

# FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 6 (19 SEPTEMBER 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 – 20 OCTOBER 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 19 September 2010 (Period 6) 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 £1.864m. Details are included in the attached report.
- 2.2 As previously reported, 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. This work has been completed and in-year savings of £0.943m transferred to the General Fund uncommitted balance.

2.3 It is anticipated that the department of Educational and Social Services will outturn £0.457m over budget at 31 March 2011. The projection includes additional expenditure anticipated for Outwith Placements of £0.750m and £0.105m additional staff costs due to the Gargieston decant. These costs have been partly offset by underspends in both teaching and non teaching staff costs and the deployment of probationers. Members are aware that £0.357m in respect of transport and decant costs for Gargieston will be met from centrally held funds with additional education related costs to be met from the Educational and Social Services budget.

2.4 The Executive Director of Neighbourhood Services anticipates a favourable variance of £0.297m mainly due to savings in employee costs and landfill costs partially offset by additional transport costs and reduced Planning and Building Standards income principally due to external economic factors.

2.5 The Executive Director of Finance and Corporate Support anticipates a favourable variance of £0.463m at 31 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.

2.6 There is a favourable variance in respect of Housing and Council Tax Benefit income of £0.338m due to the effective overpayment recovery process. This is partially offset by an adverse variance of £0.031m on Non Domestic Rates income due to increased discretionary reliefs.

2.7 The number of staff on the Redeployment Register fluctuates as individuals are added and redeployment opportunities identified. There are five staff on the Register as at 30 September and the cost of maintaining them is £0.028m.

2.8 The 2010/11 budget set by the Council on 11 February 2010 included the pay inflation for Local Government Employees at 1%. Members are asked to approve the transfer of £0.344m from departmental budgets to the General Fund uncommitted balance to reflect the 0.65% actual pay increase.

### 3 HOUSING REVENUE ACCOUNT (HRA)

3.1 The Housing Revenue Account is expected to outturn £0.455m under budget at 31 March 2011 with a further favourable variance of £0.283m currently anticipated in respect of Housing Asset Services. In line with previous years, the Executive Director of Neighbourhood Services plans to utilise this variance on programmed maintenance and repairs and seeks formal Member approval to do so

### 4 CAPITAL PROGRAMME

4.1 The current expenditure profile for a number of previously approved capital schemes no longer reflects the anticipated progress. It is therefore proposed that in order to provide more meaningful monitoring information that the profiles for these schemes are reallocated to the 2011/12 capital programme and incorporated in forward planning assumptions.

4.2 The following table therefore sets out the revised position for 2010/11 and 2011/12 based on currently available information, taking account of proposed transfers between years.

Scheme	2010/11 Original £m	2010/11 Revised £m	Future Years Original £m	Future Years Revised £m
Willowbank SEN School	2.006	0.800	7.900	9.100
Darvel Primary School Extension	0.988	0.088	4.000	4.900
Littlemill Primary School Refurbishment	1.086	0.186	0.220	1.120
Children's Residential House	1.008	0.708	0.450	0.750
Stewarton Sports Facilities	1.312	0.613	2.960	3.660
<b>TOTAL</b>	<b>6.400</b>	<b>2.395</b>	<b>15.530</b>	<b>19.530</b>

4.3 Taking account of these changes, as at Period 6 the General Services Capital Programme expenditure to date is £8.899m, which represents 27.5% of the available budget (as compared to 20.9% to the same period in 2009/10); resulting in a projected variance for 2010/11 of £0.294m.

### 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. Including the forecast surplus for the year, this will increase to £10.543m which equates to 3.1% of the annual budgeted expenditure for 2010/11.

## **6 RECOMMENDATIONS**

6.1 It is recommended that Members:

- (i) Approve the transfer from departmental budgets in respect of pay inflation as noted at paragraph 2.8;
- (ii) Approve the utilisation of savings within HRA budget for additional CFCR/Planned Maintenance works within HRA as at paragraph 3.1;
- (iii) Note the re-profiling of budget allocations in paragraph 4.2;
- (iv) otherwise note the contents of this report.

Alex McPhee  
Executive Director of Finance and Corporate Support  
14 October 2010

### **LIST OF BACKGROUND PAPERS – NIL**

Members wishing further information should contact  
Craig McArthur, Head of Finance, Telephone (01563) 576300

# 2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 6 (19 SEPTEMBER 2010)

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## 2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 6 (19 SEPTEMBER 2010)

### 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	179.054	179.511	0.457	Deficit / (Surplus) for the Year	<b>4.099</b>	<b>1.912</b>	<b>(2.187)</b>
Neighbourhood Services	65.128	64.831	(0.297)	Utilisation of Previous Years Balances	(4.099)	(4.099)	-
Finance and Corporate Support	24.142	23.679	(0.463)	Departmental Under/(Over) Spend c/f	-	0.323	0.323
Central Services – Other	10.096	9.069	(1.027)	<b>2010/2011 Deficit / (Surplus)</b>	<b>0.000</b>	<b>(1.864)</b>	<b>(1.864)</b>
Central Services – HB/CT Benefit Subsidy	49.885	49.885	-				
Central Services – Debt Charges	18.350	17.950	(0.400)				
<b>Net Expenditure</b>	<b>346.655</b>	<b>344.925</b>	<b>(1.730)</b>				
				<b>Housing Revenue Account</b>			
				Expenditure	37.362	36.659	(0.703)
				Income	(37.362)	(37.397)	(0.035)
				<b>Net Expenditure</b>	<b>0.000</b>	<b>(0.738)</b>	<b>(0.738)</b>
<b>Funded by</b>							
Council Tax	(48.395)	(48.545)	(0.150)				
Aggregated External Finance	(244.513)	(244.482)	0.031				
HB/CT Benefit Subsidy	(49.648)	(49.986)	(0.338)				
<b>Total Income</b>	<b>(342.556)</b>	<b>(343.013)</b>	<b>(0.457)</b>				

## 2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 6 (19 SEPTEMBER 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	6.957	2.272	6.106	88%	Grants, Partnership Funding , CFCR	7.336	7.336
Neighbourhood Services	21.737	4.358	21.610	99%	External Borrowing	25.017	25.311
Finance & Corporate Support	3.569	2.269	4.841	136%	<b>Total</b>	<b>32.353</b>	<b>32.647</b>
Contingency Funding	0.090	0.000	0.090	-			
<b>Total</b>	<b>32.353</b>	<b>8.899</b>	<b>32.647</b>	<b>101%</b>			

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	5.049	12.574	100%	Revenue Funding (CFCR)	5.661	5.661
					Sale of Council Dwellings	2.202	2.202
					Anticipated Borrowing	4.711	4.711
					<b>Total</b>	<b>12.574</b>	<b>12.574</b>
<b>Total Capital Programme</b>	<b>44.927</b>	<b>13.948</b>	<b>45.221</b>	<b>101%</b>		<b>44.927</b>	<b>45.221</b>

## 2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 6 (19 SEPTEMBER 2010)

### EDUCATIONAL AND SOCIAL SERVICES

#### SERVICE SUMMARY

It is anticipated that Education and Social Services will outturn £0.457m over budget.

The current projected outturn position for Educational Services is an overspend of £0.477m, with the major variance relating to Outwith Placements which are projected to overspend by £0.750m. 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. These costs have been partly offset by underspends in both teaching and non teaching staff costs and the deployment of probationers.

The 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	1.332	1.332	0.000
PPP	9.207	9.207	0.000
Schools	64.377	64.154	(0.223)
Community Support	25.646	26.353	0.707
Facilities Management	13.863	13.856	(0.007)
Social Work	64.629	64.609	(0.020)
<b>Net Expenditure</b>	<b>179.054</b>	<b>179.511</b>	<b>0.457</b>

	Estimate £m	Projection to 31 Mar 11 £m	Variance (Favourable) / Adverse
Employee Costs	119.304	118.245	(1.059)
Premises Costs	8.442	8.447	0.005
Transport Costs	6.698	6.760	0.062
Supplies & Services	8.529	8.537	0.008
Third Party	48.858	50.377	1.519
Transfer Payments	6.930	6.881	(0.049)
<b>Gross Expenditure</b>	<b>198.761</b>	<b>199.247</b>	<b>0.486</b>
Income	(19.707)	(19.736)	(0.029)
<b>Net Expenditure</b>	<b>179.054</b>	<b>179.511</b>	<b>0.457</b>

## 2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 6 (19 SEPTEMBER 2010)

### 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		+0.142		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		+0.185		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
12 Transfer of Education Property Staff to Asset Improvement		-0.128		Realignment of Budgets to reflect transfer of staff to Asset Improvement
13 Utilisation of Balances		+0.566		Drawdown of Earmarked and Departmental Balances
14 SRRB2 Line By Line Review		-0.106		Realignment of Budgets to reflect savings identified by SRRB2
<i>Total Budget adjustments</i>			+1.175	
<b>Revised Budget Allocation at Period 6</b>			<b>179.054</b>	

## 2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 6 (19 SEPTEMBER 2010)

### 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 19/9/10	Achieved at 19/9/10 £m
<b>Educational and Social Services</b>		<b>3.187</b>		<b>1.469</b>
Reduce the number of external foster placements	AMW	0.185		-
Review cleaning hours in line with productivity improvements	AMW	0.020		0.020
Review roles of caretakers and cleaners in Social Work facilities	AMW	0.015		0.015
Restructure Joint Ayrshire Technician Service staffing levels	AMW	0.025		-
Reduce Schools Staffing Flexibility budget	AMW	0.050		-
Reduce HQ school absence cover budget	AMW	0.030		-
Reduce janitorial costs arising from revised standard hours	AMW	0.020		0.020
Review roles of cleaners and supervisors in Community Centres	AMW	0.030		0.030
Remove Study Support for GOALS funding	AMW	0.030		0.030
Efficiency measures and productivity review of schools catering	BRS	0.174		0.174
Rationalise training provision	BWP	0.023		-
Introduce Teacher Refresh Scheme 2	BWP	0.320		-
Reduce catering fixed costs	BWP	0.050		0.050
Reduce cleaning fixed costs	BWP	0.050		0.050
Reduce Special Education promoted posts held centrally	BWP	0.054		0.032
Reduce curricular support staff	BWP	0.080		0.041
Increased income from adult / teacher meals in schools	CFS	0.007		0.007
Increase price of school meals	CFS	0.090		-
Remove payment holiday for Community Care services	CFS	0.020		0.020
Remove subsidy from Meals on Wheels	CFS	0.030		0.030

Status: Fully met



In Progress



Unmet



## 2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 6 (19 SEPTEMBER 2010)

### EDUCATIONAL AND SOCIAL SERVICES

ACTIONS	Theme	SAVING £m	Status at 19/9/10	Achieved at 19/9/10 £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		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		0.451

Status: Fully met



In Progress



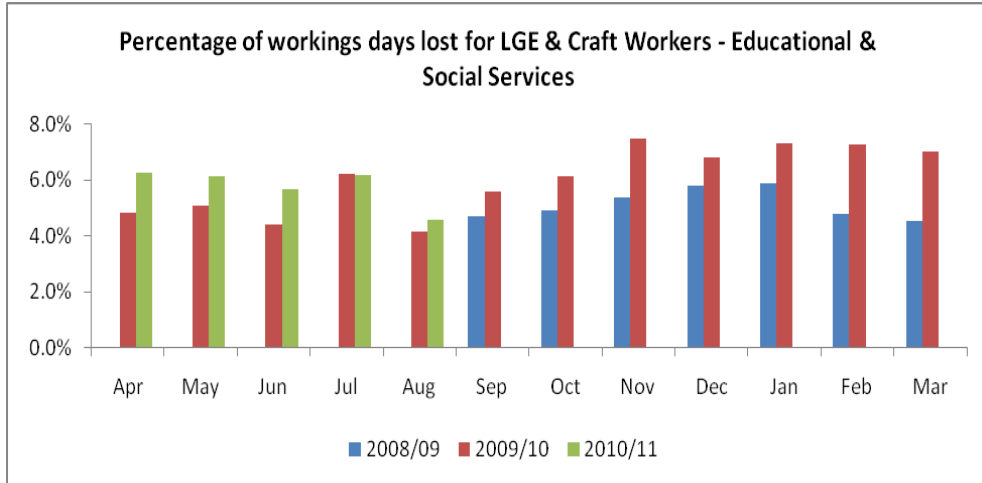
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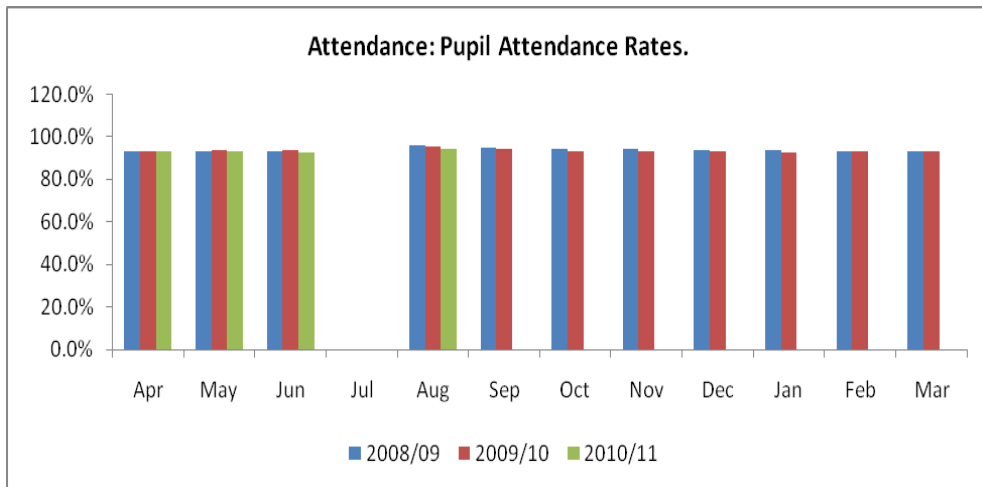
## EDUCATIONAL AND SOCIAL SERVICES

### PERFORMANCE MEASURES



The positive trend in reduced absence continues for August with a 1.7% 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.



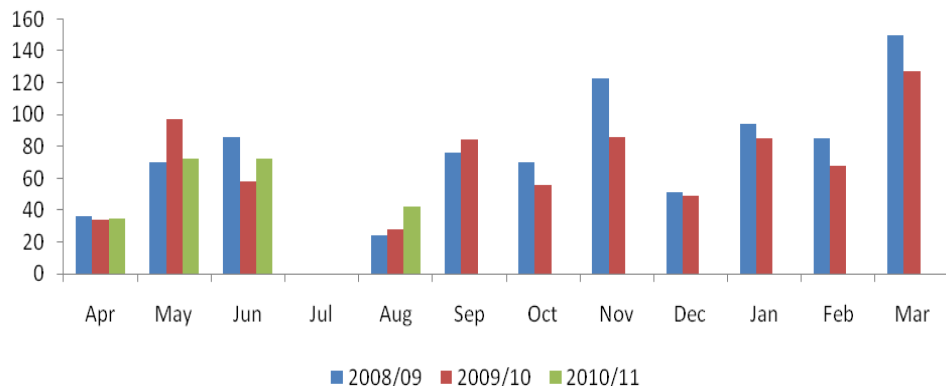
Attendance in the month of August, at 94.3%, compares favourably with 92.8% in June.

Schools remain vigilant in monitoring attendance in partnership with parents/carers

# 2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 6 (19 SEPTEMBER 2010)

## EDUCATIONAL AND SOCIAL SERVICES

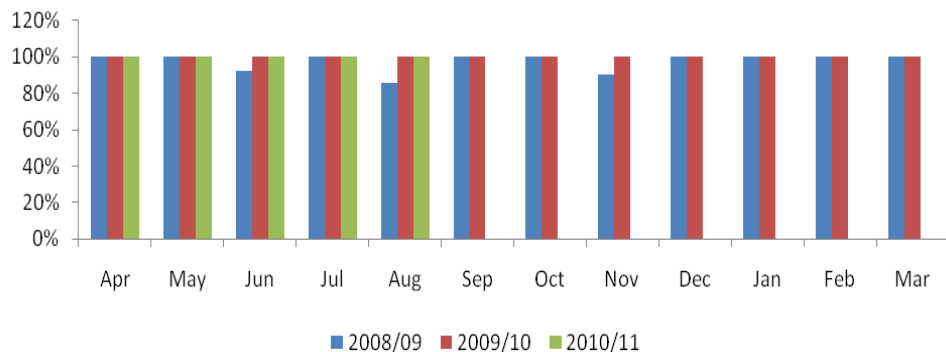
Exclusions: Number of exclusion incidents.



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.

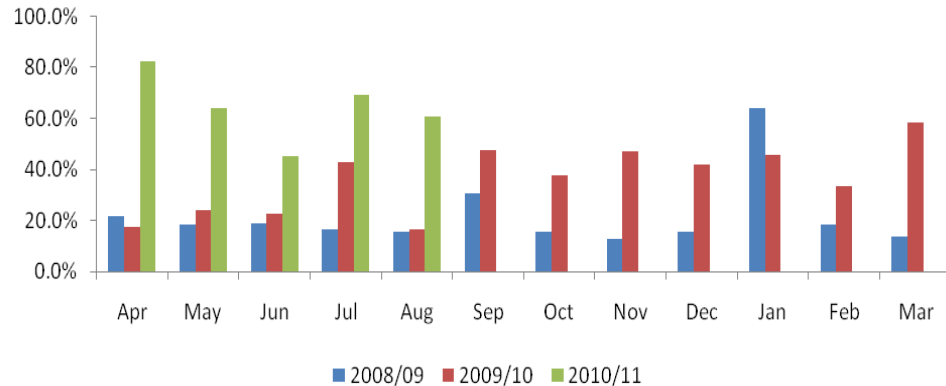


Although the number of supervision requests has increased, performance remains consistent at 100%.

# 2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 6 (19 SEPTEMBER 2010)

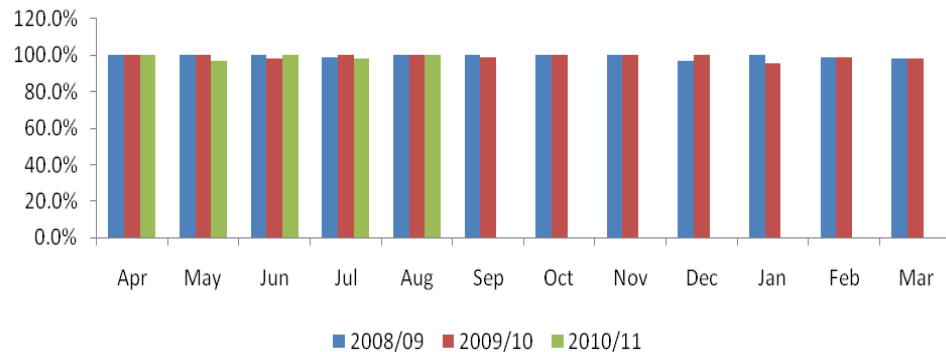
## EDUCATIONAL AND SOCIAL SERVICES

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



Considerable efforts have been made to improve performance in relation to the number of reports that are submitted to the children's reporter within expected timescales, through the establishment of a time intervals working group within Social Work services and partnership working between the Council and the Authority Reporter. An extensive range of action has taken place in relation to the development and use of management and performance information. Monthly variations notwithstanding, comparison between 2010/11 and previous years demonstrates that significant improvements in performance have been achieved.

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

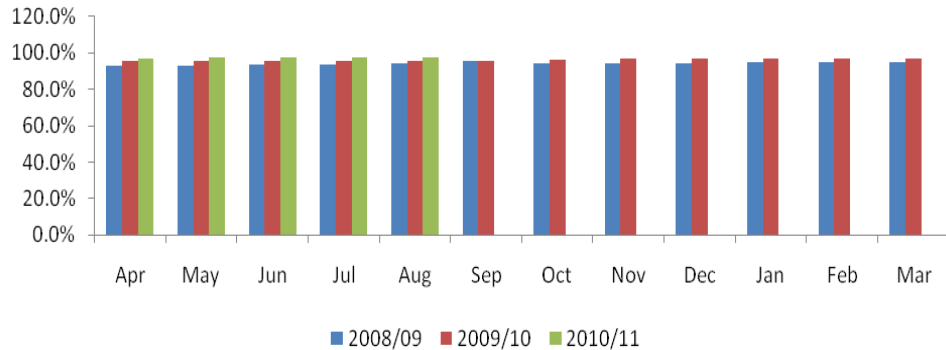


Although the number of requests for reports has increased, performance remains consistent at 100%.

# 2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 6 (19 SEPTEMBER 2010)

## EDUCATIONAL AND SOCIAL SERVICES

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



Further to the Review of Social Work sustainability our internal homecare service has been going through a process of service redesign within the overarching principles of reshaping care and personalised support. The service is being remodelled to become a re-ablement service which is not structured around the provision of slots of care at specific times of the day times but around the flexible provision of the support an individual requires to maintain their independent living skills through a focus on tasks and outcomes. This shift has implications for how we record and consequently report on our data. Work is currently in progress to evaluate this.

## 2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 6 (19 SEPTEMBER 2010)

### EDUCATIONAL AND SOCIAL SERVICES

#### NON FINANCIAL DATA

	2009/10 Period 6	2009/10 Outturn	2010/11 Period 6
Number of pupils requiring additional support	2,577	2,593	2,770
School transport costs (projected expenditure at year end)	£4.765m	£4.756m	£5.159m
Number of pupils receiving free school transport	4,969	4,834	4,796
Number of children in external foster placement	48	54	51
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>	3	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	747	596	512
Number of care at home service users (adult & older) receiving more than 50 hours per week	79	82	82
Most expensive homecare packages - Elderly	£46,083	£46,083	£37,150
Most expensive homecare packages – Adult Learning Disabled	£254,969	£254,969	£254,969

## 2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 6 (19 SEPTEMBER 2010)

### EDUCATIONAL AND SOCIAL SERVICES

#### SERVICE PERFORMANCE TO DATE

##### RESOURCES

The adverse Employee Costs variance results from budgeted staff turnover savings which are unlikely to be achieved partly offset by employee cost savings in the Technician service. The adverse variances are offset by additional income received from the PPP contractor as a contribution to malicious damage.

##### FTE STAFFING ANALYSIS

Budget	Actual to date
23.6	23.4

	Estimate £m	Projection to 31 Mar 11 £m	Variance (Favourable) / Adverse
Employee Costs	1.039	1.068	0.029
Premises Costs	0.045	0.045	0.000
Transport Costs	0.016	0.016	0.000
Supplies & Services	0.269	0.269	0.000
Third Party Payments	0.285	0.300	0.015
Transfer Payments	0.000	0.000	0.000
<b>Gross Expenditure</b>	<b>1.654</b>	<b>1.698</b>	<b>0.044</b>
Income	(0.322)	(0.366)	(0.044)
<b>Net Expenditure</b>	<b>1.332</b>	<b>1.332</b>	<b>0.000</b>

##### 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	9.207	9.207	0.000
Transfer Payments	0.000	0.000	0.000
<b>Gross Expenditure</b>	<b>9.207</b>	<b>9.207</b>	<b>0.000</b>
Income	0.000	0.000	0.000
<b>Net Expenditure</b>	<b>9.207</b>	<b>9.207</b>	<b>0.000</b>

## 2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 6 (19 SEPTEMBER 2010)

### EDUCATIONAL AND SOCIAL SERVICES

#### SCHOOLS

Anticipated favourable variances arising from the deployment of Probationers, reduced staffing costs within secondary schools and vacancies within secondary school technicians are partly offset by additional costs arising from the delayed implementation of the administration review and delays in achieving the planned staffing cuts within Quality Improvement. Additional third party payments, including Outdoor Learning costs, have been offset by additional income and the non-utilisation of the Study Support budget. The favourable variance of £0.223m can be broken down as £0.133m devolved budgets and £0.090m non devolved budgets.

#### FTE STAFFING ANALYSIS

Budget	Actual to date
1,473.7	1,470.5

#### COMMUNITY SUPPORT

Anticipated Employee Cost savings arise from vacancies and reduced expenditure on devolved teaching staff, partly offset by overspends on centrally managed teaching staff within Special Education. Reduced provision of Wraparound Care has been offset by reduced income. The variance on Third Party Payments is a projected overspend of £0.750m within Outwith Placements following the Prioritisation Group meeting on 14 September.

#### FTE STAFFING ANALYSIS

Budget	Actual to date
505.7	502.6

	Estimate £m	Projection to 31 Mar 11 £m	Variance (Favourable) / Adverse
Employee Costs	56.390	56.165	(0.225)
Premises Costs	5.326	5.326	0.000
Transport Costs	0.147	0.147	0.000
Supplies & Services	2.937	2.923	(0.014)
Third Party Payments	0.679	0.706	0.027
Transfer Payments	0.919	0.919	0.000
<b>Gross Expenditure</b>	<b>66.398</b>	<b>66.186</b>	<b>(0.212)</b>
Income	(2.021)	(2.032)	(0.011)
<b>Net Expenditure</b>	<b>64.377</b>	<b>64.154</b>	<b>(0.223)</b>
Variance attributable to Devolved Budgets			(0.133)
Variance attributable to Non Devolved Budgets			(0.090)

	Estimate £m	Projection to 31 Mar 11 £m	Variance (Favourable) / Adverse
Employee Costs	18.171	18.109	(0.062)
Premises Costs	1.034	1.034	0.000
Transport Costs	0.250	0.250	0.000
Supplies & Services	1.526	1.540	0.014
Third Party Payments	5.613	6.358	0.745
Transfer Payments	0.086	0.086	0.000
<b>Gross Expenditure</b>	<b>26.680</b>	<b>27.377</b>	<b>0.697</b>
Income	(1.034)	(1.024)	0.010
<b>Net Expenditure</b>	<b>25.646</b>	<b>26.353</b>	<b>0.707</b>

## 2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 6 (19 SEPTEMBER 2010)

### EDUCATIONAL AND SOCIAL SERVICES

#### FACILITIES MANAGEMENT

The Employee Costs variance is due to efficiencies and absence cover savings within Onsite Services partly offset by an overspend on overtime costs, mainly in respect of Caretakers and additional staff costs of £0.105m due to the Gargieston Primary School decant. The transport section anticipates an overspend on the SEN contracts in 2010-11 offset by an anticipated underspend on SPT payments. There is currently a projected shortfall in School Meal and vending income.

	Estimate £m	Projection to 31 Mar 11 £m	Variance (Favourable) / Adverse
Employee Costs	9.219	9.144	(0.075)
Premises Costs	0.237	0.237	0.000
Transport Costs	4.887	4.913	0.026
Supplies & Services	2.260	2.260	0.000
Third Party Payments	0.000	0.000	0.000
Transfer Payments	0.000	0.000	0.000
<b>Gross Expenditure</b>	<b>16.603</b>	<b>16.554</b>	<b>(0.049)</b>
Income	(2.740)	(2.698)	0.042
<b>Net Expenditure</b>	<b>13.863</b>	<b>13.856</b>	<b>(0.007)</b>

#### FTE STAFFING ANALYSIS

Budget	Actual to date
498.4	502.2

#### 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 51 children within external foster care placements resulting in a projected overspend of £0.053m which has been offset by £0.145m of reduced Kinship Care costs. Within Community Care, additional adult care placement costs of £0.277m are projected and there are 735 elderly people within residential and nursing care placements against a budget of 720 places.

	Estimate £m	Projection to 31 Mar 11 £m	Variance (Favourable) / Adverse
Employee Costs	34.485	33.759	(0.726)
Premises Costs	1.800	1.805	0.005
Transport Costs	1.399	1.435	0.036
Supplies & Services	1.537	1.545	0.008
Third Party Payments	33.074	33.806	0.732
Transfer Payments	5.925	5.876	(0.049)
<b>Gross Expenditure</b>	<b>78.220</b>	<b>78.226</b>	<b>0.006</b>
Income	(13.591)	(13.617)	(0.026)
<b>Net Expenditure</b>	<b>64.629</b>	<b>64.609</b>	<b>(0.020)</b>

#### FTE STAFFING ANALYSIS

Budget	Actual to date
1,091.0	1,033.6

**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 6 (19 SEPTEMBER 2010)

### NEIGHBOURHOOD SERVICES

#### SERVICE SUMMARY

The projected outturn to 31 March 2011 is a favourable variance of £0.297m. This is mainly due to anticipated savings within 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, Strong, Safe and Attractive Communities and Community Safety and CCTV.

The Housing Revenue Account is expected to outturn £0.455m under budget at 31 March 2011 with a further favourable variance of £0.283m currently anticipated in respect of Housing Asset Services.

	Estimate £m	Projection to 31 Mar 11 £m	Variance (Favourable) / Adverse
Central Mgt Support	0.633	0.633	0.000
Leisure Services	11.787	11.638	(0.149)
Emergency Planning	0.050	0.044	(0.006)
Police & Fire	25.303	25.303	0.000
Planning & Econ Dev	4.177	4.201	0.024
Roads & Transport	11.164	11.156	(0.008)
General Fund Housing	12.014	11.856	(0.158)
<b>Net expenditure</b>	<b>65.128</b>	<b>64.831</b>	<b>(0.297)</b>

	Estimate £m	Projection to 31 Mar 11 £m	Variance (Favourable) / Adverse
Employee Costs	30.797	30.119	(0.678)
Premises Costs	2.933	2.983	0.050
Transport Costs	3.988	4.151	0.163
Supplies & Services	9.936	10.529	0.593
Third Party Payments	35.986	35.792	(0.194)
Transfer Payments	0.000	0.000	0.000
<b>Gross Expenditure</b>	<b>83.640</b>	<b>83.574</b>	<b>(0.066)</b>
Income	(18.512)	(18.743)	(0.231)
<b>Net expenditure</b>	<b>65.128</b>	<b>64.831</b>	<b>(0.297)</b>

## 2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 6 (19 SEPTEMBER 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		-0.142		Transfer of Formerly Ringfenced Supporting People Budget to Educational and Social Services
2 Fairer Scotland Fund		+0.106		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
10 Scottish Enterprise Regeneration Funding		+0.217		Additional Funding for Regeneration transferred from Scottish Enterprise
11 Utilisation of Balances		+0.571		Drawdown of Earmarked and Departmental Balances
12 SRRB2 Line By Line Review		-0.744		Realignment of Budgets to reflect savings identified by SRRB2
<i>Total Budget adjustments</i>			+0.357	
<b>Revised Budget Allocation at Period 6</b>			<b>65.128</b>	

## 2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 6 (19 SEPTEMBER 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 19/9/10	Achieved at 19/9/10 £m
<b>Neighbourhood Services</b>		<b>1.517</b>		<b>1.342</b>
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 BVSR	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 6 (19 SEPTEMBER 2010)

### NEIGHBOURHOOD SERVICES

ACTIONS	Theme	SAVING £m	Status at 19/9/10	Achieved at 19/9/10 £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



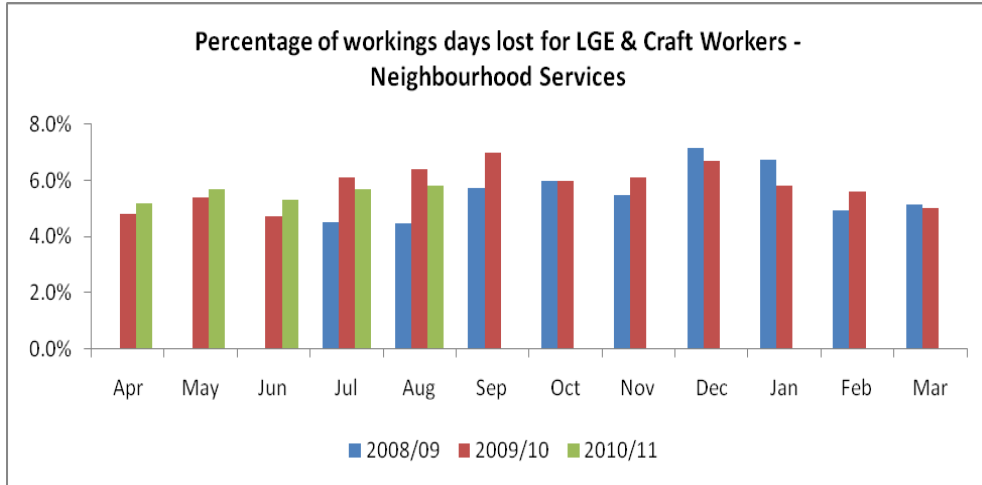
Unmet



# 2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 6 (19 SEPTEMBER 2010)

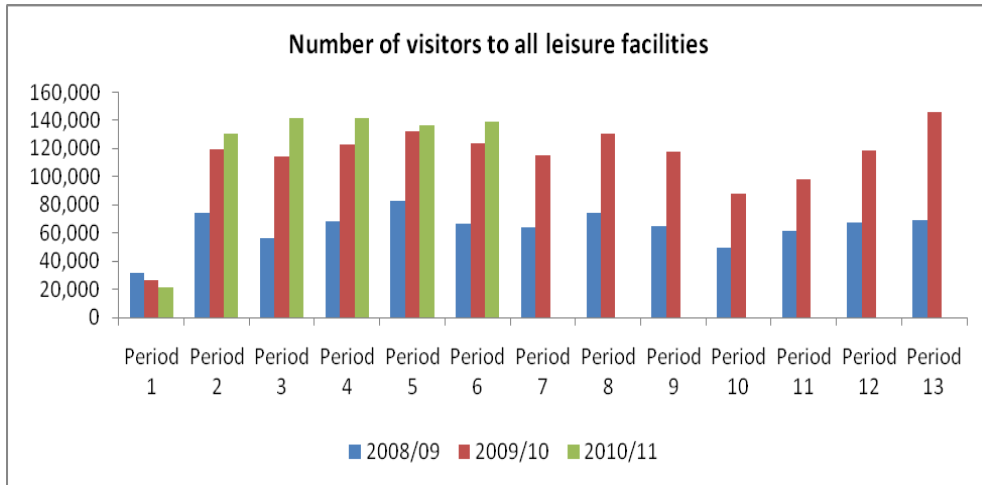
## NEIGHBOURHOOD SERVICES

### 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.



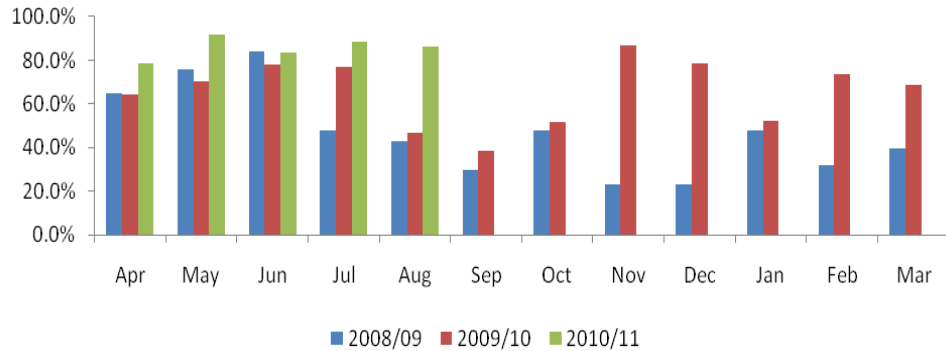
This indicator is a trend measure of the number of people accessing leisure services through the range of facilities operated by leisure services. The indicator includes visits to museums, libraries, sports facilities and the country park.

During the periods 1 to 6 of 2010/11 711,227 visitors have made use of the Neighbourhood Services Leisure Facilities compared to 639,144 in 2009/10 and 380,359 in 2008/09. The rise in usage reflects an increase in visitor numbers to the museum service and sports halls.

# 2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 6 (19 SEPTEMBER 2010)

## NEIGHBOURHOOD SERVICES

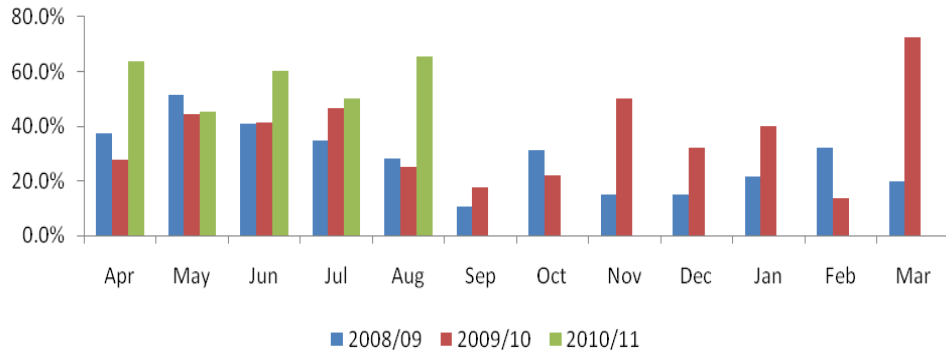
**Planning Applications: Percentage of householder planning applications determined within two months.**



This figure continues a trend of performance well in excess of the intervention level since March of this year.

Continue with current measures to maintain and if possible improve performance.

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



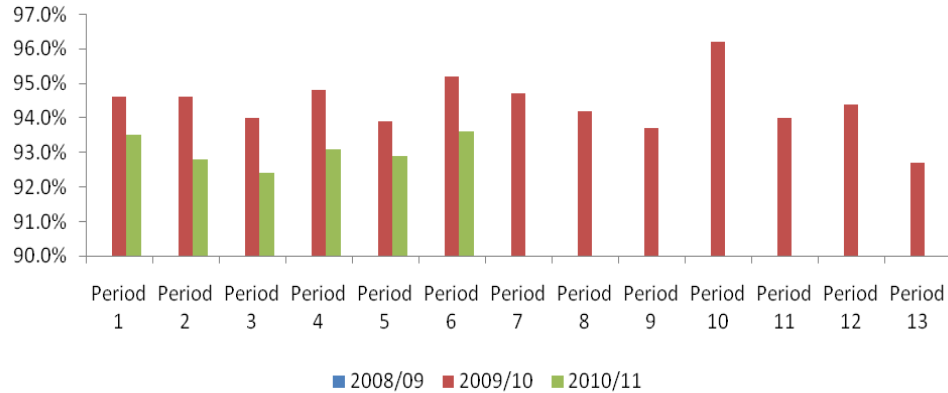
This figure continues a trend of performance well in excess of the intervention level since March of this year.

Continue with current measures to maintain and if possible improve performance.

# 2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 6 (19 SEPTEMBER 2010)

## NEIGHBOURHOOD SERVICES

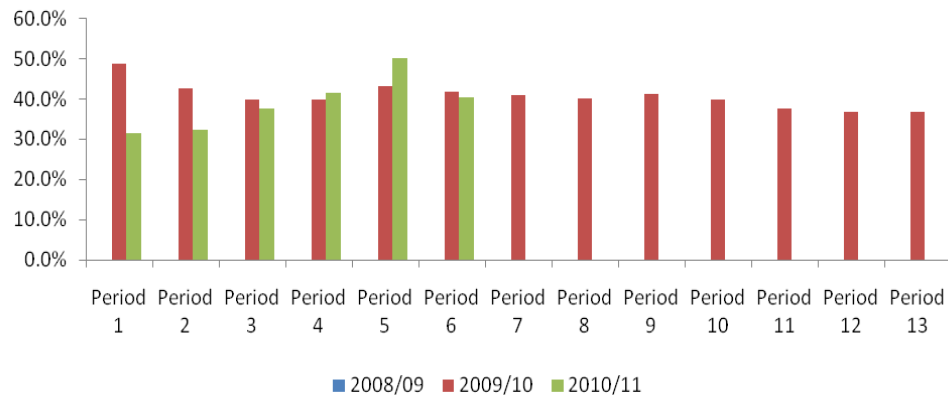
**Housing Repairs: Percentage of first time fixes.**



Housing Repair, first time fixes in period 6 of 2010/11 was 93.6%. First time fix rates have remained high at between 92% and 96% between period 1 2009/10 and period 6 2010/11. The consistent level of performance is as a result of the introduction of a new reporting 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.**

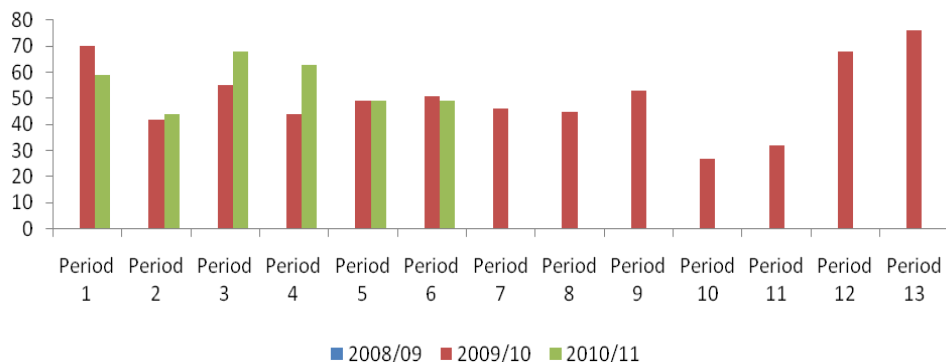


The current figure for low demand average re-let time is higher than the 2009/10 end of year figure of 61 days and the 2008/09 figure of 58 days and is higher than the target of 60 days. This is in part due to several long term voids being returned to the letting pool (3 of more than 1 year's duration in period 6 compared with only 7 of more than 1 year's duration for the whole year to the end of period 6). The percentage of low demand properties let within 4 weeks is lower than the 2009/10 end of year figure of 30.3% and lower than the 2008/09 figure of 38.0%. It is also currently lower than the target of 35%. Again the return of several long-term voids to the letting pool has adversely distorted this figure in this period. The not low demand average re-let time is higher than the end of year figure for 2009/10 which stood at 41 days but lower than the 2007/08 figure of 46 days. This is also higher than the target of 40 days.

# 2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 6 (19 SEPTEMBER 2010)

## NEIGHBOURHOOD SERVICES

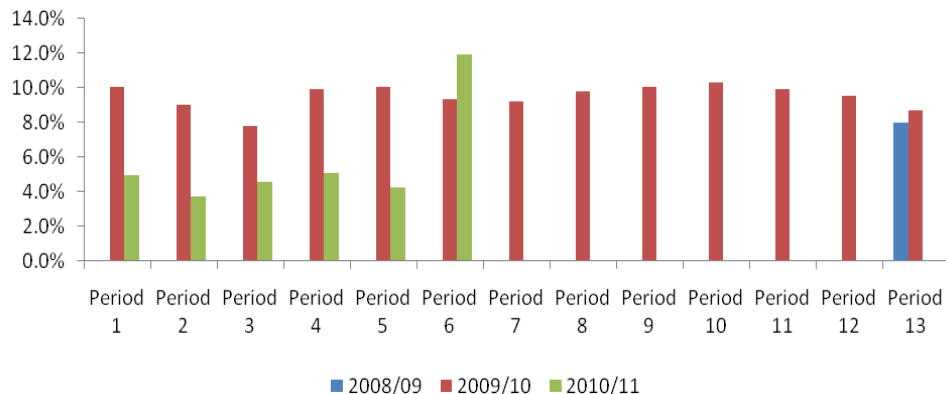
**Homelessness: Number of people assessed as homeless or potentially homeless**



The level of homeless assessments is affected by the level of presentations, however there is a process time lag and the figure is not directly comparable on a period by period basis with the cases presenting as homeless. In East Ayrshire the number assessed as homeless in 2008/09 was 721 lower than Scottish average of 1302 per local authority. Benchmarking figures for 2009/10 should be available for the end of 2010. The indicator for 2010/11 is currently running at an average level of 55 per period which is above the targeted level 45. The average to period 6 is slightly higher than the average for 2009/10 which was 51 and comparable to the average for 2008/09 which was 55.

Where a client is assessed as not homeless advice and information is provided to prevent homelessness occurring.

**Homelessness: Percentage of repeat homelessness within one year**

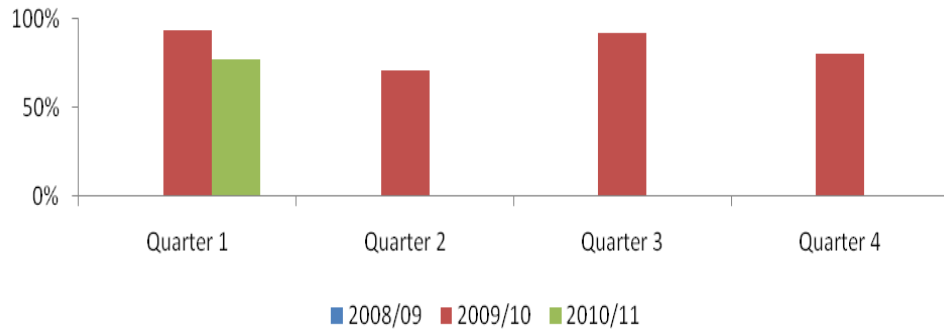


This figure will fluctuate throughout the year as a relatively small number of repeat clients can disproportionately affect the overall reported figure. This is reflected in the period 6 figure where there were 7 repeat cases out of 21 repeat cases for the year to date. The current cumulative repeat homeless rate is running at 6.1%, an improvement on the same period last year of 8.2% and an improvement on the end of year 2009/10 figure of 9.6% and is better than the 9% target. In 2008/09 East Ayrshire were better than average for other Scottish Local Authorities on the measure of repeat homelessness used by the SHBVN who use a different definition than Audit Scotland.

# 2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 6 (19 SEPTEMBER 2010)

## NEIGHBOURHOOD SERVICES

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

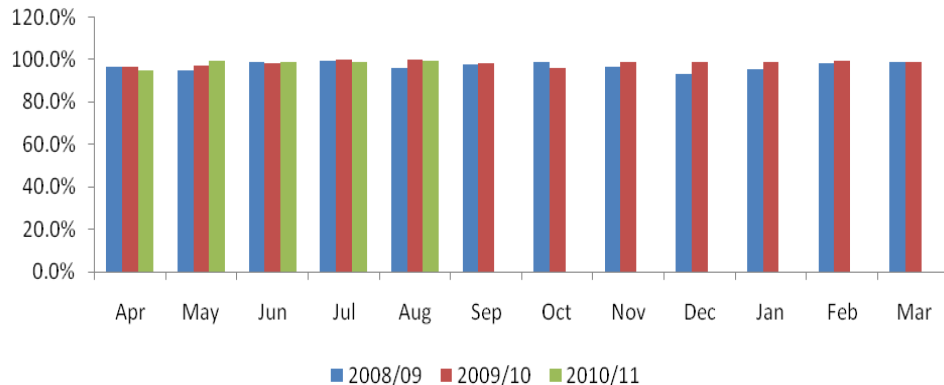


This indicator measures the % of Category 1 defects made safe within target, category 1 defects require to be addressed immediately / within 2 hours. The % of category 1 repairs made safe in 2009/10 was 83%.

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.**



Performance has improved on the very slight 'dip' down to 98.6% over the previous two months, returning to over the 99% level (last achieved in May of this year).

## 2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 6 (19 SEPTEMBER 2010)

### NEIGHBOURHOOD SERVICES

#### Non Financial Data

		2009/10 Period 6	2009/10 Outturn	2010/11 Period 6
Amount of waste to landfill (tonnes)		20,512	40,993	20,040
Amount of waste recycled (tonnes)		18,122	30,913	17,798
Number of burials (cumulative)		331	715	318
Attendance at games halls (cumulative)		152,420	323,098	142,758
Number of void weeks	Actual	7,981	15,888	7,970
	Budget	9,375	18,749	7,526
Number of council house sales	Actual	32	74	20
	Budget	48	104	35
Number of Building Warrants received (cumulative)		543	1,088	556
Average Income per Building Warrant received		£344	£380	£507
Number of Building Warrants determined (cumulative)		529	1,061	494
Value of Development Plans submitted (cumulative)		£19.37m	£54.52m	£42.42m
Number of Planning Applications received (cumulative)		398	831	439
Average Income per Planning Application received		£730	£666	£564
Number of Planning Applications determined (cumulative)		351	755	419

## 2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 6 (19 SEPTEMBER 2010)

### NEIGHBOURHOOD SERVICES

#### SERVICE PERFORMANCE TO DATE

##### CENTRAL MANAGEMENT SUPPORT

Savings due to vacant posts, training and other employee related expenses are offset by additional expenditure on equipment and plant.

##### 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 Outdoor Amenities, Community Recreation and PPP Schools (offset by income) 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, additional Outdoor Amenities materials and additional expenditure on IT equipment and software.

##### FTE STAFFING ANALYSIS

Budget	Actual to date
462.0	435.2

	Estimate £m	Projection to 31 Mar 11 £m	Variance (Favourable) / Adverse
Employee Costs	0.264	0.207	(0.057)
Premises Costs	0.000	0.000	0.000
Transport Costs	0.000	0.000	0.000
Supplies & Services	0.264	0.321	0.057
Third Party Payments	0.200	0.200	0.000
Transfer Payments	0.000	0.000	0.000
<b>Gross Expenditure</b>	<b>0.728</b>	<b>0.728</b>	<b>(0.000)</b>
Income	(0.095)	(0.095)	0.000
<b>Net Expenditure</b>	<b>0.633</b>	<b>0.633</b>	<b>(0.000)</b>

	Estimate £m	Projection to 31 Mar 11 £m	Variance (Favourable) / Adverse
Employee Costs	11.702	11.404	(0.298)
Premises Costs	1.269	1.314	0.045
Transport Costs	1.053	1.109	0.056
Supplies & Services	1.521	1.880	0.359
Third Party Payments	0.385	0.395	0.010
Transfer Payments	0.000	0.000	0.000
<b>Gross Expenditure</b>	<b>15.930</b>	<b>16.102</b>	<b>0.172</b>
Income	(4.143)	(4.464)	(0.321)
<b>Net Expenditure</b>	<b>11.787</b>	<b>11.638</b>	<b>(0.149)</b>

## 2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 6 (19 SEPTEMBER 2010)

### NEIGHBOURHOOD SERVICES

#### EMERGENCY PLANNING

Favourable variances arising from vacancies, reduced training expenditure and car mileage savings 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	1.0

#### 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	0.038	0.026	(0.012)
Premises Costs	0.000	0.000	0.000
Transport Costs	0.003	0.000	(0.003)
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
<b>Gross Expenditure</b>	<b>0.050</b>	<b>0.044</b>	<b>(0.006)</b>
Income	0.000	0.000	0.000
<b>Net Expenditure</b>	<b>0.050</b>	<b>0.044</b>	<b>(0.006)</b>

	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
<b>Gross Expenditure</b>	<b>25.303</b>	<b>25.303</b>	<b>0.000</b>
Income	0.000	0.000	0.000
<b>Net Expenditure</b>	<b>25.303</b>	<b>25.303</b>	<b>0.000</b>

## 2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 6 (19 SEPTEMBER 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

#### 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 £0.420m currently anticipated. Within Supplies and Services, favourable variances are projected for Leader's Initiatives / TCRF maintenance costs due to timing differences partly offset by a projected adverse variance on Statutory Advertising costs.

These are offset by an anticipated adverse variance in fee income, although is projected to be higher than the 2009/10 outturn position. This includes significant fee income anticipated from the Council's capital programme. Income continues to be affected by the economic downturn. Fluctuating income levels remain a challenge for the service especially in the context of regulatory shared services. The projected outturn position includes an income surplus of £0.150m which will require to be earmarked as match funding for an ongoing EU award (Employability).

#### FTE STAFFING ANALYSIS

Budget	Actual to date
129.8	111.1

	Estimate £m	Projection to 31 Mar 11 £m	Variance (Favourable) / Adverse
Employee Costs	6.020	6.016	(0.004)
Premises Costs	0.432	0.434	0.002
Transport Costs	1.524	1.551	0.027
Supplies & Services	3.848	4.023	0.175
Third Party Payments	4.225	4.225	0.000
Transfer Payments	0.000	0.000	0.000
<b>Gross Expenditure</b>	<b>16.049</b>	<b>16.249</b>	<b>0.200</b>
Income	(4.885)	(5.093)	(0.208)
<b>Net Expenditure</b>	<b>11.164</b>	<b>11.156</b>	<b>(0.008)</b>

	Estimate £m	Projection to 31 Mar 11 £m	Variance (Favourable) / Adverse
Employee Costs	6.981	6.561	(0.420)
Premises Costs	0.130	0.130	0.000
Transport Costs	0.126	0.126	0.000
Supplies & Services	2.184	2.156	(0.028)
Third Party Payments	0.637	0.637	0.000
Transfer Payments	0.000	0.000	0.000
<b>Gross Expenditure</b>	<b>10.058</b>	<b>9.610</b>	<b>(0.448)</b>
Income	(5.881)	(5.409)	0.472
<b>Net Expenditure</b>	<b>4.177</b>	<b>4.201</b>	<b>0.024</b>

## 2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 6 (19 SEPTEMBER 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 and increased income from recycling. In addition, increased income from commercial waste and private landlord registration fees are partly offset by reduced special uplift, sale of refuse sack and skip hire income.

	Estimate £m	Projection to 31 Mar 11 £m	Variance (Favourable) / Adverse
Employee Costs	5.792	5.905	0.113
Premises Costs	1.102	1.105	0.003
Transport Costs	1.282	1.365	0.083
Supplies & Services	2.110	2.131	0.021
Third Party Payments	5.236	5.032	(0.204)
Transfer Payments	0.000	0.000	0.000
<b>Gross Expenditure</b>	<b>15.522</b>	<b>15.538</b>	<b>0.016</b>
Income	(3.508)	(3.682)	(0.174)
<b>Net Expenditure</b>	<b>12.014</b>	<b>11.856</b>	<b>(0.158)</b>

#### FTE STAFFING ANALYSIS

Budget	Actual to date
237.1	222.4

## 2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 6 (19 SEPTEMBER 2010)

### NEIGHBOURHOOD SERVICES

#### HOUSING REVENUE ACCOUNT

The favourable variance is as a result of vacancies across the entire Service including the Housing Asset Service combined with lower than anticipated non domestic rates and tenant participation costs, reduced debt charges and increased income from property rents and right to buy sales.

Budget	Actual to date
92.0	86.4

	Estimate £m	Projection to 31 Mar 11 £m	Variance (Favourable) / Adverse
Employee Costs	2.425	2.318	(0.107)
Premises Costs	4.508	4.502	(0.006)
Transport Costs	0.060	0.060	0.000
Supplies & Services	5.217	5.110	(0.107)
Third Party Payments	0.986	0.986	0.000
Debt Charges	5.272	5.072	(0.200)
CFCR/Planned Maint	5.790	5.790	0.000
Housing Asset Service	12.011	11.728	(0.283)
Homeless Hostels	1.092	1.092	0.000
<b>Gross Expenditure</b>	<b>37.361</b>	<b>36.658</b>	<b>(0.703)</b>
Income	(37.361)	(37.396)	(0.035)
<b>Net expenditure</b>	<b>0.000</b>	<b>(0.738)</b>	<b>(0.738)</b>

#### 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	8.804	(0.283)
Premises Costs	0.009	0.009	0.000
Transport Costs	1.427	1.427	0.000
Supplies & Services	4.519	4.519	0.000
Third Party Payments	2.903	2.903	0.000
Transfer Payments	2.696	2.696	0.000
<b>Gross Expenditure</b>	<b>20.641</b>	<b>20.358</b>	<b>(0.283)</b>
Income	(8.630)	(8.630)	0.000
<b>Net Expenditure</b>	<b>12.011</b>	<b>11.728</b>	<b>(0.283)</b>

## 2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 6 (19 SEPTEMBER 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, and the Scottish Coal Obligation Funds.

The Employability balance mainly relates solely 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.

	<b>Balances at 19 Sept. 2010 £m</b>
<b>Leisure Projects</b>	
EA Positive Play	(0.327)
Talented Athlete Programme	(0.250)
MUGA Streetcages	(0.157)
Sports Council	(0.021)
Healthy Weight Community	(0.039)
Other Leisure Projects	(0.044)
<b>Roads and Transportation Projects</b>	
Scottish Coal Obligation	(0.080)
A76 Trunk Road	(0.052)
Clyde Local Authority Consortium	(0.042)
Other Roads & Transport Projects	(0.026)
<b>Planning &amp; Development</b>	
Employability	0.177
Wind Farm	(0.235)
Developers Contributions / S75 SLR	(0.904)
Make It Kilmarnock	(0.194)
Moorfield Entrance Junction	(0.031)
East Ayrshire Town Centres	(0.007)
Design Workshop	(0.004)
Cumnock Regeneration	(0.016)
Cumnock Town Centre	(0.022)
Kilmarnock Town Centre	(0.010)
<b>Total</b>	<b>(2.284)</b>

**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 6 (19 SEPTEMBER 2010)

### FINANCE AND CORPORATE SUPPORT

#### SERVICE SUMMARY

The department is currently projecting a favourable position of £0.463m. Savings are currently anticipated within Finance, Community Planning and Human Resources and predominantly relate to employee costs and premises costs, compensating for pressures on income and supplies & services

There is currently an adverse variance of £0.030m projected in relation to the IT and Asset Management service. Within IT severance costs of £0.070m, although anticipated to generate future year savings, are partly offset by a favourable variance in relation to the day to day operation of the division. 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 £0.163m, an under-recovery of property related income of £0.155m, partly offset by savings in other headings, results in an overall favourable position within the division. In addition the service recognises both an anticipated underspend on repairs and maintenance expenditure as a result of the need to change to a new main contractor in the current year of £0.500m as well as an equivalent anticipated shortfall in Asset Improvement fee recovery levels.

	Estimate £m	Projection to 31 Mar 11 £m	Variance (Favourable) / Adverse
Central Management Support	0.167	0.167	0.000
Finance	3.715	3.363	(0.352)
Human Resources	2.493	2.393	(0.100)
IT and AM	11.358	11.387	0.029
Democratic Services	2.805	2.805	0.000
Legal Procurement & Reg.	2.935	2.935	0.000
Community Planning P'ship	0.669	0.629	(0.040)
<b>Net Expenditure</b>	<b>24.142</b>	<b>23.679</b>	<b>(0.463)</b>

	Estimate £m	Projection to 31 Mar 11 £m	Variance (Favourable) / Adverse
Employee Costs	19.680	19.249	(0.431)
Premises Costs	7.951	7.230	(0.721)
Transport Costs	0.284	0.286	0.002
Supplies & Services	5.043	5.155	0.112
Third Party Payments	0.716	0.732	0.016
Transfer Payments	0.000	0.000	0.000
<b>Gross Expenditure</b>	<b>33.674</b>	<b>32.652</b>	<b>(1.022)</b>
Income	(9.532)	(8.973)	0.559
<b>Net Expenditure</b>	<b>24.142</b>	<b>23.679</b>	<b>(0.463)</b>

## 2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 6 (19 SEPTEMBER 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		-0.140		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
11 Transfer of Education Property Staff to Asset Improvement		+0.128		Realignment of Budgets to reflect transfer of staff from ESS
12 Chief Officer Restructuring per Cabinet 24 February 2010		-0.043		Transfer of savings realised to Miscellaneous Services
13 E Procurement Staffing Budgets per Cabinet 16 June 2010		+0.091		Transfer of Budgets from Miscellaneous Services to fund posts
14 Utilisation of Balances		+2.123		Drawdown of Earmarked and Departmental Balances
15 SRRB2 Line By Line Review		-0.093		Realignment of Budgets to reflect savings identified by SRRB2
<i>Total Budget adjustments</i>			+2.468	
<b>Revised Budget Allocation at Period 6</b>			<b>24.142</b>	

## 2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 6 (19 SEPTEMBER 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 19/9/10	Achieved at 19/9/10 £m
<b>Finance and Corporate Support</b>		<b>0.899</b>		<b>0.581</b>
Implementation of the Legal, Procurement and Regulatory BVSR	BRS	0.067		0.067
Review of support within Members' Services	BRS	0.029		0.029
A Business Case Review of Switchboard Services	BRS	0.020		0.020
Reduced Finance and Asset Management Services staffing resulting from BVSRs	BWP	0.350		0.168
Reduced staffing within the Pest Control / Dog Warden services	BWP	0.025		0.025
Review of staffing within Information Technology	BWP	0.018		0.018
Review of staffing within Human Resources	BWP	0.028		0.028
Reduced IT Training Costs arising from revised recruitment policies	BWP	0.050		0.050
Review of staffing within Democratic Services	BWP	0.041		0.041
10% reduction of controllable budgets within Finance and Asset Management Services	CND	0.050		0.050
10% reduction of controllable budgets within Democratic Services	CND	0.021		0.021
Additional efficiencies arising from departmental management action	CND	0.055		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		0.009

Status: Fully met

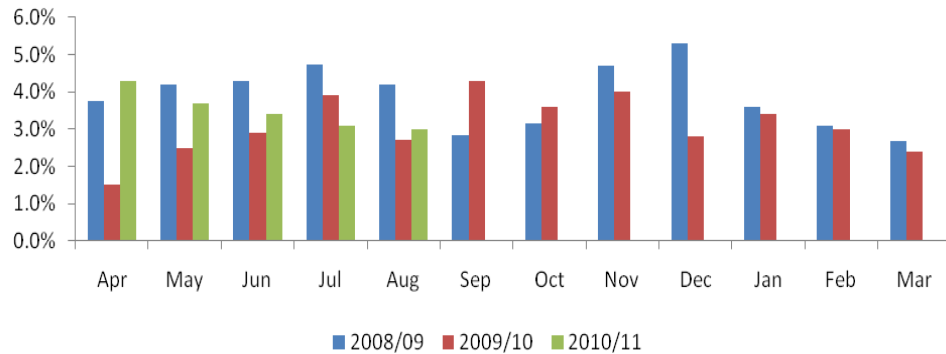
In Progress

Unmet

# 2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 6 (19 SEPTEMBER 2010)

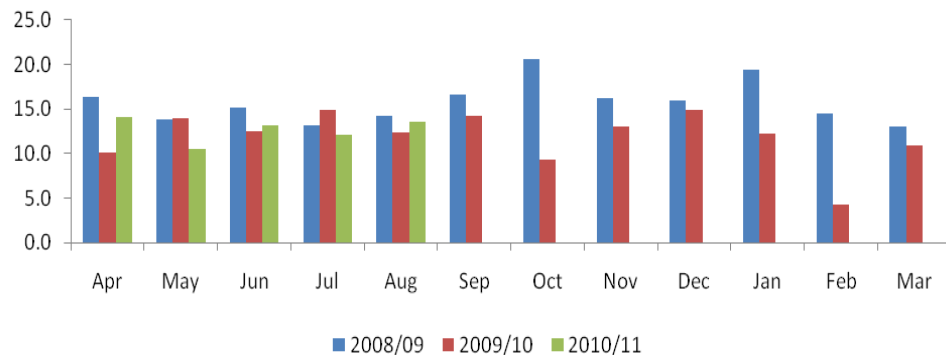
## FINANCE AND CORPORATE SUPPORT

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



Absence for August was 2.98%, a small improvement on the previous month and below the Council target of 4%. One service continues to have an absence rate higher than the target due to a number of long term absences. Cumulative absence for the period from April to August was 3.48%. Within the Department 68% of absences in August were between 1 and 7 days and 5 absence periods were at that time longer than 3 months. During the month, the top three reasons for absence accounted for 80% of all absence days. These were operations/recovery and treatment (44%), stress/debility (25%) and stomach/abdominal (11%). Absence continues to be monitored monthly on a service by service basis through the Departmental Management Team, and includes reviewing levels of absence, reasons for absence, completion of absence review meetings and referrals.

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

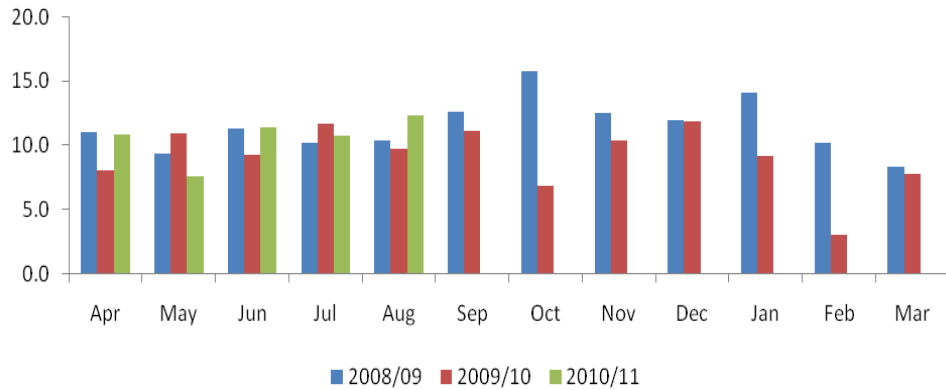


Caseload continuing to increase slightly month on month and section carrying staff vacancies.

# 2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 6 (19 SEPTEMBER 2010)

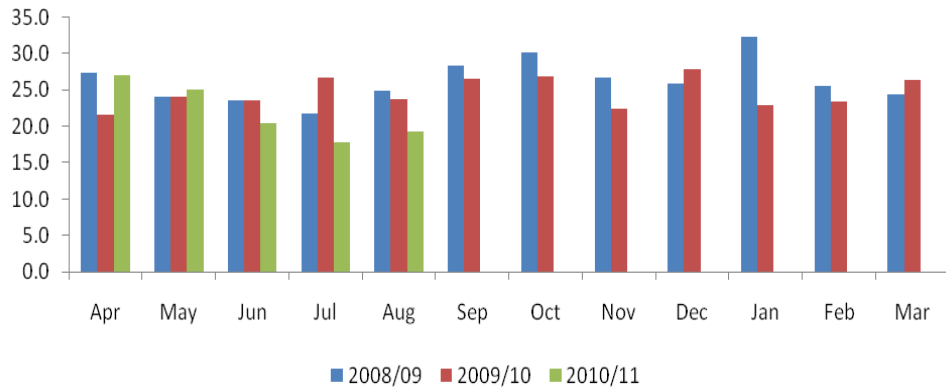
## FINANCE AND CORPORATE SUPPORT

Benefit Administration: Average time to process change events.



Caseload continuing to increase slightly month on month and section carrying staff vacancies.

Benefit Administration: Average time to process new benefit claims.

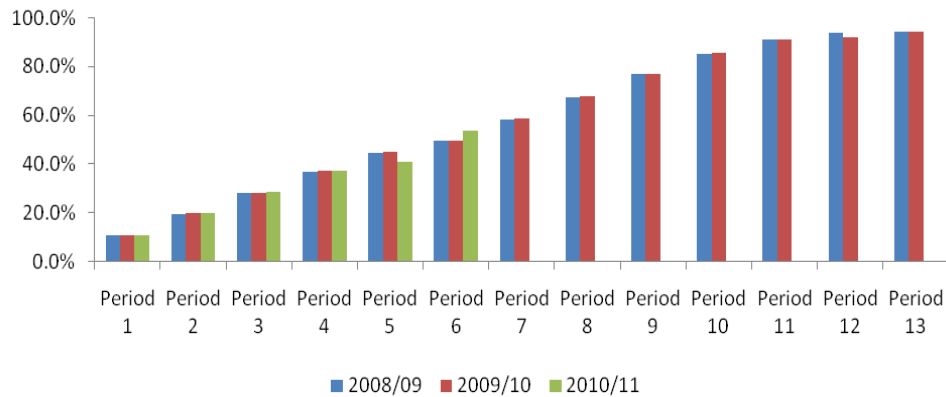


Caseload continuing to increase slightly month on month and section carrying staff vacancies.

# 2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 6 (19 SEPTEMBER 2010)

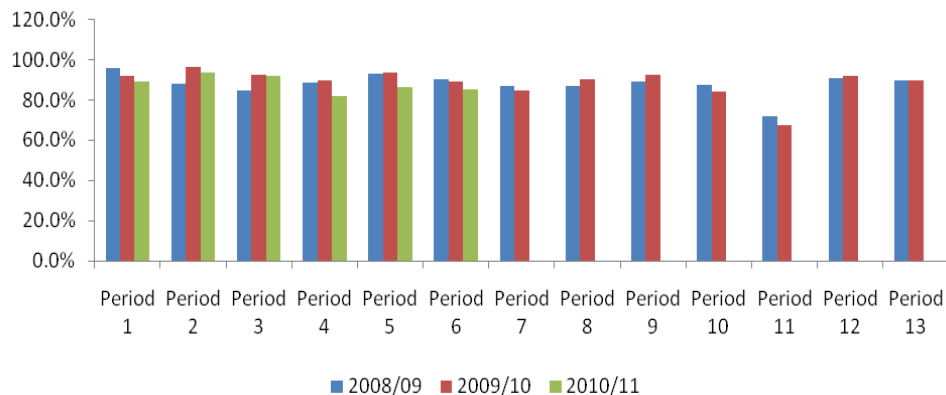
## FINANCE AND CORPORATE SUPPORT

Council Tax: Percentage of Council Tax received.



During the economic downturn we are adopting a flexible and sympathetic approach when dealing with customers in arrears. We are able to identify customers who have not been in an arrears situation before and provide advice/arrangements where possible. The increased percentage from the same point last year is due to a timing issue. A direct debit run is included which was processed subsequent to the measured period last year.

Invoices: Percentage paid within 30 calendar days of receipt.

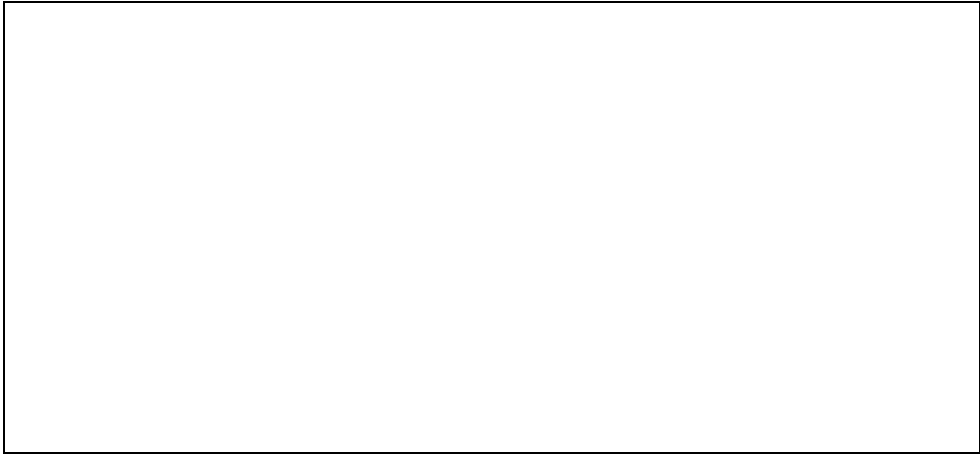
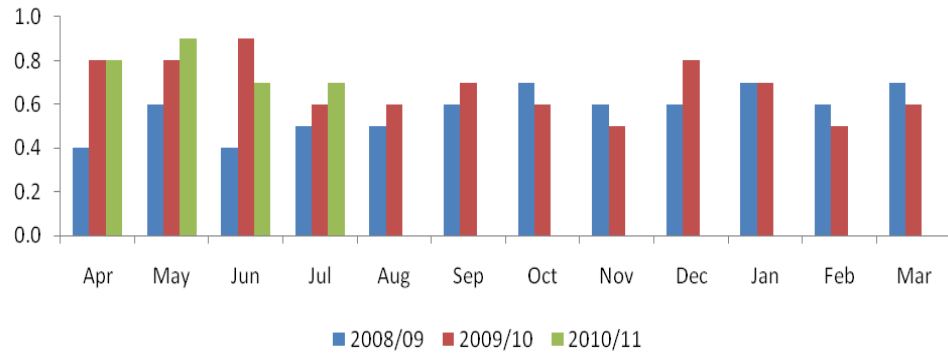


The overall performance at period 6 was only marginally lower than at the same time last year. Analysis carried out indicates that the main cause of delay is as a result of invoices having to be returned to Departments to resolve mismatches between order and goods received information. The Corporate Management Team has recently considered and agreed an action plan aimed at reducing the level of error and additional intervention necessary which is hoped will result in a significant improvement in the payment performance.

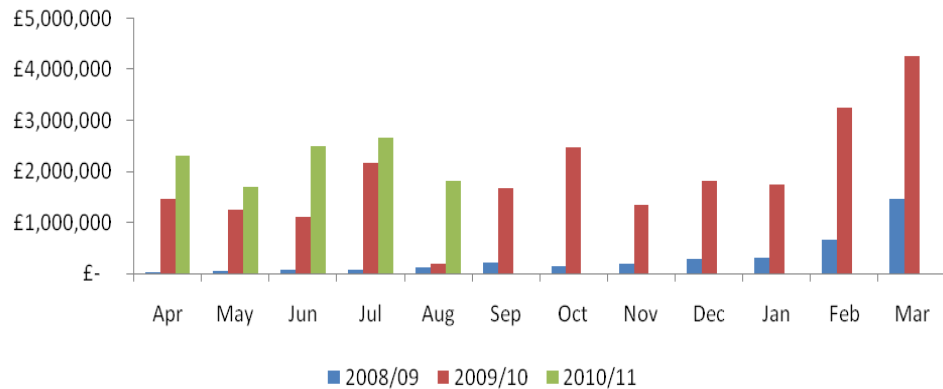
# 2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 6 (19 SEPTEMBER 2010)

## FINANCE AND CORPORATE SUPPORT

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



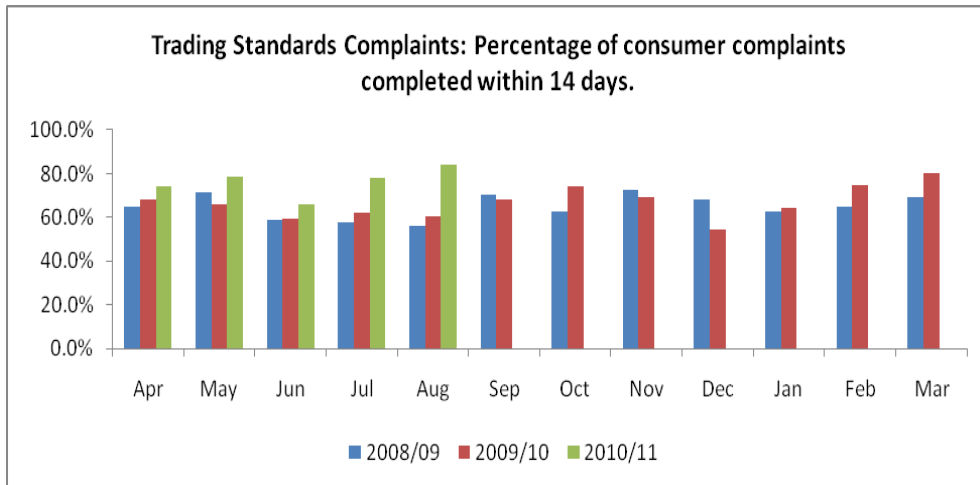
**Procurement: Monthly spend via PECOS.**



Priorities are Social Services Training, SBU Engagement and scoping and Civic Centre North closures and updates.

# 2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 6 (19 SEPTEMBER 2010)

## FINANCE AND CORPORATE SUPPORT



The percentage of consumer complaints completed within 14 days increased to 83.8% in August, the highest level recorded over the 29 months that this data has been entered on the Electronic Performance Management System. Performance has improved to levels above the previous year despite a reduction in the staffing complement within the service. However, it is worth noting that the reduction in staff has been accompanied by a reduction in the number of complaints received by the Service. The number of complaints received between April and August has dropped significantly when compared to the same four months in the previous year. 268 complaints have been received in 2010/11 compared to 377 in 2009/10, a reduction of 29%. No actions are proposed at this time, however, performance will continue to be monitored by management on a monthly basis, with particular regard paid to the number of complaints received and the current staffing situation.

## 2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 6 (19 SEPTEMBER 2010)

### FINANCE AND CORPORATE SUPPORT

#### Non Financial Data

	2009/10 Period 6	2009/10 Outturn	2010/11 Period 6
Number of property enquiries (cumulative)	61	117	50
Average income per property enquiry	£42	£43	£50
Number of licensing board applications (cumulative)	780	1,824	803
Average income per licensing board application	£65	£84	£79
Number of job vacancy adverts placed (cumulative)	98	239	91
Average cost per job vacancy advert	£231	£343	£466
Number of let commercial and industrial properties	56	61	64
Number of property repairs completed (cumulative)	3,326	8,998	3,068
Number of transactions processed through the Income Management System (cumulative)	327,008	640,761	315,051
Value of transactions processed through the Income Management System	£180.2m	£397.6m	£197.7m
Council Tax collection rate	49.7%	94.1%	53.7%

## 2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 6 (19 SEPTEMBER 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 £0.352m 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. The service is managing the increased caseload within current resources although some vacancies require to be filled. 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	0.007	0.007	0.000
Third Party Payments	0.000	0.000	0.000
Transfer Payments	0.000	0.000	0.000
<b>Gross Expenditure</b>	<b>0.167</b>	<b>0.167</b>	<b>0.000</b>
Income	0.000	0.000	0.000
<b>Net Expenditure</b>	<b>0.167</b>	<b>0.167</b>	<b>0.000</b>

	Estimate £m	Projection to 31 Mar 11 £m	Variance (Favourable) / Adverse
Employee Costs	5.644	5.394	(0.250)
Premises Costs	0.003	0.003	0.000
Transport Costs	0.022	0.022	0.000
Supplies & Services	0.669	0.669	0.000
Third Party Payments	0.000	0.000	0.000
Transfer Payments	0.000	0.000	0.000
<b>Gross Expenditure</b>	<b>6.338</b>	<b>6.088</b>	<b>(0.250)</b>
Income	(2.623)	(2.725)	(0.102)
<b>Net Expenditure</b>	<b>3.715</b>	<b>3.363</b>	<b>(0.352)</b>

## 2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 6 (19 SEPTEMBER 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, offset any anticipated underspend at the current time.

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 the service recognises the ongoing situation in relation to the Central Repairs main contractor and is anticipating lower than planned expenditure on repairs and maintenance in the current year.

A favourable Transport Costs variance is anticipated resulting from the efficient use of pool vehicles.

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 £0.034m. The Asset Improvement service anticipates a £0.500m shortfall in fee recovery. The service is reviewing the approach to fee recovery however it is anticipated that this under-recovery will be offset by the impact of the change in main contractor noted above.

	Estimate £m	Projection to 31 Mar 11 £m	Variance (Favourable) / Adverse
Employee Costs	6.369	6.369	0.000
Premises Costs	7.904	7.185	(0.719)
Transport Costs	0.124	0.119	(0.005)
Supplies & Services	2.147	2.253	0.106
Third Party Payments	0.333	0.333	0.000
Transfer Payments	0.000	0.000	0.000
<b>Gross Expenditure</b>	<b>16.877</b>	<b>16.259</b>	<b>(0.618)</b>
Income	(5.519)	(4.872)	0.647
<b>Net Expenditure</b>	<b>11.358</b>	<b>11.387</b>	<b>0.029</b>

#### FTE STAFFING ANALYSIS

Budget	Actual to date
171.9	156.3

## 2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 6 (19 SEPTEMBER 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 £0.020m 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	68.1

#### 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	42.6

	Estimate £m	Projection to 31 Mar 11 £m	Variance (Favourable) / Adverse
Employee Costs	2.552	2.434	(0.118)
Premises Costs	0.001	0.001	0.000
Transport Costs	0.020	0.029	0.009
Supplies & Services	0.211	0.213	0.002
Third Party Payments	0.049	0.065	0.016
Transfer Payments	0.000	0.000	0.000
<b>Gross Expenditure</b>	<b>2.833</b>	<b>2.742</b>	<b>(0.091)</b>
Income	(0.340)	(0.349)	(0.009)
<b>Net Expenditure</b>	<b>2.493</b>	<b>2.393</b>	<b>(0.100)</b>

	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	0.069	0.069	0.000
Transfer Payments	0.000	0.000	0.000
<b>Gross Expenditure</b>	<b>2.998</b>	<b>2.988</b>	<b>(0.010)</b>
Income	(0.193)	(0.183)	0.010
<b>Net Expenditure</b>	<b>2.805</b>	<b>2.805</b>	<b>0.000</b>

## 2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 6 (19 SEPTEMBER 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. Anticipated overspends in relation to Subscriptions and other charges are partly offset by general efficiencies in other headings. There are 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	78.4

	Estimate £m	Projection to 31 Mar 11 £m	Variance (Favourable) / Adverse
Employee Costs	2.977	2.954	(0.023)
Premises Costs	0.027	0.025	(0.002)
Transport Costs	0.088	0.086	(0.002)
Supplies & Services	0.520	0.534	0.014
Third Party Payments	0.170	0.170	0.000
Transfer Payments	0.000	0.000	0.000
<b>Gross Expenditure</b>	<b>3.782</b>	<b>3.769</b>	<b>(0.013)</b>
Income	(0.847)	(0.834)	0.013
<b>Net Expenditure</b>	<b>2.935</b>	<b>2.935</b>	<b>(0.000)</b>

#### COMMUNITY PLANNING AND PARTNERSHIP

The favourable variance anticipated relates to a vacancy and work life balance arrangements.

#### FTE STAFFING ANALYSIS

Budget	Actual to date
11.5	10.1

	Estimate £m	Projection to 31 Mar 11 £m	Variance (Favourable) / Adverse
Employee Costs	0.532	0.492	(0.040)
Premises Costs	0.016	0.016	0.000
Transport Costs	0.003	0.003	0.000
Supplies & Services	0.034	0.034	0.000
Third Party Payments	0.095	0.095	0.000
Transfer Payments	0.000	0.000	0.000
<b>Gross Expenditure</b>	<b>0.680</b>	<b>0.640</b>	<b>(0.040)</b>
Income	(0.011)	(0.011)	0.000
<b>Net Expenditure</b>	<b>0.669</b>	<b>0.629</b>	<b>(0.040)</b>

**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 6 (19 SEPTEMBER 2010)

### CENTRAL SERVICES

#### SERVICE SUMMARY

Central Services is anticipated to outturn £1.027m under budget as a result of staff savings within the Internal Audit Service, a one-off successful reclaim of VAT and in-year savings generated by the Line by Line Review of departmental expenditure 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	0.543	(0.020)
Miscellaneous	7.206	6.199	(1.007)
Insurance	2.327	2.327	0.000
<b>Net Expenditure</b>	<b>10.096</b>	<b>9.069</b>	<b>(1.027)</b>

	Estimate £m	Projection to 31 Mar 11 £m	Variance (Favourable) / Adverse
Employee Costs	2.221	2.201	(0.020)
Premises Costs	0.000	0.000	0.000
Transport Costs	0.006	0.363	0.357
Supplies & Services	8.036	6.672	(1.364)
Third Party Payments	0.735	0.735	0.000
<b>Gross Expenditure</b>	<b>10.998</b>	<b>9.971</b>	<b>(1.027)</b>
Income	(0.902)	(0.902)	0.000
<b>Net Expenditure</b>	<b>10.096</b>	<b>9.069</b>	<b>(1.027)</b>

## 2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 6 (19 SEPTEMBER 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

##### MISCELLANEOUS SERVICES

Transport costs of £0.357m are currently anticipated in relation to the transfer of pupils from Gargieston Primary School. Within Supplies and 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 with a further £0.942m being drawn into the centre following the recent Line by Line review of departmental expenditure.

##### FTE STAFFING ANALYSIS

Budget	Actual to date
1.0	1.0

	Estimate £m	Projection to 31 Mar 11 £m	Variance (Favourable) / Adverse
Employee Costs	0.599	0.579	(0.020)
Premises Costs	0.000	0.000	0.000
Transport Costs	0.006	0.006	0.000
Supplies & Services	0.017	0.017	0.000
Third Party Payments	0.000	0.000	0.000
<b>Gross Expenditure</b>	<b>0.622</b>	<b>0.602</b>	<b>(0.020)</b>
Income	(0.059)	(0.059)	0.000
<b>Net Expenditure</b>	<b>0.563</b>	<b>0.543</b>	<b>(0.020)</b>

	Estimate £m	Projection to 31 Mar 11 £m	Variance (Favourable) / Adverse
Employee Costs	1.622	1.622	0.000
Premises Costs	0.000	0.000	0.000
Transport Costs	0.000	0.357	0.357
Supplies & Services	5.692	4.328	(1.364)
Third Party Payments	0.735	0.735	0.000
Transfer Payments	0.000	0.000	0.000
<b>Gross Expenditure</b>	<b>8.049</b>	<b>7.042</b>	<b>(1.007)</b>
Income	(0.843)	(0.843)	0.000
<b>Net Expenditure</b>	<b>7.206</b>	<b>6.199</b>	<b>(1.007)</b>

## 2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 6 (19 SEPTEMBER 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
<b>Gross Expenditure</b>	<b>2.327</b>	<b>2.327</b>	<b>0.000</b>
Income	0.000	0.000	0.000
<b>Net Expenditure</b>	<b>2.327</b>	<b>2.327</b>	<b>0.000</b>

**EDUCATIONAL AND SOCIAL SERVICES**

**Capital Programme**

Expenditure to date is £2.272m, which represents 32.7% of the available budget. The Projected Expenditure for 2010/11 is £6.106m.

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.

# 2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 6 (19 SEPTEMBER 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	Sept 10	TBC	TBC	TBC	TBC	TBC	TBC

#### Financial Status

Allocation for Galston Town Centre has been provisionally allocated between the different elements.

#### Project Life Cycle

Proposals are being developed and initial designs have been discussed with the access panel. Initial meetings have also taken place with Community Associations. A specific programme for Community Facilities is being developed in isolation to local office / office development. The intention would be for the works to be start on-site after May 2011. A draft programme is being developed to support this

#### 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	Sept 10	Sept 10	June 11	April 11	Nov 11	Nov 11	Dec 12

#### Financial Status

Allocation for Galston Town Centre has been provisionally allocated between the different elements.

#### Project Life Cycle

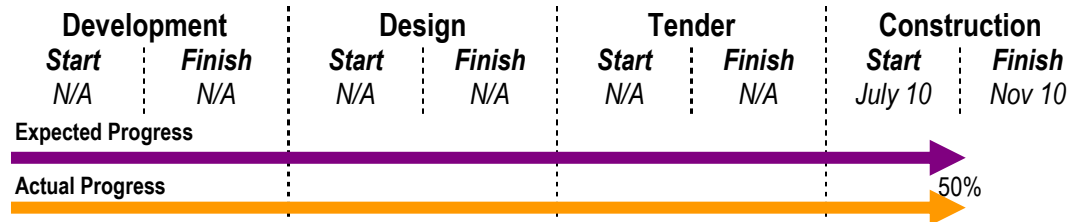
Project Management Team agreed proposals on the 30 June to refurbish the existing Social Work office and the construction of a new local office on the gap site. Work to develop layouts and consultation exercise with stakeholders on-going. External funding may be available to supplement and enhance the former Chambers building; this is being explored.

# 2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 6 (19 SEPTEMBER 2010)

## EDUCATIONAL AND SOCIAL SERVICES

### Galston TCRF

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m
0.535	0.209	0.535



#### Financial Status

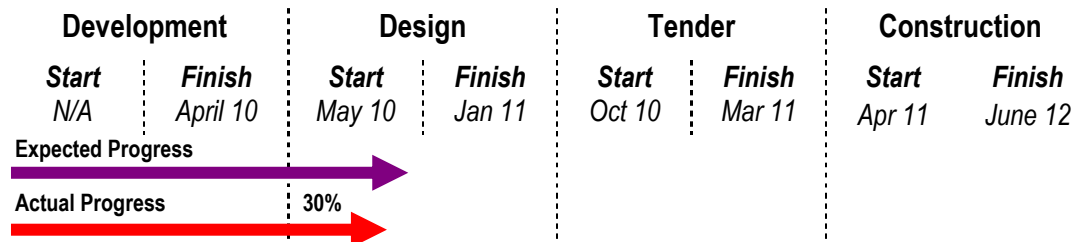
Allocation for Galston Town Centre has been provisionally allocated between the different elements.

#### Project Life Cycle

Works are currently progressing with regard to the construction of the new car park in Galston Town Centre. Anticipated completion on site mid-November.

### Darvel Primary School and Nursery School

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m
5.000	0.020	5.000



#### Financial Status

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

#### Project Life Cycle

Work is ongoing to reschedule elements of the programme to ensure the project is delivered within agreed timescales. Measures being adopted include appointment of external consultants, alternative procurement methods and the compression of the construction period. 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 6 (19 SEPTEMBER 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	Dec 10	Jan 11	Nov 11	Oct 11	Mar 12	Apr 12	May 13

#### Financial Status

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

Expected Progress

Actual Progress

#### Project Life Cycle

Initial discussions identified the refurbishment of the Woodstock School as the preferred option for the relocation of the Flowerbank Nursery School. However, an alternative option incorporating Adult Day Care Facilities with Nursery provision in a town centre location is now being considered. Proposals are being developed by the Asset Management Section; a recommendation is anticipated by 5 October. The timescales above are based on the refurbishment of the Woodstock School for the Nursery provision and may therefore have to be revised dependent on the outcome of the appraisal exercise.

### 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	0.127	10.000	Complete		Sept 09	July 10	June 10	Nov 10	Nov 10	Feb 12

#### Financial Status

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

Expected Progress

Actual Progress

#### Project Life Cycle

Work is currently on-going on the detailed design and preparation of the necessary tender documentation with the tender issued on 29 September with acceptance by 5 January 2011. Start on site is currently anticipated to commence on 19 January 2011. There may be an opportunity to compress the construction period for this project, however fully costed proposals are being sought for all options to allow an informed decision to be taken. Requirements for upgraded service connections will not cause any difficulties but will be an additional cost.



Concept Design Image

# 2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 6 (19 SEPTEMBER 2010)

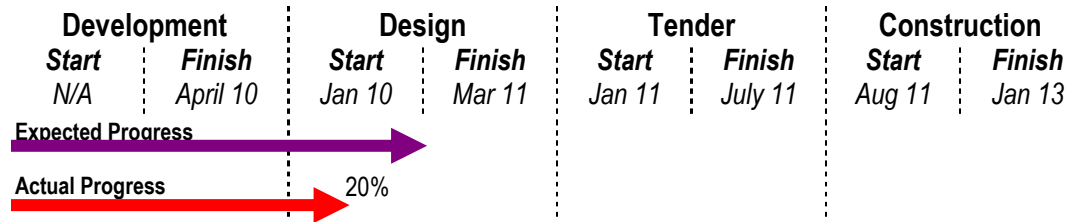
## EDUCATIONAL AND SOCIAL SERVICES

### New Cumnock Nursery and Primary School

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m
9.600	0.135	9.600

#### Financial Status

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



#### Project Life Cycle

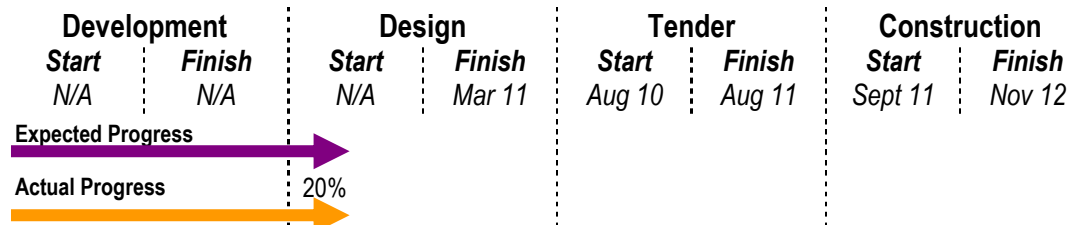
Work is ongoing to reschedule elements of the programme to realign the critical path to ensure the project is delivered within agreed timescales. Measures being adopted include appointment of external consultants and alternative procurement methods for elements of the project where "design and build" is a viable option. It is currently envisaged that this should have no impact on the anticipated construction finish dates.

### 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

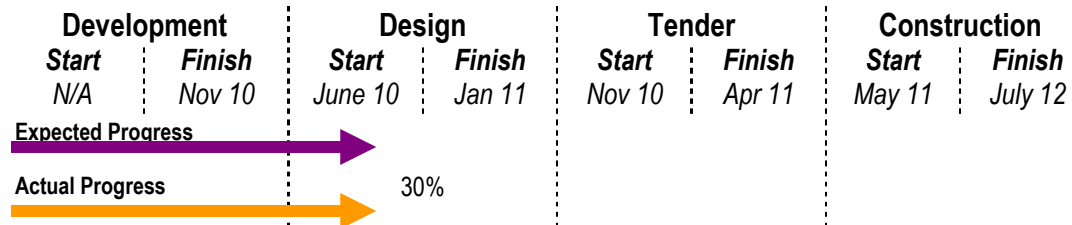
Some design tasks on critical path have taken longer to complete than previously allowed for. However, it is anticipated that any negative effect will be recovered during the remainder of the design, tendering and construction processes. Design elements are being carried out solely by external consultants. Costs for revised design are currently estimated at £10.600m. Options to revise costs can be explored if tendered prices are higher than the budget.

# 2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 6 (19 SEPTEMBER 2010)

## EDUCATIONAL AND SOCIAL SERVICES

### Gargieston Primary School

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m
12.000	0.003	12.000



#### Financial Status

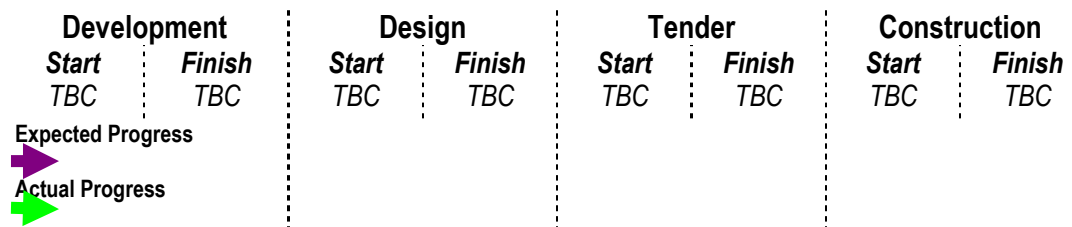
Budgets to be revised to take account of Scottish Government funding once more information is available.

#### Project Life Cycle

Geotechnical survey results for ground conditions are expected soon. A warrant has been lodged for the demolition of the school; currently anticipated that this could commence late Nov / early Dec 2010. The impact of the mining works on the programme is being monitored and whilst it is likely that elements will have to be rescheduled to take account of this, it is still currently anticipated that the July 2012 construction finish can still be achieved.

### Knockroon Primary School

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m
10.500	0.000	10.500



#### Financial Status

No expenditure is anticipated to be incurred in 2010/11

#### Project Life Cycle

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 6 (19 SEPTEMBER 2010)

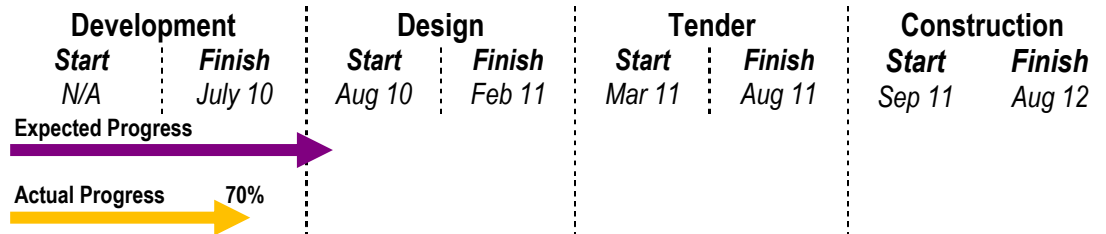
## EDUCATIONAL AND SOCIAL SERVICES

### Littlemill Primary School

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m
1.320	0.130	1.320

#### Financial Status

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



#### Project Life Cycle

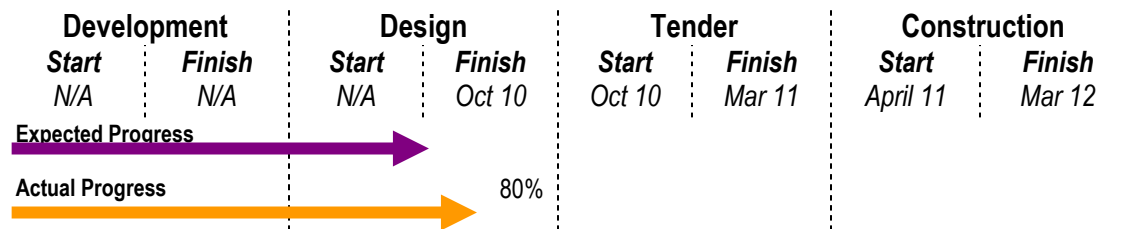
The works to renew the roof and rainwater goods to both the main building and gym block have now been completed. In order to minimise inconvenience to staff and pupils the external works to the car park, playground and garden will now be started summer 2011 to coincide with the remainder of the refurbishment works. The full extent of the refurbishment works are still being developed with the client department, however, it is hoped that agreed timescales can be improved on.

### 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

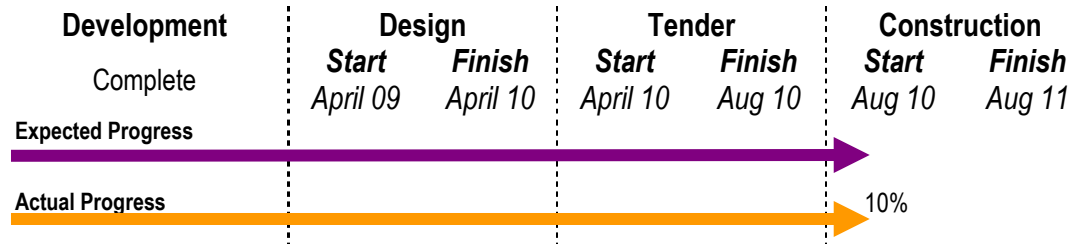
Detailed design work on-going and is ahead of schedule. Discussions on-going with Historic Scotland regarding the proposals. Window replacement works will now not be undertaken during the October holidays; the works will now be rescheduled to be completed during Easter 2011. Decant options for staff and pupils still to be confirmed. Listed building consent has been submitted, full planning application lodged on 1 September 2010. Staff and pupils to be decanted during the period of construction.

# 2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 6 (19 SEPTEMBER 2010)

## EDUCATIONAL AND SOCIAL SERVICES

### Children's Residential House

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m
1.510	0.054	1.210



#### Financial Status

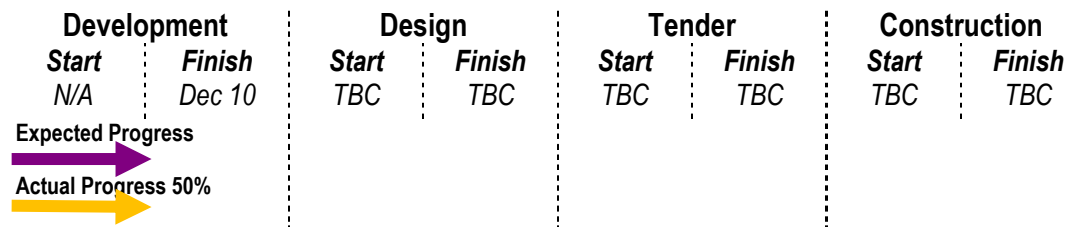
Revised estimates would indicate that costs are approximately 20% under budget.

#### Project Life Cycle

Works commenced on site 16 August 2010 and is progressing well.

### 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

Work currently on-going to develop layouts for consultation exercise with stakeholders; anticipated completion of layouts October 2010. Draft layouts will be prepared in consultation with client department prior to consultation exercise taking place with external stakeholders. Draft timetable for works have been prepared however detail needs to be discussed with client department prior to publication. Currently estimated that a start on site could commence late 2011.

# 2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 6 (19 SEPTEMBER 2010)

## EDUCATIONAL AND SOCIAL SERVICES

### Kilmarnock Area Day Centre

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
2.500	0.000	2.500								

Expected Progress



Actual Progress



### Financial Status

No expenditure is anticipated to be incurred in 2010/11

### Project Life Cycle

Initial discussions identified the refurbishment of the Woodstock School as the preferred option for the relocation of the Flowerbank Nursery School. However, an alternative option incorporating Adult Day Care Facilities with Nursery provision in a town centre location is now being considered. Proposals are being development by the Asset Management Section; a recommendation is anticipated by 5 October. The timescales above are based on the refurbishment of the Woodstock School for the Nursery provision and may therefore have to be revised dependent on the outcome of the appraisal exercise.

## 2010/2011 FINANCE AND SERVICE STRATEGY REPORT BASED ON PERIOD 6 (19 SEPTEMBER 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	1.542	2.755	(0.724)
Projects	0.300	0.005	0.369	0.069
Care Homes Elderly	0.002	0.000	0.002	0.000
Elderly Day Care Facilities	0.291	0.216	0.228	(0.063)
Telecare	0.200	0.000	0.200	0.000
<b>TOTAL EDUCATION &amp; SOCIAL SERVICES</b>	<b>4.272</b>	<b>1.763</b>	<b>3.554</b>	<b>(0.718)</b>

**NEIGHBOURHOOD SERVICES**

**Capital Programme**

Expenditure to date is £4.358m, which represents 20% of the available budget. The projected expenditure for 2010/11 is £21.610m.

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 6 (19 SEPTEMBER 2010)

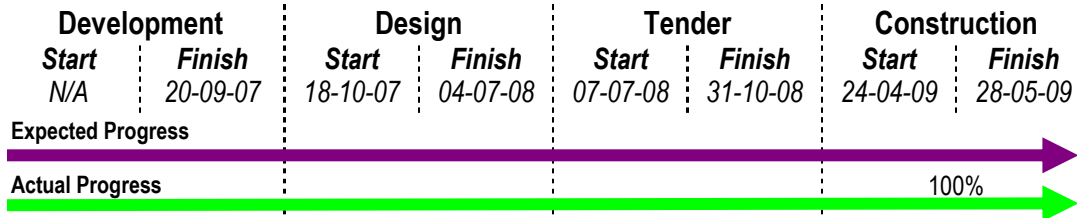
## NEIGHBOURHOOD SERVICES

### 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

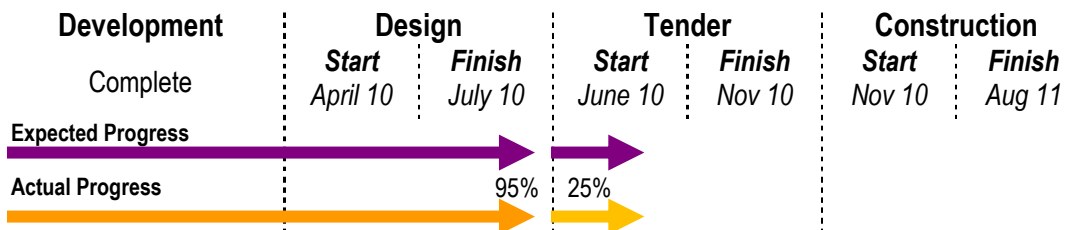
Property opened on 12 April; 6 weeks ahead of schedule. External landscaping works on-going.

### Palace Theatre / Grand Hall

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m
3.281	1.279	3.281

#### Financial Status

Budget has been augmented with £2.000m 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 works will now commence in January 2011 to avoid disruption to the facility during the Christmas season. The application to the Scottish Art Council for additional funding for £0.058m has been successful.

# 2010/2011 FINANCE AND SERVICE STRATEGY REPORT TO PERIOD 6 (19 SEPTEMBER 2010)

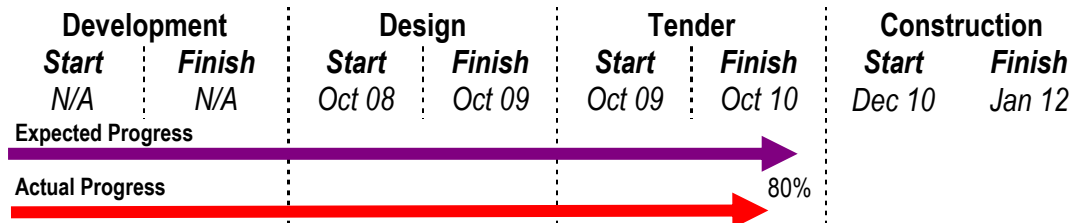
## NEIGHBOURHOOD SERVICES

### Stewarton Sports Facilities

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m
4.300	0.033	4.300

#### Financial Status

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



Artist's Impression

#### Project Life Cycle

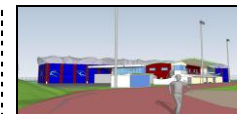
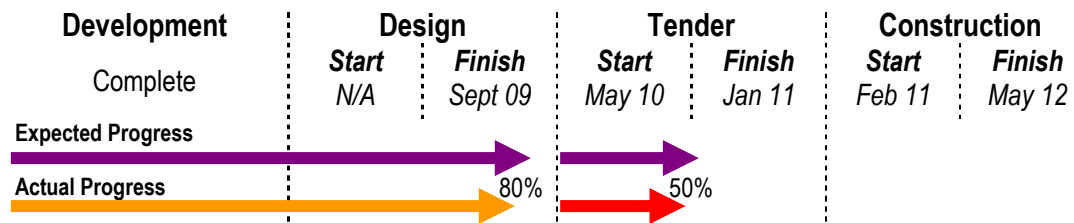
Tender documents have been issued; tenders are due to be returned 11 October, acceptance anticipated by mid-November. Construction anticipated to commence early 2011 with a view to completion by mid-January 2012 to meet client operational requirements.

### Kilmarnock Athletics Facilities

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m
5.625	0.244	5.625

#### Financial Status

Expenditure to date relates to the works undertaken at Scott Ellis Playing Fields.



Artist's Impression

#### Project Life Cycle

Tendering works have been delayed by approximately 3 weeks. All options to accelerate the project have been exhausted and the completion date has been revised May 2012. This slippage primarily relates to protracted discussions with Scottish Water and SEPA regarding the main culvert that runs through the development site. Indicative estimates suggest revised design above budget, however, tender documents will continue to be prepared and issued to test market conditions. Potential options to revise costs can be explored if prices continue to be higher than the available budget.

# 2010/2011 FINANCE AND SERVICE STRATEGY REPORT TO PERIOD 6 (19 SEPTEMBER 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	0.128	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

Installation of welfare facilities at Burnside Street, Thistle Park and Lugar are complete. At Gauchalland Depot the original plan was for the roads section to project manage Connaught for the demolition and ground preparation works. This now requires to be tendered. Options to reconfigure the Western Road / Burnside Street sites currently being considered. 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 N/A	Finish N/A	Start Oct 10	Finish May 11	Start June 11	Finish Dec 11
1.000	0.045	1.000						

Expected Progress

Actual Progress

#### Financial Status

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

#### Project Life Cycle


The preferred option is to replace the ford and footbridge with a box culvert structure with a 7.3m wide carriageway and two 2.5m wide footways. The detailed design is being commenced. Consultation with community on the planning of the works will be undertaken following determination of planning application, which is anticipated to be submitted December 2010.


# 2010/2011 FINANCE AND SERVICE STRATEGY REPORT TO PERIOD 6 (19 SEPTEMBER 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
3.500	1.578	2.900	N/A	N/A	N/A	N/A	N/A	N/A	July 10	Dec 10

Expected Progress: 

Actual Progress:  60%

#### Financial Status


Budget revised by Cabinet on 24 February 2010. £0.600m added to budget by contribution from departmental balances.


#### 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 3 December with occupation Jan / Feb 2011. Transitional Planning Team has been established to co-ordinate the transfer of services into the building. Issues with CARS / THI grant still to be resolved to ensure external works completed to an acceptable standard; any further award is 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
6.410	0.000	6.410	TBC	TBC	TBC	TBC	TBC	TBC	TBC	TBC

Expected Progress: 

Actual Progress: 

#### Financial Status

Budget allocation approved by Cabinet on 21 October 2009.

#### Project Life Cycle

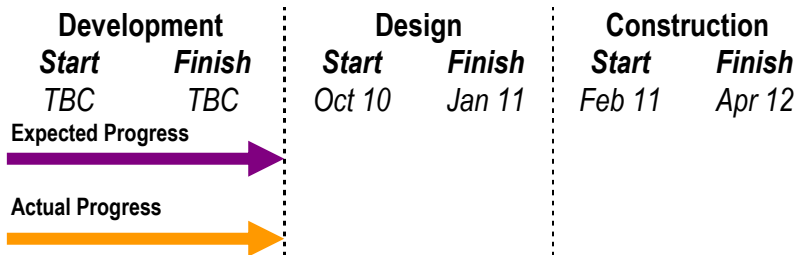
Works to roof and external stonework are currently being developed in respect of both the North and South buildings.

# 2010/2011 FINANCE AND SERVICE STRATEGY REPORT TO PERIOD 6 (19 SEPTEMBER 2010)

## NEIGHBOURHOOD SERVICES

### Kilmarnock Town Centre Regeneration (Opera House)

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m
8.113	0.034	8.113



#### Financial Status

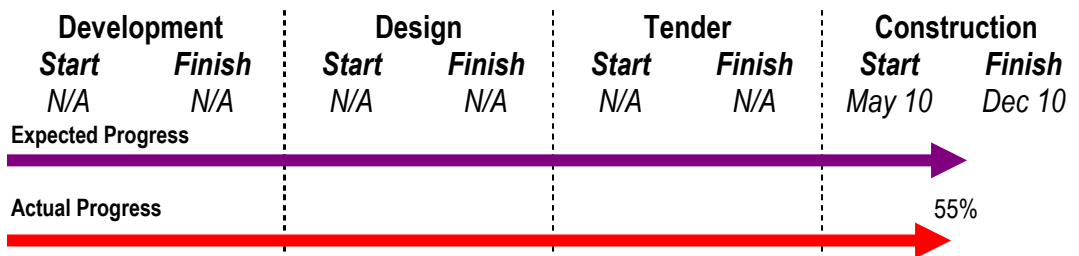
Budget allocation approved by Cabinet on 18 August 2010.

#### Project Life Cycle

Work on-going to conclude Developer Agreement following approval of the project by Cabinet on 29 September 2010. Anticipated contract sign off 8 October 2010.

### Kilmarnock Town Centre Regeneration (TCRF)

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m
1.432	0.201	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 currently delayed by approximately 3 weeks due to difficulties with deliveries. On-going scheduling will be crucial to avoid major disruption to the public.

# 2010/2011 FINANCE AND SERVICE STRATEGY REPORT TO PERIOD 6 (19 SEPTEMBER 2010)

## NEIGHBOURHOOD SERVICES

### Kilmarnock Town Centre Regeneration (General Projects)

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m	Development		Tender		Construction	
			Start N/A	Finish N/A	Start Aug 10	Finish Nov 10	Start Jan 11	Finish Apr 11
0.970	0.654	0.970						

#### 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

Material and Civil Works for the Bank Street works out to tender. Start of site anticipated to commence January 2011 with a project completion of April 2011.

### Cumnock Town Centre (Office)

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m	Development		Design		Construction	
			Start N/A	Finish N/A	Start N/A	Finish N/A	Start Sept 10	Finish Sept 11
10.300	1.293	10.300						

#### 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

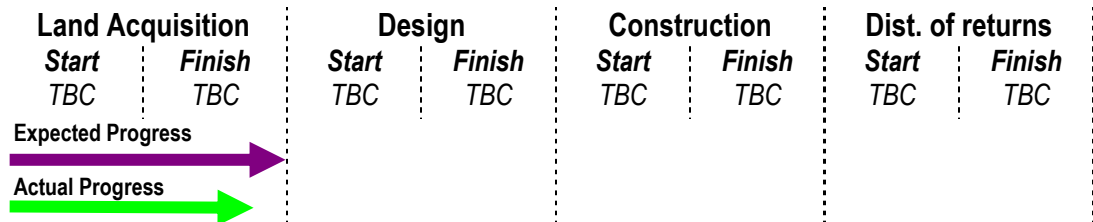
Works commenced on site September 2010 following completion of the works necessary for the discharge of the relevant planning conditions. Work on-going to establish the extent of the fit-out requirements to meet client department needs before being passed to the developer.

# 2010/2011 FINANCE AND SERVICE STRATEGY REPORT TO PERIOD 6 (19 SEPTEMBER 2010)

## NEIGHBOURHOOD SERVICES

### Cumnock Town Centre (Retail)

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m
3.469	1.998	4.144



#### Financial Status

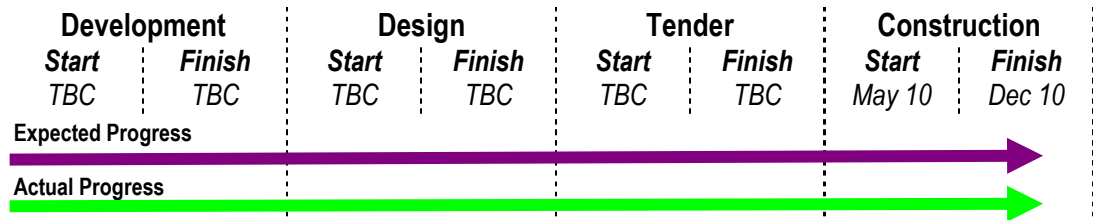
Whilst costs are shown to out-turn above budget, this assumes that expenditure will be incurred in respect of a number of as yet unresolved matters. The assumption is also that all or part of the costs will be recovered from the future sale of the retail development.

#### Project Life Cycle

Discussions are on-going with existing tenants and owner occupiers within the Glaisnock Shopping Centre with regard to the future development of the site. A progress report on the development of the retail element of the project will be prepared for Cabinet.

### Cumnock Town Centre (TCRF)

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m
0.949	0.525	0.949



#### Financial Status

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

#### Project Life Cycle

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

## 2010/2011 FINANCE AND SERVICE STRATEGY REPORT TO PERIOD 6 (19 SEPTEMBER 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. This is partially offset by small overspends in the Newmilns Library and Core Paths projects.

#### Cemetery Extensions

Work at Cumnock, Kilmaurs and New Cumnock cemeteries are anticipated to overspend by approximately £0.085m.

#### Traffic and Road Safety

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

	Revised Budget 2010/11 £m	Actual Expenditure to Date £m	Projected Expenditure 2010/11 £m	Variance £m
Strategic Priorities	0.430	0.016	0.439	0.009
Facility Improvements	1.653	0.467	1.615	(0.038)
Cemetery Extension	0.331	0.008	0.416	0.085
Playparks	0.207	0.000	0.207	0.000
Regeneration & Efficiency	1.689	0.103	1.689	0.000
Traffic & Road Safety	2.399	0.319	2.243	(0.156)
Structures	0.967	0.180	0.967	0.000
Carriageways & Footways	2.244	0.762	2.244	0.000
Street Lighting	0.242	0.041	0.242	0.000
Flood Prevention Schemes	0.055	0.000	0.055	0.000
Depots	0.040	0.019	0.040	0.000
<b>TOTAL NEIGHBOURHOOD SERVICES</b>	<b>10.257</b>	<b>1.915</b>	<b>10.157</b>	<b>(0.100)</b>

## 2010/2011 FINANCE AND SERVICE STRATEGY REPORT TO PERIOD 6 (19 SEPTEMBER 2010)

### NEIGHBOURHOOD SERVICES

#### Housing Investment Programme

As at Period 6, the Housing Investment Programme is anticipated to achieve full spend for the financial year 2010/11.

Service	Revised Budget 2010/11 £m	Actual Expenditure to Date £m	Projected Expenditure 2010/11 £m	Variance £m
Asbestos	0.374	0.114	0.374	0.000
Energy Efficiency	0.719	0.658	0.719	0.000
Efficient Heating	3.053	1.762	3.053	0.000
External Envelope Enhancement	1.244	0.314	1.244	0.000
Modern Facilities & Services	5.915	1.687	5.915	0.000
Neighbourhood Improvements	0.061	0.030	0.061	0.000
Safe & Secure Neighbourhood	0.450	0.123	0.450	0.000
Sheltered Housing Safety & Improvement	0.758	0.361	0.758	0.000
<b>Total Housing Expenditure</b>	<b>12.574</b>	<b>5.049</b>	<b>12.574</b>	<b>0.000</b>

#### 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 6 (19 SEPTEMBER 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
<b>Total</b>	<b>12.574</b>	<b>12.574</b>

#### Performance Data

Attached below are details of the performance data where relevant for the Housing Investment Programme.

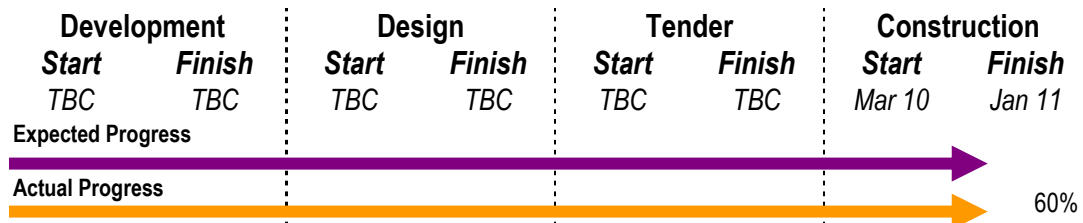
	Houses Planned	Actual Houses	Houses Forecast
Window Replacement Programme	198	198	348
Door and Screen Replacement	105	5	105
Gas Central Heating	807	498	807
External Envelope Enhancement and Overcladding	50	30	50
Re-roofing	116	40	116
Kitchen, Rewire and Bathroom Upgrading	924	183	922
Timberclad Houses Painterwork	45	9	45
Door Entry	90	0	90
<b>Total</b>	<b>2,335</b>	<b>963</b>	<b>2,483</b>

# 2010/2011 FINANCE AND SERVICE STRATEGY REPORT TO PERIOD 6 (19 SEPTEMBER 2010)

## NEIGHBOURHOOD SERVICES

### Council House Building Programme – Phase 1

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m
1.000	0.821	1.000



#### Financial Status

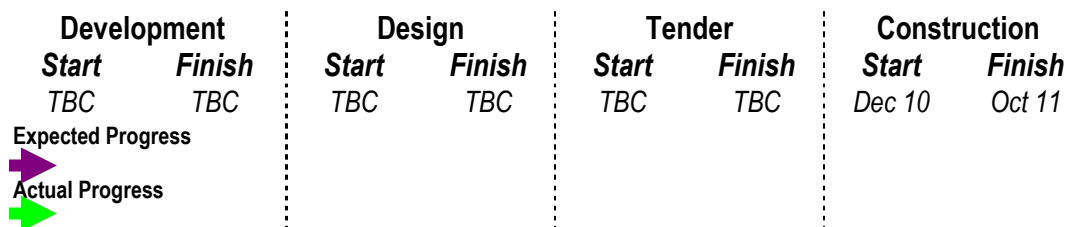
Budget is based on assumed £0.100m to construct each unit with a maximum grant of £0.025m per house.

#### 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	0.080	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 6 (19 SEPTEMBER 2010)

## NEIGHBOURHOOD SERVICES

### Council House Building Programme – Phase 3

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

Expected Progress



Actual Progress



#### 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.

**FINANCE & CORPORATE SUPPORT**

**Capital Programme**

Expenditure to date is £2.269m, which represents 64% of the available budget. The projected expenditure for 2010/11 is £4.841m.

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 6 (19 SEPTEMBER 2010)

## FINANCE & CORPORATE SUPPORT

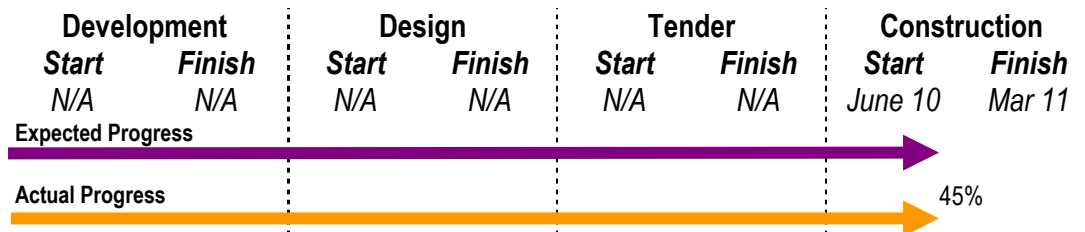
### Major Projects

#### Council Chambers/Data Centre/London Road HQ

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m
3.900	2.994	3.900

#### Financial Status

The budget has been consolidated with allocations from Data Centre, HQ Roof, Health & Safety and Corporate Office budgets.



#### Project Life Cycle

Works are on-going with regard to the Phase 4 London Road Headquarters including works to the first floor corridor and former meeting room. 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 6 (19 SEPTEMBER 2010)

### FINANCE & CORPORATE SUPPORT

#### General Projects

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

#### Contingency Funding

This represents the balance of available contingency funding in 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	0.251	0.969	0.000
Corporate Office Accommodation	1.198	0.030	1.198	0.000
Vehicle and Equipment Procurement	0.000	1.273	1.273	1.273
<b>TOTAL FINANCE &amp; CORPORATE SUPPORT</b>	<b>2.257</b>	<b>1.554</b>	<b>3.530</b>	<b>1.051</b>

#### Vehicle and Equipment Procurement

Following option appraisals, vehicles and equipment costing £1.273m will be purchased rather than leased.

Vehicle and Equipment Details	Dept	Cost £m
2 Mercedes Econic Refuse Collection Vehicles	Neighbourhood Services	0.284
12 John Deere 997 ZTR Rideon Mowers	Neighbourhood Services	0.134
2 Volkswagon Crafter Panel Vans	Neighbourhood Services	0.054
1 Leyland DAF Skip Loader	Neighbourhood Services	0.080
2 Citroen Nemo Vans	Neighbourhood / F&CS	0.017
1 DAF Sweeper	Neighbourhood Services	0.134
IT Hardware – LAN Project	Finance & Corporate Support	0.570
<b>Total</b>		<b>1.273</b>