967	3,059,733	19,234	22,000 Underspend
Design & Property Services	16,837,614	16,294,148	543,466	696,135 Underspend
Human Resources	1,725,397	1,705,873	19,524	26,686 Underspend
Legal Services	1,294,054	1,266,772	7,282	11,000 Underspend
Total	22,936,032	22,346,526	589,506	755,822 Underspend

5.4 Central Services (including Registration) £22,000 Underspend

Central Services and Registration are projected to have an underspend of £22,000 against budget for the year. This is primarily due to;

Central Services section £37,000 under - savings in employee costs of £25,000 due to vacancies, and savings in printing, stationery and hospitality and other costs of £37,000, due to general expenditure controls. These savings are partially offset by an under recovery in printing recharges income of £25,000 as a result of the reduced expenditure in this area. In addition, set against this, is the fact that the budgetary sum for Council by-elections remains unchanged from the time that there were single member wards and will be insufficient to fund the forthcoming by-election in Ward 9 – Coatbridge West.

Registrars section £15,000 over - there is an over-recovery in Registration income of £15,000 expected, which will contribute to the overall favourable position. However, this is being offset by an overspend in employee costs of £30,000 as a result of the section running at full establishment numbers for the year and thus not meeting the inherent budgeted turnover provision.

5.5 Design & Property Services 696,136 Underspend

The Design & Property Services division is projecting expenditure to be £696,136 less than budget at the year end. This is primarily due to the number of vacant posts within the Design Unit. The number of vacancies within Design and Property Services stands at 25.5 posts with the majority of these vacant posts being on hold. This is the primary factor in the large underspend being projected for this division with the anticipated year end saving for Design and Property Services in employee costs at this point of the year being £485,000. The vacancies also contribute directly to an expected underspend against travel allowances of £47,000. In addition, as part of the energies and utilities saving and monitoring initiatives, the staff of Design and Property Services are undertaking in depth research into water usage and expenditure. This has already identified instances in which, through measures such as repairing faulty meters, water leaks etc, the Council has received one-off water bill refunds totalling £550,000. Design and Property Services has, also, an underspend of £27,000 in other supplies and services.

5.6 Human Resources

26,686 Underspend

At the moment the outturn for the Human Resources division is an underspend of £26,686 at the year end. This is due to a combination of underspends against Employee costs, Travel Allowance costs and the Development Initiative Training budget. There are also variances which are offsetting one another in respect of Medical Referral expenses which are being projected to be in excess of budget by £170,000 come the year end. This will be fully offset 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

11,000 Underspend

This small favourable projected outturn position is mainly due to anticipated savings against Employee and Travel Allowances costs of £32,000 and other minor savings of £7,000. For the period covered by this report there were 2.5 vacancies within Legal Services. These anticipated savings are almost fully offset by an expected £28,000 under-recovery in Legal Fees as a result of a fall in demand for miscellaneous fees for legal record searches and also insurance reparation recoveries.

6. Management Action

6.1 The year end variance for Corporate Services projected forward from this Period 10 report, is an anticipated underspend of £755,822. 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.


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 4 January 2013****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	3,078,967	3,059,733	19,234 Underspend	4,173,257	4,151,257	22,000 Underspend	0.5%	Printing/Stationery/Registrars Income
2.	DESIGN & PROPERTY SERVICES	16,837,614	16,294,148	543,466 Underspend	21,423,526	20,727,390	696,136 Underspend	3.2%	Vacancy levels
3	HUMAN RESOURCES	1,725,397	1,705,873	19,524 Underspend	1,797,521	1,770,835	26,686 Underspend	1.5%	Vacancy levels
4	LEGAL SERVICES	1,294,054	1,286,772	7,282 Underspend	1,789,689	1,778,689	11,000 Underspend	0.6%	Vacancy levels
6	NET EXPENDITURE	22,936,032	22,346,526	589,506 Underspend	29,183,993	28,428,171	755,822 Underspend	2.6%	

NORTH LANARKSHIRE COUNCIL**FINANCIAL MONITORING REPORT - Subjective Analysis****1 April 2012 to 4 January 2013****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	9,770,267	9,367,497	402,770 Underspend	13,020,202	12,496,516	523,686 Underspend	4.0%	Vacancy levels
2.	PROPERTY COSTS	9,498,814	9,404,537	94,277 Underspend	11,828,043	11,701,043	127,000 Underspend	1.1%	Long term leases / Rents
3.	SUPPLIES AND SERVICES	183,767	173,123	10,644 Underspend	427,215	420,215	7,000 Underspend	1.6%	Publications & General consumables
4.	TRANSPORT & PLANT	267,633	216,374	51,259 Underspend	415,878	350,378	65,500 Underspend	15.7%	Delivery / Travel Exp's /Allowances
5.	ADMINISTRATION COSTS	608,435	581,359	27,076 Underspend	1,055,752	1,022,752	33,000 Underspend	3.1%	Printing/Stationery
6.	PAYMENTS TO OTHER BODIES	113,995	241,676	(127,681) Overspend	173,900	343,900	(170,000) Overspend	-97.8%	Medical Referral Fees
7.	OTHER COSTS	875,000	848,364	26,636 Underspend	910,000	883,364	26,636 Underspend	2.9%	Carbon Reduction Commitment
8.	APPORTIONED EXPENSES	3,144,078	3,144,078	- -	4,085,442	4,085,442	- -	-	
9.	CAPITAL FINANCING CHARGES	525,394	525,394	- -	673,651	673,651	- -	-	
10.	C.F.C.R	-	-	- -	-	-	- -	-	
11.	TOTAL EXPENDITURE	24,987,383	24,502,402	484,981 Underspend	32,590,083	31,977,261	612,822 Underspend	1.9%	
12.	INCOME	2,051,351	2,155,876	104,525 Over-recovery	3,406,090	3,549,090	143,000 Over-recovery	4.2%	Medical Referral recharges..
13.	NET EXPENDITURE	22,936,032	22,346,526	589,506 Underspend	29,183,993	28,428,171	755,822 Underspend	2.6%	

NORTH LANARKSHIRE COUNCIL

FINANCIAL MONITORING REPORT

1 April 2012 to 4 January 2013

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	2,003,257	2,007,269	(4,012) Overspend	2,630,333	2,635,333	(5,000) Overspend	-0.2%	Registrars at full establishment
2.	PROPERTY COSTS	21,549	15,962	5,587 Underspend	35,804	28,804	7,000 Underspend	19.6%	Ground Maintenance
3.	SUPPLIES AND SERVICES	102,317	102,237	80 Underspend	195,274	195,274	- -	-	
4.	TRANSPORT & PLANT	58,612	53,408	5,204 Underspend	99,244	92,244	7,000 Underspend	7.1%	Delivery / Travel Exp's /Allowances
5.	ADMINISTRATION COSTS	326,038	305,207	20,831 Underspend	472,084	449,084	23,000 Underspend	4.9%	Printing / Stationery
6.	PAYMENTS TO OTHER BODIES	44,838	44,804	34 Underspend	84,000	84,000	- -	-	
7.	OTHER COSTS	-	-	- -	10,000	10,000	- -	-	
8.	APPORTIONED EXPENSES	1,167,193	1,167,193	- -	1,517,212	1,517,212	- -	-	
9.	CAPITAL FINANCING CHARGES	6,383	6,383	- -	8,301	8,301	- -	-	
10.	C.F.C.R	-	-	- -	-	-	- -	-	
11.	TOTAL EXPENDITURE	3,730,187	3,702,463	27,724 Underspend	5,052,252	5,020,252	32,000 Underspend	0.6%	
12.	INCOME	651,220	642,730	(8,490) Under-Recovery	878,995	868,995	(10,000) Under-Recovery	-1.1%	Printing / Stationery Recharges
13.	NET EXPENDITURE	3,078,967	3,059,733	19,234 Underspend	4,173,257	4,151,257	22,000 Underspend	0.5%	

NORTH LANARKSHIRE COUNCIL

FINANCIAL MONITORING REPORT

1 April 2012 to 4 January 2013

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	4,405,391	4,030,211	375,180	Underspend	5,913,362	5,428,362	485,000	Underspend	8.2%	Vacancy Levels
2.	PROPERTY COSTS	9,477,265	9,388,575	88,690	Underspend	11,792,239	11,672,239	120,000	Underspend	1.0%	Long term leases / Rents
3.	SUPPLIES AND SERVICES	44,023	41,227	2,796	Underspend	135,219	135,219	-	-	-	
4.	TRANSPORT & PLANT	172,382	136,544	35,838	Underspend	242,347	194,847	47,500	Underspend	19.6%	Travel Expenses/Allowances
5.	ADMINISTRATION COSTS	67,408	61,838	5,570	Underspend	129,370	122,370	7,000	Underspend	5.4%	
6.	PAYMENTS TO OTHER BODIES	-	-	-	-	-	-	-	-	-	
7.	OTHER COSTS	875,000	848,364	26,636	Underspend	900,000	873,364	26,636	Underspend	3.0%	Carbon Reduction Commitment
8.	APPORTIONED EXPENSES	1,595,230	1,595,230	-	-	2,072,148	2,072,148	-	-	-	
9.	CAPITAL FINANCING CHARGES	507,078	507,078	-	-	649,841	649,841	-	-	-	
10.	C.F.C.R	-	-	-	-	-	-	-	-	-	
11.	TOTAL EXPENDITURE	17,143,777	16,609,067	534,710	Underspend	21,834,526	21,148,390	686,136	Underspend	3.1%	
12.	INCOME	306,163	314,919	8,756	Over-recovery	411,000	421,000	10,000	Over-recovery	2.4%	Misc Property Fees
13.	NET EXPENDITURE	16,837,614	16,294,148	543,466	Underspend	21,423,526	20,727,390	696,136	Underspend	3.2%	

NORTH LANARKSHIRE COUNCIL

FINANCIAL MONITORING REPORT

1 April 2012 to 4 January 2013

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	1,615,735	1,603,190	12,545	Underspend	2,168,982	2,150,296	18,686	Underspend	0.9%	Vacancy Travel Expenses/Allowances Myjob Website Contribution Medical Referral Fees
2.	PROPERTY COSTS	-	-	-	-	-	-	-	-	-	
3.	SUPPLIES AND SERVICES	10,508	8,808	1,700	Underspend	61,746	61,746	-	-	-	
4.	TRANSPORT & PLANT	5,985	1,445	4,540	Underspend	11,713	7,713	4,000	Underspend	34.2%	
5.	ADMINISTRATION COSTS	133,364	132,607	757	Underspend	339,087	336,087	3,000	Underspend	0.9%	
6.	PAYMENTS TO OTHER BODIES	69,157	196,872	(127,715)	Overspend	89,900	259,900	(170,000)	Overspend	-189.1%	
7.	OTHER COSTS	-	-	-	-	-	-	-	-	-	
8.	APPORTIONED EXPENSES	171,906	171,906	-	-	223,465	223,465	-	-	-	
9.	CAPITAL FINANCING CHARGES	11,933	11,933	-	-	15,509	15,509	-	-	-	
10.	C.F.C.R	-	-	-	-	-	-	-	-	-	
11.	TOTAL EXPENDITURE	2,018,588	2,126,761	(108,173)	Overspend	2,910,402	3,054,716	(144,314)	Overspend	-5.0%	
12.	INCOME	293,191	420,888	127,697	Over-recovery	1,112,881	1,283,881	171,000	Over-recovery	15.4%	Medical Referral recharges..
13.	NET EXPENDITURE	1,725,397	1,705,873	19,524	Underspend	1,797,521	1,770,835	26,686	Underspend	1.5%	

NORTH LANARKSHIRE COUNCIL

FINANCIAL MONITORING REPORT

1 April 2012 to 4 January 2013

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	1,745,884	1,726,827	19,057	Underspend	2,307,525	2,282,525	25,000	Underspend	1.1%	Vacancy levels Publications & General consumables Travel allowances
2.	PROPERTY COSTS	-	-	-	-	-	-	-	-	-	
3.	SUPPLIES AND SERVICES	26,919	20,851	6,068	Underspend	34,976	27,976	7,000	Underspend	20.0%	
4.	TRANSPORT & PLANT	30,654	24,977	5,677	Underspend	62,574	55,574	7,000	Underspend	11.2%	
5.	ADMINISTRATION COSTS	81,625	81,707	(82)	Overspend	115,211	115,211	-	-	-	
6.	PAYMENTS TO OTHER BODIES	-	-	-	-	-	-	-	-	-	
7.	OTHER COSTS	-	-	-	-	-	-	-	-	-	
8.	APPORTIONED EXPENSES	209,749	209,749	-	-	272,617	272,617	-	-	-	
9.	CAPITAL FINANCING CHARGES	-	-	-	-	-	-	-	-	-	
10.	C.F.C.R	-	-	-	-	-	-	-	-	-	
11.	TOTAL EXPENDITURE	2,094,831	2,064,111	30,720	Underspend	2,792,903	2,753,903	39,000	Underspend	1.4%	
12.	INCOME	800,777	777,339	(23,438)	Under-Recovery	1,003,214	975,214	(28,000)	Under-Recovery	-2.8%	Legal Fee recovery
13.	NET EXPENDITURE	1,294,054	1,286,772	7,282	Underspend	1,789,689	1,778,689	11,000	Underspend	0.6%	

NORTH LANARKSHIRE COUNCILFINANCIAL MONITORING REPORT1 April 2012 to 4 January 2013**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.	Central Services	£ 44,838	£ 44,804	£ 34 Underspend	£ 84,000	£ 84,000	£ - -	-	
2.	TOWN TWINNING	17,830	17,837	(7) Overspend	19,000	19,000	- -	-	
3.	CHILDREN'S PANEL	27,008	26,967	41 Underspend	65,000	65,000	- -	-	
4.	Human Resources	69,157	196,872	(127,715) Overspend	89,900	259,900	(170,000) Overspend	-189.1%	
5.	MEDICAL REFERRALS	69,157	196,872	(127,715) Overspend	89,900	259,900	(170,000) Overspend	-189.1%	Offset by Income
8.	TOTAL EXPENDITURE	113,995	241,676	(127,681) Overspend	173,900	343,900	(170,000) Overspend	-97.8%	