

FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 4 (25 JULY 2010)



Quality | Equality | Access | Partnership



Efficiency Theme	Description
MUA	Maximising the utilisation of assets
KSO	Focusing resources on activities which deliver key service objectives
CND	Adjusting service levels to reflect current need and/or demand
BRS	Business Review of specific services to achieve reduced costs which do not impact on service levels or council policies
AMW	Obtaining maximum efficiency through alternative methods of working
ITS	Deployment of Information Technology solutions releasing cash efficiencies
BWP	Benefits achieved through effective workforce planning
CPF	Core payments reduced reflecting the overall reduction in Scottish Government grant funding
RSP	Efficiencies to be achieved through a review of service provision
CFS	Review of policies and procedures for charging for services

EAST AYRSHIRE COUNCIL

CABINET – 1 SEPTEMBER 2010

FINANCE AND SERVICE STRATEGY REPORT

Report by Executive Director of Finance and Corporate Support

1 PURPOSE OF REPORT

- 1.1 To advise Members of the projected financial position for the year based on expenditure to 25 July 2010 (Period 4) and information provided by Executive Directors.

2 GENERAL SERVICES

- 2.1 The overall projected outturn for the year to 31 March 2011 is an uncommitted surplus of £1.131m. Details are included in the attached report.
- 2.2 It is anticipated that the department of Educational and Social Services will outturn £0.883m over budget at 31 March 2011. The projection includes additional expenditure anticipated for Outwith Placements of £0.839m and £0.105m additional staff costs due to the Gargieston decant.
- 2.3 The Executive Director of Neighbourhood Services anticipates a favourable variance of £0.633m mainly due to savings in employee costs and landfill partially offset by additional transport costs and reduced Planning and Building Standards income principally due to external economic factors.

- 2.4 The Executive Director of Finance and Corporate Support anticipates a favourable variance of £0.339m at March 2011 predominantly arising from employee cost savings and additional income from the Department of Work and Pensions. This is partially offset by severance costs within the I.T. and Asset Management Service.

- 2.5 There is a favourable variance in respect of Housing and Council Tax Benefit income of £0.186m due to the effective overpayment recovery process. This is partially offset by an adverse variance of £0.033m on Non Domestic Rates income due to increased discretionary reliefs.

- 2.6 The number of staff on the Redeployment Register fluctuates as individuals are added and redeployment opportunities identified. There are six staff on the Register as at 31 July and the cost of maintaining them is £0.027m.

- 2.7 The Efficiency Strategy approved by Cabinet on 19 May 2010 required an examination of individual budget lines on a service by service basis to establish the nature, purpose and relevance of expenditure. A detailed examination of Supplies and Services, Third Party Payments and Transfer Payments was undertaken by each Executive Director and Head of Service in consultation with the Chief Executive and Executive Director of Finance and Corporate Support. The work so far has resulted in in-year savings of £0.891m which would be transferred to the General Fund uncommitted balance as shown in the following table.

	Projected Variance at Period 4 £m	SRRB2 – Line by Line savings proposed for transfer £m	Remaining Departmental Balance to be carried forward to 2011/12
Educational & Social Services	0.778	0.055	0.833
Neighbourhood Services	(0.633)	0.744	0.111
Finance & Corporate Support	(0.339)	0.092	(0.247)
	(0.194)	0.891	0.697

2.8 Pupils at Gargieston Primary School have been decanted to four other school locations since 23 August 2010 following the unexpected advice of engineers to vacate the site, after initial survey work revealed a series of shallow mine workings in the vicinity of the proposed new school. It is anticipated that costs of £0.357m associated with the transport and decant costs will be incurred and met from centrally held funds. Any additional education related costs will be met from the Educational and Social Services budget.

3 HOUSING REVENUE ACCOUNT (HRA)

3.1 The Executive Director of Neighbourhood Services currently anticipates a favourable variance of £0.188m within Housing Asset Services relating principally to vacancy savings.

4 CAPITAL PROGRAMME

4.1 The re-roofing works at Muirkirk Primary School have been subject to a number of design developments identified during the construction which has required on-site variations and additional works, including additional rot repairs and asbestos removal and replacement of some façade elements which were beyond economic repair. As a result of the additional works being instructed, the original contract figure of £0.194m has been exceeded by £0.040m. Members are asked to note that the original contract has been exceeded by more than the 10% allowable under the Standing Orders for Contracts.

4.2 Cabinet on the 24 February approved an allocation of £0.500m to procure prefabricated re-locatable buildings for the Gauchalland Depot site to provide much needed improvements in staff welfare facilities, and to allow the centralisation of all Roads Maintenance staff in the one location. The buildings will be installed in November 2010 and the initial proposals were for these to be located at the Gauchalland site on a short term basis, with the option for them to be relocated and integrated with any proposed new depot facility.

4.3 Following an option appraisal exercise, it has been proposed that Gauchalland Depot be retained in the long term as a Roads Depot. In order to ensure that the site meets the future needs of the service, provides facilities that are “fit for purpose” and meets requirements for a permanent facility, improvement works are required to be carried out, including upgrading site services and security, and additional measures to meet SEPA requirements. It is currently estimated that this will cost up to an additional £0.700m, of which it is proposed to meet £0.500m from the existing capital funding allocation of £5.600m in relation to the Depot Improvements Programme with any remaining funding from the Roads Capital Depot Improvements budget.

4.4 The project to provide a new sports pavilion at Knockentiber has been hampered by the discovery of mine workings on the site. Following an assessment of options to minimise costs whilst providing an optimal solution, it is proposed to make safe the mineworkings and to locate the facility on the site of the Playbarn which is in a poor state of repair. Discussions will be undertaken with the Kilmarnock Sports Acrobatics Club with a view to identifying more appropriate premises from which to operate. This change will require further consultation

and a new planning application. The original planned spend of £0.340m will require to be increased to £0.578m to accommodate the additional works. This can be met from the overall allocation for Sports Pavilions and approval for this expenditure is sought.

5 GENERAL FUND UNCOMMITTED BALANCE

5.1 The Financial Reserves Strategy sets the level of the Uncommitted General Fund Balance at between 2% and 4% of Annual Budgeted Expenditure. During the current financial year commitments of £0.308m have been approved by Council and Cabinet and have reduced the balance to £8.679m which equates to 2.6% of the annual budgeted expenditure for 2010/11. This has the potential to increase to £9.570m (2.8%) following Cabinet approval of the transfer highlighted at paragraph 2.7. This excludes the forecast surplus for the year.

6 RECOMMENDATIONS

6.1 It is recommended that Members:

- (i) Approve the budget transfer noted at paragraph 2.7;
- (ii) Agree that the additional transport related costs relating to the decant of Gargieston Primary be met from central funding as indicated in paragraph 2.8;
- (iii) Note that the contract figure exceeded the accepted tender value by more than 10% in respect of the Muirkirk Primary School project as noted at paragraph 4.1;

- (iv) Approve the additional costs associated with the proposals for the Gauchalland Depot site at paragraph 4.3;
- (v) Approve expenditure of £0.578m on the sports pavilion at Knockentiber to be funded from the Sports Pavilions capital allocation at paragraph 4.4;
- (vi) otherwise note the contents of this report.

Alex McPhee
Executive Director of Finance and Corporate Support
26 August 2010

LIST OF BACKGROUND PAPERS - NIL

Members wishing further information should contact
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Telephone (01563) 576279

2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 4 (25 JULY 2010)

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GENERAL FUND SUMMARY

Service	2010/11 Budget £m	Projected Actual to 31 March 2011	Projected Variance £m		2010/11 Budget £m	Projected Actual to 31 March 2011	Projected Variance £m
Educational and Social Services	178.707	179.590	0.883	Deficit / (Surplus) for the Year	0.745	0.417	(0.328)
Neighbourhood Services	64.997	64.364	(0.633)	Utilisation of Previous Years Balances	(0.745)	(0.745)	-
Finance and Corporate Support	22.038	21.699	(0.339)	Departmental Under/(Over) Spend c/f	-	(0.803)	(0.803)
Central Services – Other	9.324	9.237	(0.087)	2010/2011 Deficit / (Surplus)	0.000	(1.131)	(1.131)
Central Services – HB/CT Benefit Subsidy	49.885	49.885	-				
Central Services – Debt Charges	18.350	18.350	-				
Net Expenditure	343.301	343.125	(0.175)				
				Housing Revenue Account			
				Expenditure	37.361	37.173	(0.188)
				Income	(37.361)	(37.361)	-
				Net Expenditure	0.000	(0.188)	(0.188)
Funded by							
Council Tax	(48.395)	(48.395)	-				
Aggregated External Finance	(244.513)	(244.480)	0.033				
HB/CT Benefit Subsidy	(49.648)	(49.834)	(0.186)				
Total Income	(342.556)	(342.708)	(0.152)				

2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 4 (25 JULY 2010)

CAPITAL SUMMARY

Service	Revised Budget 2010/11	Actual Expenditure to Date	Projected Expenditure 2010/11	Projected Expenditure as % Budget	Funded by	Revised Budget 2010/11 £m	Projected Expenditure 2010/11 £m
Education & Social Services	10.257	0.866	6.458	63%	Grants, Partnership Funding , CFCR	6.736	6.556
Neighbourhood Services	21.837	2.710	20.927	96%	External Borrowing	29.017	25.538
Finance & Corporate Support	3.569	1.690	4.619	129%	Total	35.753	32.094
Contingency Funding	0.090	0.000	0.090	-			
Total	35.753	5.266	32.094	90%			

Service	Revised Budget 2010/11	Actual Expenditure to Date	Projected Expenditure 2010/11	Projected Expenditure as % Budget	Funded by	Revised Budget 2010/11	Projected Expenditure 2010/11
Housing Revenue Account	12.574	1.580	12.574	100%	Revenue Funding (CFCR)	5.661	5.661
					Sale of Council Dwellings	2.202	2.202
					Anticipated Borrowing	4.711	4.711
					Total	12.574	12.574
Total Capital Programme	48.327	6.846	44.668	92%		48.327	44.668

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EDUCATIONAL AND SOCIAL SERVICES

SERVICE SUMMARY

It is anticipated that Education and Social Services will outturn £0.883m over budget.

The current projected outturn position for Educational Services is an overspend of £0.879m, with the major variance relating to Outwith Placements which are projected to overspend by £0.839m. In addition £0.105m has been included as the additional expenditure currently anticipated in respect of the educational costs arising from the decant of Gargieston Primary.

The budget savings for 2010/11 that relate to the school academic year have not yet come into affect.

This projected outturn variance within Social Work is after utilisation of 2010/11 projected budget sustainability savings from the ongoing eligibility review of care at home services £0.965m and adult care services £1.000m. In addition, the review of administrative and support services has now been finalised and has generated a full year recurring cost reduction of £0.388m. As in previous financial years, significant savings from management of vacant posts are contributing to the current projection. Work is ongoing in conjunction with service managers to prioritise the filling of vacant posts in order to ensure that operational objectives can be met within an overall balanced budget

	Estimate £m	Projection to 31 Mar 11 £m	Variance (Favourable) / Adverse
Resources	1.343	1.373	0.030
PPP	9.207	9.207	0.000
Schools	63.622	63.648	0.026
Community Support	26.247	27.042	0.795
Facilities Management	14.039	14.067	0.028
Social Work	64.249	64.253	0.004
Net Expenditure	178.707	179.590	0.883

	Estimate £m	Projection to 31 Mar 11 £m	Variance (Favourable) / Adverse
Employee Costs	119.792	118.834	(0.958)
Premises Costs	8.294	8.305	0.011
Transport Costs	6.695	6.804	0.109
Supplies & Services	8.442	8.497	0.055
Third Party Payments	48.623	50.188	1.565
Transfer Payments	6.930	7.020	0.090
Gross Expenditure	198.775	199.647	0.872
Income	(20.068)	(20.057)	0.011
Net Expenditure	178.707	179.590	0.883

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EDUCATIONAL AND SOCIAL SERVICES

SUMMARY OF MOVEMENTS IN APPROVED BUDGET

	Annual Estimate £m	Budget Adjustments £m	Revised Budget £m	Comments on Budget Movement
Budget Allocation Approved by Council 11 February 2010	177.879			
<i>Additions / Transfers to / (from) Initial Budget:</i>				
1 Supporting People Budget Realignment		+0.126		Transfer of Formerly Ringfenced Supporting People Budget from Neighbourhood Services
2 Onsite Services Budget Realignment		+0.010		Transfer of Budgets for additional cleaning provision
3 Teacher Induction Scheme Funding		+0.433		Additional Funding for Probationary Teachers
4 PPP Unitary Charges Inflationary Adjustment		+0.740		Drawdown of Earmarked Balances to reflect actual inflationary charges
5 Fairer Scotland Fund		+0.035		Realignment of Budgets to Reflect Allocation of Fairer Scotland Fund
6 Financial Support for SRRB 2		+0.010		Transfer of Budget to allow cover for staff working on SRRB2
7 School Meals VAT		+0.007		Transfer of Budget for additional Meals VAT commitments
8 Curriculum for Excellence Funding		+0.020		Additional Funding for Curriculum for Excellence Additional Teachers
9 Energy Inflation Adjustment		-0.348		Realignment of Budgets to reflect actual energy inflation rates
10 NDR Revaluation Adjustment		+0.186		Realignment of Budgets to reflect actual NDR revaluation charges
11 Schools ICT Budget Realignment		-0.391		Transfer of Schools ICT budgets to Finance & Corporate Support IT Service
<i>Total Budget adjustments</i>			+0.828	
Revised Budget Allocation at Period 4			178.707	

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EDUCATIONAL AND SOCIAL SERVICES

EXPENDITURE REDUCTION TARGETS

Following extensive public consultation the Council approved a number of expenditure reduction measures which will produce savings from the department's controllable revenue expenditure of £3.187m in 2010/11. The reductions relating to the school academic year have not yet come into effect:

ACTIONS	Theme	SAVING £m	Status at 25/7/10	Achieved at 25/7/10 £m
Educational and Social Services		3.187		0.983
Reduce the number of external foster placements	AMW	0.185	Unmet	-
Review cleaning hours in line with productivity improvements	AMW	0.020	Fully met	0.020
Review roles of caretakers and cleaners in Social Work facilities	AMW	0.015	Fully met	0.015
Restructure Joint Ayrshire Technician Service staffing levels	AMW	0.025	Unmet	-
Reduce Schools Staffing Flexibility budget	AMW	0.050	In Progress	-
Reduce HQ school absence cover budget	AMW	0.030	In Progress	-
Reduce janitorial costs arising from revised standard hours	AMW	0.020	Fully met	0.020
Review roles of cleaners and supervisors in Community Centres	AMW	0.030	Fully met	0.030
Remove Study Support for GOALS funding	AMW	0.030	Fully met	0.030
Efficiency measures and productivity review of schools catering	BRS	0.174	Fully met	0.174
Rationalise training provision	BWP	0.023	Unmet	-
Introduce Teacher Refresh Scheme 2	BWP	0.320	In Progress	-
Reduce catering fixed costs	BWP	0.050	Fully met	0.050
Reduce cleaning fixed costs	BWP	0.050	Fully met	0.050
Reduce Special Education promoted posts held centrally	BWP	0.054	In Progress	0.032
Reduce curricular support staff	BWP	0.080	In Progress	0.041
Increased income from adult / teacher meals in schools	CFS	0.007	Fully met	0.007
Increase price of school meals	CFS	0.090	In Progress	-
Remove payment holiday for Community Care services	CFS	0.020	Fully met	0.020
Remove subsidy from Meals on Wheels	CFS	0.030	Fully met	0.030

Status: Fully met



In Progress



Unmet



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EDUCATIONAL AND SOCIAL SERVICES

ACTIONS	Theme	SAVING £m	Status at 25/7/10	Achieved at 25/7/10 £m
Introduce charging for extra curricular music tuition	CFS	0.032		
Remove grant for Ayrshire Household Recycling project	CND	0.015		0.015
Reduce controllable Social Work budgets	CND	0.082		0.082
Reduce food supplies budgets	CND	0.036		0.036
Reduce supplies and services budgets across Onsite Services	CND	0.040		0.040
Reduce non-schools supplies and services budgets	CND	0.119		-
Remove furniture and fittings budgets from new PPP schools	CND	0.008		0.008
Reduce strain on the pension fund costs in Children & Families	CND	0.014		0.014
Reduce promoted posts in secondary schools	CND	0.228		-
Reduce promoted posts within Special Education	CND	0.023		0.023
Reduce schools budgets in line with falling school rolls	CND	0.200		-
Remove early intervention budget	CND	0.110		0.110
Reduce SQA budgets	CND	0.020		0.015
Reduce Social Work catering costs	CND	0.004		0.004
Remove departmental voluntary sector grants budget	CPF	0.010		0.010
Utilise alternative funding for schools college link programme	CPF	0.035		-
Remove budget for Foreign Language Assistants	KSO	0.051		0.051
Relocate Community Learning and Development staff	MUA	0.004		0.004
Reduce transport costs	MUA	0.015		-
Review early years partner provider provision	RSP	0.022		0.022
Review managerial arrangements in nursery schools	RSP	0.060		0.030
Reduce delegated Primary schools budgets	RSP	0.170		-
Reduce delegated Secondary schools budgets	RSP	0.135		-
Remove requirement for class sizes of 20 in S1/2 English / Maths	RSP	0.451		-

Status: Fully met



In Progress



10

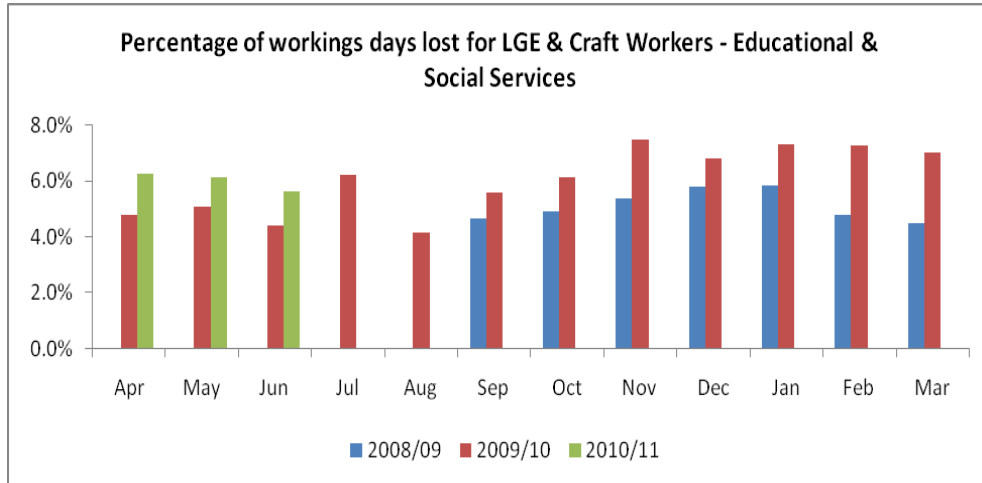
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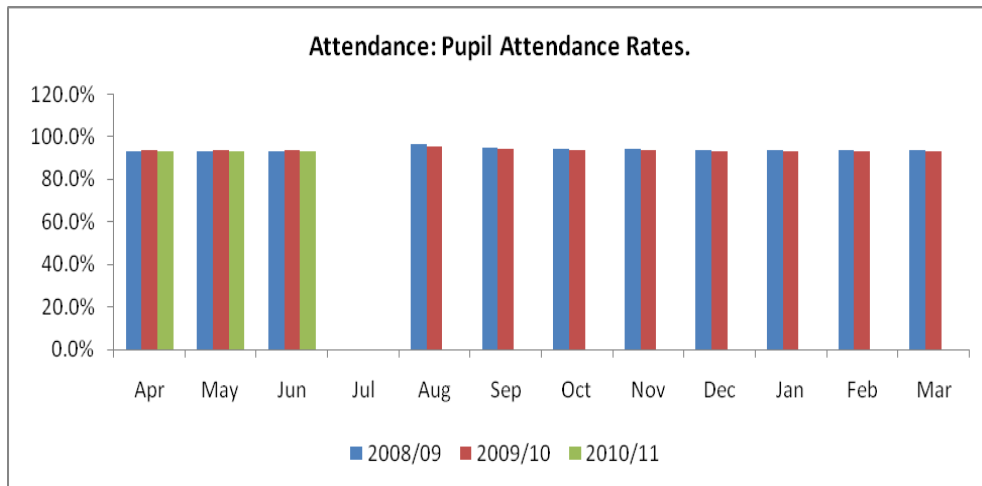
EDUCATIONAL AND SOCIAL SERVICES

PERFORMANCE MEASURES



The positive trend in reduced absence continues for June with a 1.6% decline in working days lost compared to the reported figure for January 2010.

The Departmental Management Team will continue to monitor and analyse absence levels and adhere to current Absence Management procedures.



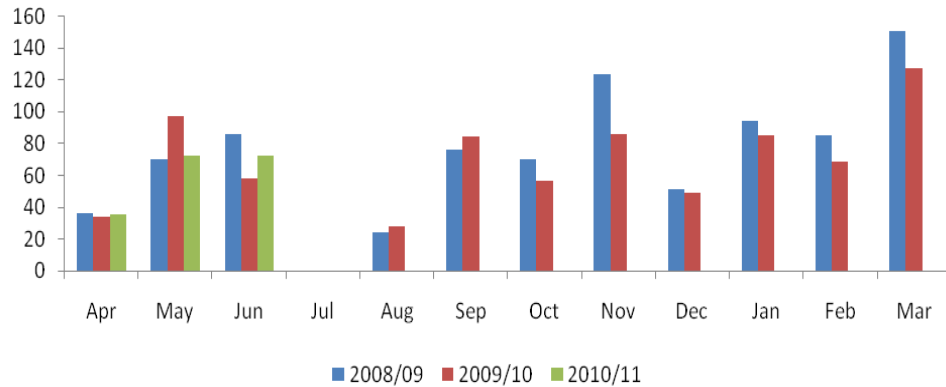
Attendance in the month of June, at 92.8% is the second lowest in the last 5 years.

Schools continue to focus on attendance especially towards the end of term. Absences due to family holidays to be investigated.

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EDUCATIONAL AND SOCIAL SERVICES

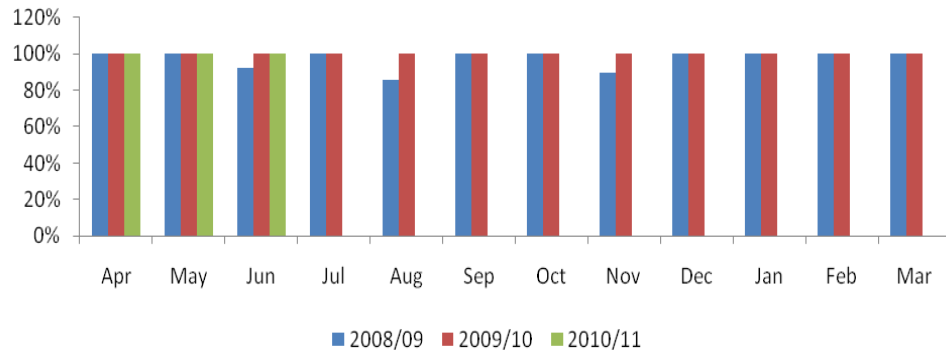
Exclusions: Number of exclusion incidents.



Exclusion incidents and openings lost per 1000 pupils (4.4 and 20.3 respectively) across all sectors for the month of June are at the lowest level for the same month for the last 5 years. Overall, for academic year 2009/10 there were 758 exclusions in East Ayrshire Schools, down 12% from 2008/09 and the lowest number of exclusions reported in the last 5 years. In total 664 pupils, 4.6% of the total roll, were excluded. The top three reasons for exclusion were; "General or persistent disobedience" (188 pupils or 0.7% of roll); "Fighting" (76 pupils or 0.5% of roll); "Physical assault with no weapon against pupil" (87 pupils or 0.5% of roll).

Improvement actions described in previous months continue to have a positive impact in reducing exclusions within the small monthly fluctuations which occur throughout the academic year.

Child Supervision: Percentage of children seen by their supervising officer within 15 days.

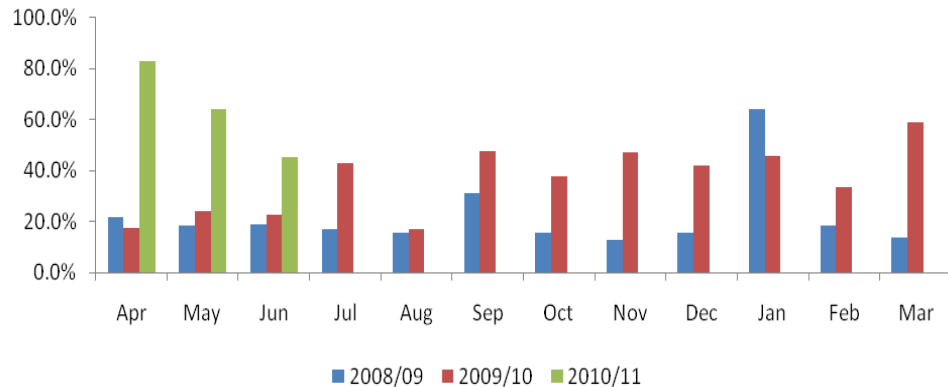


Although the number of supervision requests has increased, performance remains consistent at 100%.

2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 4 (25 JULY 2010)

EDUCATIONAL AND SOCIAL SERVICES

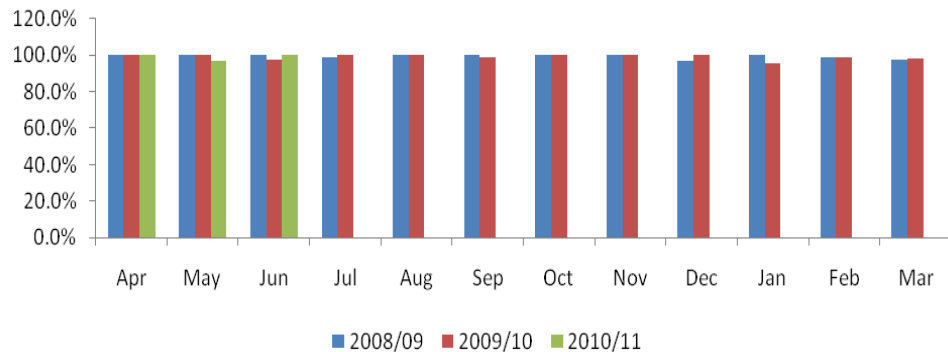
SCRA Reports: Percentage of reports submitted to SCRA by the due date.



Performance for June is disappointing and will be discussed at the next Times Interval Working Group which meets to improve the Council performance in submitting reports to SCRA.

The upcoming meeting of the Group will identify the reason for deteriorating performance and action a solution as appropriate.

Criminal Justice: Percentage of reports submitted to the courts by the due date.

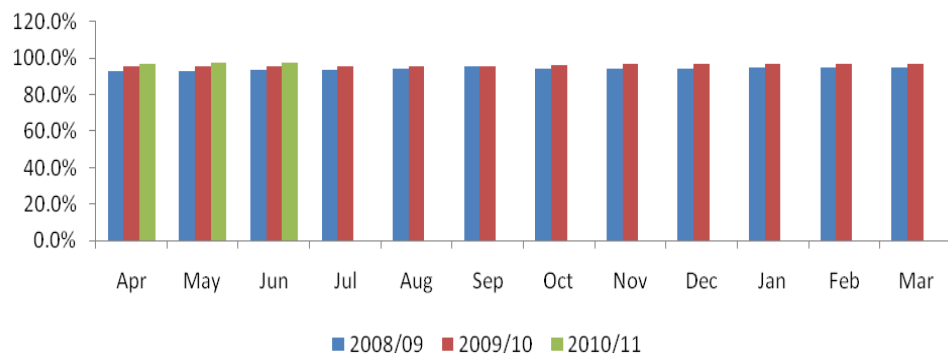


Although the number of requests for reports has increased, performance remains consistent at 100%.

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EDUCATIONAL AND SOCIAL SERVICES

Homecare: Percentage of homecare clients aged 65+ receiving Personal Care.



In this area the council has continued the upwards trend in the provision of personal care for clients aged 65+.

As part of the Social Work Sustainability programme all homecare service provision is currently being reviewed with reference to efficient working practices and ensuring consistent application of eligibility criteria.

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EDUCATIONAL AND SOCIAL SERVICES

NON FINANCIAL DATA

	2009/10 Period 4	2009/10 Outturn	2010/11 Period 4
Number of pupils requiring additional support	2,577	2,593	2,593
School transport costs (projected expenditure at year end)	£4.765m	£4.756m	£4.813m
Number of pupils receiving free school transport	4,969	4,834	4,834
Number of children in external foster placement	49	54	56
Average cost of external foster placement per child per week	£1,000	£1,000	£1,000
Number of children in secure accommodation <i>(*includes 1 placement funded by the Scottish Government)</i>	4	2	0
Average cost of a secure placement per week	£5,215	£5,215	£5,215
Number of care at home service users (adult & older) receiving more than 10 hours per week	732	596	523
Number of care at home service users (adult & older) receiving more than 50 hours per week	75	82	80
Most expensive homecare packages - Elderly	£46,083	£46,083	£37,150
Most expensive homecare packages – Adult Learning Disabled	£252,487	£254,969	£254,969

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EDUCATIONAL AND SOCIAL SERVICES

SERVICE PERFORMANCE TO DATE

RESOURCES

The adverse variance results from budgeted staff turnover savings which are unlikely to be achieved.

FTE STAFFING ANALYSIS

Budget	Actual to date
23.6	23.4

	Estimate £m	Projection to 31 Mar 11 £m	Variance (Favourable) / Adverse
Employee Costs	1.059	1.089	0.030
Premises Costs	0.054	0.054	0.000
Transport Costs	0.019	0.019	0.000
Supplies & Services	0.268	0.268	0.000
Third Party Payments	0.264	0.264	0.000
Transfer Payments	0.000	0.000	0.000
Gross Expenditure	1.664	1.694	0.030
Income	(0.322)	(0.322)	0.000
Net Expenditure	1.343	1.373	0.030

PPP / BUILDING LEARNING COMMUNITIES

There are no material variances anticipated at this time. Any future variances will be retained centrally to fund PPP Unitary Charges in future years.

	Estimate £m	Projection to 31 Mar 11 £m	Variance (Favourable) / Adverse
Employee Costs	0.000	0.000	0.000
Premises Costs	0.000	0.000	0.000
Transport Costs	0.000	0.000	0.000
Supplies & Services	0.000	0.000	0.000
Third Party Payments	9.270	9.270	0.000
Transfer Payments	0.000	0.000	0.000
Gross Expenditure	9.270	9.270	0.000
Income	0.000	0.000	0.000
Net Expenditure	9.270	9.270	0.000

2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 4 (25 JULY 2010)

EDUCATIONAL AND SOCIAL SERVICES

SCHOOLS

No significant variances on payroll costs have been identified at the current time and the position will become clearer once the academic year commences and the annual school census has been completed in September with staffing budgets amended to reflect the school rolls for the 2010/11 academic year. The total school spend against budget at period 4 is 36.5%. The comparative figure for 2009/10 is 36%. Further detail to individual school level is available from the Executive Director of Educational and Social Services.

FTE STAFFING ANALYSIS

Budget	Actual to date
1,207.3	1,567.8

COMMUNITY SUPPORT

Anticipated Employee Cost savings arise from vacancies and reduced provision of Wraparound Care, the latter being offset by reduced income. The variance on Third Party Payments is a projected overspend of £0.839m within Outwith Placements following the Prioritisation Group meeting on 20 July and subsequent decisions on 2 separate cases. The Executive Director of Educational and Social Services is reviewing arrangements with a view to identifying resources for new placements at an earlier stage.

FTE STAFFING ANALYSIS

Budget	Actual to date
391.3	357.4

	Estimate £m	Projection to 31 Mar 11 £m	Variance (Favourable) / Adverse
Employee Costs	56.130	56.151	0.021
Premises Costs	5.352	5.352	0.000
Transport Costs	0.143	0.143	0.000
Supplies & Services	2.909	2.914	0.005
Third Party Payments	0.575	0.575	0.000
Transfer Payments	0.919	0.919	0.000
Gross Expenditure	66.027	66.053	0.026
Income	(2.405)	(2.405)	0.000
Net Expenditure	63.622	63.648	0.026

	Estimate £m	Projection to 31 Mar 11 £m	Variance (Favourable) / Adverse
Employee Costs	18.798	18.749	(0.049)
Premises Costs	1.012	1.012	0.000
Transport Costs	0.247	0.247	0.000
Supplies & Services	1.487	1.487	0.000
Third Party Payments	5.627	6.466	0.839
Transfer Payments	0.086	0.086	0.000
Gross Expenditure	27.258	28.048	0.790
Income	(1.011)	(1.006)	0.005
Net Expenditure	26.247	27.042	0.795

2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 4 (25 JULY 2010)

EDUCATIONAL AND SOCIAL SERVICES

FACILITIES MANAGEMENT

The Employee Costs variance is due an overspend on overtime costs, mainly in respect of Caretakers and additional staff costs of £0.105m due to the Gargieston Primary School decant partly offset by efficiency and absence cover savings. The transport section expects savings in the SEN contracts in 2010-11 offset by an anticipated overspend on SPT. Within Supplies and Services the Budget Review has resulted in a planned £0.055m underspend which in furniture and fittings There is currently a projected shortfall in School Meal and vending income.

FTE STAFFING ANALYSIS

Budget	Actual to date
501.4	500.0

SOCIAL WORK

This projected outturn variance is after utilisation of 2010/11 projected budget sustainability savings from the ongoing eligibility review of care at home services of £0.965m and adult care services £1.000m. In addition, the review of administrative and support services has now been finalised and has generated a full year recurring cost reduction of £0.388m. As in previous financial years, significant savings from management of vacant posts are contributing to the near break-even projection. Work is ongoing in conjunction with service managers to prioritise the filling of vacant posts in order to ensure that operational objectives can be met within an overall balanced budget

There are a small number of significant budget pressures within the service. Within Children and Families, there are presently 56 children within external foster care placements which is 7 more than at the same time last year. Within Community Care, additional adult care placement costs of £0.296m are projected and there are 741 elderly people within residential and nursing care placements.

FTE STAFFING ANALYSIS

Budget	Actual to date
1,091.0	1,039.0

	Estimate £m	Projection to 31 Mar 11 £m	Variance (Favourable) / Adverse
Employee Costs	9.338	9.363	0.025
Premises Costs	0.237	0.237	0.000
Transport Costs	4.889	4.912	0.023
Supplies & Services	2.315	2.260	(0.055)
Third Party Payments	0.000	0.000	0.000
Transfer Payments	0.000	0.000	0.000
Gross Expenditure	16.779	16.772	(0.007)
Income	(2.740)	(2.705)	0.035
Net Expenditure	14.039	14.067	0.028

	Estimate £m	Projection to 31 Mar 11 £m	Variance (Favourable) / Adverse
Employee Costs	34.466	33.481	(0.985)
Premises Costs	1.639	1.650	0.011
Transport Costs	1.397	1.483	0.086
Supplies & Services	1.463	1.568	0.105
Third Party Payments	32.950	33.676	0.726
Transfer Payments	5.925	6.015	0.090
Gross Expenditure	77.840	77.873	0.033
Income	(13.591)	(13.620)	(0.029)
Net Expenditure	64.249	64.253	0.004

EDUCATIONAL AND SOCIAL SERVICES

Service Enhancements 2010/11

Additional funding has been provided for the operation of a number of services:

- Re-design of the Children and Families Social Work service to improve outcomes for children;
- Introduction of free pre-school education to all children from their third birthday;
- Provision of free school meals for every child in Primary 1.

Strategic Review of the Revenue Budget

The Strategic Review of the Revenue Budget resulted in decisions to realign the Revenue Budget and invest additional resources in a number of areas including:

- The redesign and development of Social Work Infrastructure to meet increasing demands for services;
- Additional teachers for educational establishments in deprived areas;
- Increased resources for the placement of children and young people in specialist educational establishments outwith East Ayrshire.

This will result in net additional funding of £1.037m over the 4 years to 2011/12.

2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 4 (25 JULY 2010)

NEIGHBOURHOOD SERVICES

SERVICE SUMMARY

The projected outturn to 31 March 2011 is a favourable variance of £0.633m. This is mainly due to anticipated savings within Central Management Support, Leisure Services, Waste Management, Emergency Planning, General Fund Housing and Roads and Transportation. This is partly offset by adverse variances within Planning and Economic Development and Community Safety and CCTV.

The Housing Revenue Account is expected to outturn on budget at 31 March 2011 with a variance of £0.188m currently anticipated in respect of Housing Asset Services.

	Estimate £m	Projection to 31 Mar 11 £m	Variance (Favourable) / Adverse
Central Mgt Support	0.733	0.547	(0.186)
Leisure Services	12.077	11.653	(0.424)
Emergency Planning	0.050	0.047	(0.003)
Police & Fire	25.303	25.303	0.000
Planning & Econ Dev	3.606	3.706	0.100
Roads & Transport	11.175	11.081	(0.094)
General Fund Housing	12.053	12.027	(0.026)
Net expenditure	64.997	64.364	(0.633)

	Estimate £m	Projection to 31 Mar 11 £m	Variance (Favourable) / Adverse
Employee Costs	30.775	30.185	(0.590)
Premises Costs	2.956	3.002	0.046
Transport Costs	3.989	4.095	0.106
Supplies & Services	9.554	9.404	(0.150)
Third Party Payments	36.138	35.780	(0.358)
Transfer Payments	0.000	0.000	0.000
Gross Expenditure	83.412	82.466	(0.946)
Income	(18.415)	(18.102)	0.313
Net expenditure	64.997	64.364	(0.633)

2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 4 (25 JULY 2010)

NEIGHBOURHOOD SERVICES

SUMMARY OF MOVEMENTS IN APPROVED BUDGET

	Annual Estimate £m	Budget Adjustments £m	Revised Budget £m	Comments on Budget Movement
Budget Allocation Approved by Council 11 February 2010	64.771			
<i>Additions / Transfers to / (from) Initial Budget:</i>				
1 Supporting People Budget Realignment		-0.126		Transfer of Formerly Ringfenced Supporting People Budget to Educational and Social Services
2 Fairer Scotland Fund		+0.003		Realignment of Budgets to Reflect Allocation of Fairer Scotland Fund
3 Fuel Poverty Strategy Budget Realignment		+0.050		Transfer of Fuel Poverty Budget from Central Services
4 Skills Training Income Transfer		-0.037		Transfer of Skills Training Income targets to Planning & Economic Development
5 Utilisation of Balances - Make it Kilmarnock		+0.100		Drawdown of General Fund Balances for Make it Kilmarnock match funding
6 PSHG Funding Realignment		+0.401		Transfer of PSHG Funding by the Scottish Government from Capital to Revenue
7 Fire Pensions Funding		+0.007		Additional Funding for Fire Service Pension Commitments
8 Energy Inflation Adjustment		-0.105		Realignment of Budgets to reflect actual energy inflation rates
9 NDR Revaluation Adjustment		-0.067		Realignment of Budgets to reflect actual NDR revaluation charges
<i>Total Budget adjustments</i>			+0.226	
Revised Budget Allocation at Period 4			64.997	

2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 4 (25 JULY 2010)

NEIGHBOURHOOD SERVICES

EXPENDITURE REDUCTION TARGETS

Following extensive public consultation the Council approved a number of expenditure reduction measures which will produce savings from the department's controllable revenue expenditure of £1.517m in 2010/11:

ACTIONS	Theme	SAVING £m	Status at 25/7/10	Achieved at 25/7/10 £m
Neighbourhood Services		1.517		1.342
Review of Removals & Storage provision within Homeless Services	AMW	0.020		0.020
Reduced usage of Bed & Breakfast Accommodation for Homeless	AMW	0.024		0.024
Rationalisation of Lighting Operations across depots	AMW	0.047		0.047
Review of Golf Course provision	AMW	0.050		-
Implementation of the Planning & Economic Development BVS	BRS	0.127		0.127
Efficiencies identified as part of Roads & Transport service review	BRS	0.067		0.067
Reduce overtime costs for Community Wardens	BRS	0.020		0.020
Review of CATCH Walking Development Service	BRS	0.035		0.035
Reduced overtime costs within Waste Management	BWP	0.070		0.070
Reduced overtime costs within Leisure Services	BWP	0.049		0.049
Reduced staffing within Leisure Client	BWP	0.034		0.034
Reduced staffing within Outdoor Amenities	BWP	0.048		0.048
Reduced staffing within Museums	BWP	0.027		-
Reduced staffing within Leisure Services	BWP	0.051		0.051
Rationalise Transport Services workshop	BWP	0.027		0.027
Reduced staffing within Parking service	BWP	0.016		0.016
Reduced staffing with Roads Network and Performance	BWP	0.032		0.032

Status: Fully met



In Progress



Unmet



2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 4 (25 JULY 2010)

NEIGHBOURHOOD SERVICES

ACTIONS	Theme	SAVING £m	Status at 25/7/10	Achieved at 25/7/10 £m
Reduced overtime costs with Roads and Transport	BWP	0.058		-
Review of Community Warden service	BWP	0.245		0.245
Additional efficiencies arising from departmental management action	CND	0.011		0.011
10% reduction in controllable budgets within Central Management Support	CND	0.017		0.017
Reduced Supplies & Services budgets within Community Safety	CND	0.010		0.010
10% reduction in controllable budgets within Leisure Services	CND	0.079		0.079
Reduced Economic Development support to external bodies	CPF	0.025		0.025
Reduced Grant Payments within Leisure Services	CPF	0.020		0.020
Additional income to offset costs of Fireworks Display	KSO	0.010		-
Reduced landfill charges arising from increased recycling	KSO	0.250		0.250
Reduced Mileage Allowance payments within Roads & Transportation	MUA	0.010		-
Reduced Supplies & Services budgets following office relocation	MUA	0.020		-
Reduced Employee Costs budgets following office relocation	MUA	0.018		0.018

Status: Fully met



In Progress



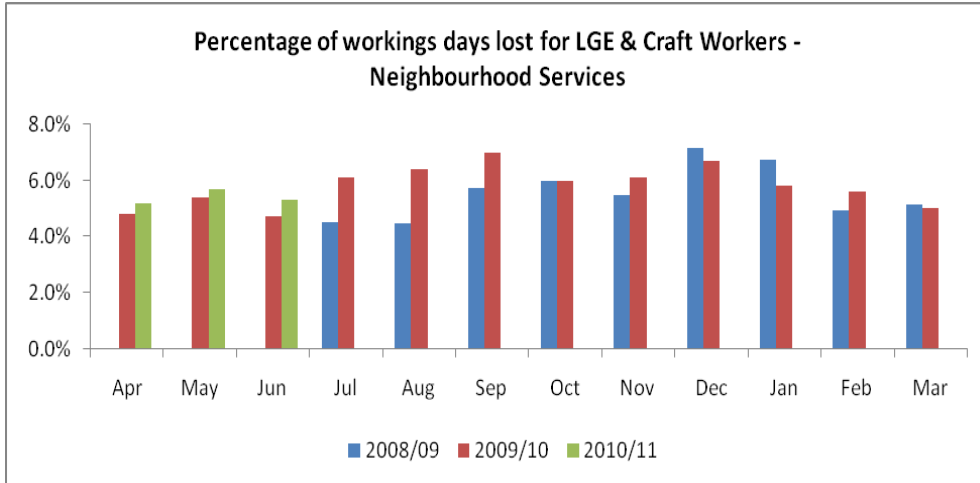
Unmet



2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 4 (25 JULY 2010)

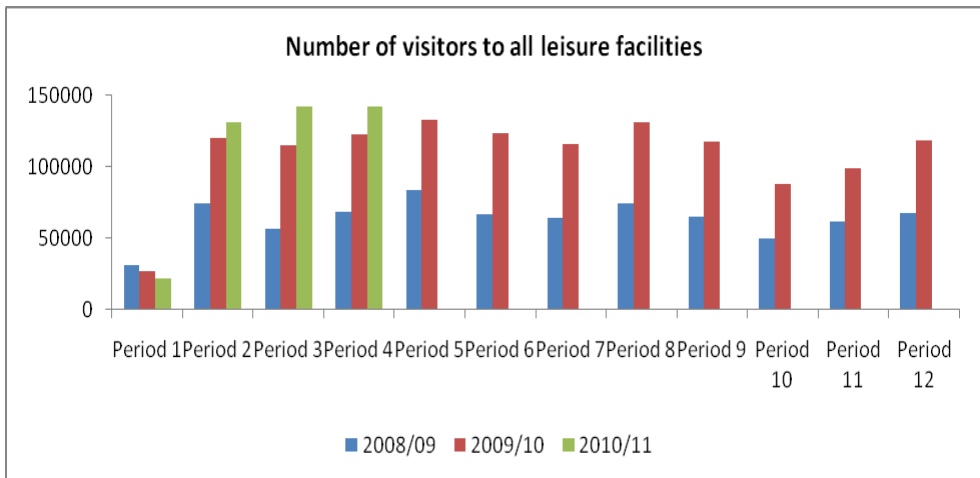
NEIGHBOURHOOD SERVICES

PERFORMANCE MEASURES



A sustained focus on the management of absence continues to be implemented across all services within the department.

Monthly statistical returns are reviewed and discussed by the Executive Director and Heads of Service at the Departmental Management Team Meeting.



This indicator is a trend measure of the number of people accessing leisure services through the range of facilities operated by leisure services. The indicator includes visits to museums, libraries, sports facilities and the country park.

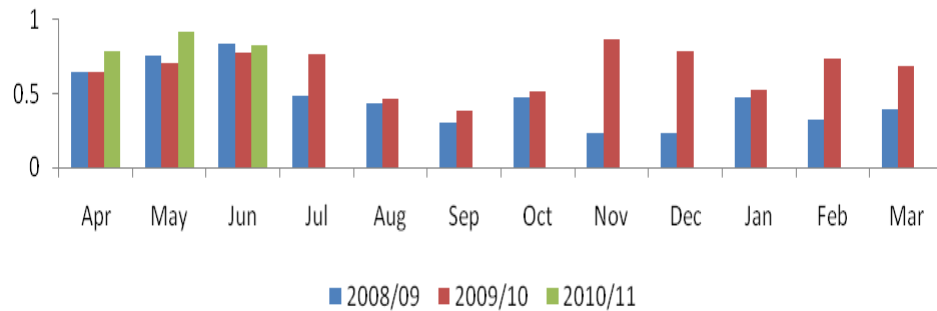
During the periods 1 to 4 of 2010/11 435,175 visitors have made use of the Neighbourhood Services Leisure Facilities compared to 383,175 in 2009/10 and 230,584 in 2008/09. The rise in usage reflects an increase in visitor numbers to the museum service and sports halls.

It is our aim in 2010/11 to maintain the level of visitors to that achieved in 2009/10.

2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 4 (25 JULY 2010)

NEIGHBOURHOOD SERVICES

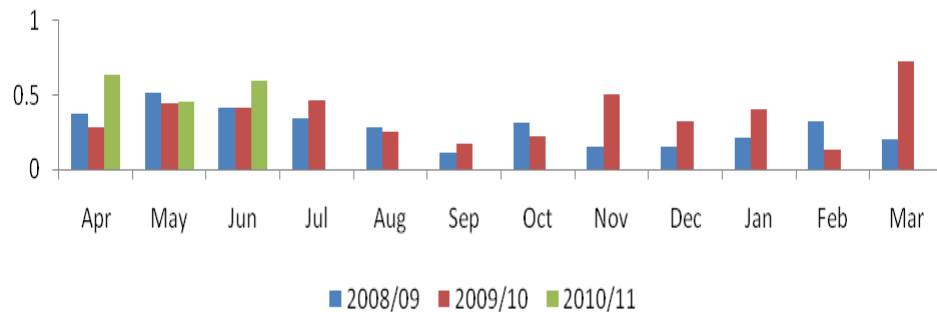
Planning Applications: Percentage of householder planning applications determined within two months.



Householder planning applications determined within 2 months fell by 8.7% to from 92% in May 10 to 83.3% in June 10. It is worth noting that significant improvements have been made in the percentage of applications determined within 2 months between January and June 2010 which are up from 55.2% to 83.3%.

Planning will manage the householder application process to ensure that as many applications are determined within the 2 month target.

Planning Applications: Percentage of non-householder planning applications determined within two months.



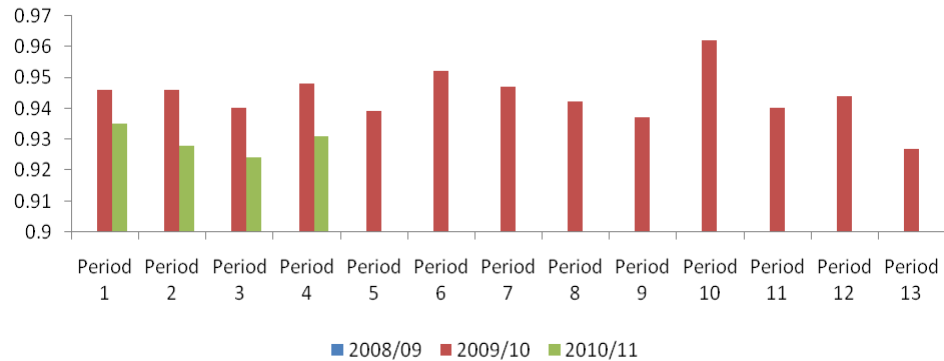
Non householder planning applications determined within 2 months have remained constant at 60% in June 2010. Non house-holder planning applications tend to be less frequent than house holder applications, more complex, take longer to determine and are subject to greater volatility.

Planning will manage the non-householder application process to ensure that as many applications are determined within the 2 month target.

2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 4 (25 JULY 2010)

NEIGHBOURHOOD SERVICES

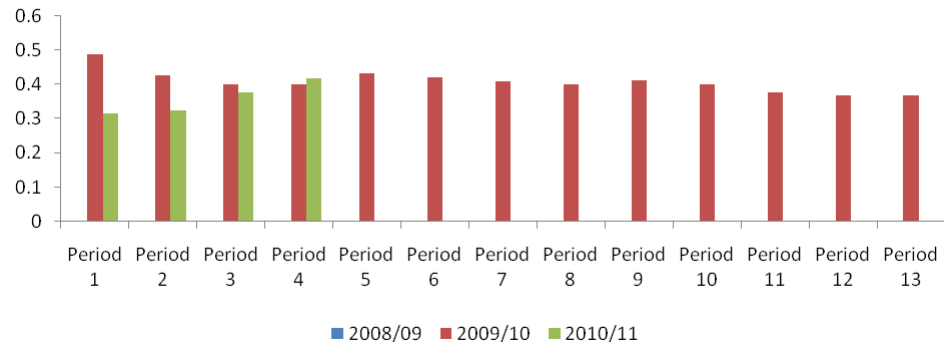
Housing Repairs: Percentage of first time fixes.



Housing Repair, first time fixes in period 4 of 2010/11 was 93.1%. First time fix rates have remained high at between 92% and 96% between period 1 2009/10 and period 4 2010/11. The consistent level of performance is as a result of the introduction of LEAN system in the Housing Asset Service.

The Housing Asset Service will continue to review those jobs that have not been completed on first visit to identify and address any underlying issues that could be having a detrimental effect on the first time fix rate.

Housing Lets: Percentage of re-lets within 4 weeks.

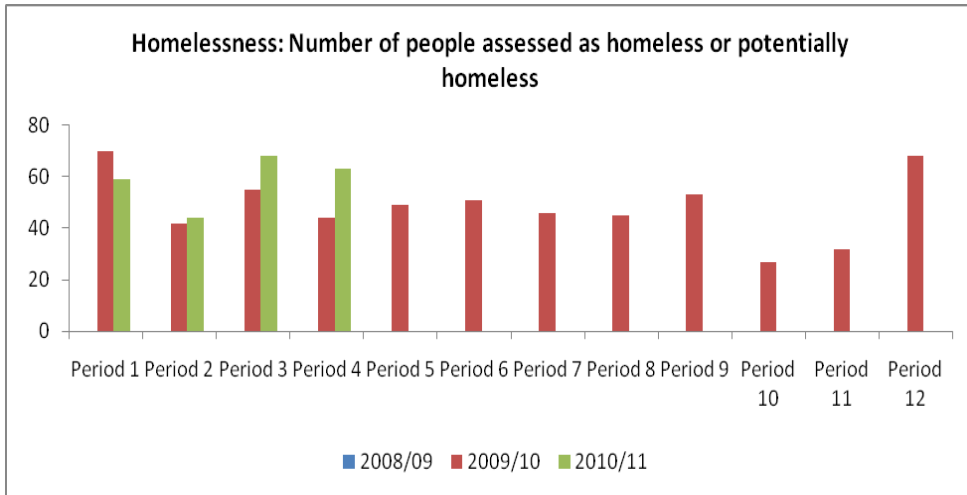


This indicator is subject to variance on a period by period basis. In the first four periods of 2010/11 the percentage of re-lets within 4 weeks has improved period by period from 31.6% in period 1 to 41.6% in period 4.

We anticipate that the percentage of re-lets within 4 weeks will improve with the continued implementation of improved management arrangements for voids. The improvements proposed may however have a detrimental effect on the average re-let time for low demand properties as long term voids are returned to the letting pool.

2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 4 (25 JULY 2010)

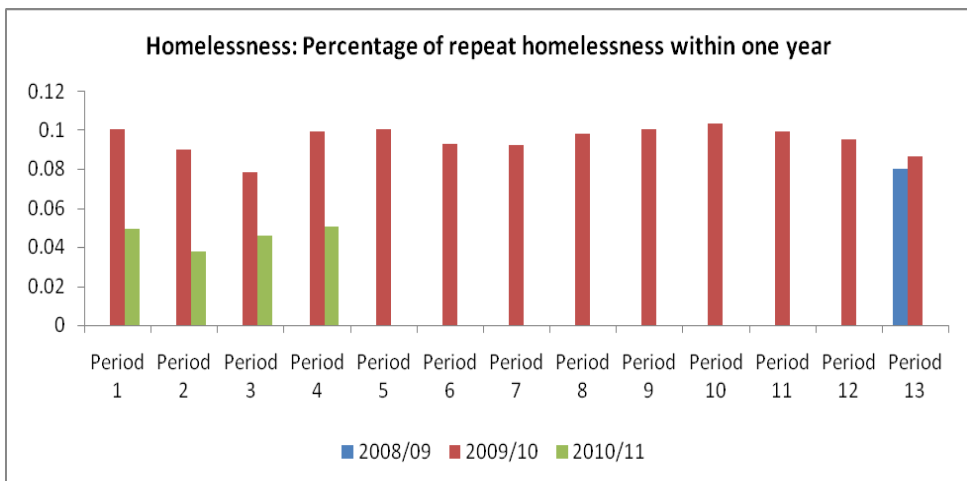
NEIGHBOURHOOD SERVICES



This indicator is a measure of those people who have presented to the Council as being homeless and following assessment been determined to be homeless / potentially homeless.

The Council has no control over the number of people who present as homeless, however the figures show that the number of people assessed as homeless in the first 4 periods of 2010/11 at 234 is up from 211 in the same period of 2009/11 a rise of 11%.

The Housing Service through the tenancy support service will continue to work with tenants in difficulty to help them maintain their tenancies.



This indicator is a measure of the number of new applications within 12 months of a previous application by the same household being closed as a proportion of the number of applicants assessed. The repeat homelessness figure fluctuates throughout the year and is sensitive to small increases in the number of repeat assessments.

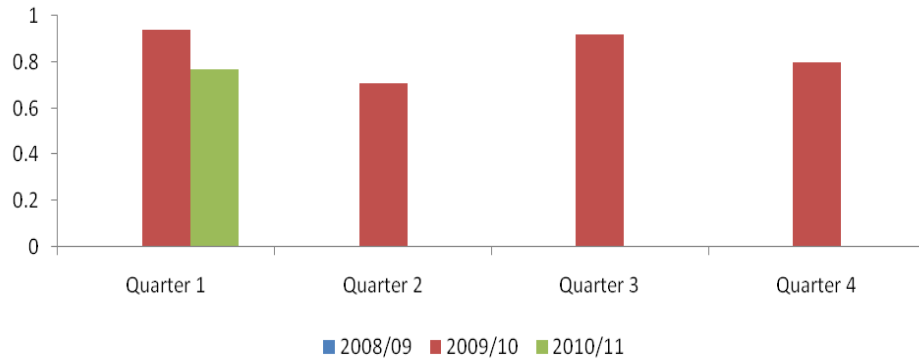
Between periods 1 & 4 of 2010/11 the cumulative percentage of repeat homeless cases received increased from 4.92% to 5.04%. This figure equates to 12 repeat homelessness cases out of a total of 295 cases during the same period. It should be noted that performance so far in 2010/11 at 5.04% is significantly less than the 2009/10 end of year figure of 8.66%.

The Housing Service through the tenancy support service will continue to work with tenants in difficulty to help them maintain their tenancies

2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 4 (25 JULY 2010)

NEIGHBOURHOOD SERVICES

Road Safety (Defects): Percentage of category 1 defects made safe within target.

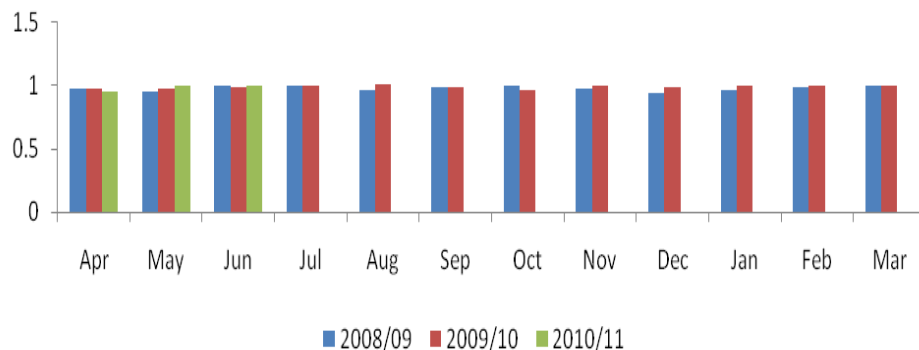


This indicator measures the % of Category 1 defects made safe within target, category 1 defects require to be addressed immediately / within 2 hours. The % of category 1 repairs made safe in 2009/10 was 83%.

In quarter 1 of 2010/11 performance fell to 77%, the decline in performance is due to the diversion of maintenance staff from planned maintenance work to pot hole filing. This was required as a result of increased levels of damage caused by the severe winter weather of 2009/10.

The Roads and Transportation Service will review the way that defects are categorised to ensure that only the most serious defects are repaired reactively. Categorising more defects as routine and including them within a planned maintenance programme will result in more efficient working practices. The review will take cognisance of the guidance contained within the Code of Practice 'Well Maintained Highways'.

Street Lighting: Percentage of repairs completed within 7 days.



The percentage of road lighting repairs achieved within 7 days remained consistently high in June 10 at 98.7%. This performance reflects the effective business practices adopted by the unit.

Performance information will continue to be routinely monitored and analysed for opportunities for improvement.

2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 4 (25 JULY 2010)

NEIGHBOURHOOD SERVICES

Non Financial Data

		2009/10 Period 4	2009/10 Outturn	2010/11 Period 4
Amount of waste to landfill (tonnes)		13,878	40,993	13,670
Amount of waste recycled (tonnes)		12,924	30,913	12,077
Number of burials (cumulative)		242	715	240
Attendance at games halls (cumulative)		102,703	323,098	99,066
Number of void weeks	Actual	5,424	15,888	5,264
	Budget	6,250	18,749	5,017
Number of council house sales	Actual	21	74	12
	Budget	32	104	23
Number of Building Warrants received (cumulative)		396	1,088	382
Average Income per Building Warrant received		£347	£380	£437
Number of Building Warrants determined (cumulative)		373	1,061	321
Value of Development Plans submitted (cumulative)		£14.21m	£54.52m	£22.45m
Number of Planning Applications received (cumulative)		264	831	327
Average Income per Planning Application received		£782	£666	£559
Number of Planning Applications determined (cumulative)		262	755	324

2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 4 (25 JULY 2010)

NEIGHBOURHOOD SERVICES

SERVICE PERFORMANCE TO DATE

CENTRAL MANAGEMENT SUPPORT

The favourable Employee Costs variance reflects anticipated savings due to vacant posts, training and other employee related expenses. The Supplies and Services variance is due to managed savings on tools and equipment, publicity and promotion, other services and miscellaneous expenditure.

FTE STAFFING ANALYSIS

Budget	Actual to date
7.0	5.6

LEISURE SERVICES

The Employee Costs variance is principally due to vacancies, anticipated staff savings within Community Recreation and PPP Schools and a reduced number of Street Cleansing Hit Squad operatives, partly offset by additional costs within Museums and a secondment within Leisure Development, the latter being offset by additional income. The Income variance reflects additional income within grounds maintenance, cemeteries, registration, Leisure Development, games and community halls, Museums and Street Cleansing and is partly offset by reduced golf and PPP income. These variances are partly offset by additional expenditure within Premises Costs, Transport Costs, Supplies and Services and Third Party Payments relating mainly to additional energy costs at Games Halls and cleaning costs at Crosshouse Area Centre, departmental debt charges in respect of purchased vehicles and non-contract repairs.

FTE STAFFING ANALYSIS

Budget	Actual to date
462.0	434.2

	Estimate £m	Projection to 31 Mar 11 £m	Variance (Favourable) / Adverse
Employee Costs	0.264	0.208	(0.056)
Premises Costs	0.000	0.000	0.000
Transport Costs	0.000	0.000	0.000
Supplies & Services	0.364	0.234	(0.130)
Third Party Payments	0.200	0.200	0.000
Transfer Payments	0.000	0.000	0.000
Gross Expenditure	0.828	0.642	(0.186)
Income	(0.095)	(0.095)	0.000
Net Expenditure	0.733	0.547	(0.186)

	Estimate £m	Projection to 31 Mar 11 £m	Variance (Favourable) / Adverse
Employee Costs	11.701	11.516	(0.185)
Premises Costs	1.290	1.319	0.029
Transport Costs	1.053	1.082	0.029
Supplies & Services	1.690	1.743	0.053
Third Party Payments	0.385	0.395	0.010
Transfer Payments	0.000	0.000	0.000
Gross Expenditure	16.119	16.055	(0.064)
Income	(4.042)	(4.402)	(0.360)
Net Expenditure	12.077	11.653	(0.424)

2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 4 (25 JULY 2010)

NEIGHBOURHOOD SERVICES

EMERGENCY PLANNING

Favourable variances arising from vacancies and reduced training expenditure are partly offset by contributions towards the running costs of the Ayrshire Civil Contingencies Team under the shared services agenda.

FTE STAFFING ANALYSIS

Budget	Actual to date
1.0	0.0

	Estimate £m	Projection to 31 Mar 11 £m	Variance (Favourable) / Adverse
Employee Costs	0.038	0.028	(0.010)
Premises Costs	0.000	0.000	0.000
Transport Costs	0.003	0.001	(0.002)
Supplies & Services	0.009	0.018	0.009
Third Party Payments	0.000	0.000	0.000
Transfer Payments	0.000	0.000	0.000
Gross Expenditure	0.050	0.047	(0.003)
Income	0.000	0.000	0.000
Net Expenditure	0.050	0.047	(0.003)

JOINT BOARDS – POLICE AND FIRE

The Executive Director of Neighbourhood Services does not anticipate any material variances at this time.

	Estimate £m	Projection to 31 Mar 11 £m	Variance (Favourable) / Adverse
Employee Costs	0.000	0.000	0.000
Premises Costs	0.000	0.000	0.000
Transport Costs	0.000	0.000	0.000
Supplies & Services	0.000	0.000	0.000
Third Party Payments	25.303	25.303	0.000
Transfer Payments	0.000	0.000	0.000
Gross Expenditure	25.303	25.303	0.000
Income	0.000	0.000	0.000
Net Expenditure	25.303	25.303	0.000

2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 4 (25 JULY 2010)

NEIGHBOURHOOD SERVICES

ROADS AND TRANSPORTATION

Favourable variances reflecting vacant posts and additional income from rechargeable work undertaken by Transport Services are partly offset by increased Transport Services costs rechargeable to other departments and outside organisations.

FTE STAFFING ANALYSIS

Budget	Actual to date
185.6	175.1

	Estimate £m	Projection to 31 Mar 11 £m	Variance (Favourable) / Adverse
Employee Costs	6.020	5.989	(0.031)
Premises Costs	0.432	0.432	0.000
Transport Costs	1.524	1.524	0.000
Supplies & Services	3.879	3.890	0.011
Third Party Payments	4.175	4.175	0.000
Transfer Payments	0.000	0.000	0.000
Gross Expenditure	16.030	16.010	(0.020)
Income	(4.855)	(4.929)	(0.074)
Net Expenditure	11.175	11.081	(0.094)

PLANNING AND ECONOMIC DEVELOPMENT

Management action was taken during 2008/09 to delay filling vacancies following the decline in planning and building standards income and vacancies continue to be held with a variance of £0.400m currently anticipated. Within Supplies and Services, favourable variances are projected for Leader's Initiatives / TCRF maintenance costs due to timing differences and Fairer Scotland Fund Skills Development and Employability which will be required to be carried forward to match fund continuing EU awards.

These are offset by the continued anticipated reduction in Income which as Members are aware, arises principally from Planning Fees and Building Warrants due to external economic factors. Significant fee income is currently anticipated from the Council's capital programme.

FTE STAFFING ANALYSIS

Budget	Actual to date
126.7	110.0

	Estimate £m	Projection to 31 Mar 11 £m	Variance (Favourable) / Adverse
Employee Costs	6.960	6.560	(0.400)
Premises Costs	0.130	0.130	0.000
Transport Costs	0.126	0.126	0.000
Supplies & Services	1.670	1.603	(0.067)
Third Party Payments	0.639	0.639	0.000
Transfer Payments	0.000	0.000	0.000
Gross Expenditure	9.525	9.058	(0.467)
Income	(5.919)	(5.352)	0.567
Net Expenditure	3.606	3.706	0.100

2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 4 (25 JULY 2010)

NEIGHBOURHOOD SERVICES

GENERAL FUND HOUSING

The Employee Costs variance reflects additional overtime and special payments to staff at the Risk Management Centre together with redundancy costs for Community Wardens and reduced staff turnover.

Additional Transport Costs have arisen due to charges in respect of purchased vehicles and vehicle tracking costs, partly offset by reduced fuel and hire charges.

Reduced expenditure on bed and breakfast, removals and storage and mediation and diversionary activities are partly offset by the purchase of bins and containers.

Increased recycling activity has resulted in reduced landfill charges but is partly offset by reduced income from recycling, special uplifts and skip hires which is partly offset by increased commercial waste income and private landlord registration fees.

	Estimate £m	Projection to 31 Mar 11 £m	Variance (Favourable) / Adverse
Employee Costs	5.792	5.884	0.092
Premises Costs	1.104	1.121	0.017
Transport Costs	1.283	1.362	0.079
Supplies & Services	1.942	1.916	(0.026)
Third Party Payments	5.436	5.068	(0.368)
Transfer Payments	0.000	0.000	0.000
Gross Expenditure	15.557	15.351	(0.206)
Income	(3.504)	(3.324)	0.180
Net Expenditure	12.053	12.027	(0.026)

FTE STAFFING ANALYSIS

Budget	Actual to date
237.1	221.4

2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 4 (25 JULY 2010)

NEIGHBOURHOOD SERVICES

HOUSING REVENUE ACCOUNT

The favourable variance is as a result of underspends in employee costs within the Housing Asset Service.

Budget	Actual to date
118.4	90.4

	Estimate £m	Projection to 31 Mar 11 £m	Variance (Favourable) / Adverse
Employee Costs	2.425	2.425	0.000
Premises Costs	4.508	4.508	0.000
Transport Costs	0.060	0.060	0.000
Supplies & Services	5.217	5.217	0.000
Third Party Payments	0.986	0.986	0.000
Debt Charges	5.272	5.272	0.000
CFCR/Planned Maint	5.790	5.790	0.000
Homeless Hostels	1.092	1.092	0.000
Housing Asset Service	12.011	11.823	(0.188)
Gross Expenditure	37.361	37.173	(0.188)
Income	(37.361)	(37.361)	0.000
Net expenditure	(0.000)	(0.188)	(0.188)

HOUSING ASSET SERVICE

This service operates within the Housing Revenue Account and analysis of the costs are provided in the table opposite. The favourable variance reflects vacant posts within the service.

Budget	Actual to date
336.0	309.5

	Estimate £m	Projection to 31 Mar 11 £m	Variance (Favourable) / Adverse
Employee Costs	9.087	8.899	(0.188)
Premises Costs	0.009	0.009	0.000
Transport Costs	1.427	1.427	0.000
Supplies & Services	4.663	4.663	0.000
Third Party Payments	2.904	2.904	0.000
Transfer Payments	2.551	2.551	0.000
Gross Expenditure	20.641	20.453	(0.188)
Income	(8.630)	(8.630)	0.000
Net Expenditure	12.011	11.823	(0.188)

2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 4 (25 JULY 2010)

NEIGHBOURHOOD SERVICES

PARTNERSHIPS AND PROJECTS

A number of projects are operated and funded from a variety of sources with some funding awarded in one financial year for use in that or subsequent years.

The balance on Leisure Projects relates to schemes including Positive Play, the Talented Athlete Programme, Multi Use Games Areas and Healthy Weight Community. These balances will be required to sustain the projects in future years.

Roads and Transport balances relate mainly to the Clyde Local Authority Consortium, A76 Crossroads, the Hopper Bus Service and the Scottish Coal Obligation Funds.

The Employability balance mainly relates to East Ayrshire Woodlands and the deficit is anticipated to be offset by secured income received by 31 March 2011. The Wind Farm balance is held for work related to the Whitelee Access Action Plan. Developer's Contributions balances are held for leisure and recreation facilities throughout the area in line with the requirements set out in the Local Plan. A review of these balances was submitted to Cabinet on 23 June 2010 addressing the usage of funds to support eligible projects within the capital programme. Make It Kilmarnock includes a reducing balance awarded from balances and Fairer Scotland/Challenge funding. The Moorfield Entrance Junction money is required to be held during the project retention period. The Design Workshop balance will be retained for expenditure on Cumnock shop front design. The Cumnock Regeneration balance is held as a contingency. Cumnock and Kilmarnock Town Centre balances are held for planned activities, events and marketing to increase footfall through both town centres.

	Balances at 25 July 2010 £m
Leisure Projects	
EA Positive Play	(0.349)
Talented Athlete Programme	(0.254)
MUGA Streetcages	(0.166)
Sports Council	(0.021)
Healthy Weight Community	(0.044)
Other Leisure Projects	(0.025)
Roads and Transportation Projects	
Scottish Coal Obligation	(0.080)
Hopper Bus Service	(0.069)
Clyde Local Authority Consortium	(0.089)
Other Roads & Transport Projects	(0.026)
Planning & Development	
Employability	0.169
Wind Farm	(0.235)
Developers Contributions / S75 SLR	(0.913)
Make It Kilmarnock	(0.200)
Moorfield Entrance Junction	(0.031)
East Ayrshire Town Centres	(0.007)
Design Workshop	(0.004)
Cumnock Regeneration	(0.015)
Cumnock Town Centre	(0.023)
Kilmarnock Town Centre	(0.010)
Total	(2.392)

NEIGHBOURHOOD SERVICES

Service Enhancements 2010/11

Additional funding has been provided for the operation of a number of services experiencing increasing demands and costs including:

- Additional waste management services arising from new streets, houses and local facilities;
- Opening of new local facilities;
- Ongoing operating costs arising from Town Centre Regeneration and Leader's Initiatives;

Strategic Review of the Revenue Budget

The Strategic Review of the Revenue Budget resulted in decisions to increase burial charges nearer to the Scottish Average, reductions in the net costs of Waste Disposal and Street Cleansing and a move of funding for roads maintenance to capital to enable a more strategic approach to be implemented. This amounts to net additional savings of £0.450m over the 4 years to 2011/12.

2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 4 (25 JULY 2010)

FINANCE AND CORPORATE SUPPORT

SERVICE SUMMARY

The department is currently projecting a favourable position of £0.338m. Savings are currently anticipated within Finance, Community Planning and Human Resources and predominantly relate to employee costs of £0.371m and additional income within the Finance Service of £0.095m is also anticipated.

There is currently an adverse variance of £0.151m projected in relation to the IT and Asset Management service which relates principally to potential severance costs of £0.128m anticipated to generate future year savings. The service will continue to manage this position throughout the year as it proceeds with its review of service operations. Within the Asset Management division, while savings are anticipated in relation to Corporate Office Accommodation costs of £0.118m, an under-recovery of property related income of £0.150m is also anticipated resulting in a net adverse position. As in previous years pressure is being experienced within property maintenance budgets however the service anticipates managing an online position at the current time.

	Estimate £m	Projection to 31 Mar 11 £m	Variance (Favourable) / Adverse
Central Management Support	0.177	0.177	0.000
Finance	3.844	3.464	(0.380)
Human Resources	2.401	2.331	(0.070)
IT and Asset Management	9.269	9.420	0.151
Democratic Services	2.797	2.797	0.000
Legal Procurement & Reg.	2.829	2.829	0.000
Community Planning P'ship	0.721	0.681	(0.040)
Net Expenditure	22.038	21.699	(0.339)

	Estimate £m	Projection to 31 Mar 11 £m	Variance (Favourable) / Adverse
Employee Costs	19.461	19.090	(0.371)
Premises Costs	6.066	5.909	(0.157)
Transport Costs	0.297	0.287	(0.010)
Supplies & Services	4.955	5.045	0.090
Third Party Payments	0.790	0.801	0.011
Transfer Payments	0.000	0.000	0.000
Gross Expenditure	31.569	31.132	(0.437)
Income	(9.531)	(9.433)	0.098
Net Expenditure	22.038	21.699	(0.339)

2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 4 (25 JULY 2010)

FINANCE AND CORPORATE SUPPORT

SUMMARY OF MOVEMENTS IN APPROVED BUDGET

	Annual Estimate £m	Budget Adjustments £m	Revised Budget £m	Comments on Budget Movement
Budget Allocation Approved by Council 11 February 2010	21.674			
<i>Additions / Transfers to / (from) Initial Budget:</i>				
1 Onsite Services Budget Realignment		-0.010		Transfer of Budgets for additional cleaning provision to Onsite Services
2 Fairer Scotland Fund		-0.038		Realignment of Budgets to Reflect Allocation of Fairer Scotland Fund
3 Copyright Licence Funding Transfer		+0.017		Transfer of Budgets for Copyright Licences from Central Services
4 Housing Benefit Admin Grant Adjustment		+0.089		Revised HB Admin Grant Advised by DWP
5 Electoral Administration Budget Transfer		+0.053		Transfer of Electoral Administration Funding from Central Services
6 Skills Training Income Transfer		+0.037		Transfer of Skills Training Income targets to Planning & Economic Development
7 Transfer of Staffing to Chief Executive's		-0.022		Transfer of Staffing Budgets for post transferred to Chief Executive's
8 Energy Inflation Adjustment		-0.049		Realignment of Budgets to reflect actual energy inflation rates
9 NDR Revaluation Adjustment		-0.104		Realignment of Budgets to reflect actual NDR revaluation charges
10 Schools ICT Budget Realignment		+0.391		Transfer of Schools ICT budgets to Finance & Corporate Support IT Service
<i>Total Budget adjustments</i>			+0.364	
Revised Budget Allocation at Period 4			22.038	

2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 4 (25 JULY 2010)

FINANCE AND CORPORATE SUPPORT

EXPENDITURE REDUCTION TARGETS

Following extensive public consultation the Council approved a number of expenditure reduction measures which will produce savings from the department's controllable revenue expenditure of £0.899m in 2010/11.

ACTIONS	Theme	SAVING £m	Status at 25/7/10	Achieved at 25/7/10 £m
Finance and Corporate Support		0.899		0.158
Implementation of the Legal, Procurement and Regulatory BVSR	BRS	0.067		
Review of support within Members' Services	BRS	0.029		
A Business Case Review of Switchboard Services	BRS	0.020		
Reduced Finance and Asset Management Services staffing resulting from BVSRs	BWP	0.350		0.158
Reduced staffing within the Pest Control / Dog Warden services	BWP	0.025		
Review of staffing within Information Technology	BWP	0.018		
Review of staffing within Human Resources	BWP	0.028		
Reduced IT Training Costs arising from revised recruitment policies	BWP	0.050		
Review of staffing within Democratic Services	BWP	0.041		
10% reduction of controllable budgets within Finance and Asset Management Services	CND	0.050		
10% reduction of controllable budgets within Democratic Services	CND	0.021		
Additional efficiencies arising from departmental management action	CND	0.055		
Discontinuation of BT contracts and replacements with Wireless circuits	ITS	0.024		
Continuation of VoIP Trunking and rationalisation of printing function	ITS	0.020		
Rationalisation of WAN data circuit contracts	ITS	0.016		
Reduce IT costs through LAN bandwidth reduction and adoption of single source UNIX maintenance	ITS	0.076		
Closure of CPPU Offices at Barrhill Road, Cumnock	MUA	0.009		

Status: Fully met



In Progress



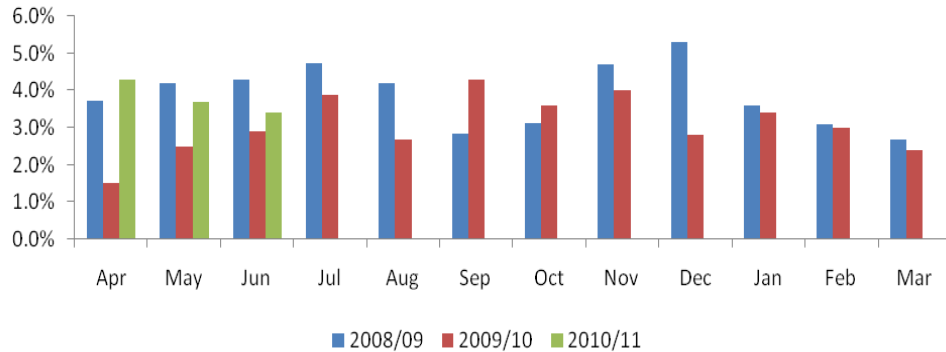
Unmet



2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 4 (25 JULY 2010)

FINANCE AND CORPORATE SUPPORT

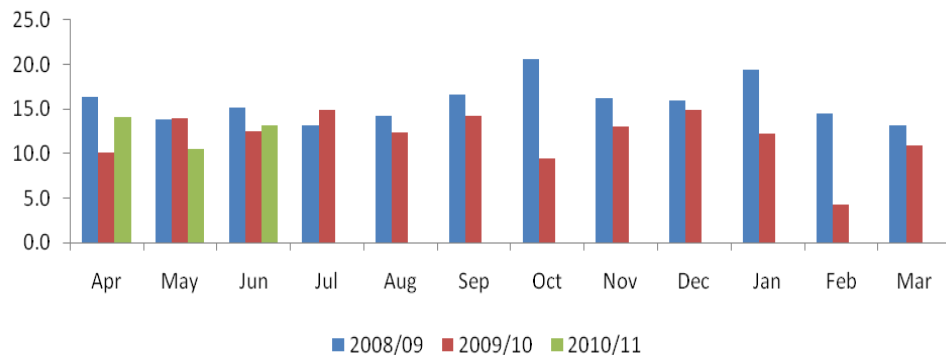
Percentage of workings days lost for LGE & Craft Workers - Finance & Corporate Support



Absence for June was 3.44%, an improvement on the previous two months. Cumulative absence for April – June was 3.8%. Within the Department, there were 50 absences of between 1 and 7 days in June and only 3 absence periods greater than 6 months. During the month, the top three reasons for absence accounted for 57% of all days lost. These were operations/recovery & Treatment, Stress/Debility and Stomach/Abdominal.

Absence continues to be monitored monthly on a service by service basis through the Departmental Management Team. 09/10 figures for average number of working days require to be amended to take account of the revised departmental structure which was implemented from 1 April 2010, this will allow a fairer comparison with the previous year.

Benefit Administration: Average time taken to process new claims and change events.



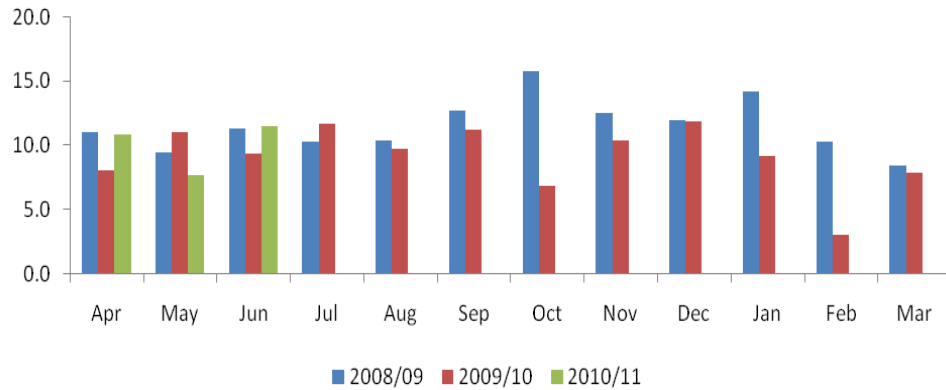
Performance was significantly higher than both the target and intervention levels. Due to annual leave and vacancies processing time for change events are currently taking longer than normal. In addition, during the month of June priority was given to processing new benefit claims and there was a significant improvement in this element of the indicator which had its best performance ever recorded on the Electronic Performance Management System, with records dating back to April 2008. However this resulted in the average time taken to process change events increasing.

Annual leave and vacancies likely to have an impact for the next month or two. Once the majority of annual leave is over consideration will be given for some overtime to get workload more up to date.

2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 4 (25 JULY 2010)

FINANCE AND CORPORATE SUPPORT

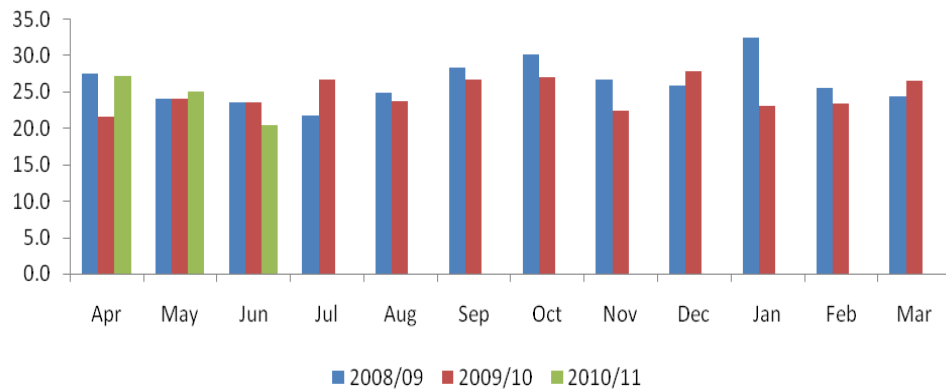
Benefit Administration: Average time to process change events.



Performance was significantly higher than both the target and intervention levels. Due to annual leave and vacancies processing time for change events are currently taking longer than normal. During the month of June priority was given to processing new benefit claims and there was a significant improvement in this element of the indicator which had its best performance ever recorded on the Electronic Performance Management System, with records dating back to April 2008.

Annual leave and vacancies likely to have an impact for the next month or two. Once the majority of annual leave is over consideration will be given for some overtime to get workload more up to date.

Benefit Administration: Average time to process new benefit claims.



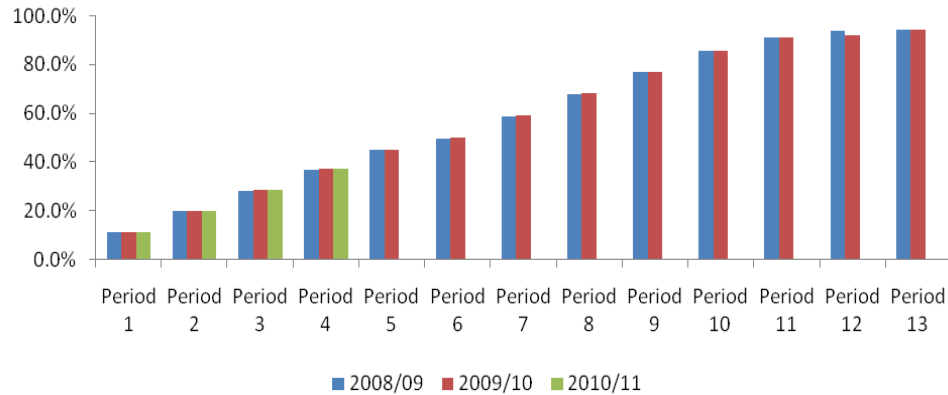
Despite annual leave and vacancies within the team new claims processing time improved significantly from the previous month as this type of claim was prioritised to get benefit into payment. Performance improved from an average of 25.04 days in May to 20.38 days in June. Performance in relation to this indicator has been recorded on the Electronic Performance Management System since April 2008 and this is the best performance recorded.

Performance will continue to be monitored for both new benefit claims and change events as the focus on new benefit claims has had a negative impact on the time taken to process change events.

2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 4 (25 JULY 2010)

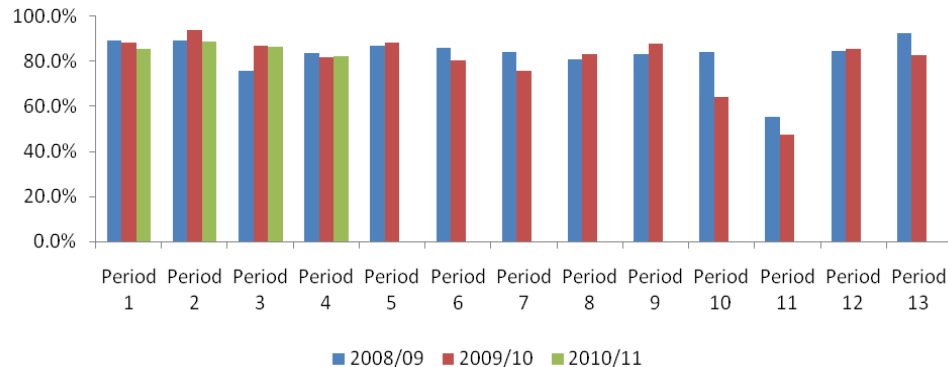
FINANCE AND CORPORATE SUPPORT

Council Tax: Percentage of Council Tax received.



The first Council Tax warrant was passed to the Sheriff Officer in June. As well as a copy of the warrant, we now download the file and provide any diligence information available at the outset. This will prove time consuming initially but will mean the Sheriff Officer will have all relevant information available to pursue the debt which, in effect, should increase our collection level.

Invoices: Percentage paid within 30 calendar days of receipt.

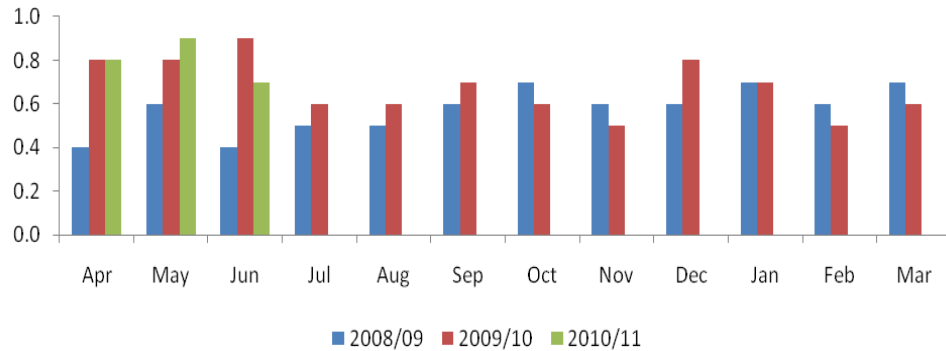


Performance during period 4 dipped slightly primarily due to the staff leave with 34 days lost due to holidays and 2 days lost to sickness.

2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 4 (25 JULY 2010)

FINANCE AND CORPORATE SUPPORT

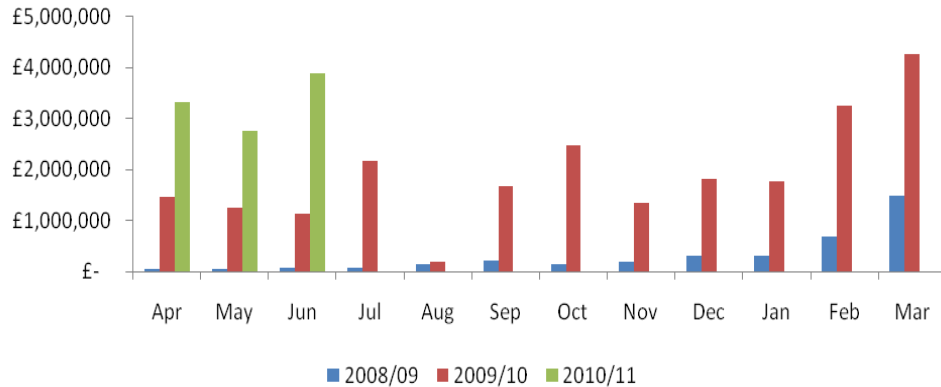
Domestic Noise Complaints: Average time (hours) between complaint and site visit (Antisocial Behaviour Act)



The number of domestic noise complaints received by the Service in June was 106. This is a decrease compared to the 130 complaints received in May which was the highest number of complaints recorded in any one month of the previous two years. The number of complaints remains high and this can be attributed to an ongoing increase in public awareness. 56 of the complaints in June required attendance on site under Part V of the Antisocial Behaviour (Scotland) Act. The out of hours noise service covers the whole of Ayrshire and as such the time taken to respond varies depending on the geographical spread of complaints as this can substantially increase the distance that has to be covered.

Average performance remains under 1 hour, however, average time taken and number of complaints will continue to be monitored

Procurement: Monthly spend via PECOS.

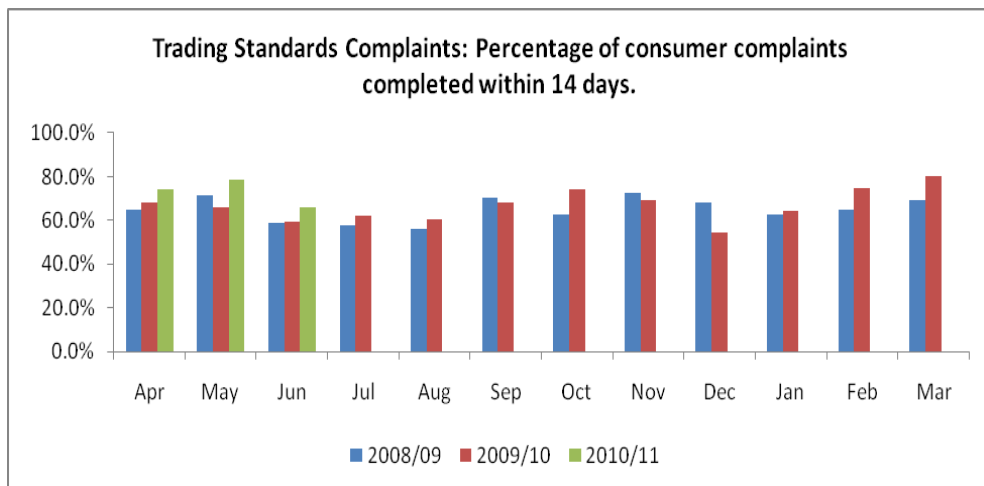


Financial year 2010/11 throughput of £7.870m achieved at 30 June 2010 (June 2009 £1.865m). £3.383m of orders placed in month of June (including change orders) (June 2009 £0.636m). 32000th order placed (Order count for June=3,378 including change orders). 2,114 suppliers active with 950 users.

No improvement action proposed at this time.

2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 4 (25 JULY 2010)

FINANCE AND CORPORATE SUPPORT



The percentage of consumer complaints completed within 14 days dropped below the target level of 74% for the first time since January this year. 44 complaints were completed in the month with 29 of these being completed within the 14 day timescale. The drop in performance has been attributed to the reduced staffing complement within the service.

No actions are proposed at this time, however, performance will continue to be monitored by management on a monthly basis.

2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 4 (25 JULY 2010)

FINANCE AND CORPORATE SUPPORT

Non Financial Data

	2009/10 Period 4	2009/10 Outturn	2010/11 Period 4
Number of property enquiries (cumulative)	33	117	38
Average income per property enquiry	£42	£43	£51
Number of licensing board applications (cumulative)	503	1,824	341
Average income per licensing board application	£56	£84	£44
Number of job vacancy adverts placed (cumulative)	73	239	75
Average cost per job vacancy advert	£215	£343	£566
Number of let commercial and industrial properties	57	61	62
Number of property repairs completed (cumulative)	1,435	8,998	1,982
Number of transactions processed through the Income Management System (cumulative)	221,936	640,761	210,808
Value of transactions processed through the Income Management System	£123.0m	£397.6m	£132.7m
Council Tax collection rate	37.0%	94.1%	37.1%

2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 4 (25 JULY 2010)

FINANCE AND CORPORATE SUPPORT

SERVICE PERFORMANCE TO DATE

CENTRAL MANAGEMENT SUPPORT

There are no material variances anticipated at this time.

FTE STAFFING ANALYSIS

Budget	Actual to date
2.0	2.0

FINANCE SERVICE

A favourable variance of £0.379m is currently anticipated as a result of the number of vacancies currently held throughout the service pending a review of the service operation as well as additional funding from the Department for Work and Pensions received to assist with anticipated increased benefit claims during the economic downturn. Additional income is also expected from the collection of Scottish Water rates.

FTE STAFFING ANALYSIS

Budget	Actual to date
178.4	161.4

	Estimate £m	Projection to 31 Mar 11 £m	Variance (Favourable) / Adverse
Employee Costs	0.160	0.160	0.000
Premises Costs	0.000	0.000	0.000
Transport Costs	0.000	0.000	0.000
Supplies & Services	0.017	0.017	0.000
Third Party Payments	0.000	0.000	0.000
Transfer Payments	0.000	0.000	0.000
Gross Expenditure	0.177	0.177	0.000
Income	0.000	0.000	0.000
Net Expenditure	0.177	0.177	0.000

	Estimate £m	Projection to 31 Mar 11 £m	Variance (Favourable) / Adverse
Employee Costs	5.735	5.470	(0.265)
Premises Costs	0.016	0.002	(0.014)
Transport Costs	0.027	0.022	(0.005)
Supplies & Services	0.688	0.688	0.000
Third Party Payments	0.000	0.000	0.000
Transfer Payments	0.000	0.000	0.000
Gross Expenditure	6.466	6.182	(0.284)
Income	(2.622)	(2.717)	(0.095)
Net Expenditure	3.844	3.465	(0.379)

2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 4 (25 JULY 2010)

FINANCE AND CORPORATE SUPPORT

INFORMATION TECHNOLOGY AND ASSET MANAGEMENT

Non filling of vacancies and maternity leave, after offsetting turnover savings, results in a staffing structure saving. However potential severance costs within the service, while contributing to future year savings, result in a minor overspend anticipated on this heading at the current time. The Service is currently undertaking a review of its operation which should allow further management of this variance, which can currently be offset by savings anticipated elsewhere within the department.

The Premises Costs favourable variance is due to the timing of the occupancy of the new Strand Street office building in addition to savings anticipated on non-domestic rates, utilities and rental costs. In addition there is a managed saving on expenditure on Surplus Property in line with an anticipated shortfall in property disposal income.

A favourable Transport Costs variance is anticipated resulting from the changes to car leasing arrangements and lower than budgeted car mileage claims.

It is anticipated that operational requirements will result in an adverse position on supplies and services which will continue to be managed as part of the ongoing operational review of the service.

As in the previous year, the service anticipates the economic downturn to impact on property related income. A shortfall of £0.122m is currently expected in relation to rental income from the Burns Mall, with a shortfall in income from housing deed plans of £0.028m. In addition receipts from the disposal of surplus property are also expected to be lower than budgeted levels. The opportunity for the Council to generate income from disposals has considerably decreased both as a result of market conditions and a reduction in the availability of marketable surplus property.

	Estimate £m	Projection to 31 Mar 11 £m	Variance (Favourable) / Adverse
Employee Costs	6.292	6.314	0.022
Premises Costs	6.007	5.864	(0.143)
Transport Costs	0.134	0.124	(0.010)
Supplies & Services	2.022	2.128	0.106
Third Party Payments	0.333	0.333	0.000
Transfer Payments	0.000	0.000	0.000
Gross Expenditure	14.788	14.763	(0.025)
Income	(5.519)	(5.344)	0.176
Net Expenditure	9.269	9.420	0.151

FTE STAFFING ANALYSIS

Budget	Actual to date
171.9	160.1

2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 4 (25 JULY 2010)

FINANCE AND CORPORATE SUPPORT

HUMAN RESOURCES

Savings due to turnover, non-filling of vacancies and recent retirements within the service have resulted in the projected favourable Employee Costs variance. The Transport Costs variance is due to excess travel claims arising from the relocation of the Organisational Development Team and the transfer of Asset management staff to Health and Safety. Within Supplies and Services a saving of £0.025m has resulted from changing the Employee Recognition event to a biannual event. This is partially offset by other pressures arising from subscriptions, Health and Safety mobile phone costs and printing and postages. The variance within Third Party Payments is due to consultants costs in respect of the Health and Safety compliance review as well as costs arising from the Physiotherapy Service which are offset by income recharges.

FTE STAFFING ANALYSIS

Budget	Actual to date
73.7	72.1

DEMOCRATIC SERVICES

An adverse variance in property certificates income based on the 2009/10 outturn position is currently anticipated and this will be managed within the service.

FTE STAFFING ANALYSIS

Budget	Actual to date
43.4	40.1

	Estimate £m	Projection to 31 Mar 11 £m	Variance (Favourable) / Adverse
Employee Costs	2.453	2.379	(0.074)
Premises Costs	0.001	0.001	0.000
Transport Costs	0.018	0.023	0.005
Supplies & Services	0.220	0.214	(0.006)
Third Party Payments	0.049	0.060	0.011
Transfer Payments	0.000	0.000	0.000
Gross Expenditure	2.741	2.677	(0.064)
Income	(0.340)	(0.346)	(0.006)
Net Expenditure	2.401	2.331	(0.070)

	Estimate £m	Projection to 31 Mar 11 £m	Variance (Favourable) / Adverse
Employee Costs	1.446	1.446	0.000
Premises Costs	0.000	0.000	0.000
Transport Costs	0.027	0.027	0.000
Supplies & Services	1.456	1.446	(0.010)
Third Party Payments	0.061	0.061	0.000
Transfer Payments	0.000	0.000	0.000
Gross Expenditure	2.990	2.980	(0.010)
Income	(0.193)	(0.183)	0.010
Net Expenditure	2.797	2.797	0.000

2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 4 (25 JULY 2010)

FINANCE AND CORPORATE SUPPORT

LEGAL, PROCUREMENT AND REGULATORY

The Employee Costs variance is principally due to vacancies and work life balance arrangements across the service, partially offset by unmet turnover savings. This is offset by anticipated shortfalls in respect of Pest Destruction Charges and Legal Fees which are partly offset by anticipated Fixed Penalty income. A review of Pest Destruction Charges has been undertaken by the service.

FTE STAFFING ANALYSIS

Budget	Actual to date
84.0	79.4

	Estimate £m	Projection to 31 Mar 11 £m	Variance (Favourable) / Adverse
Employee Costs	2.857	2.843	(0.014)
Premises Costs	0.027	0.027	0.000
Transport Costs	0.088	0.088	0.000
Supplies & Services	0.519	0.519	0.000
Third Party Payments	0.185	0.185	0.000
Transfer Payments	0.000	0.000	0.000
Gross Expenditure	3.676	3.662	(0.014)
Income	(0.847)	(0.833)	0.014
Net Expenditure	2.829	2.829	0.000

COMMUNITY PLANNING AND PARTNERSHIP

The favourable variance anticipated relates to a vacancy and work life balance arrangements. It is currently anticipated that all Fairer Scotland Funds will be spent by 31 March 2011.

FTE STAFFING ANALYSIS

Budget	Actual to date
11.5	11.1

	Estimate £m	Projection to 31 Mar 11 £m	Variance (Favourable) / Adverse
Employee Costs	0.517	0.477	(0.040)
Premises Costs	0.015	0.015	0.000
Transport Costs	0.003	0.003	0.000
Supplies & Services	0.034	0.034	0.000
Third Party Payments	0.163	0.163	0.000
Transfer Payments	0.000	0.000	0.000
Gross Expenditure	0.732	0.692	(0.040)
Income	(0.011)	(0.011)	0.000
Net Expenditure	0.721	0.681	(0.040)

FINANCE AND CORPORATE SUPPORT

Service Enhancements 2010/11

Additional funding has been provided for the operation of a number of services experiencing increasing demands and costs including:

- Reduced property rental income;
- Reduced income from the disposal of properties;
- Operating costs of the new Strand Street office development;

Strategic Review of the Revenue Budget

The Strategic Review of the Revenue Budget resulted in decisions to redirect resources away from support functions to frontline services with proportionate expenditure reductions across Finance and Corporate Support. This amounts to additional savings of £0.587m over the 4 years to 2011/12.

2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 4 (25 JULY 2010)

CENTRAL SERVICES

SERVICE SUMMARY

Central Services is anticipated to outturn £0.087m under budget as a result of staff savings within the Internal Audit Service and a one-off successful reclaim of VAT, partly offset by additional costs of £0.357m in respect of the transport and associated decant costs relating to Gargieston Primary School.

	Estimate £m	Projection to 31 Mar 11 £m	Variance (Favourable) / Adverse
Chief Executive	0.563	0.541	(0.022)
Miscellaneous	6.434	6.369	(0.065)
Insurance	2.327	2.327	0.000
Net Expenditure	9.324	9.237	(0.087)

	Estimate £m	Projection to 31 Mar 11 £m	Variance (Favourable) / Adverse
Employee Costs	2.503	2.481	(0.022)
Premises Costs	0.000	0.000	0.000
Transport Costs	0.007	0.364	0.357
Supplies & Services	6.982	6.560	(0.422)
Third Party Payments	0.735	0.735	0.000
Gross Expenditure	10.227	10.140	(0.087)
Income	(0.903)	(0.903)	0.000
Net Expenditure	9.324	9.237	(0.087)

2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 4 (25 JULY 2010)

CENTRAL SERVICES

SERVICE PERFORMANCE TO DATE

CHIEF EXECUTIVE

The favourable variance is due to vacancies within the Internal Audit service.

FTE STAFFING ANALYSIS

Budget	Actual to date
11.6	10.7

	Estimate £m	Projection to 31 Mar 11 £m	Variance (Favourable) / Adverse
Employee Costs	0.599	0.577	(0.022)
Premises Costs	0.000	0.000	0.000
Transport Costs	0.007	0.007	0.000
Supplies & Services	0.017	0.017	0.000
Third Party Payments	0.000	0.000	0.000
Gross Expenditure	0.623	0.601	(0.022)
Income	(0.060)	(0.060)	0.000
Net Expenditure	0.563	0.541	(0.022)

MISCELLANEOUS SERVICES

A favourable variance of £0.422m is anticipated as a result of a successful reclaim of VAT following a retrospective claim in relation to sporting exemptions. This has been partly offset by additional transport and decant costs of £0.357m associated with Gargieston Primary School.

FTE STAFFING ANALYSIS

Budget	Actual to date
1.0	1.0

	Estimate £m	Projection to 31 Mar 11 £m	Variance (Favourable) / Adverse
Employee Costs	1.904	1.904	0.000
Premises Costs	0.000	0.000	0.000
Transport Costs	0.000	0.357	0.357
Supplies & Services	4.638	4.216	(0.422)
Third Party Payments	0.735	0.735	0.000
Transfer Payments	0.000	0.000	0.000
Gross Expenditure	7.277	7.212	(0.065)
Income	(0.843)	(0.843)	0.000
Net Expenditure	6.434	6.369	(0.065)

2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 4 (25 JULY 2010)

CENTRAL SERVICES

INSURANCE

There are no material variances to report at this time.

	Estimate £m	Projection to 31 Mar 11 £m	Variance (Favourable) / Adverse
Employee Costs	0.000	0.000	0.000
Premises Costs	0.000	0.000	0.000
Transport Costs	0.000	0.000	0.000
Supplies & Services	2.327	2.327	0.000
Third Party Payments	0.000	0.000	0.000
Transfer Payments	0.000	0.000	0.000
Gross Expenditure	2.327	2.327	0.000
Income	0.000	0.000	0.000
Net Expenditure	2.327	2.327	0.000

EDUCATIONAL AND SOCIAL SERVICES

Capital Programme

Expenditure to date is £0.866m, which represents 8.4% of the available budget. The Projected Expenditure for 2010/11 is £6.458m.

The projected underspend on the Education and Social Services capital programme primarily relates to a number of schemes which are anticipated to be less than originally budgeted or are forecast to slip into future financial years, including the Willowbank School, Darvel Primary Extension, Littlemill Primary and Children's Residential House projects.



2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 4 (25 JULY 2010)

EDUCATIONAL AND SOCIAL SERVICES

Major Projects

Galston Community Facilities

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m	Development		Design		Tender		Construction	
			Start	Finish	Start	Finish	Start	Finish	Start	Finish
1.000	0.000	1.000	N/A	27-10-10	27-10-10	20-06-11	19-04-11	04-11-11	07-11-11	24-12-12

 Expected Progress
 Actual Progress

Financial Status



The total budget allocation of £4.335m in respect of the Galston Town Centre project has been split into its three constituent parts.

Project Life Cycle

Project Management Team agreed proposals on the 30 June to refurbish the Community Centre. Proposals are being developed and initial designs have been discussed with the access panel.

Galston Office Facilities

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m	Development		Design		Tender		Construction	
			Start	Finish	Start	Finish	Start	Finish	Start	Finish
2.800	0.000	2.800	N/A	27-10-10	27-10-10	20-06-11	19-04-11	04-11-11	07-11-11	24-12-12

 Expected Progress
 Actual Progress

Financial Status

The total budget allocation of £4.335m in respect of the Galston Town Centre project has been split into its three constituent parts.

Project Life Cycle

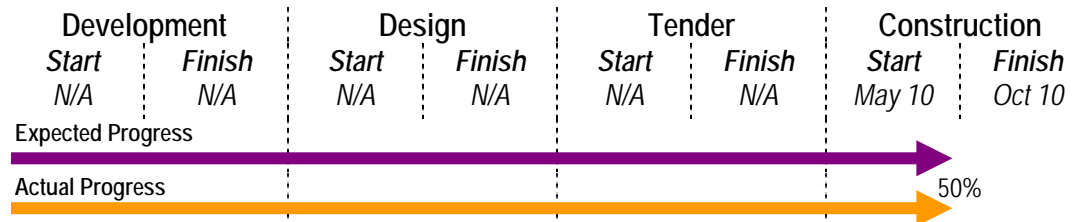
Project Management Team agreed proposals on the 30 June to refurbish the existing Social Work office and the construction of a new local office on the gap site. Any decision relating to the refurbishment of the local office building deferred pending the outcome of discussions with funding bodies. Work to develop layouts and consultation exercise with internal and external stakeholders on-going.

2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 4 (25 JULY 2010)

EDUCATIONAL AND SOCIAL SERVICES

Galston TCRF

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m
0.535	0.127	0.535



Financial Status

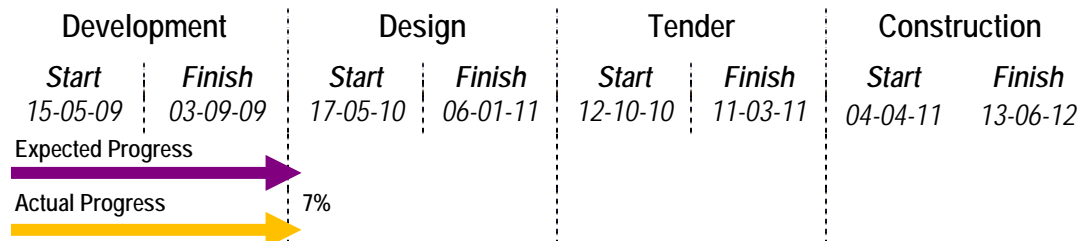
The total budget allocation of £4.335m in respect of the Galston Town Centre project has been split into its three constituent parts.

Project Life Cycle

Works are currently progressing with regard to the construction of the new car park in Galston Town Centre.

Darvel Primary School and Nursery School

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m
5.000	0.012	5.000



Financial Status

Project costs will be accurately determined after detailed designs are finalised and tenders received.

Project Life Cycle

Initial internal layouts agreed; external layouts for traffic management, parking etc still to be agreed. Detailed design works on-going. Cost estimates for revised design are currently estimated at approx. £6.300m. Tender documents will continue to be prepared and issued in order to test market. Potential options to revise costs can be explored if tendered prices continue to be higher than the available budget.

2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 4 (25 JULY 2010)

EDUCATIONAL AND SOCIAL SERVICES

Flowerbank Nursery

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m	Development		Design		Tender		Construction	
			Start	Finish	Start	Finish	Start	Finish	Start	Finish
1.750	0.001	1.750	N/A	07-09-10	08-09-10	14-11-11	25-10-11	29-03-12	24-04-12	02-05-13

Financial Status

Only minor expenditure is anticipated to be incurred in 2010/11.

Expected Progress

Actual Progress

Project Life Cycle

The Project Management Team has agreed to defer work for a short period of time to allow scarce resources to be focused on other projects. The project is able to afford this time as it is likely the recommended option will be to move to a refurbished Woodstock School which will not be available until the Willowbank School is completed (anticipated April 2012). Structural consultants have been appointed to carry out full structural survey of Woodstock; no significant issues identified.

Willowbank School

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m	Development		Design		Tender		Construction	
			Start	Finish	Start	Finish	Start	Finish	Start	Finish
10.000	0.104	10.000	Complete		30-09-09	29-07-10	07-06-10	08-11-10	22-11-10	27-02-12

Financial Status

Project costs will be accurately determined after detailed designs are finalised and tenders received.

Expected Progress

Actual Progress

85% 5%

Project Life Cycle

Outline layouts for the new facility have been agreed with stakeholders and work is currently ongoing on the detailed design and preparation of the necessary tender documentation. AIS are endeavouring to mitigate the delay of 4-8 weeks by the appointment of temporary resources.



Concept Design Image

2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 4 (25 JULY 2010)

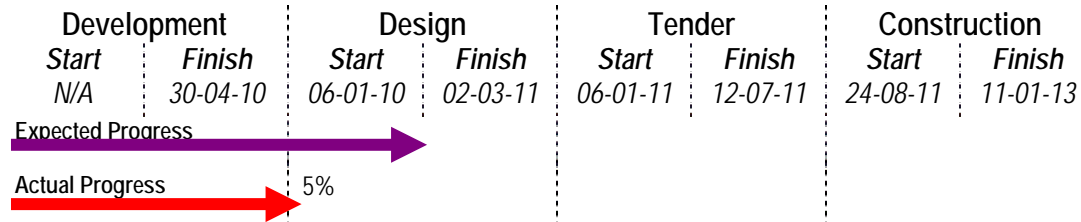
EDUCATIONAL AND SOCIAL SERVICES

New Cumnock Nursery and Primary School

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m
9.600	0.059	9.600

Financial Status

Project costs will be accurately determined after detailed designs are finalised and tenders received.



Project Life Cycle

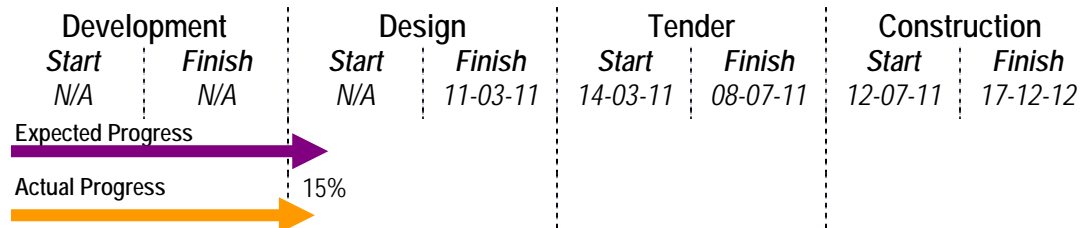
Following difficulties with the location of a gas main, minor amendments have been made to the layout of the nursery. The works to reconfigure Cairnhill Primary School to allow the relocation of the nursery school is anticipated to be completed by 16 August. Education have indicated that the staff and pupils will move early September 2010.

Patna / St Xavier's Primary Schools Co-location

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m
9.000	0.000	9.000

Financial Status

No expenditure is anticipated to be incurred in 2010/11



Project Life Cycle

Outline internal design layouts "locked down"; external layouts for traffic management. Parking etc still to be agreed. Costs for revised design are currently estimated at £10.600m. Tender document will continue to be prepared to test market. Brief being prepared to allow project to be issued to consultants.

2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 4 (25 JULY 2010)

EDUCATIONAL AND SOCIAL SERVICES

Gargieston Primary School

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m	Development		Design		Tender		Construction	
			Start	Finish	Start	Finish	Start	Finish	Start	Finish
12.000	0.000	12.000	N/A	24-11-10	08-06-10	20-01-11	13-10-10	23-03-11	05-05-11	11-07-12

Expected Progress

Actual Progress 50%

Project Life Cycle

Financial Status

Budgets to be revised to take account of Scottish Government funding once more information is available.

Work currently ongoing to develop a scheme to construct a new Gargieston Primary School in consultation with the Scottish Futures Trust (SFT). Pupils were decanted from 23 August 2010 following adverse site investigation reports. An assessment of the feasibility and cost of remedial works is currently being carried out.

Knockroon Primary School

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m	Development		Design		Tender		Construction	
			Start	Finish	Start	Finish	Start	Finish	Start	Finish
10.500	0.000	10.500	TBC	TBC	TBC	TBC	TBC	TBC	TBC	TBC

Expected Progress

Actual Progress

Project Life Cycle

Financial Status

No expenditure is anticipated to be incurred in 2010/11

Proposals to be developed in relation to the new school as part of the Knockroon Development.

2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 4 (25 JULY 2010)

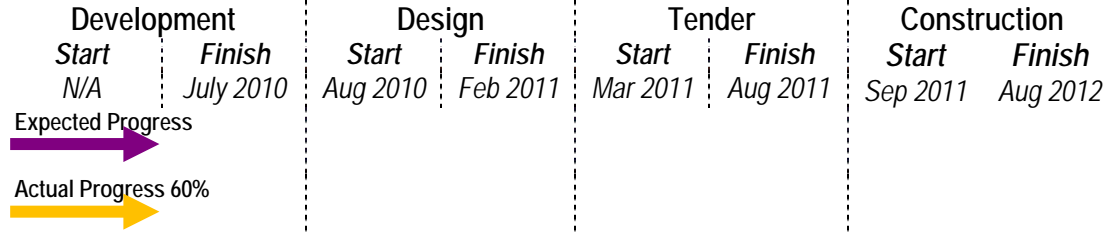
EDUCATIONAL AND SOCIAL SERVICES

Littlemill Primary School

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m
1.320	0.032	1.320

Financial Status

Most of the expenditure will be incurred in 2011/12.



Project Life Cycle

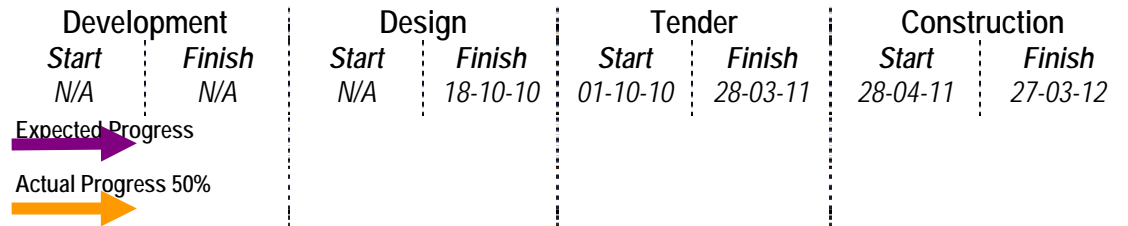
The works to renew the roof and rainwater goods to the main building and gym block commenced on 30 June and were completed prior to the schools returning. In order to minimise inconvenience to staff and pupils the external works to the car park, playground and garden will now be completed in summer 2011 to coincide with the remainder of the refurbishment works.

Sorn Primary School

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m
1.720	0.001	1.720

Financial Status

Most of the expenditure will be incurred in 2011/12.



Project Life Cycle

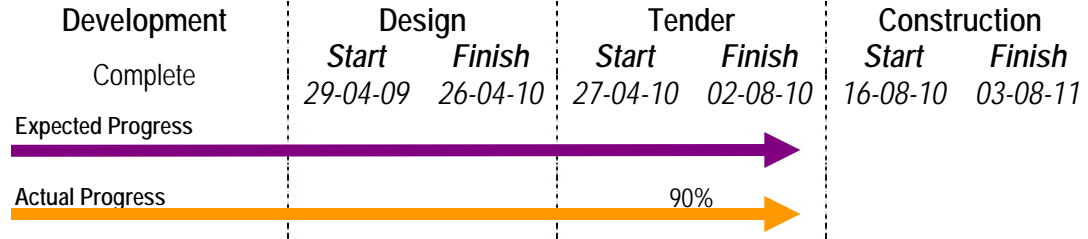
Indicative proposals to remodel and refurbish the existing layout have been prepared and agreed with the Parent Council; detailed design work on-going and is ahead of schedule. Possibility that window replacements could commence Oct 2010 if planning permission can be secured. The presence of bats has been confirmed which will impact on start time for roof works.

2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 4 (25 JULY 2010)

EDUCATIONAL AND SOCIAL SERVICES

Children's House North Kilmarnock

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m
1.510	0.052	1.210



Financial Status

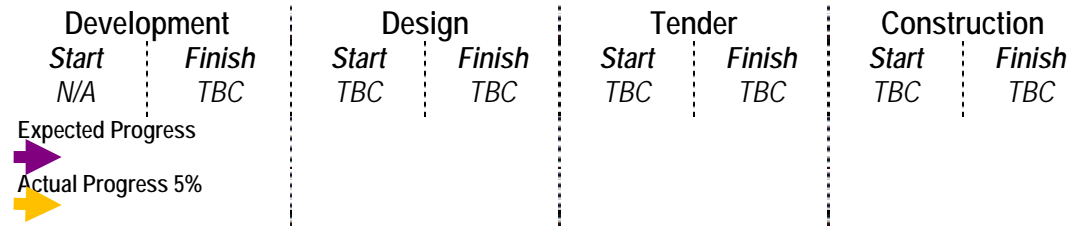
Revised estimates would indicate that costs are approximately 20% under budget.

Project Life Cycle

Tender awarded on 23 July 2010 and a pre-start meeting was held on 04 August 2010. The contractor formally took possession of the site on 9 August with site activities now commenced.

Auchinleck Community Facilities

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m
4.900	0.000	4.900



Financial Status

No expenditure is anticipated to be incurred in 2010/11

Project Life Cycle

Following an option appraisal exercise, Cabinet on 16 June 2010 approved an allocation of £4.900m to provide a combined community centre and elderly day care facility as a replacement to the existing Auchinleck Community Centre and the Day Care Centre operating from the Roseburn Hospital, Cumnock. Works to prepare layouts in consultation with client departments on-going. Timetable for new build to be established.

2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 4 (25 JULY 2010)

EDUCATIONAL AND SOCIAL SERVICES

Kilmarnock Area Day Centre

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m	Development		Design		Tender		Construction	
			<i>Start</i> TBC	<i>Finish</i> TBC	<i>Start</i> TBC	<i>Finish</i> TBC	<i>Start</i> TBC	<i>Finish</i> TBC	<i>Start</i> TBC	<i>Finish</i> TBC
2.500	0.000	2.500								

Expected Progress



Actual Progress



Project Life Cycle

Financial Status

No expenditure is anticipated to be incurred in 2010/11

Option appraisal exercise on-going to determine the extent of the day care / community facilities required and suitable sites within the Kilmarnock area. Further clarification on the extent of community facilities for the building and how this is to integrate with the day care centre is required.

2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 4 (25 JULY 2010)

EDUCATIONAL AND SOCIAL SERVICES

General Projects

There are a number of minor projects which are due to start and finish within the current financial year:-

Fabric Upgrades and Refurbishments

The underspend primarily relates to a number of schemes which are anticipated to slip in terms of progress and will now be completed in 2011/12.

Projects

Costs of approximately £0.062m and £0.007m in relation to the new Galston Primary School and Netherthird Community Centre respectively are anticipated to be incurred during the 2010/11 financial year.

Elderly Day Care Facilities

The costs in relation to the Stewarton Townhouse project are anticipated to be approximately £0.037m more than the available budget, however, there is an allocation of £0.100m for Rosebank which is unlikely to be required.

	Revised Budget 2010/11	Actual Expenditure to Date	Projected Expenditure 2010/11	Variance
Fabric Upgrades & Refurbishments	3.479	0.508	2.755	(0.724)
Projects	0.300	0.000	0.369	0.069
Care Homes Elderly	0.002	0.000	0.002	0.000
Elderly Day Care Facilities	0.291	0.132	0.228	(0.063)
Telecare	0.200	0.000	0.200	0.000
TOTAL EDUCATION & SOCIAL SERVICES	4.272	0.640	3.554	(0.718)

NEIGHBOURHOOD SERVICES

Capital Programme

Expenditure to date is £2.710m, which represents 12.4% of the available budget.
The projected expenditure for 2010/11 is £20.927m.

The variance primarily relates to anticipated slippage on the Stewarton Sports Facilities, Dalmellington & Bellsbank Library and Decriminalisation of Parking Enforcement.

2010/2011 FINANCE AND SERVICE STRATEGY REPORT TO PERIOD 4 (25 JULY 2010)

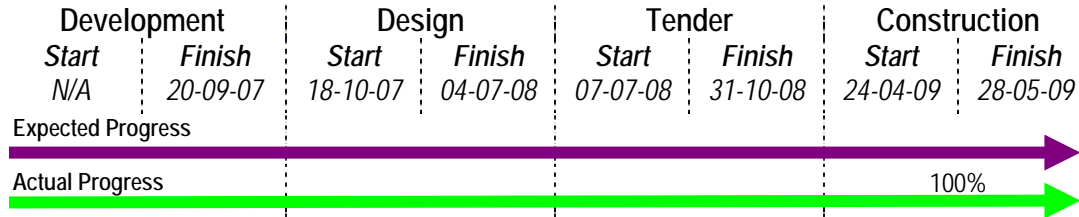
NEIGHBOURHOOD SERVICES

Crosshouse Area Centre

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m
3.955	3.641	3.955

Financial Status

Indications are that the project will be on budget.



External View

Project Life Cycle

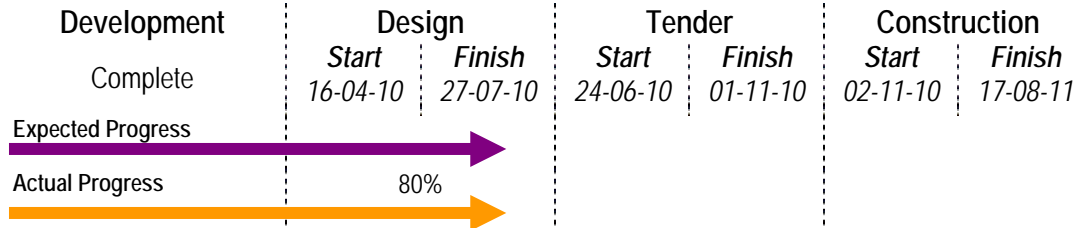
Property opened on 12 April; 6 weeks ahead of schedule. External landscaping works on-going.

Palace Theatre / Grand Hall

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m
3.781	1.279	3.781

Financial Status

Budget has been augmented with £2.500m allocated from Kilmarnock Town Centre Regeneration.



Project Life Cycle

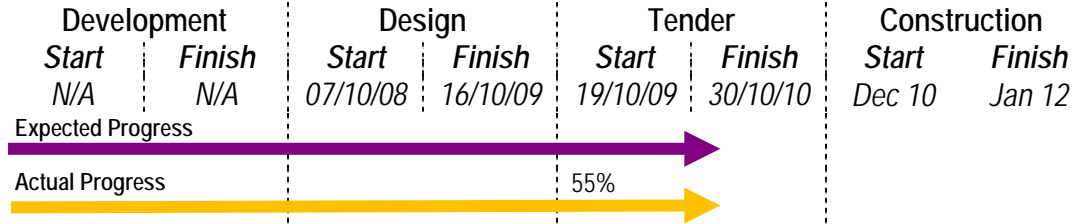
Works are currently on-going with regard to the Phase 3 improvement programme, including the cleaning of the stonework and replacement of the roof; currently anticipated that some minor works will commence September 2010 with the majority of works including the scaffolding for the roof and stone cleaning starting February 2011. An application has been submitted to Historic Scotland and the Scottish Art Council for additional funding. A more detailed programme of the exact timetable associated with each element of the works will be determined in due course.

2010/2011 FINANCE AND SERVICE STRATEGY REPORT TO PERIOD 4 (25 JULY 2010)

NEIGHBOURHOOD SERVICES

Stewarton Sports Facilities

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m
4.300	0.166	4.300



Artist's Impression

Financial Status

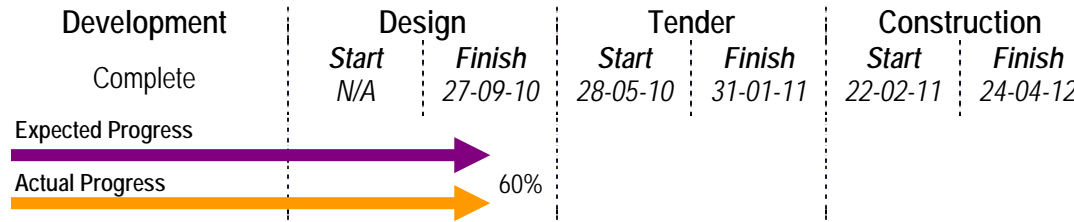
Most expenditure is anticipated to be incurred in 2011/12.

Project Life Cycle

Prequalification Questionnaires for tenders has been completed; tender documents to be issued in August. Planning approval was given on 24 June 2010.

Kilmarnock Athletics Facilities

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m
5.625	0.227	5.625



Artist's Impression

Financial Status

Budget revised to £5.625m following Cabinet decision on 6 May 2009. Expenditure to date relates to works required at Scott Ellis playing field to accommodate the development of the site at Queen's Drive.



Project Life Cycle

Indicative estimates suggest revised design above available budget, however, tender documents will continue to be prepared and issued in order to test market conditions. Potential options to revise costs can be explored if market prices continue to be higher than the available budget. Initial discussions have taken place with SportsScotland regarding possible support funding. Completion by April 2012 is achievable if favourable conditions prevail.

2010/2011 FINANCE AND SERVICE STRATEGY REPORT TO PERIOD 4 (25 JULY 2010)

NEIGHBOURHOOD SERVICES

Depot Improvements

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m	Development		Design		Tender		Construction	
			Start TBC	Finish TBC	Start TBC	Finish TBC	Start TBC	Finish TBC	Start TBC	Finish TBC
5.600	0.023	5.600	Expected Progress 							
			Actual Progress 							



Financial Status

£0.150m set aside for staff welfare facilities along with £1.000m and £0.050m for Gauchalland and Underwood Depots respectively.

Project Life Cycle

Works at Gauchalland Depot are on-going with the new pre-fabricated buildings due to be installed in November 2010 and completion of all works by January 2011. Proposals to demolish the bailing shed at the Western Road Depot and construction of a new facility are being progressed. Proposals to reconfigure the Underwood Depot to accommodate facilities at Thistle Park and Lugar are being progressed.

Dean Ford Bridge

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m	Development		Design		Tender		Construction	
			Start TBC	Finish TBC	Start TBC	Finish TBC	Start TBC	Finish TBC	Start TBC	Finish TBC
1.000	0.034	1.000	Expected Progress 							
			Actual Progress 							

Financial Status

Most expenditure is anticipated to be incurred in 2011/12.

Project Life Cycle


Preliminary work will be carried out during 2010/11. It is anticipated that construction will be carried out during 2011/12.


2010/2011 FINANCE AND SERVICE STRATEGY REPORT TO PERIOD 4 (25 JULY 2010)

NEIGHBOURHOOD SERVICES

Kilmarnock Town Centre Regeneration (Strand Street)

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m	Development		Design		Tender		Construction	
			Start	Finish	Start	Finish	Start	Finish	Start	Finish
2.900	1.401	2.900	N/A	N/A	N/A	N/A	N/A	N/A	26-07-10	22-11-10

Expected Progress: 

Actual Progress:  10%

Financial Status


Budget revised by Cabinet on 24 February 2010.


Project Life Cycle

Agreement has now been reached regarding the completion of the shell works and additional fit-out. It is currently anticipated that the works will be completed by late November with full occupation by January 2011. Issues with CARS / THI grant still require to be resolved to ensure external works completed to an acceptable standard. Any award of further grants is subsequently on hold pending the outcome of these discussions.

Kilmarnock Town Centre Regeneration (Civic Centre)

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m	Development		Design		Tender		Construction	
			Start	Finish	Start	Finish	Start	Finish	Start	Finish
7.300	0.000	7.300	TBC	TBC	TBC	TBC	TBC	TBC	TBC	TBC

Expected Progress: 

Actual Progress: 

Financial Status

Budget allocation approved by Cabinet on 21 October 2010.

Project Life Cycle

AIS proposed to re-locate to the Civic Centre South building. Works to roof and external stonework are currently being developed in respect of both the North and South buildings.

2010/2011 FINANCE AND SERVICE STRATEGY REPORT TO PERIOD 4 (25 JULY 2010)

NEIGHBOURHOOD SERVICES

Kilmarnock Town Centre Regeneration (Opera House)

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m	Development		Design		Tender		Construction	
			Start TBC	Finish TBC	Start TBC	Finish TBC	Start TBC	Finish TBC	Start TBC	Finish TBC
6.600	0.034	6.600								



Financial Status

Budget allocation approved by Cabinet on 21 October 2010.

Project Life Cycle

Work on-going to conclude a Developer Agreement. The level of CARS / THI grant is unknown but is likely to be significantly lower than previously anticipated. Gross costs are currently estimated at £9.300m.

Kilmarnock Town Centre Regeneration (TCRF)

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m	Development		Design		Tender		Construction	
			Start N/A	Finish N/A	Start N/A	Finish N/A	Start N/A	Finish N/A	Start 31-05-10	Finish 31-03-11
1.432	0.067	1.432								



Financial Status

Budget consists of TCRF award of £1.157m, £0.075m from Scottish Enterprise and a contribution of £0.200m from the Council.

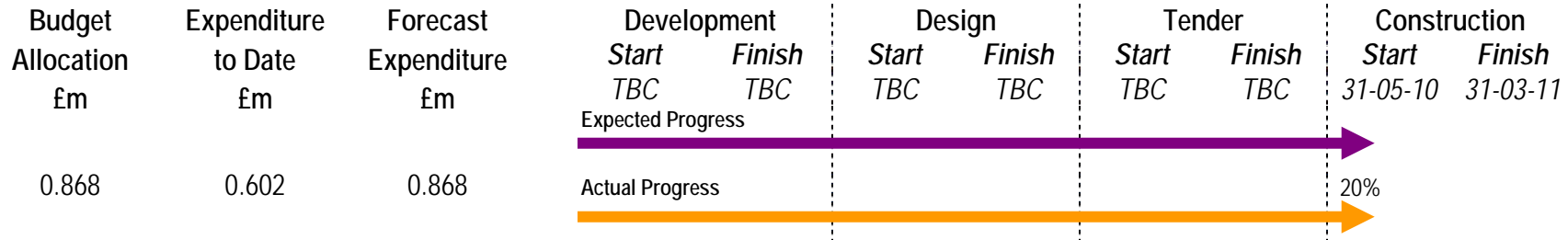
Project Life Cycle

Works are in progress and are scheduled to be undertaken on a phased basis over the coming months.

2010/2011 FINANCE AND SERVICE STRATEGY REPORT TO PERIOD 4 (25 JULY 2010)

NEIGHBOURHOOD SERVICES

Kilmarnock Town Centre Regeneration (General Projects)



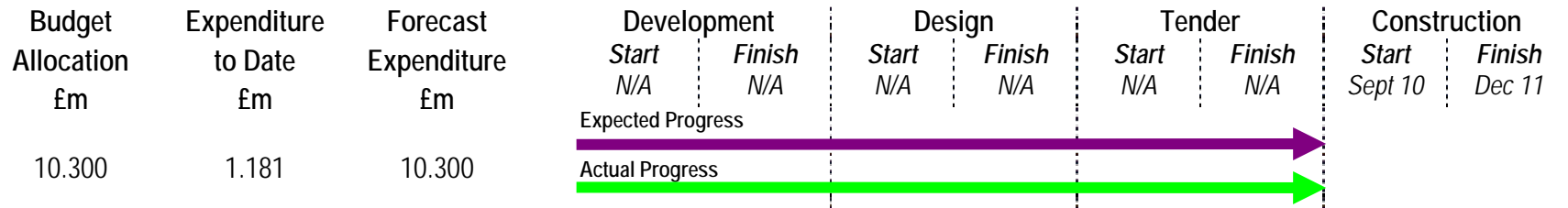
Financial Status

Budget consists of former Top of the Town Development, including the refurbishment of the multi-storey car park and the Bank Street proposals.

Project Life Cycle

Work on-going in respect of the refurbishment of the multi-storey car park. Works to Bank Street are anticipated to commence October 2010 pending planning approval.

Cumnock Town Centre (Office)



Financial Status

Whilst the costs are projected to out-turn on budget, opportunities exist to value engineer the fit-out to release savings of up to £0.740m.

Project Life Cycle

Currently progressing works relating to Flood Attenuation in order to enable the discharge of the relevant planning conditions. Work on site for new office development due to start mid-September, with anticipated occupation by December 2011.

2010/2011 FINANCE AND SERVICE STRATEGY REPORT TO PERIOD 4 (25 JULY 2010)

NEIGHBOURHOOD SERVICES

Cumnock Town Centre (Retail)

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m	Land Acquisition		Design		Construction		Dist. of returns	
			Start TBC	Finish TBC	Start TBC	Finish TBC	Start TBC	Finish TBC	Start TBC	Finish TBC
3.469	1.860	4.144								

Expected Progress

Actual Progress

Project Life Cycle

Financial Status

Whilst costs are shown to out-turn above budget, this assumes that expenditure will be incurred in respect of a number of as yet unresolved matters. The assumption is also that all or part of the costs will be recovered from the future sale of the retail development.

Discussions are on-going with existing tenants and owner occupiers within the Glaisnock Shopping Centre with regard to the future development of the site. Details of vacant properties in Townhead Street have been passed to the tenants / owners as an opportunity to relocate.

Cumnock Town Centre (TCRF)

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m	Development		Design		Tender		Construction	
			Start TBC	Finish TBC	Start TBC	Finish TBC	Start TBC	Finish TBC	Start Mar 10	Finish Oct 10
0.949	0.489	0.949								70%

Expected Progress

Actual Progress

Project Life Cycle

Financial Status

Anticipated that all expenditure will be incurred in 2010/11.

Full funding allocation received in relation to the TCRF public realm improvements. Contractor has started on site; car park on former burgh yard anticipated completion shortly.

2010/2011 FINANCE AND SERVICE STRATEGY REPORT TO PERIOD 4 (25 JULY 2010)

NEIGHBOURHOOD SERVICES

General Projects

There are a number of minor projects due to start and finish within 2010/11.

Strategic Priorities

The anticipated overspend relates to the match funding for the additional works at the Baird Institute to be funded from CARS / THI grant.

Facility Improvement

Works relating to the refurbishment of the Dalmellington and Bellsbank Library are currently on hold; anticipated possible spending of approximately 50% of approved budget allocation.

Cemetery Extensions

Work at Cumnock, Kilmaurs and New Cumnock cemeteries are anticipated to overspend by approximately £0.011m.

Traffic and Road Safety

There is projected slippage of £0.156m in respect of the spend to save Decriminalisation of Parking Enforcement project.

Sports Pavilions

Following the discovery of mineworkings at the site for the Knockentiber pavilion, revised proposals have been developed to use the site of the existing Playbarn. This will result in additional costs of £0.238m taking the cost of this project to £0.578m. The overall expenditure on Sports Pavilions will remain within the £1.200m allocation.

	Revised Budget 2010/11 £m	Actual Expenditure to Date £m	Projected Expenditure 2010/11 £m	Variance £m
Strategic Priorities	0.430	0.000	0.439	0.009
Facility Improvements	1.583	0.228	1.539	(0.044)
Cemetery Extension	0.331	0.000	0.342	0.011
Playparks	0.207	0.000	0.207	0.000
Regeneration & Efficiency	1.689	0.051	1.689	0.000
Traffic & Road Safety	2.399	0.124	2.243	(0.156)
Structures	0.967	0.093	0.967	0.000
Carriageways & Footways	2.244	0.407	2.244	0.000
Street Lighting	0.242	0.032	0.242	0.000
Flood Prevention Schemes	0.055	0.000	0.055	0.000
Depots	0.110	0.000	0.110	0.000
TOTAL NEIGHBOURHOOD SERVICES	10.257	0.935	10.077	(0.180)

2010/2011 FINANCE AND SERVICE STRATEGY REPORT TO PERIOD 4 (25 JULY 2010)

NEIGHBOURHOOD SERVICES

Housing Investment Programme

As at Period 4, the Housing Investment Programme is anticipated to achieve full spend for the financial year 2010/11. The Council remains on track for full compliance with the Scottish Housing Quality Standard by 2015.

Service	Revised Budget 2010/11 £m	Actual Expenditure to Date £m	Projected Expenditure 2010/11 £m	Variance £m
Asbestos	0.374	0.067	0.374	0.000
Energy Efficiency	0.719	0.199	0.719	0.000
Efficient Heating	3.053	0.254	3.053	0.000
External Envelope Enhancement	1.244	0.314	1.244	0.000
Modern Facilities & Services	5.915	0.499	5.915	0.000
Neighbourhood Improvements	0.061	0.000	0.061	0.000
Safe & Secure Neighbourhood	0.450	0.005	0.450	0.000
Sheltered Housing Safety & Improvement	0.758	0.242	0.758	0.000
Total Housing Expenditure	12.574	1.580	12.574	0.000

Asbestos

Full spend anticipated.

Energy Efficiency

Full spend anticipated.

Efficient Heating

Full spend anticipated.

External Envelope Enhancement

Full spend anticipated.

Modern Facilities & Services

Full spend anticipated.

Neighbourhood Improvements

Full spend anticipated.

Safe & Secure Neighbourhood

Full spend anticipated.

Sheltered Housing Safety & Improvement

Full spend anticipated.

2010/2011 FINANCE AND SERVICE STRATEGY REPORT TO PERIOD 4 (25 JULY 2010)

NEIGHBOURHOOD SERVICES

Sources of Funding

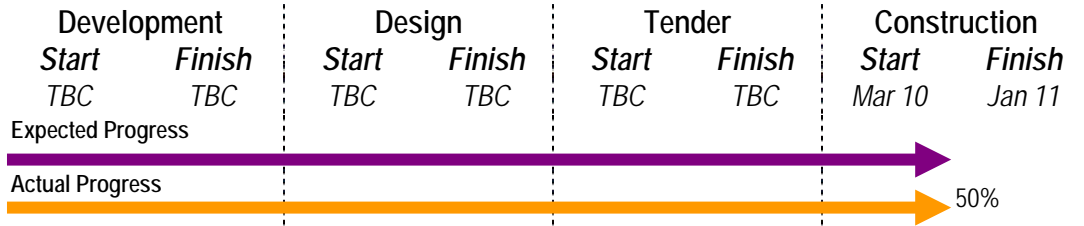
	Approved Budget 2010/11 £m	Projected Expenditure 2010/11 £m
Revenue Funding (CFCR)	5.661	5.661
Sale of Council Dwellings and Other Capital Receipts	2.202	2.202
Anticipated Borrowing	4.711	4.711
Total	12.574	12.574

2010/2011 FINANCE AND SERVICE STRATEGY REPORT TO PERIOD 4 (25 JULY 2010)

NEIGHBOURHOOD SERVICES

Council House Building Programme – Phase 1

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m
1.000	0.427	1.000



Financial Status

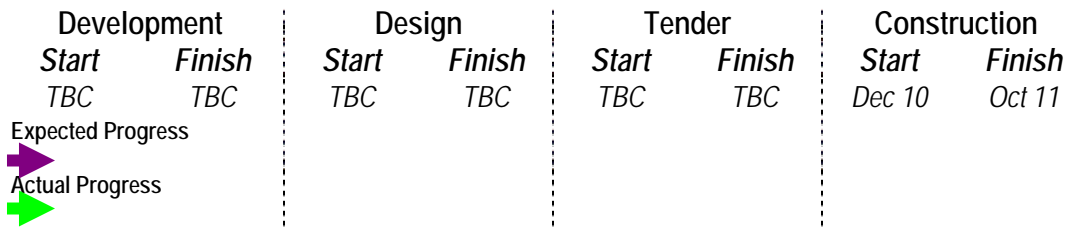
Budget is based on assumed £0.100m to construct each unit with a maximum grant of £0.025m per house.

Project Life Cycle

Project is to construct 10 new council houses on the site of the former St Matthew's Primary School.

Council House Building Programme – Phase 2

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m
3.000	0.000	3.000



Financial Status

Budget is based on assumed £0.100m to construct each unit with a maximum grant of £0.025m per house.



Project Life Cycle

Project is to construct 30 new houses on sites at Creelshaugh Road, Fenwick, Newlands Drive and Lammermuir Road, Kilmarnock.

2010/2011 FINANCE AND SERVICE STRATEGY REPORT TO PERIOD 4 (25 JULY 2010)

NEIGHBOURHOOD SERVICES

Council House Building Programme – Phase 3

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m	Development <i>Start</i> <i>Finish</i> <i>TBC</i> <i>TBC</i>		Design <i>Start</i> <i>Finish</i> <i>TBC</i> <i>TBC</i>		Tender <i>Start</i> <i>Finish</i> <i>TBC</i> <i>TBC</i>		Construction <i>Start</i> <i>Finish</i> <i>Mar 11</i> <i>Jan 12</i>	
1.000	0.000	1.000								
										

Financial Status

Budget is based on assumed £0.100m to construct each unit with a maximum grant of £0.030m per house.

Project Life Cycle

Project is to construct 10 new houses on sites at Newlands Drive, Kilmarnock and land adjacent to the Rosebank Resource Centre.

Capital Programme

Expenditure to date is £1.689m, which represents 46% of the available budget. The projected expenditure for 2010/11 is £4.709m.

The projected variance on the Finance & Corporate Support capital programme primarily relates to the vehicles that will be purchased rather than leased following an option appraisal exercise.

2010/2011 FINANCE AND SERVICE STRATEGY REPORT TO PERIOD 4 (25 JULY 2010)

FINANCE & CORPORATE SUPPORT

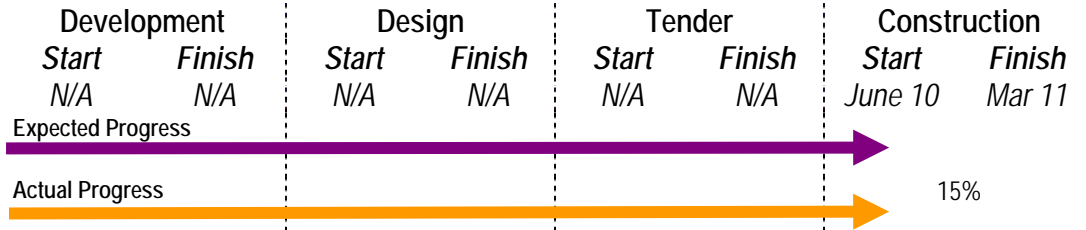
Major Projects

Council Chambers/Data Centre/London Road HQ

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m
3.900	2.661	3.900

Financial Status

Additional costs relating to the first floor corridor are to be funded from Corporate Office general capital allocations.



Project Life Cycle

Works have commenced with regard to the Phase 4 London Road Headquarters including works to the first floor corridor and former chambers. Staff decants to allow works to commence have been completed. Data Centre will not become fully operational until after December 2010 as full switch-over planned for Christmas holiday period. The remainder of works including the relocation of the canteen to the ground floor to be completed by March 2011.

2010/2011 FINANCE AND SERVICE STRATEGY REPORT TO PERIOD 4 (25 JULY 2010)

FINANCE & CORPORATE SUPPORT

General Projects

There are a number of minor projects due to start and finish within 2010/11.

	Revised Budget 2010/11 £m	Actual Expenditure to Date £m	Projected Expenditure 2010/11 £m	Variance £m
Contingency Funding	0.090	0.000	0.090	0.000
Corporate Information Technology	0.969	0.225	0.969	0.000
Corporate Office Accommodation	1.198	0.030	1.198	0.000
Vehicle Procurement	0.000	1.051	1.051	1.051
TOTAL FINANCE & CORPORATE SUPPORT	2.257	1.306	3.308	1.051

Contingency Funding

This represents the balance of available contingency funding in 2010/11.

Vehicle Procurement

Following option appraisals, vehicles and equipment costing £1.051m will be purchased rather than leased as follows -

Vehicle and Equipment Details	Dept	Cost £m
2 Mercedes Econic Refuse Collection Vehicles	Neighbourhood Services	0.284
12 John Deere 997 ZTR Ride-on Mowers	Neighbourhood Services	0.134
1 Volkswagen Crafter Panel Van	Neighbourhood Services	0.020
1 Leyland DAF Skip Loader	Neighbourhood Services	0.080
IT Hardware – LAN Project	Finance & Corporate Support	0.533
Total		1.051