

Finance & Service Strategy Report

Draft Outturn to 31 March 2010 – Cabinet - 16 June 2010



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EAST AYRSHIRE COUNCIL
CABINET – 16 JUNE 2010
FINANCE AND SERVICE STRATEGY REPORT

Report by Executive Head of Finance and Asset Management

1 PURPOSE OF REPORT

- 1.1 To advise Members of the unaudited financial position for the year ended 31 March 2010 and information provided by Executive Directors.

2 GENERAL SERVICES

- 2.1 The draft outturn for the year to 31 March 2010 is an uncommitted surplus of £0.375m after funding in-year severance costs of £0.946m from the current years General Fund balance. Earmarked and departmental balances of £6.039m will be carried forward, details of which are included in the attached report.
- 2.2 The cumulative uncommitted surplus is £8.987m which remains within the range specified in the Financial Reserves Strategy (between £6.868m and £13.736m). Departmental balances will be reviewed by the Cabinet following completion of the audit process in line with the Reserves Strategy.
- 2.3 The Cabinet on 11 February 2009 approved the transfer of £1.000m from the Capital Fund to smooth the anticipated impact on the revenue budget of the accelerated capital programme. Due to the timing of payments within the capital programme the transfer has not been required in 2009/10.

- 2.4 Debt charges are under budget by £0.964m partly due to slippage on the capital programme, a favourable cash profile and additional investment income in the year. Cabinet previously approved the utilisation of £0.200m of this balance to fund essential repair works across the Council's property portfolio. It is proposed that this and the remaining £0.764m be transferred to the Renewal and Repairs Fund for use on future asset related expenditure.
- 2.5 As a result of changes to the classification of capital grants and the associated accounting treatment, it is not possible to capitalise expenditure on the testing of land to establish whether it is contaminated. Members are requested to approve the transfer of £0.151m from the Debt Charges budget to Corporate Support to accommodate the revenue costs incurred during 2009/10 in testing potential contaminated land sites.
- 2.6 The Housing and Council Tax Benefit caseload increased this year by over 6% with the net cost being over budget by £0.089m. This is offset by additional income recovered of £0.308m, resulting in a net favourable variance of £0.219m.
- 2.7 Although the in-year collection rate for Council Tax held up at 94.1% there is an adverse variance of £1.318m relating primarily to the collection of arrears.
- 2.8 The former Building and Works unit shows a surplus of £1.177m to the General Fund at year end with a similar sum also being available to the Housing Revenue Account.

2.9 The tables below provide a reconciliation of the 2009/10 increase in balances as shown in the report and the Financial Statements together with a reconciliation of the departmental balances.

	Uncommitted Balance £m	Departmental Balances & Commitments £m	HRA Balances & Commitments £m	Total £m
Balance Brought Forward	6.601	20.408	2.226	29.235
2009/10 Utilisation of Balances	(0.770)	(6.050)	-	(6.820)
2009/10 Reallocation	2.781	(2.781)	-	-
Sub Total	8.612	11.577	2.226	22.415
2009/10 Additions	0.375	6.039	1.653	8.067
Outturn Position 2009/10	8.987	17.616	3.879	30.482

	Balance B/f £m	Utilisation of Balances £m	Reallocated at Cabinet (2/12/09) £m	2009/10 Proposed Earmarked £m	Balance as at 31/3/10 £m
Educational & Social Services	1.683	(1.009)	(0.195)	1.461	1.939
Neighbourhood Services	2.363	(0.610)	(1.085)	1.328	1.996
Corporate Support	3.922	(1.444)	(0.168)	1.474	3.784
Finance & Asset Management	3.517	(0.999)	(0.408)	1.381	3.491
Central	8.923	(1.988)	(0.925)	0.395	6.405
Outturn Position 2009/10	20.408	(6.050)	(2.781)	6.039	17.616

2.10 Members are asked to agree that departments retain the Essential balances as indicated below and utilise these in accordance with the Reserves Strategy and to note that the Financial Planning and Uncommitted amounts will be considered by Cabinet as part of the Balances Review after the audit process is concluded.

	ESSENTIAL Committed £m	DESIRABLE Financial Planning £m	DESIRABLE Uncommitted £m	Total £m
Educational & Social Services	1.119	0.039	0.303	1.461
Neighbourhood Services	0.463	0.618	0.247	1.328
Corporate Support	0.516	0.836	0.122	1.474
Finance & Asset Management	1.281	0.100	-	1.381
Central	0.067	0.300	0.028	0.395
Outturn Position 2009/10	3.446	1.893	0.700	6.039

2.12 The Bellwin Scheme gives specific financial assistance to local authorities faced with a financial liability arising from large scale emergencies. The Council, along with other local authorities, made an application for assistance to meet the additional cost pressures caused by the damage to the local roads network following the severe winter weather. The Scottish Government decided not to activate the scheme and instead distributed £5.000m equitably between authorities to support the repair of potholes, the Council's share being £0.107m. Members will also recall at Council on 11 February 2010 £2.000m was allocated from the Renewal and Repairs Fund specifically for this purpose.

2.13 The latest advice from the administration of the Icelandic banking subsidiaries Heritable Bank and Kaupthing, Singer and Friedlander (KSF) is that dividends are likely to be around £0.600m higher than forecast at this time last year. It is proposed to retain the balance previously earmarked however until matters become more certain.

3 HOUSING REVENUE ACCOUNT (HRA)

- 3.1 There is a favourable variance of £1.653m on the Housing Revenue Account which is principally due to the timing of filling vacancies, reduced debt charges, lower than budgeted tenant participation costs and savings in repair and maintenance expenditure. These are offset by increased planned maintenance spending previously approved by Cabinet to offset reduced capital receipts from house sales and lower than budgeted rent income due to demolitions.
- 3.2 £0.896m of the balance requires to be earmarked against outstanding repairs and IT server costs.

4 2010/11 COMMENTARY

- 4.1 The report to Cabinet on 13 January 2010 highlighted an indicative budget gap for the Council of £25.2m for the three years 2010/11 to 2012/13. Recent advice from the Scottish Government's Chief Economic Adviser suggests further public spending reductions in subsequent years.
- 4.2 The new UK government has indicated that an emergency budget will take place in June 2010 and the resulting comprehensive spending review covering the three years commencing 2011/12 will be published thereafter.
- 4.3 Cabinet on 19 May approved the Council's Efficiency Strategy (SRRB2) which will examine Council expenditure through a series of stands with an overall aim to close the spending gap over the three years to 2013/14.

5 2010/11 SERVICE PRESSURES

5.1 Educational and Social Services

The Executive Director of Educational and Social Services has not flagged up any significant issues at this time although there continues to be demand pressures in relation to elements of Social Services and budgets in respect of children with additional support needs.

5.2 Neighbourhood Services

The Executive Director has highlighted a significant shortfall in planning income which will require management action throughout the year to ensure that the budget outturns on target.

5.3 Finance and Corporate Support

The Executive Director of Finance and Corporate Support has indicated that there are no significant issues to report at this time.

5.4 Central Services

The Central Purchasing Unit has been in place on a temporary basis for three years funded by earmarked balances. Given the importance attached to effective and efficient procurement for all services, it is proposed that the team be made permanent funded from part of the savings achieved in the new energy contracts. To this end £0.140m would be transferred to the Finance and Corporate Support budget.

5.5 Housing Revenue Account

The Executive Director of Neighbourhood Services has indicated that there are no significant variances to report in respect of the HRA at this time.

7 RECOMMENDATIONS

7.1 It is recommended that Members:

- (i) Approve the transfer of £0.964m detailed in paragraph 2.4;
- (ii) Approve the budget virement for contaminated land indicated in paragraph 2.5;
- (iii) Approve departmental earmarked balances as noted at paragraph 2.10 and 3.2 and note that balances will be reviewed following external audit;
- (iv) Note that the earmarked balance in respect of Icelandic Banks as indicated at paragraph 2.13 be retained;
- (v) Approve the budget virement for the Central Purchasing Unit indicated in paragraph 5.4; and
- (vi) otherwise note the contents of this report.

Alex McPhee
Executive Director of Finance and Corporate Support
3 June 2010

LIST OF BACKGROUND PAPERS - NIL

Members wishing further information should contact
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2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

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2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

GENERAL FUND SUMMARY

Service	2009/10 Budget £m	Actual Exp. to 31 March 2010	Variance £m		2009/10 Budget £m	Actual Exp. to 31 March 2010	Variance £m
Educational and Social Services	178.967	177.506	(1.461)	Deficit / (Surplus) for the Year	6.820	(0.558)	(7.378)
Neighbourhood Services	68.040	66.712	(1.328)	Transfer to Renewal & Repairs Fund	0.000	0.964	0.964
Corporate Support	17.731	16.257	(1.474)	Utilise Previous Years Balances	(6.820)	(6.820)	0.000
Finance and Asset Management	11.004	9.623	(1.381)	Departmental Under/(Over) Spend c/f	0.000	6.039	6.039
Central Services– Other	7.837	6.335	(1.502)	2009/2010 Surplus	0.000	(0.375)	(0.375)
Central Services – HB/CT Benefit Subsidy	43.414	43.503	0.089	Uncommitted 2008/09 Balance B/fwd	0.000	(8.612)	(8.612)
Central Services – Debt Charges	17.199	16.235	(0.964)	2009/2010 Cumulative Surplus	0.000	(8.987)	(8.987)
Building and Works	(0.782)	(1.177)	(0.395)				
Net Expenditure	343.410	334.994	(8.416)				
Funded by							
Council Tax	(48.818)	(47.500)	1.318	Housing Revenue Account			
Aggregated External Finance	(244.456)	(244.428)	0.028	Expenditure	36.793	34.778	(2.015)
HB/CT Benefit Subsidy	(43.316)	(43.624)	(0.308)	Income	(36.793)	(36.431)	0.362
Total Income	(336.590)	(335.552)	1.038	Net Expenditure	0.000	(1.653)	(1.653)

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

CAPITAL SUMMARY

Service	Revised Budget 2009/10	Actual Expenditure 2009/10	Variance 2009/10	Actual Expenditure as % Budget	Funded by	Revised Budget 2009/10 £m	Actual Expenditure 2009/10 £m
Education & Social Services	6.967	5.305	(1.662)	76%	Grants, Partnership Funding , CFCR	7.624	7.924
Neighbourhood Services	13.273	10.719	(2.554)	81%	External Borrowing	19.757	16.076
Corporate Support	3.620	3.550	(0.070)	98%	Total	27.381	24.000
Finance and Asset Management	0.720	1.082	0.362	150%			
Regeneration, Efficiency & Asset Management	2.801	3.344	0.543	119%			
Contingency Funding	0.000	0.000	0.000	-			
Total	27.381	24.000	(3.381)	88%			

Service	Revised Budget 2009/10	Actual Expenditure to Date	Variance 2009/10	Actual Expenditure as % Budget	Funded by	Revised Budget 2009/10	Actual Expenditure 2009/10
Housing Revenue Account	15.616	14.163	(1.453)	91%	Revenue Funding (CFCR)	5.561	6.183
					Sale of Council Dwellings	4.888	2.083
					Anticipated Borrowing	5.167	5.897
					Total	15.616	14.163
	42.997	38.163	(1.834)	89%		42.997	38.163

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

LEADER'S INITIATIVES

No	Initiative	Lead Department	Projected Expenditure at 31 March 2010	Progress
1	Landscape works being carried out in Kilmarnock Town Centre including Titchfield Street, Glencairn Street and West Langlands Street	Corporate Support	£0.040m	Project completed in 2009/10.
2	The provision of a new floral clock with associated landscaping works at Kilmarnock Railway Station	Corporate Support	£0.209m	Cabinet on 8 July 2009 agreed proposals. Total project cost is currently anticipated to be £0.380m with funding of £0.320m secured per Cabinet of 4 November 2009. The terms of the license agreement have been agreed with Network Rail, however, the legal agreement has still to be signed by Network Rail. Following this it is anticipated that the contract for the wall and clock face will be concluded during June. Stage 2 (Garden Street) is dependant on £0.060m additional funding being secured.
3(a)	The installation of floodlighting to highlight key landmark structures - the viaduct	Corporate Support	£0.100m	Project completed in 2008/09 and opening ceremony took place on 6 October 2008.
3(b)	External Lighting Projects	Corporate Support	£0.292m	Opening ceremony for statues lighting took place in November 2009. The floodlighting at St Joseph's Church was officially turned on, on 4 May. Works at Riccarton Church are complete with switch on anticipated during June. A planning application has been submitted in relation to Bank Street and work is anticipated to start during the summer. £0.150m is currently uncommitted but may be required as a contribution towards Kilmarnock TCRF lighting and further initiatives including the Palace Theatre, the Old High Kirk and schemes outwith Kilmarnock.
4	Feasibility study for cultural activity (per Cabinet 17 December 2008)	Corporate Support	£0.070m	Scheme continues to progress with activity anticipated to be completed in early 2010/11.
5	The development of options for future use of the Co-op building in Darvel	Corporate Support	£0.017m	Consultants concluded that the building was structurally unsound and demolition works are complete, paid for by the owner. The feasibility study for the reuse of the site has now been finalised and plans to progress are currently being considered.

Status: Complete



In Progress



3

To Commence



2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

LEADER'S INITIATIVES

No	Initiative	Lead Department	Projected Expenditure at 31 March 2010	Progress
6	The refurbishment of the Council-owned shops in Ayr Road, Cumnock	Finance & Asset Management	£0.136m	Work is complete on all units. Two of the units are occupied with the third unit currently vacant, although there has been interest in the property recently.
7	The extension of summer floral baskets to cover all of the historical centres of Kilmarnock and Cumnock	Neighbourhood Services	£0.012m	Scheme completed in 2008/09.
8(a)	The purchase of an additional mechanical sweeper to tackle litter	Neighbourhood Services	£0.068m	Complete with vehicle purchased in 2008./09.
8(b)	Litter Education & Enforcement team	Corporate Support	-	Scheme completed and funded by the department. The Corporate Enforcement Unit is well established and the programme of planned enforcement and educative activities continue to be delivered and generally well received.
9	Changes to the Shopmobility scheme to make it available on a Saturday	Neighbourhood Services	-	Scheme completed in 2008/09 and funded by the department.
10	The availability of a public convenience provision in Kilmarnock seven days a week	Neighbourhood Services	£0.025m	Installation works commenced early January with works anticipated to be completed in July.
11	The provision of new toilet facilities in Mauchline	Neighbourhood Services	-	Scheme completed and funded by the department.
TOTAL			£0.969m	

Status: Complete



In Progress



4

To Commence



2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

EDUCATIONAL AND SOCIAL SERVICES

SERVICE SUMMARY

The outturn position for Educational and Social Services is a favourable variance of £1.461m with £1.158m required to be earmarked for specific departmental commitments as detailed on Page 6.

The Educational Services position is £1.278m under budget with £0.778m of this required to be earmarked for specific departmental commitments including £0.114m for Building Learning Communities commitments and £0.490m for schools carry forwards. This is after the utilisation of £0.486m of departmental balances offset budget pressures arising from severance payments and the additional costs of outwith placements. Employee cost savings were achieved within most sectors of Education, mainly through vacancies and a provision for future teaching costs not required in 2009/10. Additional Premises costs were mainly due to property costs arising from the decant from Crossroads Primary School together with additional accommodation at Witchhill School and the Elmbank Centre. There were also reductions in SPT charges and PPP unitary charges.

The Social Services position is £0.183m under budget after the utilisation of General Fund balances brought forward of £0.360m. £0.380m is required to be earmarked for specific departmental issues however.

Service reviews are currently underway within children's services, adult services and administrative support and this will be reflected in 2010/11 reports.

The approved budget for care at home services has been allocated to take account of the review of eligibility criteria for services. The Review Team is fully established and is presently undertaking reviews across individual teams on a phased basis.

	Estimate £m	Actual Exp to 31 Mar 10 £m	Variance (Favourable) / Adverse
Resources	2.343	1.661	(0.682)
PPP	8.277	8.163	(0.114)
Schools	67.826	67.818	(0.008)
Community Support	23.959	23.477	(0.482)
Facilities Management	13.734	13.742	0.008
Social Work	62.828	62.645	(0.183)
Net Expenditure	178.967	177.506	(1.461)
Earmarked Funds	(1.158)	0.000	1.158
Total	177.809	177.506	(0.303)

	Estimate £m	Actual Exp to 31 Mar 10 £m	Variance (Favourable) / Adverse
Employee Costs	120.510	118.838	(1.672)
Property Costs	7.803	7.853	0.050
Transport Costs	6.817	6.539	(0.278)
Supplies & Services	9.826	10.018	0.192
Third Party Payments	47.284	47.756	0.472
Transfer Payments	6.137	6.434	0.297
Gross Expenditure	198.377	197.437	(0.941)
Income	(19.770)	(19.930)	(0.160)
Net Expenditure	178.607	177.507	(1.101)
Utilise Balances	0.360	0.000	(0.360)
Net Expenditure	178.967	177.505	(1.461)
Earmarked Funds	(1.158)	0.000	1.158
Total	177.809	177.505	(0.303)

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

EDUCATIONAL AND SOCIAL SERVICES

EARMARKED FUNDS TO BE CARRIED FORWARD

No.	Description	Category	£m
1	Community Care Adults - Choose Life specific grant funded project (Scottish Government) required for external projects	E	0.105
2	Community Care Older - CPPU Health and Wellbeing funding - Older People's Directory (NHS part fund 10/11)	E	0.015
3	Community Care Older - Stewarton Town House: furnishings and equipment for new build	E	0.036
4	Community Care Independent Living and Review - Aids & Adaptations: Adaptations for elderly and physically disabled	E	0.161
5	Community Care Independent Living and Review - Aids & Adaptations: Equipment for physically disabled	E	0.007
6	Community Care Independent Living and Review - Aids & Adaptations: Joint funded equipment for physically disabled	E	0.032
7	Community Care Independent Living and Review - Aids & Adaptations: Owner Occupier minor adaptations	E	0.022
8	Performance and Resources - Fairer Scotland Fund 'Safe in the Sun' funding - looked after / accommodated children	FP	0.002
9	Secondary Central – More Choices More Chances - FSF	E	0.086
10	CL&D – FSF	E	0.009
11	PPP - New Goals and pitch lining ordered prior to 31 March	E	0.011
12	PPP - Unitary Charge underspends to be transferred to centrally Managed Funds	E	0.114
13	Early Years - Surestart (FSF funding)	E	0.031
14	School Carry Forwards	E	0.490
15	Equipment orders not delivered by 31 March	FP	0.017
16	Hillbank Family Centre - building works	FP	0.020
	Total		1.158

Category

E – Essential (Committed)

FP – Financial Planning (Desirable)

U – Uncommitted (Desirable)

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 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 12 February 2009	170.244			
<i>Additions / Transfers to / (from) Initial Budget:</i>				
1 Fairer Scotland Fund		+0.010		Realignment of Budgets to reflect allocation of Fairer Scotland Fund
2 Teacher Induction Scheme Funding		+1.164		Additional Funding for Probationary Teachers
3 Gaelic Education Funding		+0.007		Additional Funding for Gaelic Education
4 Realignment of Social Work Income Budgets		+0.100		Realignment of Budgets to Reflect actual inflation on Health Board Income
5 Adult Support and Protection Funding		+0.362		Additional Funding for Implementation of the Adult Support and Protection (Scotland) Act
6 Community Planning Budget Realignment		+0.192		Realignment of Budgets to reflect transfer of Community Planning payments to other external bodies and 2 Staff to Community Learning
7 Departmental Human Resources Budget Realignment		-0.743		Realignment of Budgets to reflect transfer of Departmental Human Resources Staff to Corporate Support
8 Grants to Voluntary Organisations Budget Realignment		-0.010		Realignment of Budgets to reflect transfer of responsibilities to Neighbourhood Services
9 Budget realignment for Onsite and Vehicle Maintenance		+0.043		Transfer budgets for Kay Park Library cleaning and former trading services transfer
10 Social Services Budget realignment		-0.045		Realignment of budget to reflect Community Health & Wellbeing Officer to Corporate Support
11 Supporting People Budget Realignment		+5.779		Transfer of Formerly Ringfenced Supporting People Budget from Neighbourhood Services
12 Utilisation of Departmental Balances		+1.104		Utilisation of Earmarked Departmental Balances
13 Utilisation of General Fund Balance		+0.700		Utilisation of General Fund Balance for Social Services per Cabinet 11 Feb 09 and Teachers Refresh per Cabinet 1 April 09
14 Curriculum for Excellence Funding		+0.060		Additional Funding for Curriculum for Excellence Additional Teachers
<i>Total Budget adjustments</i>			+8.723	
Revised Budget Allocation at Period 13			178.967	

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

EDUCATIONAL AND SOCIAL SERVICES

EXPENDITURE REDUCTION TARGETS

At the Council meeting on 12 February 2009 the department was been tasked with saving 1.5% of its controllable revenue expenditure which equates to £2.372m. The continuous pursuit of efficiencies to release resources for priority areas is established practice within the Council and whilst the target was challenging it was achieved without affecting the quality of essential services.

ACTIONS	Theme	SAVING £m	Status at 31/3/10	Achieved at 31/3/10 £m
Educational and Social Services		2.372		2.372
Reduce the number of school administration and support staff	KSO	0.210		0.210
Reduce the number of classroom assistants by natural wastage	KSO	0.174		0.174
Reduce costs of school cleaning by 10% including the use of new technology	KSO	0.157		0.157
Redesign the Outdoor Learning service	KSO	0.125		0.125
Reduce costs within the Educational & Social Services property team	KSO	0.022		0.022
Reduce school letting hours	KSO	0.010		0.010
Review of Learning Partnerships to improve integration with Children & Families Services	CIS	0.396		0.396
Efficiencies in Community Learning and Development (CL&D)	CIS	0.078		0.078
Review of early years establishment structures	CIS	0.062		0.062
Review the structure of the school psychology service	CIS	0.045		0.045
Review how Central Education Continuing Professional Development is delivered	BRS	0.198		0.198
Review of Quality Improvement within Educational & Social Services	BRS	0.092		0.092
Review of school catering arrangements	SB4	0.024		0.024
Review of School Management structures	CND	0.556		0.556
Adjustments to school delegated budgets to take account of falling school rolls	CND	0.141		0.141
Review of Arts and Culture function	CND	0.077		0.077
Recharge of school library support service	CND	0.005		0.005

Status: Fully met



In Progress



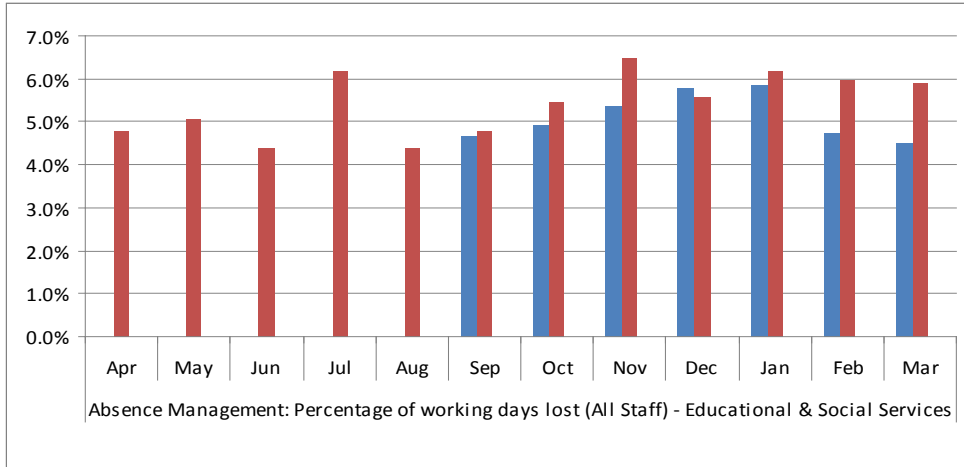
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2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

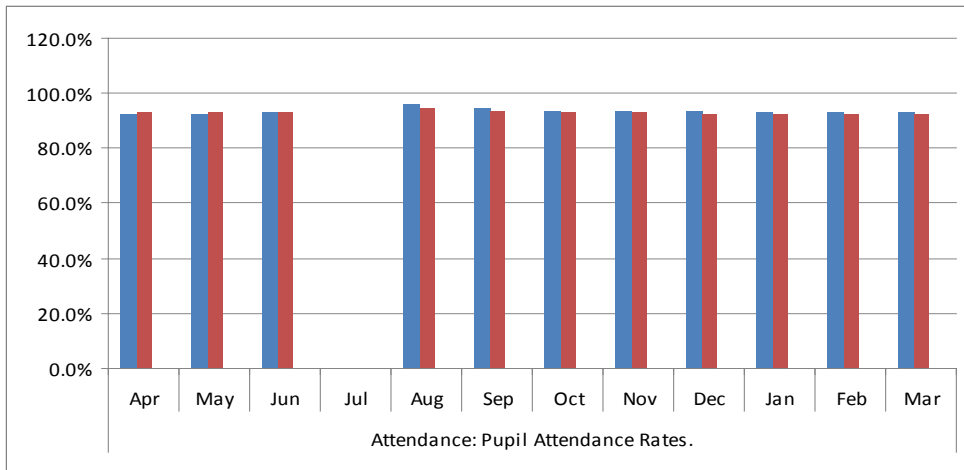
EDUCATIONAL AND SOCIAL SERVICES

PERFORMANCE MEASURES



Whilst there has been a further decrease in the level of short term absence, long term has increased to an 8 month high of 3.47.

Absence management procedures continue to be applied.



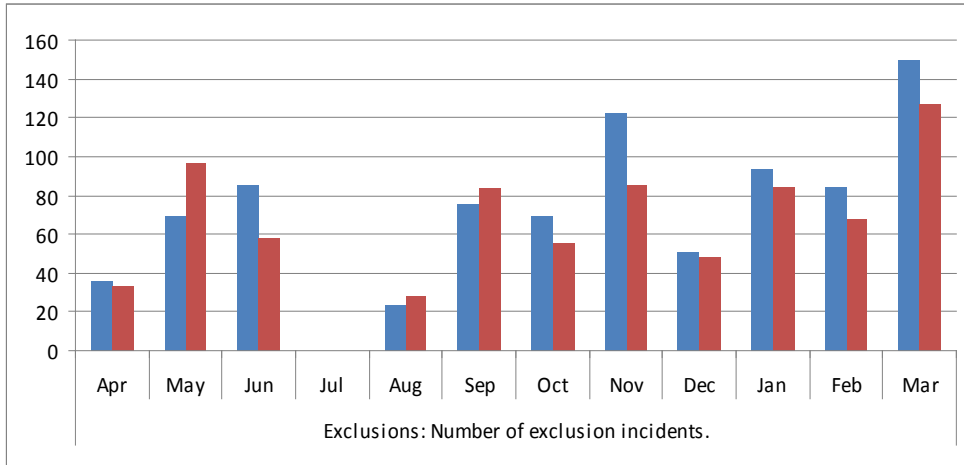
Attendance recorded at 15 April 2010 is 92.9% compared to 92.8% in February 2010. Attendance shows minor fluctuations within acceptable limits but this year has been subject to the impact of Influenza A H1N1 virus. This has now abated.

Previous Year ■

Current Year ■

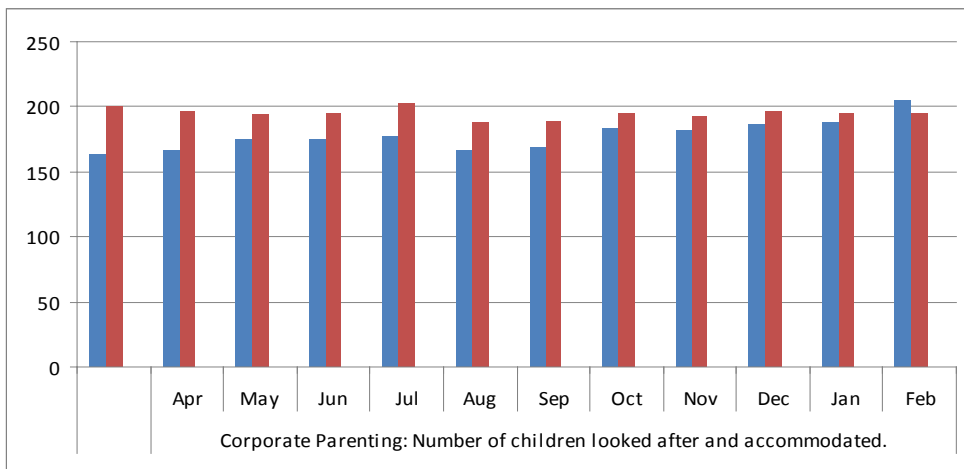
2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

EDUCATIONAL AND SOCIAL SERVICES



Overall exclusions and openings lost are at their lowest in the last five years from an exclusion and openings lost high in 2006. Similarly exclusions and openings lost per 1000 pupils, at 4.1 and 18.7 respectively, are at a five year low from their 2006 levels of 7.2 and 39.4 respectively.

Strategies to reduce exclusions are beginning to bear fruit and will be sustained across all sectors.



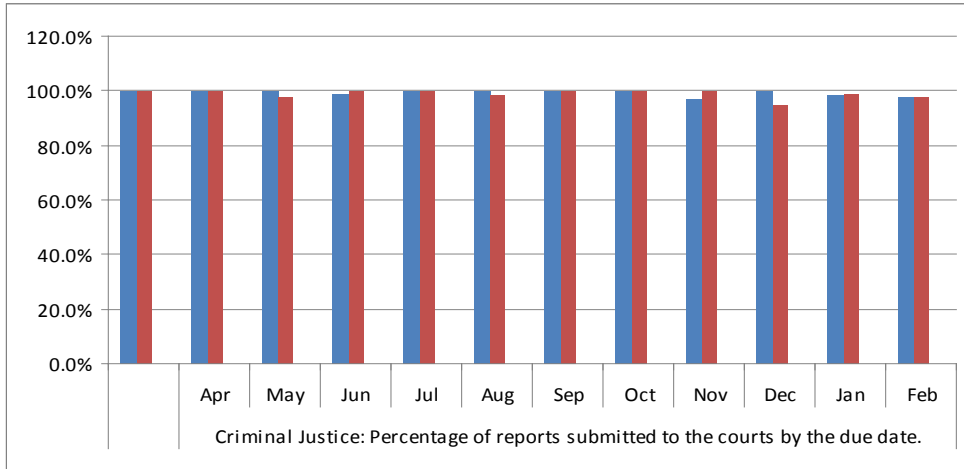
Whilst the trend over the course of the previous 12 months has been for the numbers of looked after and accommodated children to be significantly higher than the same period in 12 months prior (in line with the national trend) this month has seen a slight comparative reduction. It is not possible to draw any conclusions from this at this stage.

Previous Year 

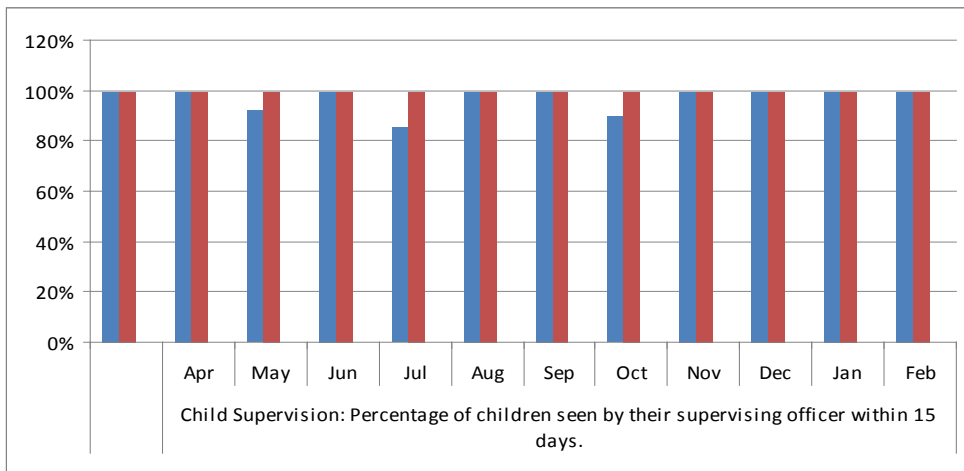
Current Year 

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

EDUCATIONAL AND SOCIAL SERVICES



Continued high level of delivery of reports to the courts by the due date has been achieved through regular performance monitoring by team managers.



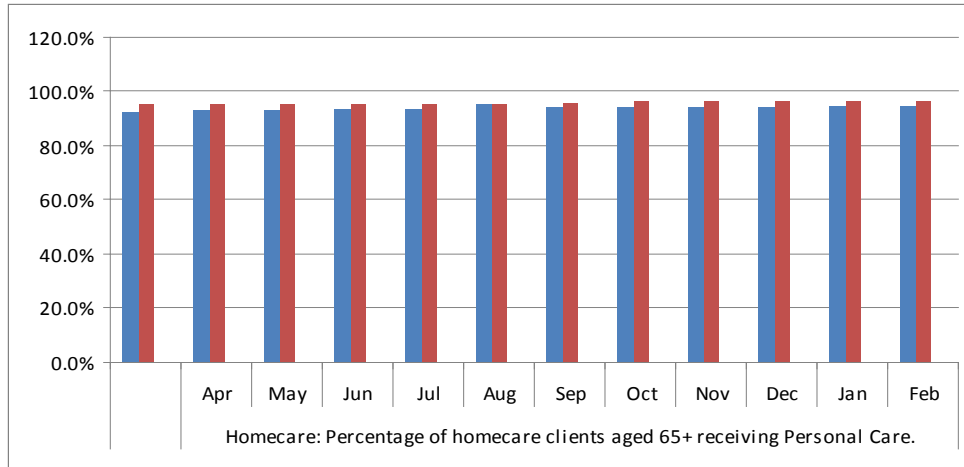
Period 13 has seen 100% performance maintained due to the good practice of social workers in giving effect to the supervision requirement at the Children's Hearing

Previous Year ■

Current Year ■

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

EDUCATIONAL AND SOCIAL SERVICES



The measure indicates a continued focus of the homecare service towards the needs of the most vulnerable.

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

Previous Year 

Current Year 

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

EDUCATIONAL AND SOCIAL SERVICES

NON FINANCIAL DATA

	2008/09 Outturn	2009/10 Outturn
Number of pupils requiring additional support	2,577	2,593
School transport costs	£4,939,466	£4,756,136
Number of pupils receiving free school transport	4,969	4,834
Average cost of school transport per pupil	994	984
Number of children in external foster placement	51	54
Average cost of external foster placement per child per week	£975	£1,000
Number of children in secure accommodation <i>(*includes 1 placement funded by the Scottish Government)</i>	5*	2*
Average cost of a secure placement per week	£5,215	£5,215
Number of care at home service users (adult & older) receiving more than 10 hours per week	737	596
Number of care at home service users (adult & older) receiving more than 50 hours per week	73	82
Most expensive homecare packages - Elderly	£46,083	£46,083
Most expensive homecare packages – Adult Learning Disabled	£252,487	£254,969

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

EDUCATIONAL AND SOCIAL SERVICES

SERVICE PERFORMANCE TO DATE

RESOURCES

The variance relates principally to a sum of £0.325m for the provision of future teaching costs not required together with excess claims of £0.300m against the PPP contractor for non performance offset by additional professional and other contractor costs. £0.028m is required to be earmarked for utilisation in 2010/11.

FTE STAFFING ANALYSIS

Budget	Actual to date
33.6	31.1

	Estimate £m	Actual Exp to 31 Mar 10 £m	Variance (Favourable) / Adverse
Employee Costs	1.855	1.547	(0.308)
Property Costs	0.051	0.025	(0.026)
Transport Costs	0.030	0.016	(0.014)
Supplies & Services	0.761	0.729	(0.032)
Third Party Payments	0.189	(0.065)	(0.254)
Transfer Payments	0.714	0.652	(0.062)
Gross Expenditure	3.600	2.904	(0.696)
Income	(1.257)	(1.243)	0.014
Net Expenditure	2.343	1.661	(0.682)
Earmarked Funds	(0.028)	0.000	0.028
Total	2.315	1.661	(0.654)

PPP / BUILDING LEARNING COMMUNITIES

In line with previous practice the favourable variance is required to be earmarked and retained centrally to fund PPP Unitary Charges in future years.

	Estimate £m	Actual Exp to 31 Mar 10 £m	Variance (Favourable) / Adverse
Employee Costs	0.000	0.000	0.000
Property 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	8.277	8.163	(0.114)
Transfer Payments	0.000	0.000	0.000
Gross Expenditure	8.277	8.163	(0.114)
Income	0.000	0.000	0.000
Net Expenditure	8.277	8.163	(0.114)
Earmarked Funds	(0.114)	0.000	0.114
Total	8.163	8.163	(0.000)

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

EDUCATIONAL AND SOCIAL SERVICES

SCHOOLS

The Employee Cost variance is mainly due to reduced teacher salary costs and vacancies together with the benefit arising from the deployment of the additional probationers partially offset by additional cover costs, costs arising from the redeployment of staff, additional pension costs arising from the Teachers Refresh programme and an additional provision required for Maternity Compensatory Leave for Teachers. In addition the costs for returning pupils in August 2009 exceeds the amount previously anticipated due to higher pupil stay on rates and returning pupils attending college resulting in additional Supplies and Services costs. The variance in third party payments mainly relates to More Choices More Chances Fairer Scotland Funding of £0.086m which will be required to be earmarked for use in 2010/11. The sum of £0.490m is required to be earmarked for Schools carry forwards.

FTE STAFFING ANALYSIS

Budget	Actual to date
1,589.5	1,580.6

COMMUNITY SUPPORT

Variances as a result of vacancies and maternity leave mainly within Psychological Services and a restructure of Early Years have been partly offset by additional costs in respect of Special Education classroom assistants. Additional Property Costs are in respect of the new annexe at Witchhill School. Supplies and Services variances relate to Integrated Community Schools and reduced voluntary sector grants following the cessation of the Ayrshire Household Recycling Project and expenditure on Women's Aid being less than anticipated. Additional Outwith Placement costs have been partially offset by reduced Childcare Strategy expenditure due to a change in the timing of payments through the funding formula. Additional income is mainly from additional hall lets. £0.040m Fairer Scotland Funding is required to be earmarked for use in 2010/11 together with £0.020m earmarked for the Hillbank Family Centre.

FTE STAFFING ANALYSIS

Budget	Actual to date
455.4	475.2

	Estimate £m	Actual Exp to 31 Mar 10 £m	Variance (Favourable) / Adverse
Employee Costs	60.121	59.832	(0.289)
Property Costs	4.780	4.826	0.046
Transport Costs	0.164	0.166	0.002
Supplies & Services	3.257	3.523	0.266
Third Party Payments	0.720	0.680	(0.040)
Transfer Payments	0.310	0.295	(0.015)
Gross Expenditure	69.352	69.322	(0.030)
Income	(1.526)	(1.504)	0.022
Net Expenditure	67.826	67.818	(0.008)
Earmarked Funds	(0.576)	0.000	0.576
Total	67.250	67.818	0.568

	Estimate £m	Actual Exp to 31 Mar 10 £m	Variance (Favourable) / Adverse
Employee Costs	15.901	15.755	(0.146)
Property Costs	1.019	1.068	0.049
Transport Costs	0.265	0.251	(0.014)
Supplies & Services	1.783	1.547	(0.236)
Third Party Payments	5.976	5.867	(0.109)
Transfer Payments	0.086	0.091	0.005
Gross Expenditure	25.030	24.579	(0.451)
Income	(1.071)	(1.102)	(0.031)
Net Expenditure	23.959	23.477	(0.482)
Earmarked Funds	(0.060)	0.000	0.060
Total	23.899	23.477	(0.422)

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

EDUCATIONAL AND SOCIAL SERVICES

FACILITIES MANAGEMENT

The favourable employee costs variance is due to efficiency savings within Onsite Services offset by severance costs and payments in lieu. These savings have offset additional foodstuff supply and tools and equipment costs. Additional costs of £0.173m arose for transport and relocation costs for pupils and staff from Crossroads Primary School to Bellfield Primary School the latter requiring teaching resource alterations and costs for the playground/car park. Refurbishment costs at Elmbank Centre cost £0.033m. The net saving of £0.084m in Transport Costs includes a reduction in the final SPT charge together with reduced vehicle repair and car allowances.

FTE STAFFING ANALYSIS

Budget	Actual to date
510.4	501.7

SOCIAL WORK

The favourable variance of £0.183m is after utilisation of non-recurring balances of £0.360m, significant savings due to vacancies as well as in-year Budget Sustainability savings in care at home services. £0.380m is required to be earmarked for specific departmental issues in 2010/11. In year there were 2.8 FTE young people within secure accommodation with additional costs of £0.191m. Additional costs of Foster Care and Adoption placements were £0.346m of which £0.243m related to externally commissioned placements. Additional elderly residential and nursing care costs were £0.613m. The budget for this model of care was set at 700 places per week. The average number of weekly placements increased to 718 due to emergency admissions and the requirement to meet delayed discharge targets. At 31 March 726 placements were being accommodated. Additional adult care costs were £0.323m, including the part-year costs of 16 additional clients placed in 2009/10. This is a significant additional budget pressure in future years with approximately 40 additional clients requiring care packages. Reviews of existing and costed future care packages are being undertaken as part of the wider budget sustainability work.

FTE STAFFING ANALYSIS

Budget	Actual to date
1,118.0	1,032.1

	Estimate £m	Actual Exp to 31 Mar 10 £m	Variance (Favourable) / Adverse
Employee Costs	9.372	9.138	(0.234)
Property Costs	0.227	0.418	0.191
Transport Costs	4.913	4.829	(0.084)
Supplies & Services	2.380	2.496	0.116
Third Party Payments	(0.016)	0.000	0.016
Transfer Payments	0.000	0.000	0.000
Gross Expenditure	16.876	16.881	0.005
Income	(3.142)	(3.139)	0.003
Net Expenditure	13.734	13.742	0.008
Earmarked Funds	0.000	0.000	0.000
Total	13.734	13.742	0.008

	Estimate £m	Actual Exp to 31 Mar 10 £m	Variance (Favourable) / Adverse
Employee Costs	33.261	32.566	(0.695)
Property Costs	1.726	1.516	(0.210)
Transport Costs	1.445	1.277	(0.168)
Supplies & Services	1.645	1.722	0.077
Third Party Payments	32.138	33.111	0.973
Transfer Payments	5.027	5.395	0.368
Gross Expenditure	75.242	75.587	0.345
Income	(12.774)	(12.942)	(0.168)
Net Expenditure	62.468	62.645	0.177
Utilise Balances	0.360	0.000	(0.360)
Net Expenditure	62.828	62.645	(0.183)
Earmarked Funds	(0.380)	0.000	0.380
Total	62.448	62.645	0.197

EDUCATIONAL AND SOCIAL SERVICES

Service Enhancements 2009/10

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

- Social Work service pressures including foster care, home care, personalised care and adult care;
- Introduction of National Entitlement Cards;
- Revenue costs arising from the new Netherthird Community Campus.

Additional funding has also been provided in relation to the introduction of the Fairer Scotland Fund which replaced a number of existing funding streams including the Community Regeneration Fund, the Community Voices Programme, Working for Families, the Social Inclusion element of the Changing Children's Services Fund, the Financial Inclusion Fund, Workforce Plus and More Choices – More Chances.

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.

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

NEIGHBOURHOOD SERVICES

SERVICE SUMMARY

The outturn to 31 March 2010 is a favourable variance of £1.328m of which £1.081m is required to be earmarked for use in 2010-11. This is mainly due to savings within Central Management Support, Leisure Services, Waste Management, General Fund Housing and Strong Safe and Attractive Communities partly offset by adverse variances within Community Safety and CCTV, Emergency Planning, Roads and Transportation, and Supporting People. Within the year there was a requirement to utilise the Winter Contingency balance to offset the costs incurred by the severe winter.

The Housing Revenue Account outturn to 31 March 2010 is a favourable variance of £1.653m of which £0.896m is required to be earmarked for use in 2010-11.

	Estimate £m	Actual Exp to 31 Mar 10 £m	Variance (Favourable) / Adverse
Central Mgt Support	0.816	0.630	(0.186)
Leisure Services	12.479	12.272	(0.207)
General Fund Housing	12.318	11.207	(1.111)
Emergency Planning	0.049	0.062	0.013
Police & Fire	30.815	30.815	0.000
Roads & Transport	11.563	11.726	0.163
Net expenditure	68.040	66.712	(1.328)
Earmarked Funds	(0.987)	0.094	1.081
Total	67.053	66.806	(0.247)

	Estimate £m	Actual Exp to 31 Mar 10 £m	Variance (Favourable) / Adverse
Employee Costs	24.385	24.282	(0.103)
Property Costs	3.162	2.976	(0.186)
Transport Costs	3.785	4.286	0.501
Supplies & Services	9.244	8.602	(0.642)
Third Party Payments	41.451	41.005	(0.446)
Transfer Payments	0.000	0.000	0.000
Gross Expenditure	82.027	81.151	(0.876)
Income	(13.987)	(14.439)	(0.452)
Net expenditure	68.040	66.712	(1.328)
Earmarked Funds	(0.987)	0.094	1.081
Total	67.053	66.806	(0.247)

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

NEIGHBOURHOOD SERVICES

EARMARKED FUNDS TO BE CARRIED FORWARD

No.	Description	Category	£m
1	Zero Waste Fund 2009-10	E	0.319
2	Private Sector Housing Grant 2009-10	E	0.090
3	Youthlink Scotland - Cashback for Communities	E	0.003
4	Strathclyde Police - Kick It Programme	E	0.001
5	Kilmaurs Hostel - Supply & install fire alarm alterations and warden call service	FP	0.009
6	Roads - Fairer Scotland Fund Shopmobility Funding Carried Forward	E	0.004
7	Roads - Fairer Scotland Fund Road Safety Improvements Funding carried Forward	E	0.033
8	Roads - Fairer Scotland Fund Street Lighting Funding Carried Forward	E	0.013
9	Roads - SCOOT System transfer to Strand Street	FP	0.020
10	Roads - Essential Repairs to Salt Domes at Gauchalland and Underwood Depots	FP	0.020
11	Roads - Safety Barriers for Bridge Working	FP	0.011
12	Roads - Weather Station Camera Upgrade	FP	0.010
13	Roads - Bays to Separate Waste Material	FP	0.016
14	Roads - Traffic Management Health & Safety Training	FP	0.016
15	Roads - Variable Sign Messages	FP	0.016
16	Roads - Replenish Winter Contingency	FP	0.500
	Total		1.081

Category

E – Essential (Committed)

FP – Financial Planning (Desirable)

U – Uncommitted (Desirable)

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 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 12 February 2009	72.481			
<i>Additions / Transfers to / (from) Initial Budget:</i>				
1 Fairer Scotland Fund		+0.009		Realignment of Budgets to Reflect Allocation of Fairer Scotland Fund
2 Realignment of SPT Precept Budgets		+0.002		Realignment of Budgets to Reflect Actual SPT Precept
3 Realignment of Energy Budgets		+0.054		Realignment of Budgets to Reflect Projected Energy Costs
4 Police Specific Grant		+0.019		Additional Funding for Police Specific Grants
5 Strategic Waste Fund		+0.011		Additional Funding for the Strategic Waste Fund
6 Departmental Human Resources Budget Realignment		-0.166		Realignment of Budgets to Reflect Transfer of Departmental Human Resources Staff to Corporate Support
7 Grants to Voluntary Organisations Budget Realignment		+0.010		Realignment of Budgets to Reflect Transfer of Responsibilities from Educational and Social Services
8 Adjustment of Income Recharges outwith the General Fund		+0.037		Realignment of Budgets income recharges outwith the General Fund
9 Realignment of Property Budgets		+0.040		Transfer of property budgets relating to bus stations from Finance and Asset Management
10 Realignment of IT, Vehicle Maintenance & Libraries		-0.039		Transfer of budgets relating to WAN (Corporate Support new buildings), Former Trading Services and Kay Park Library cleaning
11 Supporting People Budget Realignment		-5.779		Transfer of formerly ring fenced Supporting People budget to ESS
12 Utilisation of Departmental Balances		+0.670		Drawdown of Departmental Earmarked balances
13 Utilisation of General Fund Balance		+0.031		Utilisation of General Fund Balance per Cabinet 18 June 2008
14 Fuel Poverty Strategy		+0.050		Transfer of Fuel Poverty Strategy funding previously held centrally
15 Zero Waste Fund		+0.368		Transfer of Zero Waste funding previously held centrally
16 Fire Service Pension Funding		+0.135		Additional Funding for Fire Service Pension Commutations
17 Severe Weather Funding		+0.107		Additional Severe Weather Funding provided by the Scottish Government
<i>Total Budget adjustments</i>			-4.441	
Revised Budget Allocation at Period 13			68.040	

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

NEIGHBOURHOOD SERVICES

EXPENDITURE REDUCTION TARGETS

The department was been tasked with saving 2.4% of its controllable revenue expenditure which equates to £0.964m. The continuous pursuit of efficiencies to release resources for priority areas is established practice within the Council and whilst the target was challenging it was achieved without affecting the quality of essential services.

ACTIONS	Theme	SAVING £m	Status at 31/3/10	Achieved at 31/3/10 £m
Neighbourhood Services		0.964		0.964
Reduce Community Safety / Local Action Fund expenditure	KSO	0.150		0.150
Reduce promotion expenditure and third party payments in Leisure Services	KSO	0.022		0.022
Reduce landfill charges for waste	PYI	0.250		0.250
Reduce expenditure on public library books given previous higher spending	PYI	0.020		0.020
Maximise use of CCTV	PYI	0.008		0.008
Review general project funding within Leisure Services	PYI	0.004		0.004
Recharge of Roads and Transportation design fees	UAF	0.076		0.076
Review of Roads and Transport functions in Neighbourhood Services	BRS	0.171		0.171
Review of General Fund Housing	BRS	0.123		0.123
Efficiencies within Leisure Services	SB4	0.040		0.040
Savings from Emergency Planning shared services	SB4	0.021		0.021
Savings within Central Management Support	CND	0.021		0.021
Leisure Services – Skillseeker Provision	CND	0.006		0.006
Review of service provision within Leisure Services	CND	0.010		0.010
Reduce the opening hours at the Gavin Hamilton Centre to reflect current demand	CND	0.013		0.013
Review of contractual arrangements within Roads and Transportation	PSP	0.027		0.027
Close unused changing pavilions at New Farm Loch and Bonnyton	MUA	0.002		0.002

Status: Fully met



In Progress



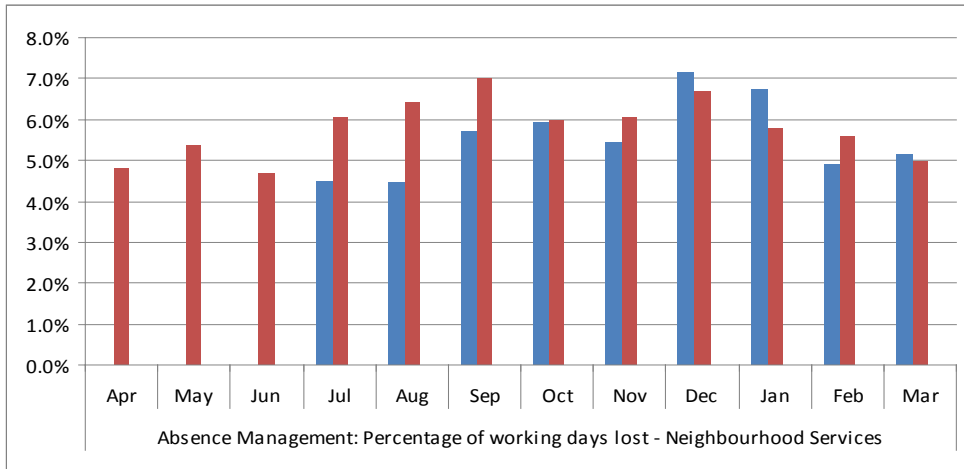
Unmet



2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

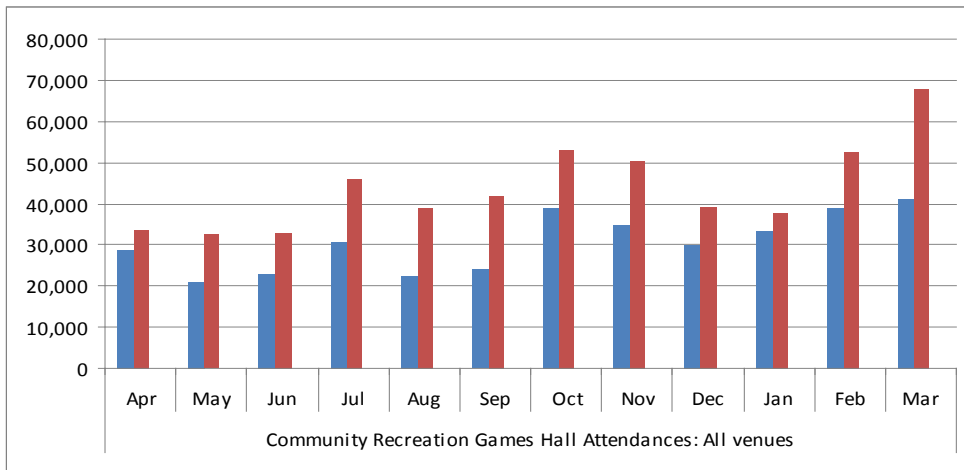
NEIGHBOURHOOD SERVICES

PERFORMANCE MEASURES



The level of short term absence has seen a further reduction from 2.33% to 2%. Long term has seen a decrease from 3.3% to 3.03%.

Absence figures are closely monitored by Heads of Service and monthly meetings are held with HR Staff and the Executive Director to monitor and review status.

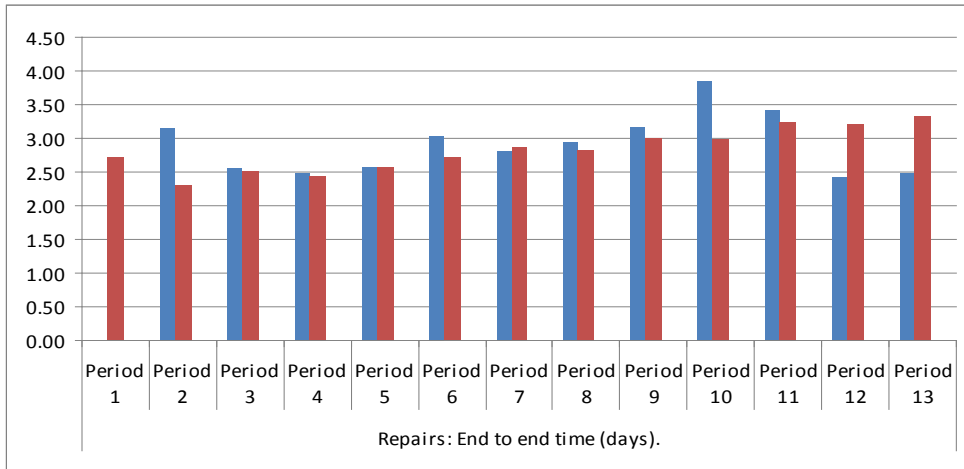


Overall the games hall facilities have been performing well in 2009/10 with attendances up 42% compared to 2008/09. This has been achieved through careful planning and programming by the managers and facilities staff.

Previous Year ■ Current Year ■

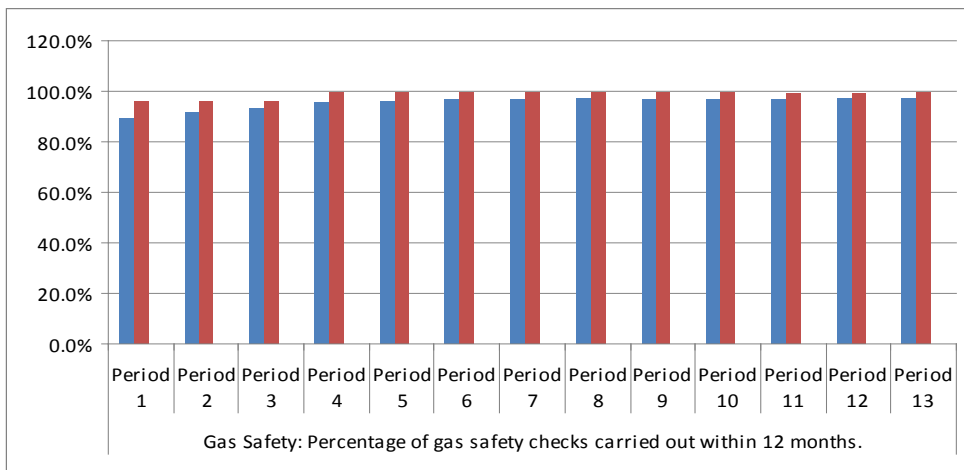
2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

NEIGHBOURHOOD SERVICES



There has been an increase in the end to end time for repairs up from 3.23 days in Period 12 to 3.33 days in period 13.

The figures reported for repair end to end times is a cumulative figure. The reporting period started on 01 April 2009. End to end times are extracted from the real time Servitor System, the figures presented are therefore a snapshot of performance that coincides with the end of the period date. The figures exclude jobs that are still active in the system at the period end.



Performance in gas safety checks carried out within 2009/10 was 99.7% which is a 2.4% improvement in performance compared to the same period in 2008/09.

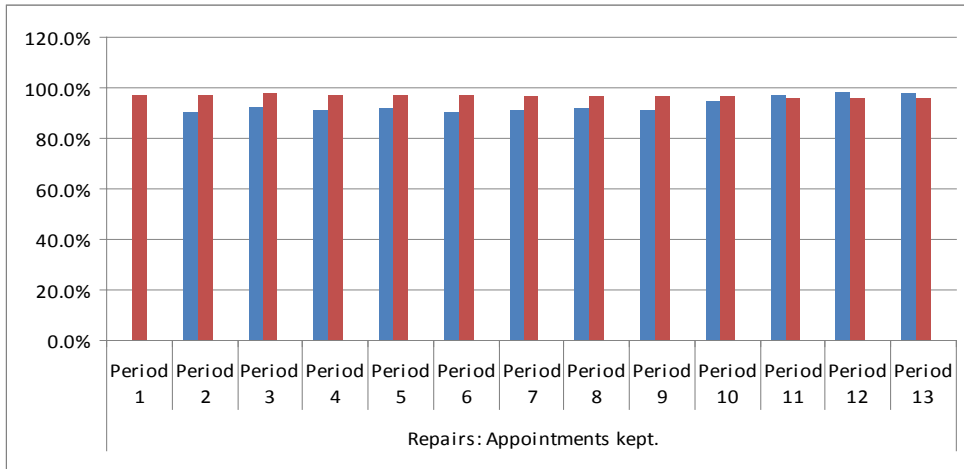
East Ayrshire has a robust approach to gas safety checks and has made a significant impact and is on target to meet its statutory responsibilities.

Each outstanding service is monitored on a weekly basis and it is anticipated that continual reduction can be achieved.

Previous Year ■ Current Year ■

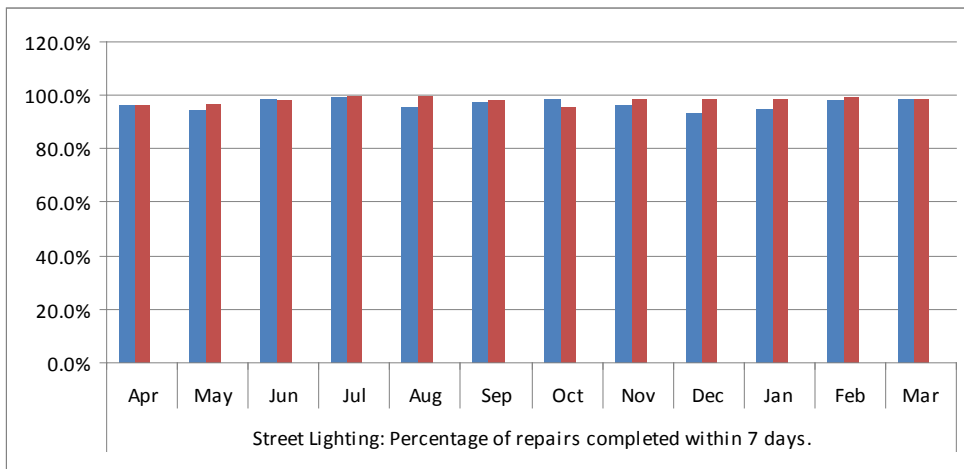
2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

NEIGHBOURHOOD SERVICES



The performance in Period 13 in the repairs by appointment category remained consistently high at 96.5%.

There has been significant improvement in the achievement of response repair targets since the introduction of the repairs by appointment system which has resulted in improved tenant satisfaction levels.



The high level of performance attained this year continues to be achieved. While March's figure is close to (or slightly higher) than what may be expected at this time of year, the high overall performance throughout the year figure is demonstrated with the end of year figure being almost 1.5% higher than last year (98.35%)

Previous Year ■ Current Year ■

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

NEIGHBOURHOOD SERVICES

Non Financial Data

		2008/09 Outturn	2009/10 Outturn
Amount of waste to landfill (tonnes)		41,650	40,993
Amount of waste recycled (tonnes)		30,281	30,913
Number of burials		701	715
Attendance at games halls		314,865	323,098
Number of void weeks	Actual	19,300	15,888
	Budget	21,737	18,749
Number of council house sales	Actual	109	74
	Budget	250	104

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

NEIGHBOURHOOD SERVICES

SERVICE PERFORMANCE TO DATE

CENTRAL MANAGEMENT SUPPORT

The variance principally relates to staff turnover and other employee related expenses in addition to savings on tools and equipment, publicity, promotion and other services, along with the transfer of surplus Walking Development funds

FTE STAFFING ANALYSIS

Budget	Actual to date
7.0	7.0

LEISURE SERVICES

Employee Cost savings reflect vacancies within PPP Schools, Outdoor Amenities, Community Recreation, Leisure Client and Libraries, partly offset by additional costs in Museums and job evaluation appeals and special payments within Registration and Community Recreation. Property Costs variances have arisen due to additional repairs and higher than anticipated rates and energy costs. Transport Costs variances are related to additional charges in respect of purchased and leased vehicles. When vehicles are required the procurement options are assessed to ensure that the option chosen reflects the most cost effective method of financing. In addition non contract repairs are partly offset by savings on fuel, hires and car mileage allowances. Additional Supplies and Services costs due to the purchase of Outdoor Amenities equipment and materials and additional costs in relation to the Burns Monument Centre have been offset by additional income. Additional Third Party payment costs are due to Homecoming expenditure and tree works. Additional income was received from registration fees, Cemeteries, Grounds Maintenance, Local Offices, Street Cleansing and theatre and hall charges, partly offset by reduced income from Leisure facilities in PPP schools and golf.

FTE STAFFING ANALYSIS

Budget	Actual to date
466.3	432.0

	Estimate £m	Actual Exp to 31 Mar 10 £m	Variance (Favourable) / Adverse
Employee Costs	0.259	0.231	(0.028)
Property Costs	0.000	0.000	0.000
Transport Costs	0.000	(0.002)	(0.002)
Supplies & Services	0.322	0.183	(0.139)
Third Party Payments	0.330	0.330	0.000
Transfer Payments	0.000	0.000	0.000
Gross Expenditure	0.911	0.742	(0.169)
Income	(0.095)	(0.112)	(0.017)
Net expenditure	0.816	0.630	(0.186)
Earmarked Funds	0.000	0.000	0.000
Total	0.816	0.630	(0.186)

	Estimate £m	Actual Exp to 31 Mar 10 £m	Variance (Favourable) / Adverse
Employee Costs	11.899	11.708	(0.191)
Property Costs	1.267	1.314	0.047
Transport Costs	1.015	1.138	0.123
Supplies & Services	1.787	1.896	0.109
Third Party Payments	0.570	0.623	0.053
Transfer Payments	0.000	0.000	0.000
Gross Expenditure	16.538	16.679	0.141
Income	(4.059)	(4.407)	(0.348)
Net expenditure	12.479	12.272	(0.207)
Earmarked Funds	0.000	0.001	0.001
Total	12.479	12.273	(0.206)

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

NEIGHBOURHOOD SERVICES

GENERAL FUND HOUSING

The employee costs variance reflects additional special payments and overtime within Community Safety and CCTV, Tenancy Support redeployment and Homelessness staff costs partly offset by vacancies and reduced overtime in Waste Management and Strong, Safe and Attractive Communities. Reduced Property Costs are mainly due to savings on rents due to reduced numbers of temporary accommodation properties. Additional charges in respect of purchased and leased vehicles and non contract repairs are partly offset by savings on taxis and car mileage allowances. Supplies and Services variances have arisen from reduced B&B costs and unspent Private Sector Housing Grant, £0.090m, and Zero Waste Fund, £0.319m, which requires to be earmarked for use in 2010/11. This is partly offset by the cost of additional bins and protective clothing. Reduced Landfill charges are due to increased recycling. Reduced income is anticipated from the sale of recycle due to market conditions, reduced number of special uplifts and skip hires as well as an under recovery in homeless rent due to a reduction in temporary accommodation properties.

	Estimate £m	Actual Exp to 31 Mar 10 £m	Variance (Favourable) / Adverse
Employee Costs	5.858	5.976	0.118
Property Costs	1.468	1.245	(0.223)
Transport Costs	1.267	1.309	0.042
Supplies & Services	3.320	2.322	(0.998)
Third Party Payments	5.246	4.556	(0.690)
Transfer Payments	0.000	0.000	0.000
Gross Expenditure	17.159	15.408	(1.751)
Income	(4.841)	(4.201)	0.640
Net expenditure	12.318	11.207	(1.111)
Earmarked Funds	(0.328)	0.093	0.421
Total	11.990	11.300	(0.690)

FTE STAFFING ANALYSIS

Budget	Actual to date
249.1	230.5

EMERGENCY PLANNING

The variance reflects additional training and standby costs and payments to the Ayrshire Civil Contingencies Team.

FTE STAFFING ANALYSIS

Budget	Actual to date
1.0	1.0

	Estimate £m	Actual Exp to 31 Mar 10 £m	Variance (Favourable) / Adverse
Employee Costs	0.037	0.042	0.005
Property Costs	0.000	0.000	0.000
Transport Costs	0.003	0.002	(0.001)
Supplies & Services	0.009	0.018	0.009
Third Party Payments	0.000	0.000	0.000
Transfer Payments	0.000	0.000	0.000
Gross Expenditure	0.049	0.062	0.013
Income	0.000	0.000	0.000
Net expenditure	0.049	0.062	0.013
Earmarked Funds	0.000	0.000	0.000
Total	0.049	0.062	0.013

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

NEIGHBOURHOOD SERVICES

JOINT BOARDS – POLICE AND FIRE

There are no material variances.

	Estimate £m	Actual Exp to 31 Mar 10 £m	Variance (Favourable) / Adverse
Employee Costs	0.000	0.000	0.000
Property 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	30.815	30.815	0.000
Transfer Payments	0.000	0.000	0.000
Gross Expenditure	30.815	30.815	0.000
Income	0.000	0.000	0.000
Net expenditure	30.815	30.815	0.000
Earmarked Funds	0.000	0.000	0.000
Total	30.815	30.815	0.000

ROADS AND TRANSPORTATION

There are adverse variances due to additional winter maintenance costs for additional overtime, transport costs, supplies of salt and grit and payments to contractors. Additional costs have also been incurred for car park non domestic rates, the purchase of Mass Barriers for bridge protection and contractors fees in relation to a hydro-geological survey for flood management at Newmilns. These are partly offset by favourable variances due to the timing of filling vacancies, additional income on rechargeable work and non routine maintenance on vehicles and plant in addition to the utilisation of £0.334m from departmental balances held specifically for winter maintenance. £0.659m is required to be earmarked by the service for utilisation in 2010/11 and includes £0.500m set aside as a winter maintenance contingency.

	Estimate £m	Actual Exp to 31 Mar 10 £m	Variance (Favourable) / Adverse
Employee Costs	6.332	6.325	(0.007)
Property Costs	0.427	0.417	(0.010)
Transport Costs	1.500	1.839	0.339
Supplies & Services	3.806	4.183	0.377
Third Party Payments	4.490	4.681	0.191
Transfer Payments	0.000	0.000	0.000
Gross Expenditure	16.555	17.445	0.890
Income	(4.992)	(5.719)	(0.727)
Net expenditure	11.563	11.726	0.163
Earmarked Funds	(0.659)	0.000	0.659
Total	10.904	11.726	0.822

FTE STAFFING ANALYSIS

Budget	Actual to date
183.0	180.0

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

NEIGHBOURHOOD SERVICES

HOUSING REVENUE ACCOUNT

There are favourable variances due to the timing of filling vacancies, reduced debt charges, lower than budgeted tenant participation costs, bad debt provision, IT equipment and support recharges and savings in repair and maintenance expenditure which will require to be earmarked for use in 2010-11. These are offset by increased CFCR contributions towards planned maintenance to offset reduced capital receipts from house sales and lower than budgeted rent income due to demolitions. The purchase of Richmond Terrace, Cumnock took place in April 2009 and the costs have been met within the current year with the anticipated utilisation of previous years' balances noted by Cabinet on 18 March 2009 not being required.

FTE STAFFING ANALYSIS

Budget	Actual to date
137.4	123.9

EARMARKED FUNDS TO BE CARRIED FORWARD

No.	Description	£m
1	Repairs Outstanding as at 31 March 2010 (Servitor)	0.725
2	Repairs Outstanding as at 31 March 2010	0.139
3	IT Server	0.032
	Total Housing Revenue Account	0.896

FORMER BUILDING & WORKS

From November 2009 the status of Building and Works changed and the organisation now undertakes repairs solely for the Housing Revenue Account (HRA). In line with previous practice all surpluses generated prior to November remain in the Council's General Fund and the remainder has been transferred to the Housing Revenue Account.

FTE STAFFING ANALYSIS

Budget	Actual to date
302.0	278.0

	Estimate £m	Actual Exp to 31 Mar 10 £m	Variance (Favourable) / Adverse
Employee Costs	3.605	3.547	(0.058)
Property Costs	15.492	13.305	(2.187)
Transport Costs	0.134	0.123	(0.011)
Supplies & Services	5.097	4.691	(0.406)
Third Party Payments	0.974	0.964	(0.010)
Debt Charges	4.850	4.470	(0.380)
CFCR/Planned Maint	5.561	6.724	1.163
Homeless Hostels	1.080	0.954	(0.126)
Gross Expenditure	36.793	34.778	(2.015)
Income	(36.793)	(36.431)	0.362
Net expenditure	0.000	(1.653)	(1.653)
Earmarked Funds	(0.896)	0.000	0.896
Total	(0.896)	(1.653)	(0.757)

	Estimate £m	Actual Exp to 31 Mar 10	Variance (Favourable)
Former Building & Works			
Surplus to General Fund	(0.782)	(1.177)	(0.395)
Reduced Cost in HRA	(0.557)	(1.107)	(0.550)

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 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 Future Museums. These balances will be required to sustain the projects in future years.

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

	Balances at 31 March 2010
EA Positive Play	(0.372)
Talented Athlete	(0.265)
MUGA Streetcages	(0.165)
Healthy Weight Community	(0.056)
Walking Development / Sports Council	(0.022)
Libraries	(0.008)
DCCP- Outdoor Access/River Irvine / Barskimming	(0.002)
Museums and Arts	(0.025)
Scottish Coal	(0.040)
Hopper Bus	(0.069)
CLAC	(0.090)
Other Roads and Transport Projects	(0.024)
Total	(1.138)

NEIGHBOURHOOD SERVICES

Service Enhancements 2009/10

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;
- Maintenance of Floral Clock and Floral Baskets;
- Public convenience provision in Kilmarnock seven days per week.

Additional funding has also been provided in relation to the introduction of the Fairer Scotland Fund which replaced a number of existing funding streams including the Community Regeneration Fund, the Community Voices Programme, Working for Families, the Social Inclusion element of the Changing Children's Services Fund, the Financial Inclusion Fund, Workforce Plus and More Choices – More Chances.

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.

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

CORPORATE SUPPORT

SERVICE SUMMARY

The outturn at 31 March 2010 is a favourable position of £1.474m of which £1.352m is required to be earmarked to meet specific service initiatives.

The variance includes a shortfall of £0.743m in Planning and Building Standards income as a result of external economic factors. Management action was taken during 2008/09 to delay the filling of vacancies within Planning and Economic Development in response to the situation reducing the adverse variance by £0.372m. Following a review of all departmental balances on 2 December 2009 Cabinet agreed that £0.400m be retained to fund in year departmental budget pressures. It is noted that the impact of the economic downturn is anticipated to have a continuing impact into future years and the Executive Director of Neighbourhood Services has initiated a review of options within Planning and Economic Development to assist in offsetting this impact which is anticipated to result in severance costs.

	Estimate £m	Actual Exp to 31 Mar 10 £m	Variance (Favourable) / Adverse
Central Management Support	0.198	0.194	(0.004)
Human Resources	2.466	2.338	(0.128)
Information Technology	3.740	3.620	(0.121)
Planning & Economic Dev.	4.576	3.736	(0.840)
Democratic Services	2.919	2.739	(0.179)
Legal Procurement & Reg.	3.173	3.039	(0.135)
Community Planning P'ship	0.658	0.591	(0.067)
Net Expenditure	17.731	16.257	(1.474)
Earmarked Funds	(0.886)	0.466	1.352
Total	16.845	16.723	(0.122)

	Estimate £m	Actual Exp to 31 Mar 10 £m	Variance (Favourable) / Adverse
Employee Costs	15.011	14.050	(0.961)
Property Costs	0.200	0.205	0.006
Transport Costs	0.294	0.288	(0.006)
Supplies & Services	6.482	6.362	(0.120)
Third Party Payments	1.461	1.541	0.080
Transfer Payments	0.000	0.000	0.000
Gross Expenditure	23.447	22.446	(1.001)
Income	(5.717)	(6.189)	(0.472)
Net Expenditure	17.731	16.257	(1.474)
Earmarked Funds	(0.886)	0.466	1.352
Total	16.845	16.723	(0.122)

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

CORPORATE SUPPORT

EARMARKED FUNDS TO BE CARRIED FORWARD

No.	Description	Category	£m
1	Planning & Economic Development - Fairer Scotland Funds spending conditions (Restoring Communities)	E	0.052
2	Planning & Economic Development - Galston TCRF (committed Cabinet 20 May 2009)	E	0.085
3	Planning & Economic Development - Committed Awards (Business Grants; Tourism Grants; Match Fund)	E	0.048
4	Planning & Economic Development - Committed Awards/Orders/Match Funding (regeneration)	E	0.117
5	Planning & Economic Development - regeneration/tourism	FP	0.201
6	Planning & Economic Development - e-planning and related equipment	FP	0.040
7	Planning & Economic Development - Employability match funding	FP	0.219
8	Planning & Economic Development - Employability	FP	0.067
9	Licensing Board surplus in year - match against future Licensing Board costs	E	0.057
10	Night Noise Unit - equipment replacement policy	FP	0.008
11	Community Planning - Fairer Scotland Funds spending conditions	E	0.015
12	Community Planning; Desirable -contribution to development fund	FP	0.052
13	IT, GSX Security - committed costs - security compliance review	E	0.025
14	Human Resources - committed costs (Management Development Contract; Job Evaluation staff appointment)	E	0.069
15	Human Resources - Occupational Health Contract / Further Education	FP	0.048
16	Democratic Services - Committed Awards (Community Councils/ Local Grants)	E	0.028
17	Democratic Services - BVSR non-recurring costs	FP	0.081
18	Items ordered during 2009/10 where delivery has been delayed (no P&ED items)	E	0.020
19	Customer Care Development	FP	0.120
	Total		1.352

Category

E – Essential (Committed)

FP – Financial Planning (Desirable)

U – Uncommitted (Desirable)

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

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 12 February 2009	15.160			
<i>Additions / Transfers to / (from) Initial Budget:</i>				
1 Fairer Scotland Fund		-0.019		Realignment of Budgets to Reflect Allocation of Fairer Scotland Fund
2 Community Planning Budget Realignment		-0.192		Realignment of Budgets to Reflect Transfer of Community Planning Staff to Community Learning
3 Departmental Human Resources Budget Realignment		+0.909		Realignment of Budgets to Reflect Transfer of Departmental Human Resources Staff to Corporate Support
4 Utilisation of Departments Balances		+1.570		Utilisation of Departmental Earmarked Balances
5 Utilisation of General Fund Balance		+0.039		Utilisation of GF Balance as approved by Council on 8 October 2009
6 Adjustment of income recharges outwith the General Fund / Vehicle Maintenance Budgets		-0.062		Realignment of income recharges outwith the General Fund and charges from the former Trading Services
7 Realignment of IT Budgets		+0.054		Transfer of IT budgets relating to operation of WAN in new buildings and Civica host icon
8 Community Health Budget Realignment		+0.045		Realignment of Budgets to reflect transfer of Community Health & Wellbeing Officer from Social Work
9 District Courts Funding Transfer		-0.023		Reduced funding arising from transfer of District Courts
10 Regeneration Funding		+0.099		Additional Regeneration funding transferred from Scottish Enterprise
11 Contaminated Land Funding		+0.151		Realignment of budgets to transfer Contaminated Land Grant from Capital
<i>Total Budget adjustments</i>			+2.571	
Revised Budget Allocation at Period 13			17.731	

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

CORPORATE SUPPORT

EXPENDITURE REDUCTION TARGETS

At the Council meeting on 12 February 2009 the department was been tasked with saving 2.8% of its controllable revenue expenditure which equates to £0.377m. The continuous pursuit of efficiencies to release resources for priority areas is established practice within the Council and whilst the target is challenging it is considered to be achievable without affecting the quality of essential services.

ACTIONS	Theme	SAVING £m	Status at 7/2/10	Achieved at 7/2/10 £m
Corporate Support		0.377		0.377
Reduce affiliation payments within Planning and Economic Development and ensure benefit equates to cost	KSO	0.081		0.081
Reduce administration costs within Human Resources and Democratic Services	KSO	0.071		0.071
Reduced IT costs as a result of investment	PYI	0.059		0.059
Review of Community Planning and links to Community Learning and Development	BRS	0.045		0.045
Review of Planning and Economic Development staffing requirements	SB4	0.041		0.041
Legal and Regulatory – Various Management Efficiencies	CND	0.011		0.011
Review of Asset Management Contract within Information Technology	PSP	0.040		0.040
Planning and Economic Development retaining work previously outsourced	PSP	0.013		0.013
Pilot use of data network for telephone calls	MUA	0.016		0.016

Status: Fully met



In Progress

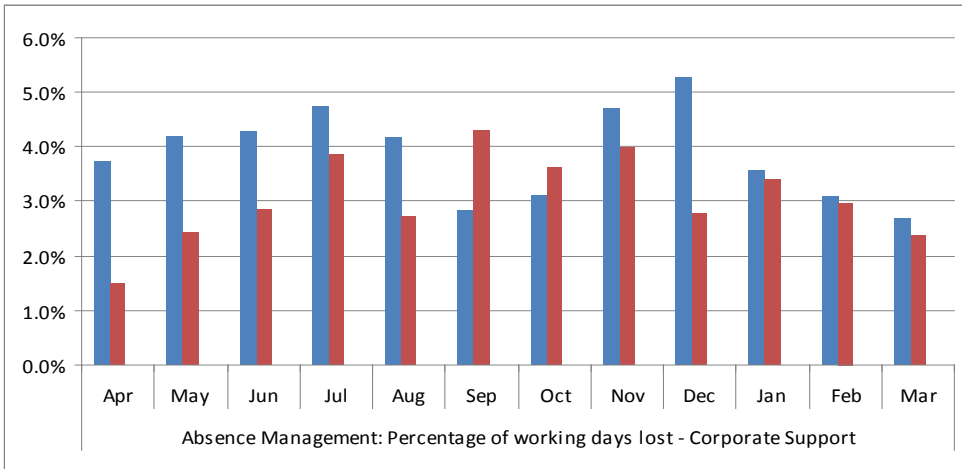


Unmet

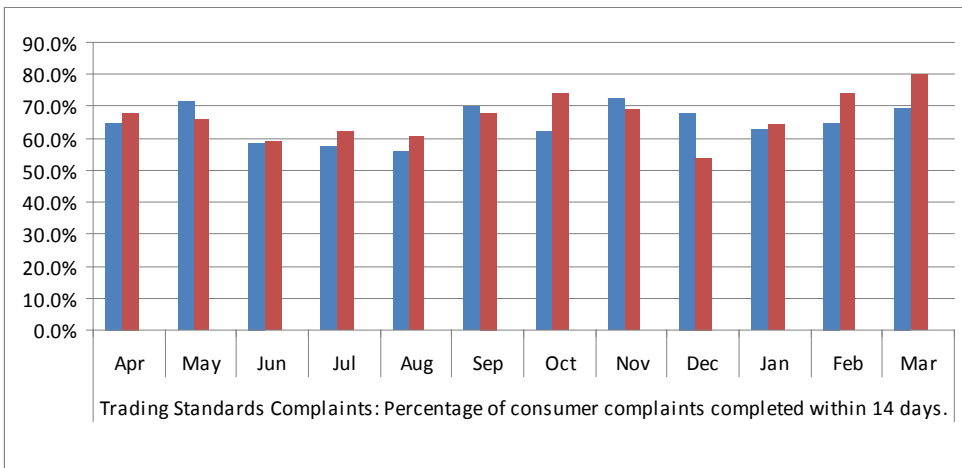


2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

CORPORATE SUPPORT



Absence decreased to 2.4% for the month of March with 193 days lost as a result of absence. Short term absence was 1.66%, while long term absence was 0.72%. Both figures are lower than the previous month and at the same time last year. The year to date absence figure is 3.1%, below the council target of 4% and an improvement on the previous year absence rate which was 3.83%. The top three reasons for absence in the month accounted for more than half of all days lost. These were stomach/abdominal (22%), Operations/Recovery/Treatment (20%) and Colds/Flu (13%). In addition, the number of days lost as a result of stress/debility increased from 11 days in February to 25 in March. The Department Management Team continues to monitor absence statistics and trends on a regular basis. HR officers are invited to attend these meetings on a regular basis to provide updates.



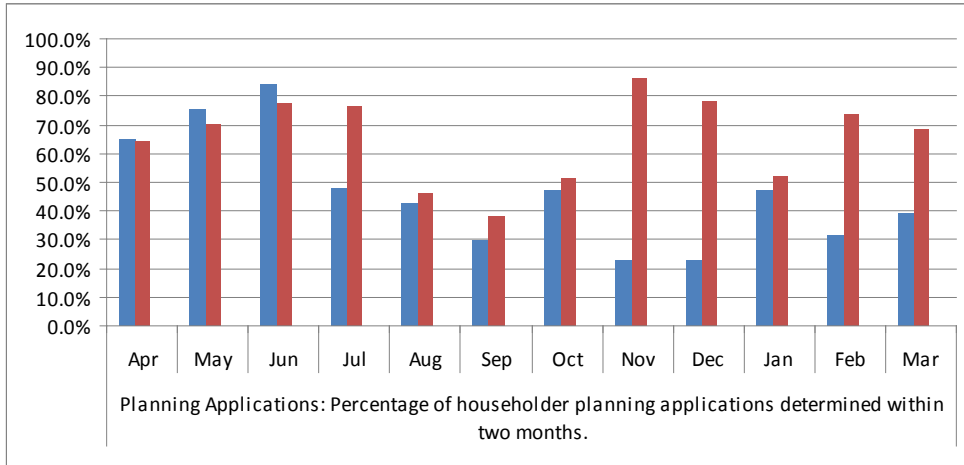
91 complaints were resolved within the month of March, with 73 of these being completed within 14 days. There was a large increase in complaints compared to previous months where the number of complaints received tends to be closer to around 70, however, performance remained high with the highest performance recorded in any month of the previous two years. It should be noted that one of the Consumer Advisors retired in March 2010, and this is likely to have a detrimental impact on performance as long as the post remains vacant.

Complaints will continue to be reviewed with a view to identifying timeous and effective resolution. This will include discussion of the more detailed complaints being raised and discussed at team meetings.

Previous Year ■ Current Year ■

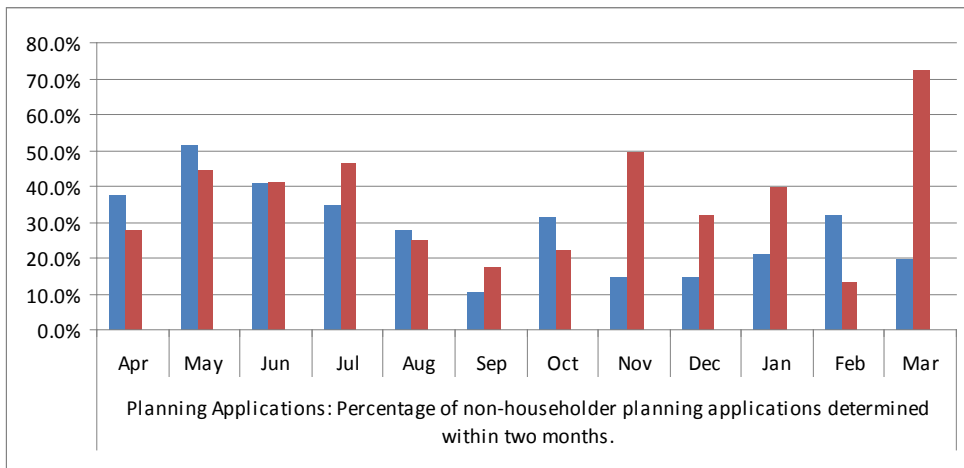
2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

CORPORATE SUPPORT



The intervention target has been exceeded and at 68.6%, the performance significantly exceeds that of March last year; 39.4%.

The impact of the new Section structure appears to be beneficial and the identification of a Principal Planning Officer having specific focus on performance and delegated apps seems to be bearing fruit. This will of course have to be judged over a sustained period, however, arising from a recent benchmarking exercise, it will be possible to introduce further measures that improve service delivery.

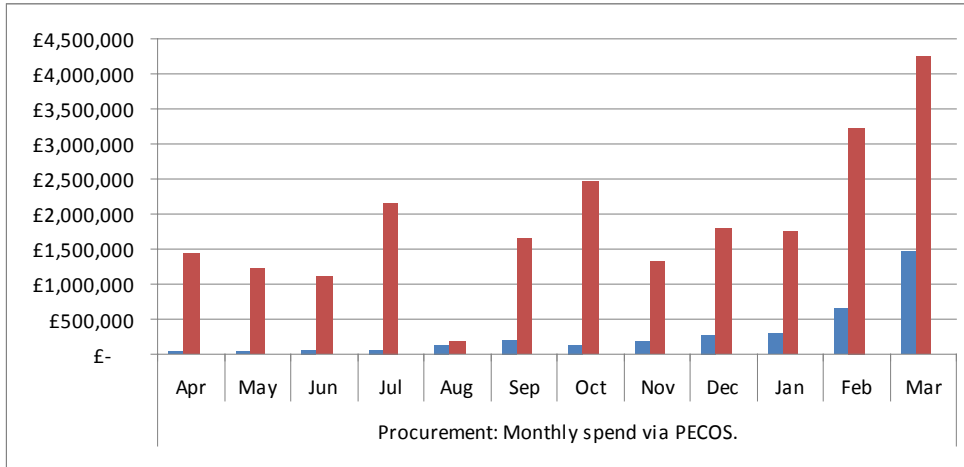


The intervention target has been exceeded and at 72.5%, exceeds the 66.6% figure for last year. The impact of the new Section structure appears to be beneficial and the identification of a Principal Planning Officer having specific focus on performance and delegated apps seems to be bearing fruit. This will of course have to be judged over a sustained period, however, arising from a recent benchmarking exercise, it will be possible to introduce further measures that improve service delivery.

Previous Year ■ Current Year ■

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

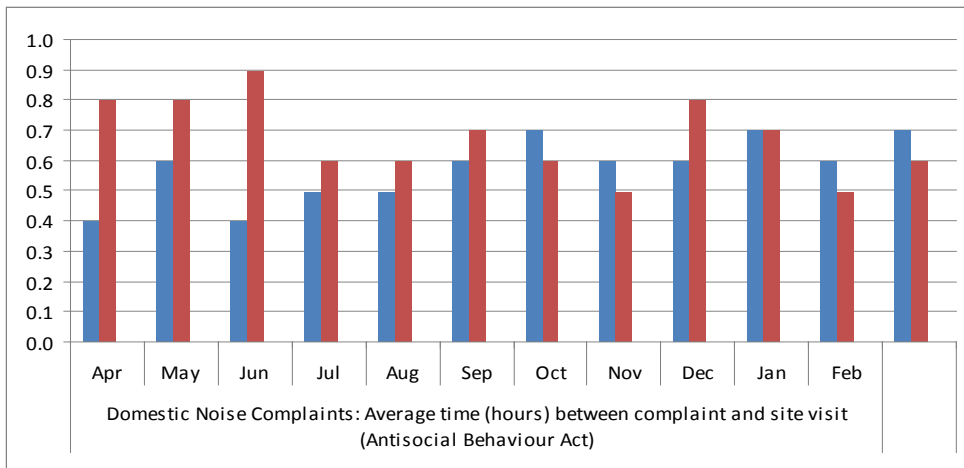
CORPORATE SUPPORT



Financial Year 2009/10 transactional throughput of £15.872m achieved at 31st March 2010 (Mar 2009 £3.277M). £4.256M of orders placed in month of March (incl change orders) (Mar 2009 £1,126,338). 24000th order placed (Order count for March = 3026 incl change orders). 1400 Suppliers active (1708 enabled) (supplier rationalisation program with creditors ongoing)

Improvement Actions:-

- CIVICA Integration Harness (Monitoring & Adjusting)
- Single Business Unit Engagement & Scoping
- Refresher Training for ESS Schools Staff (ESS Schools Go Live)
- Scheduling of training for any additional staff to enhance PECOS coverage



The number of complaints received by the Service increased significantly during 2009/10 when compared to 2008/09, in particular, there was a 31% increase in the number of complaints that required to be dealt with under Part V of the Antisocial Behaviour (Scotland) Act 2004. This has resulted in greater distances requiring to be covered and as such an increase in the time taken for officers to attend on site. It should be noted that the year to date average time is 0.7 hours, an increase of just 6 minutes when compared to the previous year average of 0.6 hours.

No improvement action is identified at this time as average time taken remains consistently below one hour.

Previous Year ■

Current Year ■

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

CORPORATE SUPPORT

Non Financial Data

	2008/09 Outturn	2009/10 Outturn
Number of property enquiries	165	117
Average income per property enquiry	£44	£43
Number of licensing board applications	1,385	1,824
Average income per licensing board application	£169	£84
Number of job vacancy adverts placed	385	239
Average cost per job vacancy advert	£331	£343
Number of building warrants received	1,174	1,088
Average income per building warrant received	£402	£380
Number of building warrants determined	1,264	1,061
Value of development plans submitted	£66.31m	£54.52m
Number of planning applications received	879	831
Average income per planning application received	£573	£666
Number of planning applications determined	758	755

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

CORPORATE SUPPORT

SERVICE PERFORMANCE TO DATE

CENTRAL MANAGEMENT SUPPORT

There are no material variances within Central Management Support.

FTE STAFFING ANALYSIS

Budget	Actual to date
3.0	3.0

HUMAN RESOURCES

Savings due to turnover, vacancies and the amalgamation of the Human Resources function within Corporate Support have been partly offset by additional staffing costs within Health and Safety and Occupational Health. Activities to be delivered under the Management Development Programme of £0.063m are required to be earmarked for utilisation in 2010/11 with a further £0.006 required in relation to Job Evaluation. The Supplies and Services variance is as a result of subscriptions, promotion and training associated with Equality and Diversity and general office related expenses with £0.039m required to be earmarked for Occupational Health. Consultancy expenses relating to a compliance review of Health and Safety, Physiotherapy costs and recruitment consultants during the interim filling of the Health and Safety Manager position have resulted in an adverse variance within Third Party Payments with £0.009 required to be earmarked for further education commitments and £0.008m for Customer care Development in 2010/11. The Income variance is due to reduced National Training Programme fees, partly offset by additional sponsorship income and physiotherapy and training fees.

FTE STAFFING ANALYSIS

Budget	Actual to date
75.2	66.1

	Estimate £m	Actual Exp to 31 Mar 10 £m	Variance (Favourable) / Adverse
Employee Costs	0.178	0.176	(0.002)
Property Costs	0.000	0.000	0.000
Transport Costs	0.000	0.000	0.000
Supplies & Services	0.020	0.018	(0.002)
Third Party Payments	0.000	0.000	0.000
Transfer Payments	0.000	0.000	0.000
Gross Expenditure	0.198	0.194	(0.004)
Income	0.000	0.000	0.000
Net Expenditure	0.198	0.194	(0.004)
Earmarked Funds	0.000	0.000	0.000
Total	0.198	0.194	(0.004)

	Estimate £m	Actual Exp to 31 Mar 10 £m	Variance (Favourable) / Adverse
Employee Costs	2.539	2.323	(0.216)
Property Costs	0.009	0.013	0.004
Transport Costs	0.019	0.018	(0.001)
Supplies & Services	0.231	0.223	(0.008)
Third Party Payments	0.049	0.121	0.072
Transfer Payments	0.000	0.000	0.000
Gross Expenditure	2.847	2.698	(0.149)
Income	(0.382)	(0.360)	0.021
Net Expenditure	2.466	2.338	(0.128)
Earmarked Funds	(0.128)	0.000	0.128
Total	2.338	2.338	0.000

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

CORPORATE SUPPORT

INFORMATION TECHNOLOGY

The underspend within Employee Costs results from managed savings in vacancies and reduced overtime levels. Reduced car mileage claims and revised car leasing arrangements have resulted in a favourable Transport Costs variance. Repairs to the fibre connection between London Road and Civic Centre South have been met from efficiencies identified within Supplies and Services with further savings generated from the Document Outsourcing contract due to lower than anticipated printing levels. £0.025m is required to be earmarked for a commitment for security compliance with Government Security Xtranet (GSX) with another £0.016m required for maintenance commitments and £0.037m for Customer Care Development in 2010/11.

	Estimate £m	Actual Exp to 31 Mar 10 £m	Variance (Favourable) / Adverse
Employee Costs	2.253	2.224	(0.030)
Property Costs	0.000	0.000	0.000
Transport Costs	0.026	0.012	(0.014)
Supplies & Services	1.905	1.870	(0.034)
Third Party Payments	0.000	0.000	0.000
Transfer Payments	0.000	0.000	0.000
Gross Expenditure	4.184	4.106	(0.078)
Income	(0.443)	(0.486)	(0.043)
Net Expenditure	3.740	3.620	(0.121)
Earmarked Funds	(0.078)	0.000	0.078
Total	3.662	3.620	(0.043)

FTE STAFFING ANALYSIS

Budget	Actual to date
58.5	54.2

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

CORPORATE SUPPORT

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. These are partly offset by retiral costs of £0.092m with an additional £0.063m which is linked to Employability required to be earmarked for 2010/11. The Supplies and Services variance is due to an underspend of £0.038m in Business Grants, Tourism Grants and Match Fund Awards which requires to be earmarked for committed awards, £0.099m of Scottish Enterprise Regeneration funding transferred in February 2010, which is required to be earmarked for regeneration activities, offset by adverse variances resulting from statutory advertising and bad debt charges.

As members are aware income from Building Warrants and Planning Fees is significantly lower than budget due to external economic factors. The outturn position includes the utilisation of £0.400m of departmental balances previously approved by Cabinet. Favourable variances have resulted from Challenge Fund £0.059m, Employability £0.224m and Environmental Projects income of £0.196m the majority of which will require to be earmarked, a non-recurring windfall from the Kyle Windfarm compensation payment and Dangerous Buildings charges offset by a bad debt provision.

In addition Fairer Scotland Funding in relation to Restoring Communities £0.052m, planning related activities of £0.040m, Galston TCRF funds of £0.085m and regeneration activities of £0.050m require to be earmarked for 2010/11.

	Estimate £m	Actual Exp to 31 Mar 10 £m	Variance (Favourable) / Adverse
Employee Costs	4.861	4.425	(0.436)
Property Costs	0.136	0.144	0.008
Transport Costs	0.128	0.133	0.005
Supplies & Services	2.218	2.164	(0.054)
Third Party Payments	0.969	0.986	0.017
Transfer Payments	0.000	0.000	0.000
Gross Expenditure	8.311	7.852	(0.459)
Income	(3.735)	(4.116)	(0.381)
Net Expenditure	4.576	3.736	(0.840)
Earmarked Funds	(0.445)	0.384	0.829
Total	4.131	4.120	(0.011)

FTE STAFFING ANALYSIS

Budget	Actual to date
130.5	110.5

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

CORPORATE SUPPORT

DEMOCRATIC SERVICES

Favourable variances in Employee Costs, due to the timing of filling of vacancies, and Members' remuneration and allowances have been partly offset by the purchase of a replacement courier van and reduced income relating to the printroom and property certificates. £0.081m is required to be earmarked for non-recurring costs in respect of the Best Value Service Review with a further £0.028m earmarked for Community Councils and Local Grants and £0.038 earmarked for Customer Care Development.

FTE STAFFING ANALYSIS

Budget	Actual to date
46.8	41.1

LEGAL, PROCUREMENT AND REGULATORY

The delay in filling vacancies following the implementation of the Best Value Service Review across the service and funding for Tobacco Test Purchasing, offset by costs associated with the unification of the District Courts to the Scottish Court Service, has generated a favourable Employee Costs variance. The Supplies and Services variance relates to costs associated with bad debt provision, Scotland Excel fees, licence and software commitments associated with the Licensing Board and general office administration with £0.009m required to be earmarked for equipment commitments in 2010/11.

A shortfall in income for Pest Destruction is offset against higher income from Verification and Petroleum fees and Enforcement Fines. Legal fees and fixed penalty commission have reduced primarily as a result of the unification of the District Courts. Licensing Board income continues to be higher this year and offsets all costs associated with the Board, including Northgate system upgrades. £0.057m is required to be earmarked for future Licensing Board activities with £0.037m earmarked for Customer Care Development.

FTE STAFFING ANALYSIS

Budget	Actual to date
88.5	81.0

	Estimate £m	Actual Exp to 31 Mar 10 £m	Variance (Favourable) / Adverse
Employee Costs	1.540	1.381	(0.159)
Property Costs	0.000	0.000	0.000
Transport Costs	0.030	0.037	0.007
Supplies & Services	1.518	1.463	(0.055)
Third Party Payments	0.015	0.007	(0.008)
Transfer Payments	0.000	0.000	0.000
Gross Expenditure	3.103	2.888	(0.215)
Income	(0.184)	(0.148)	0.036
Net Expenditure	2.919	2.740	(0.179)
Earmarked Funds	(0.147)	0.000	0.147
Total	2.772	2.740	(0.032)

	Estimate £m	Actual Exp to 31 Mar 10 £m	Variance (Favourable) / Adverse
Employee Costs	3.142	3.096	(0.047)
Property Costs	0.029	0.028	(0.001)
Transport Costs	0.088	0.084	(0.003)
Supplies & Services	0.545	0.534	(0.011)
Third Party Payments	0.333	0.333	0.001
Transfer Payments	0.000	0.000	0.000
Gross Expenditure	4.136	4.075	(0.060)
Income	(0.962)	(1.037)	(0.074)
Net Expenditure	3.173	3.039	(0.135)
Earmarked Funds	(0.046)	0.057	0.103
Total	3.127	3.096	(0.032)

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

CORPORATE SUPPORT

COMMUNITY PLANNING AND PARTNERSHIP

The favourable variance of £0.067m is due to the timing of filling of vacancies and maternity leave after offsetting redundancy costs. £0.016m Fairer Scotland Funding is unutilised following delays in fillings posts and is required to be earmarked and carried forward to 2010/11. A further £0.051m from additional income and employee costs underspends requires to be earmarked as a contribution to the Community Planning Development Fund for use in 2010/11.

FTE STAFFING ANALYSIS

Budget	Actual to date
11.5	11.1

	Estimate £m	Actual Exp to 31 Mar 10 £m	Variance (Favourable) / Adverse
Employee Costs	0.498	0.426	(0.072)
Property Costs	0.026	0.020	(0.006)
Transport Costs	0.003	0.004	0.000
Supplies & Services	0.046	0.089	0.043
Third Party Payments	0.095	0.095	0.000
Transfer Payments	0.000	0.000	0.000
Gross Expenditure	0.668	0.634	(0.035)
Income	(0.010)	(0.043)	(0.032)
Net Expenditure	0.658	0.591	(0.067)
Earmarked Funds	(0.042)	0.025	0.067
Total	0.616	0.616	(0.000)

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

CORPORATE SUPPORT

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 Tardoes Open Cast Coal Site costs have been recovered early in 2010/11.

The Employability balance mainly relates to East Ayrshire Woodlands and the deficit is anticipated to be offset by secured income from various sources.

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 is underway with a report anticipated to be submitted to the CMT in June.

The Moorfield Entrance Junction money is required to be held during the project retention period.

East Ayrshire Town Centres balance is committed to town centre activities including Christmas events.

The Design Workshop balance will be retained for expenditure on the Cumnock Shopfront Design Guidance.

The Provost's Charity Ball includes donations received and advance ticket sales for the June 2010 Ball.

The Cumnock Regeneration balance is held for items which cannot be charged to the Joint Venture Company.

Cumnock and Kilmarnock Town Centre balances are held for planned activities, events and marketing to increase footfall through both town centres.

Balances at
31 March 2010

£m

Tardoes Open Cast Coal Site	0.159
Employability	0.271
Wind Farm	(0.243)
Developers Contributions / S75 SLR	(0.898)
Moorfield Entrance Junction	(0.031)
East Ayrshire Town Centres	(0.008)
Design Workshop	(0.006)
Provost's Charity Ball	(0.016)
Cumnock Regeneration	(0.015)
Cumnock Town Centre	(0.023)
Kilmarnock Town Centre	(0.020)
Total	(0.830)

CORPORATE SUPPORT

Service Enhancements 2009/10

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

- Responsibilities in relation to Abandoned Vehicles and Funerals;
- Pest Destruction costs;
- Reduced Property Enquiry Certificate income.

Additional funding has also been provided in relation to the introduction of the Fairer Scotland Fund which replaced a number of existing funding streams including the Community Regeneration Fund, the Community Voices Programme, Working for Families, the Social Inclusion element of the Changing Children's Services Fund, the Financial Inclusion Fund, Workforce Plus and More Choices – More Chances.

Additional funding has also been provided following the introduction of new Tobacco Sales Enforcement legislation.

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 Corporate Support. This amounts to additional savings of £0.292m to 2011/12.

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

FINANCE AND ASSET MANAGEMENT

SERVICE SUMMARY

The outturn position is a favourable variance of £1.381m. However this requires to be earmarked for committed and ongoing work in relation to property maintenance other service commitments as detailed on page 48.

A favourable variance within Finance of £0.397m has been primarily achieved as a result of additional funding receivable from the Department for Work and Pensions. This funding has been allocated to meet additional administrative costs from increased benefit caseloads in the current economic climate. The service has achieved savings by meeting increased requirements within current resources. Additional income has also been achieved as a result of Scottish Water collection rates and savings have been achieved on various supplies and services areas.

The Asset Improvement Service has outturned £0.818m under budget through committed Central Repairs work (£1.218m) which, as a result of timing, is still to be completed and charged. The service's overall variance is after offsetting an adverse variance resulting from a shortfall in Project Delivery net fee recovery, allowing for external consultant costs. The Central Repairs variance requires to be earmarked to enable the work to be completed in 2010/11.

Savings have been achieved within the Asset Management Service on all expenditure headings. However an under-recovery of property related income has occurred during the year as a result of the current economic climate. Having anticipated the shortfall, the service alleviated much of this pressure by earmarking balances at the end of the previous financial year. The service outturn position is after drawing on earmarked balances for expenditure in relation to the development of asset management data and systems. As anticipated an adverse position has been experienced in relation to Surplus Property as achievable income from the sale of surplus assets has been restricted by the current economic climate. Savings have also been achieved overall within Corporate Office Accommodation.

	Estimate £m	Actual Exp to 31 Mar 10 £m	Variance (Favourable) / Adverse
Finance	4.086	3.689	(0.397)
Asset Improvement	4.380	3.562	(0.818)
Asset Management	2.538	2.372	(0.166)
Net Expenditure	11.004	9.623	(1.381)
Earmarked Funds	(1.361)	0.020	1.381
Total	9.643	9.643	0.000

	Estimate £m	Actual Exp to 31 Mar 10 £m	Variance (Favourable) / Adverse
Employee Costs	9.600	9.427	(0.173)
Property Costs	6.198	5.020	(1.178)
Transport Costs	0.125	0.093	(0.032)
Supplies & Services	2.249	1.783	(0.466)
Third Party Payments	0.033	0.505	0.472
HB/CT Benefit	0.000	0.000	0.000
Gross Expenditure	18.205	16.827	(1.378)
Income	(7.201)	(7.204)	(0.003)
Net Expenditure	11.004	9.623	(1.381)
Earmarked Funds	(1.361)	0.020	1.381
Total	9.643	9.643	0.000

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

FINANCE AND ASSET MANAGEMENT

EARMARKED FUNDS TO BE CARRIED FORWARD

No.	Description	Category	£m
1	CRA - Committed Work	E	1.218
2	COA - Hill Street Office - Service Charges to 31 March 2010	E	0.043
3	COA - Co-Location Study (Community Planning Funding)	E	0.020
4	Finance - Document Imaging Commitment	FP	0.025
5	Finance - Creditor Payment Software	FP	0.010
6	Asset Management - Property Rental Income	FP	0.065
	Total		1.381

Category

E – Essential (Committed)

FP – Financial Planning (Desirable)

U – Uncommitted (Desirable)

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

FINANCE AND ASSET MANAGEMENT

SUMMARY OF MOVEMENTS IN APPROVED BUDGET

	Annual Estimate £m	Budget Adjustments £m	Revised Budget £m	Comments on Budget Movement
Budget Allocation Approved by Council 12 February 2009	9.024			
<i>Additions / Transfers to / (from) Initial Budget:</i>				
1 Adjustment of income recharges outwith the General Fund Budget		+0.220		Realignment of income recharges outwith the General Fund
2 Realignment of Property Budgets		-0.040		Transfer of property budgets relating to bus stations to Neighbourhood Services
3 IT budget realignment		-0.020		Transfer of IT budgets relating to Civica host icon
4 Utilisation of Balances		+1.821		Drawdown of earmarked balances
5 NDR Deferral Scheme Funding		+0.009		Additional Funding for Administration of the NDR Deferral Scheme
6 Realignment of Risk Management Centre Budget		-0.010		Transfer of cleaning budget to Onsite Services
<i>Total Budget adjustments</i>			+1.980	
Revised Budget Allocation at Period 13			11.004	

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

FINANCE AND ASSET MANAGEMENT

EXPENDITURE REDUCTION TARGETS

At the Council meeting on 12 February 2009 the department has been tasked with saving 2.8% of its controllable revenue expenditure which equates to £0.252m. The continuous pursuit of efficiencies to release resources for priority areas is established practice within the Council and whilst specific actions have yet to be completed, offsetting savings have been realised to achieve the target.

ACTIONS	Theme	SAVING £m	Status at 31/3/10	Achieved at 31/3/10 £m
Finance and Asset Management		0.252		0.164
Reduce the environmental improvement budget within Finance and Asset Management	KSO	0.040		0.040
Reduced reliance on external consultants on capital projects	PYI	0.088		-
Reduced maintenance costs due to new facilities being opened	PYI	0.023		0.023
Review of service arrangements and staffing numbers within Finance and Asset Management	BRS	0.065		0.065
Finance – Tools and Equipment	CND	0.006		0.006
Review of Financial Guardianship arrangements	PSP	0.020		0.020
Renunciation of leases for industrial units	MUA	0.010		0.010

Status: Fully met



In Progress



50

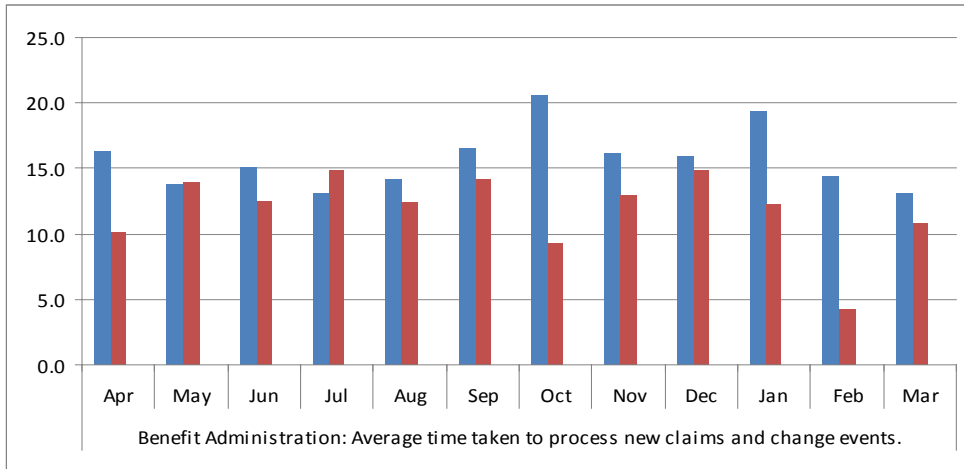
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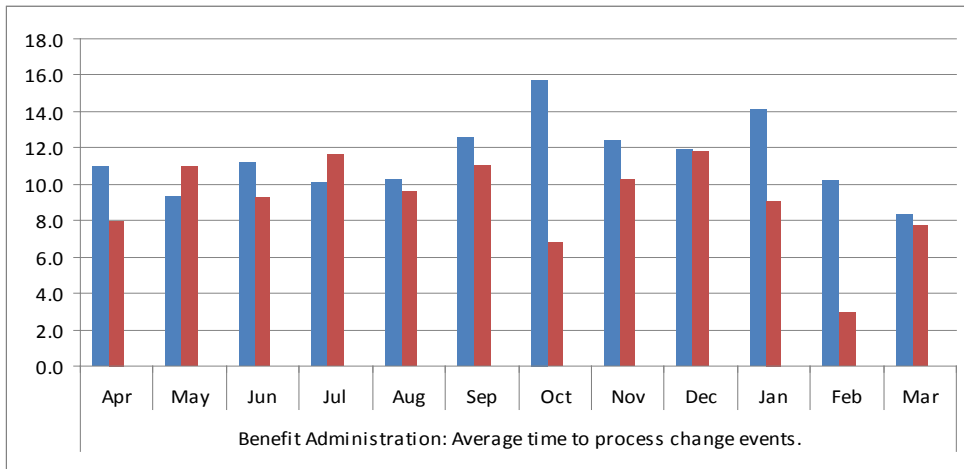
2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

FINANCE AND ASSET MANAGEMENT

PERFORMANCE MEASURES



This figure is a measure of how long it takes to process all new claims and changes of circumstances from the date it is received in any EAC office to the date processed, including any time taken to request further information from the customer. The fluctuations month by month are normal as the number of claims received varies and is dependant upon customer circumstances which is not predictable. There has been a significant increase in the number of new and change of circumstance claims (from 33,000 to 62,000) and this continues to rise due to the economic downturn. The additional work is being managed within existing resource. The final averages figure for 2008/09 was 16.69 days and for 2009/10 was 10.63 days, showing an overall improvement. No specific action identified although the section is constantly reviewed in order that work is prioritised and dealt with using existing resources.

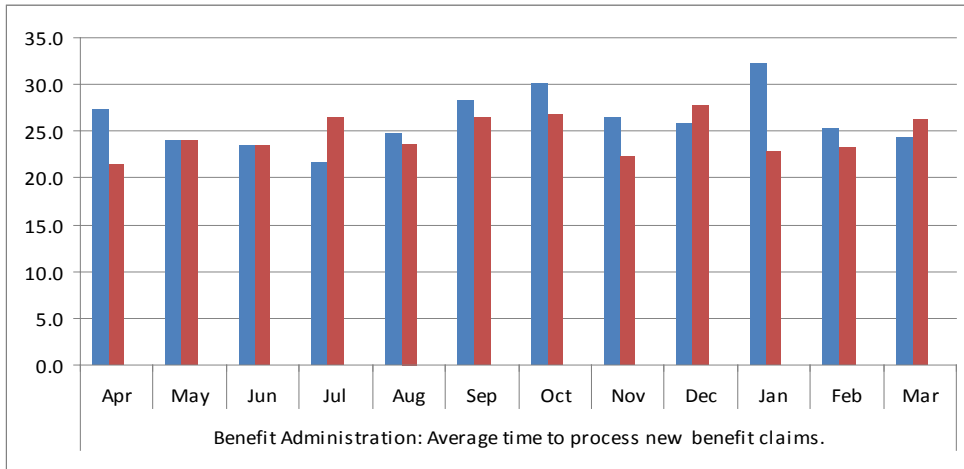


This figure is a measure of how long it takes to process a change of circumstance claim from the date it is received in any EAC office to the date processed, including any time taken to request further information from the customer. The fluctuations month by month are normal as the number of claims received varies and is dependant upon customer circumstances which is not predictable. The classification of change events has altered and this has resulted in a significant increase in the number of changes (from 22,000 to 52,000) and this continues to rise due to the economic downturn. The additional work is being managed within existing resource. The final averages figure for 2008/09 was 11.62 days and for 2009/10 was 7.95 days, showing an overall improvement. No specific action identified although the section is constantly reviewed in order that work is prioritised and dealt with using existing resources.

Previous Year ■ Current Year ■

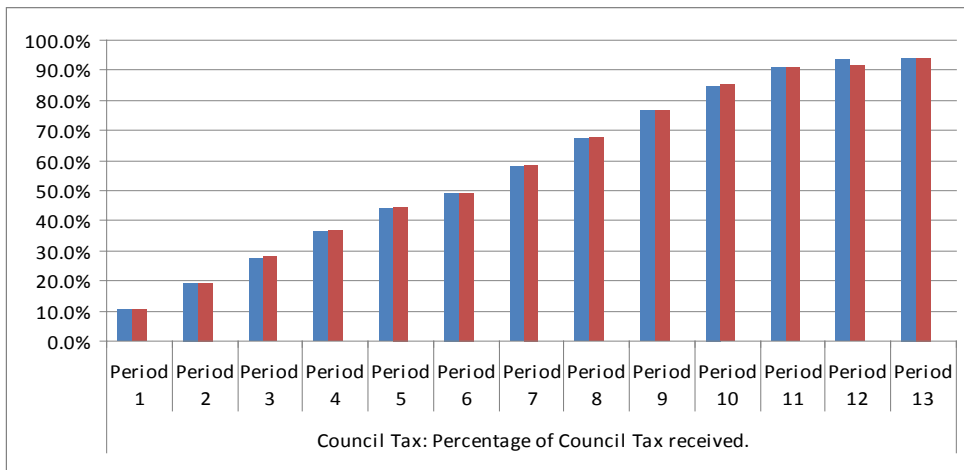
2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

FINANCE AND ASSET MANAGEMENT



This figure is a measure of how long it takes to process a new claim from the date it is received in any EAC office to the date processed, including any time taken to request further information from the customer. The fluctuations month by month are normal as the number of claims received varies and is dependant upon customer circumstances which is not predictable. The classification of new claims has changed and the number received in the current year reduced very slightly despite the economic downturn. The final averages figure for 2008/09 was 26.41 days and for 2009/10 was 24.41 days, showing an overall improvement.

No specific action identified although the section is constantly reviewed in order that work is prioritised and dealt with using existing resources.

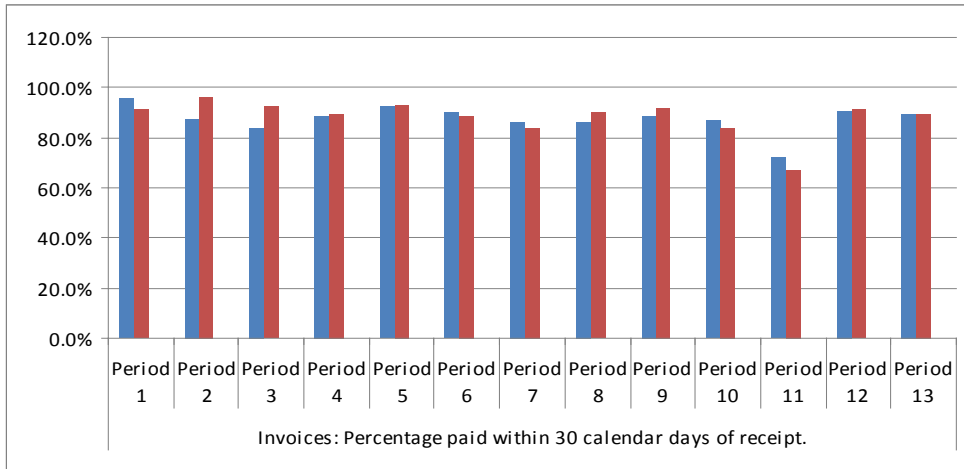


A downturn was identified in both direct debits and collection levels in early 2010 and measures were put in place to address this. These included a direct debit take-up campaign which has increased the level going into 2010/11, identifying cases suitable for sequestration and issuing pre-sequestration letters, and introducing a twilight shift to help maximise collection.

Previous Year ■ Current Year ■

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

FINANCE AND ASSET MANAGEMENT



The period 13 performance was slightly higher than the comparator period for 2008/09 (89.44%). The overall in year performance of 88.73% showed an improved position in comparison to 08/09 with an increase of 0.88%. In period 13 Departmental performance varied between a low of 67.55% (R&T) to a high of 97.11% (F&AM). The current system configuration does not allow the recording of the date the invoice is received by the Department and the subsequent date of receipt within Creditors. A consistent approach is however applied to the processing of invoices and as such it is clear that some services are processing and passing invoices for payment quicker than others, with a consequential impact on SPI performance. Analysis will be carried out during the 1st qtr of 2010/11 to identify any specific areas of weaker performance. Departmental and Service performance statistics will be provided as part of regular budget scrutiny meetings.

Previous Year ■

Current Year ■

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

FINANCE AND ASSET MANAGEMENT

Non Financial Data

	2008/09 Outturn	2009/10 Outturn
Number of let commercial and industrial properties	61	61
Number of property repairs completed	9,596	8,998
Number of transactions processed through the Income Management System	667,510	640,761
Value of transactions processed through the Income Management System	£404.3m	£397.6m
Council Tax collection rate	94.1%	94.1%

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

FINANCE AND ASSET MANAGEMENT

SERVICE PERFORMANCE TO DATE

FINANCE SERVICE

The favourable variance of £0.397m achieved to 31 March 2010 is primarily due to additional funding received from the Department for Work and Pensions allocated to meet additional administrative costs from increased benefit caseloads in the current economic climate. The increased caseload has been managed within existing resources. Additional income has also been achieved as a result of Scottish Water collection rates. Savings achieved on supplies and services areas have been partly offset by additional employee expenditure due to severance costs. Funding in relation to Creditor Payment software and Document Imaging requires to be earmarked and carried forward to 2010/11.

FTE STAFFING ANALYSIS

Budget	Actual to date
184.9	169.5

	Estimate £m	Actual Exp to 31 Mar 10 £m	Variance (Favourable) / Adverse
Employee Costs	5.757	5.798	0.041
Property Costs	0.018	0.005	(0.013)
Transport Costs	0.026	0.014	(0.012)
Supplies & Services	0.761	0.622	(0.139)
Third Party Payments	0.000	0.000	0.000
HB/CT Benefit	0.000	0.000	0.000
Gross Expenditure	6.562	6.439	(0.123)
Income	(2.476)	(2.750)	(0.274)
Net Expenditure	4.086	3.689	(0.397)
Earmarked Funds	(0.035)	0.000	0.035
Total	4.051	3.689	(0.362)

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

FINANCE AND ASSET MANAGEMENT

ASSET IMPROVEMENT

The outturn position of £0.818m is due to a favourable variance within Central Repairs of £1.218m partly offset by an adverse variance of £0.400m within the Project Delivery Section. The Central Repairs underspend relates to committed work which, as a result of timing, is still to be completed and charged and this funding requires to be earmarked to enable the work to be completed in 2010/11. The adverse position within Project Delivery is due to a shortfall in net fee recovery after allowing for external consultant costs, changes in levels of required service support and the timing of fee recovery on some project areas.

FTE STAFFING ANALYSIS

Budget	Actual to date
81.0	79.0

ASSET MANAGEMENT

Within the Asset Management Service, a favourable outturn position of £0.166m has been achieved with savings on most expenditure headings partly offset by an under-recovery of property related income as a result of the current economic climate, including reduced rental income and income from the sale of surplus assets. Having anticipated the shortfall in property income, the service alleviated much of this pressure by earmarking balances at the end of the previous financial year which have been drawn on. In relation to the development of asset management data and systems £0.744m has been drawn from balances. £0.020m allocated from Community Planning for a co-location study has not been utilised and is required to be earmarked and carried forward for use in 2010/11. In addition, budgets of £0.043m and £0.065m in relation to service charges for the Hill Street office and to offset the anticipated under-recovery of property rental income require to be earmarked for use in 2010/11.

FTE STAFFING ANALYSIS

Budget	Actual to date
26.0	23.9

	Estimate £m	Actual Exp to 31 Mar 10 £m	Variance (Favourable) / Adverse
Employee Costs	2.907	2.756	(0.151)
Property Costs	4.700	3.477	(1.223)
Transport Costs	0.079	0.071	(0.008)
Supplies & Services	0.101	0.113	0.012
Third Party Payments	0.000	0.478	0.478
Transfer Payments	0.000	0.000	0.000
Gross Expenditure	7.787	6.895	(0.892)
Income	(3.407)	(3.333)	0.074
Net Expenditure	4.380	3.562	(0.818)
Earmarked Funds	(1.218)	0.000	1.218
Total	3.162	3.562	0.400

	Estimate £m	Actual Exp to 31 Mar 10 £m	Variance (Favourable) / Adverse
Employee Costs	0.936	0.873	(0.064)
Property Costs	1.480	1.538	0.058
Transport Costs	0.020	0.008	(0.012)
Supplies & Services	1.387	1.048	(0.339)
Third Party Payments	0.033	0.027	(0.006)
Transfer Payments	0.000	0.000	0.000
Gross Expenditure	3.856	3.493	(0.363)
Income	(1.318)	(1.121)	0.197
Net Expenditure	2.538	2.372	(0.166)
Earmarked Funds	(0.108)	0.020	0.128
Total	2.430	2.392	(0.038)

FINANCE AND ASSET MANAGEMENT

Service Enhancements 2009/10

Additional funding has been provided for the maintenance of public buildings.

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 Corporate Support and Finance and Asset Management. This amounts to additional savings of £0.295m to 2011/12.

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

CENTRAL SERVICES

SERVICE SUMMARY

The outturn position is £1.502m under budget with £0.395m required to be earmarked for specific service commitments. As previously reported the variance principally relates to centrally retained funding not fully required in 2009/10, a successful VAT reclaim and favourable variances in relation to the Audit Fees, street signs, general grants and vacancies within the Internal Audit Service, partly offset by severance costs agreed by Cabinet to be met from General Fund balances and a provision for legal obligations in respect of issues relating to the Sheriff Officers contract and a Health and Safety prosecution in respect of the former Building and Works.

It is anticipated that there will be a requirement to earmark £0.395m as detailed below for carry forward and utilisation in 2010/11.

EARMARKED FUNDS TO BE CARRIED FORWARD

No.	Description	Category	£m
1	European Match Funding - Employability - 2009/10 Balance	E	0.067
2	Automated Meter Readers - Spend to Save	FP	0.300
3	Chief Executives Office	U	0.028
	Total		0.395

Category

E – Essential (Committed)

FP – Financial Planning (Desirable)

U – Uncommitted (Desirable)

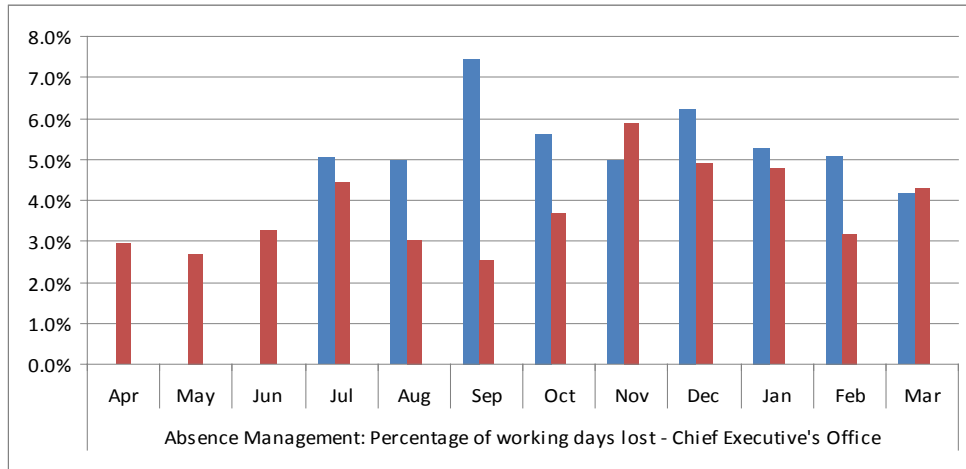
	Estimate £m	Actual Exp to 31 Mar 10 £m	Variance (Favourable) / Adverse
Chief Executive	0.546	0.518	(0.028)
Miscellaneous	5.037	3.585	(1.452)
Insurance	2.254	2.232	(0.022)
Net Expenditure	7.837	6.335	(1.502)
Earmarked Funds	(0.395)	0.000	0.395
Total	7.442	6.335	(1.107)

	Estimate £m	Actual Exp to 31 Mar 10 £m	Variance (Favourable) / Adverse
Employee Costs	2.422	3.190	0.768
Property Costs	0.000	0.001	0.001
Transport Costs	0.006	0.003	(0.004)
Supplies & Services	5.586	3.248	(2.338)
Third Party Payments	0.719	0.719	0.000
Transfer Payments	0.000	0.000	0.000
Gross Expenditure	8.733	7.161	(1.572)
Income	(0.896)	(0.826)	0.070
Net Expenditure	7.837	6.335	(1.502)
Earmarked Funds	(0.395)	0.000	0.395
Total	7.442	6.335	(1.107)

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

CENTRAL SERVICES


PERFORMANCE MEASURES



Although the absence rate has increased compared to the previous month and is slightly higher than the same month in the previous year, this has been due to an increase in long term absence. Long term absence was 2.76% in March 2010, compared to 1.56% in the previous month and 2.07% in March 2009. Short term absence (1.52%) was comparable to the previous month (1.49%), and significantly lower than March 2009 when it was 2.12%

Absence levels and reasons are discussed in detail by the DMT. Absence Management Procedures continue to be rigorously observed.

Previous Year 

Current Year 

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

CENTRAL SERVICES

SERVICE PERFORMANCE TO DATE

CHIEF EXECUTIVE

The favourable variance is due to vacancies within the Internal Audit service and, in line with the Council's Reserve Strategy, will be earmarked for carry forward to 2010/11.

FTE STAFFING ANALYSIS

Budget	Actual to date
10.6	9.7

MISCELLANEOUS SERVICES

The favourable variance of £1.452m is principally due to unutilised contingency and Concordat activity resources, centrally retained funding not fully required in 2009/10, a successful VAT reclaim and favourable variances in relation to the Audit Fees, street signs and general grants. This variance is partially offset by severance costs of £0.946m previously agreed by Cabinet to be met from General Fund balances and a provision set aside on the advice of the Solicitor to the Council which may be required to address legal implications arising from alleged irregularities in the evaluation of the Sheriff Officers contract and a pending Health and Safety prosecution. £0.067m of centrally retained match funding budget for Employability Projects is required to be earmarked to be carried forward and utilised in 2010/11, in addition to £0.300m for Spend to Save initiatives for energy.

	Estimate £m	Actual Exp to 31 Mar 10 £m	Variance (Favourable) / Adverse
Employee Costs	0.566	0.537	(0.029)
Property Costs	0.000	0.001	0.001
Transport Costs	0.006	0.003	(0.004)
Supplies & Services	0.017	0.016	(0.001)
Third Party Payments	0.000	0.000	0.000
Transfer Payments	0.000	0.000	0.000
Gross Expenditure	0.589	0.557	(0.032)
Income	(0.043)	(0.038)	0.004
Net Expenditure	0.546	0.518	(0.028)
Earmarked Funds	(0.028)	0.000	0.028
Total	0.518	0.518	0.000

	Estimate £m	Actual Exp to 31 Mar 10 £m	Variance (Favourable) / Adverse
Employee Costs	1.856	2.653	0.797
Property Costs	0.000	0.000	0.000
Transport Costs	0.000	0.000	0.000
Supplies & Services	3.315	1.001	(2.314)
Third Party Payments	0.719	0.719	0.000
Transfer Payments	0.000	0.000	0.000
Gross Expenditure	5.890	4.373	(1.518)
Income	(0.853)	(0.788)	0.066
Net Expenditure	5.037	3.585	(1.452)
Earmarked Funds	(0.367)	0.000	0.367
Total	4.670	3.585	(1.085)

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

CENTRAL SERVICES

INSURANCE

A minor variance has occurred in relation to Insurance.

	Estimate £m	Actual Exp to 31 Mar 10 £m	Variance (Favourable) / Adverse
Employee Costs	0.000	0.000	0.000
Property Costs	0.000	0.000	0.000
Transport Costs	0.000	0.000	0.000
Supplies & Services	2.254	2.232	(0.022)
Third Party Payments	0.000	0.000	0.000
Transfer Payments	0.000	0.000	0.000
Gross Expenditure	2.254	2.232	(0.022)
Income	0.000	0.000	0.000
Net Expenditure	2.254	2.232	(0.022)
Earmarked Funds	0.000	0.000	0.000
Total	2.254	2.232	(0.022)

EDUCATIONAL AND SOCIAL SERVICES

Capital Programme

Outturn expenditure is £5.305m, which represents 76.1% of the available budget.

The underspend on the Education and Social Services capital programme primarily relates to a number of schemes which cost less than originally budgeted or slipped into future financial years, including the Auchinleck Academy PE Block Refurbishment, Onthank Community Centre Boiler, New Cumnock Primary School and Galston Community Facilities projects.

The underspend is partially offset by a number of schemes including the Galston Primary, Netherthird Community Campus and Hillhead Primary Electrical Upgrade projects which were higher than the available budgets.

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

EDUCATIONAL AND SOCIAL SERVICES

Major Projects

Galston Community / Office Facilities

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m	Development TBC	Design TBC	Tender TBC	Construction TBC
4.335	0.118	4.335	 			

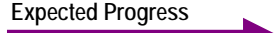

Financial Status

As agreed by Cabinet on 18 November 2009 the budget allocations from Galston Community Facilities, Galston Local Office and Town Centre projects have been consolidated to form above budget, augmented by TCRF.

Project Life Cycle

Cabinet on 18 November 2009 approved the refurbishment of existing community facilities and office accommodation and construct new office space in Galston Town Centre. The Project Management Team is currently developing proposals that can be delivered within the available budget allocation.

Darvel Primary School and Nursery School

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m	Development <i>Start</i> N/A <i>Finish</i> April 2010	Design <i>Start</i> May 2010 <i>Finish</i> Oct 2010	Tender <i>Start</i> Nov 2010 <i>Finish</i> Mar 2011	Construction <i>Start</i> Apr 2011 <i>Finish</i> Apr 2012
5.000	0.012	5.000	 			

Financial Status

Budget revised following Cabinet decision of 6 May 2009. Project costs will be accurately determined after detailed designs are finalised and tenders received.

Project Life Cycle

Initial layouts have been agreed in principle which deliver key aspects of the project objectives. Cost estimates for revised design are currently estimated at approximately £6.300m. Tender documents will continue to be prepared and issued in order to test market conditions. Potential options to revise costs can be explored if tendered prices continue to be higher than the available budget.

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

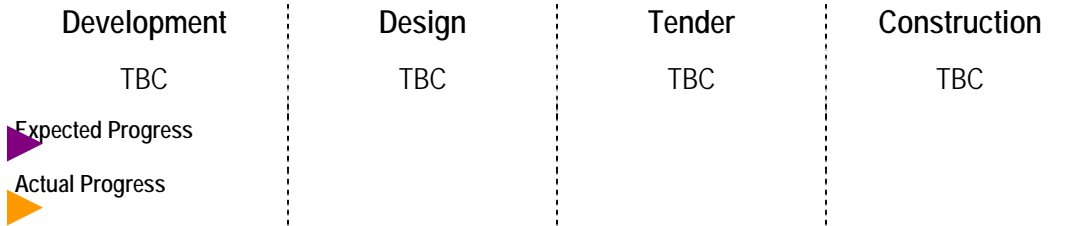
EDUCATIONAL AND SOCIAL SERVICES

Flowerbank Nursery

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m
1.750	0.000	1.750

Financial Status

No expenditure was incurred in 2009/10.



Project Life Cycle

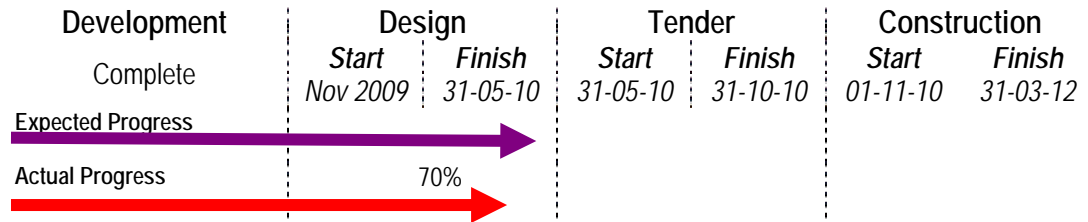
The Project Management Team is currently developing options in relation to Flowerbank Nursery following the conclusion of the option appraisal exercise.

Willowbank School

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m
10.000	0.094	10.000

Financial Status

Budget revised following Cabinet decision of 6 May 2009. Project costs will be accurately determined after detailed designs are finalised and tenders received.



Project Life Cycle

Work is currently progressing well with regard to the proposals to construct a new facility on the site of the former Park School. Outline layouts for the new facility have been agreed with stakeholders and work is currently on-going on the detailed design and preparation of the necessary tender documentation.



Concept Design Image

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

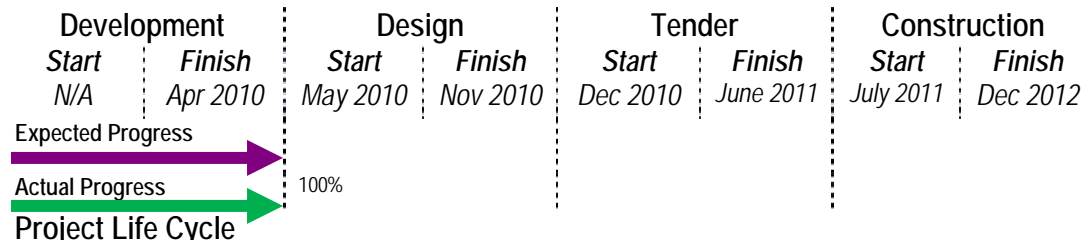
EDUCATIONAL AND SOCIAL SERVICES

New Cumnock Nursery and Primary School

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m
9.600	0.000	9.600

Financial Status

Budget revised following Cabinet decision of 6 May 2009. Project costs will be accurately determined after detailed designs are finalised and tenders received.



Project Life Cycle

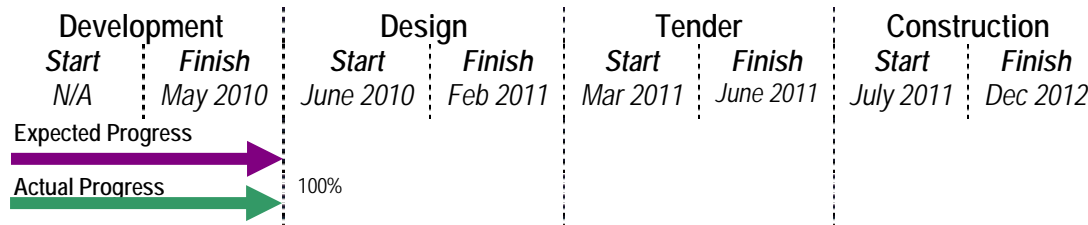
Outline design layouts "locked down" following consultation with internal and external stakeholders. Detailed design works have commenced. Minor amendment required to location of nursery to avoid potential issue with gas main. The nursery school will be relocated to Cairnhill Primary School from August 2010. Agreement has been reached on the location of new statue.

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 was incurred in 2009/10.



Project Life Cycle

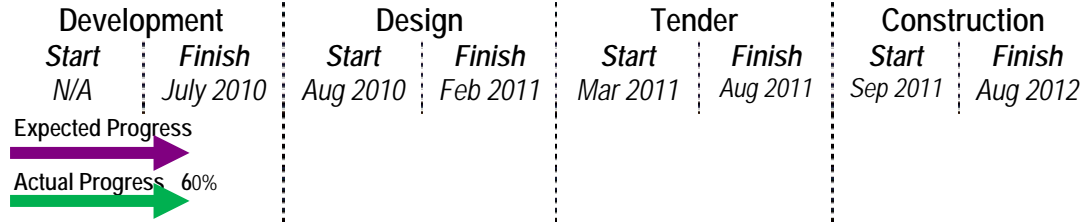
Outline design layouts "locked down", with the exception of minor amendments to libraries, CLAD and Social Services requirements. Cost estimates for revised design are currently estimated at approximately £10.600m. Tender documents will continue to be prepared and issued in order to test market conditions. Potential options to revise costs can be explored if tendered prices are higher than the available budget. Suitable brief being prepared to allow project to be issued to external consultants; opportunities to be considered to accelerate the design stage if possible.

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

EDUCATIONAL AND SOCIAL SERVICES

Littlemill Primary School

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m
1.320	0.014	1.320



Financial Status

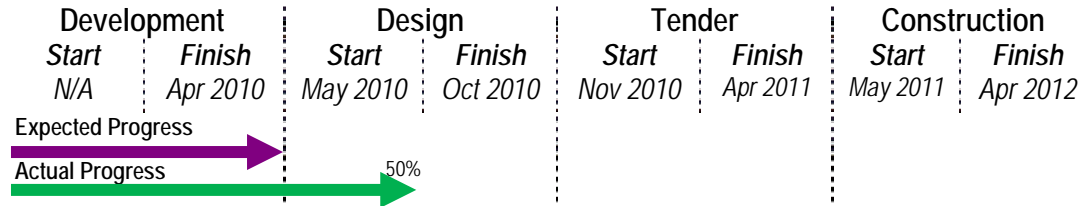
Only minor expenditure was incurred in 2009/10.

Project Life Cycle

Indicative proposals to remodel and refurbish the internal areas of the school have been prepared and are currently being discussed with the Headteacher and staff. Structural survey initial feedback has not indicated any structural problems. Proposals to refurbish roof to both the main building and gym block during summer 2010 currently being progressed. External works to the car park, playground and garden will be completed in advance of the main works.

Sorn Primary School

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m
1.720	0.000	1.720



Financial Status

No expenditure was incurred in 2009/10.

Project Life Cycle

Indicative proposals to remodel and refurbish the existing layout have been prepared; detailed design work on-going and is ahead of schedule. Informal discussions have taken place with Historic Scotland regarding proposals as the timing and cost of any works is heavily dependent on a positive outcome on the finalised design; no issues currently noted. Possibility that window replacements could commence October 2010 if planning permission can be secured. Countryside Rangers have confirmed that bats are nesting in roof areas and this could delay progress.

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

EDUCATIONAL AND SOCIAL SERVICES

Gargieston Primary School

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m	Development TBC	Design TBC	Tender TBC	Construction TBC
19.000	0.000	19.000				

Financial Status

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

Project Life Cycle

Work currently ongoing to develop a scheme to construct a new Gargieston Primary School in consultation with the Scottish Futures Trust (SFT). Options to develop Galston Primary School model currently being considered. Options with regard to the decant of the staff and pupils during the construction of the new school currently being considered.

Auchinleck Community Facilities

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m	Development <i>Start</i> <i>Finish</i> <i>Jan 2010</i> <i>Aug 2010</i>	Design <i>Start</i> <i>Finish</i> <i>Sep 2010</i> <i>Mar 2011</i>	Tender <i>Start</i> <i>Finish</i> <i>Apr 2011</i> <i>Sep 2011</i>	Construction <i>Start</i> <i>Finish</i> <i>Oct 2011</i> <i>Sep 2012</i>
0.956	0.000	0.956				

Financial Status

No expenditure was incurred in 2009/10

Project Life Cycle

Option appraisal exercise on-going with regard to the refurbishment / rebuilding of the Auchinleck Community Centre, including consideration of the future of Roseburn Day Care Facilities which will need to be relocated as NHS Ayrshire & Arran have issued a notice to terminate the lease at Holmhead Hospital.

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

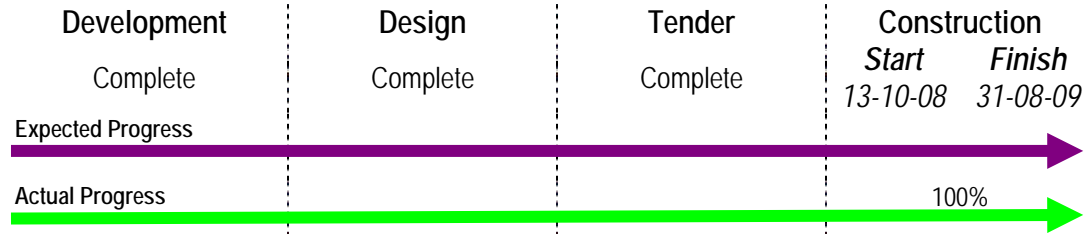
EDUCATIONAL AND SOCIAL SERVICES

Rosebank Resource Centre

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m
2.082	1.823	1.902

Financial Status

Costs in relation to the new facility and client fit-out are less than originally anticipated. Underspend of £0.180m currently anticipated.



External View

Project Life Cycle

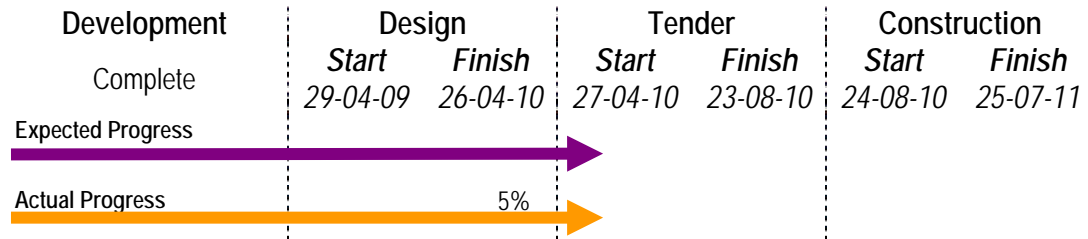
Property opened on 2 November, minor snagging issues being addressed.

Children's House North Kilmarnock

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

Financial Status

Minor expenditure on site investigations was incurred during 2009/10.





Project Life Cycle

Detailed design now completed. Agreement has been reached on "spoil" removal by the contractor; works on-site on-going. Currently anticipated for construction works to commence on site August 2010.

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

EDUCATIONAL AND SOCIAL SERVICES

Kilmarnock Area Adult Day Services

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

Financial Status

No expenditure was incurred in 2009/10

Project Life Cycle

Scope of works to be defined by Social Services; awaiting completion of the Consultation on Adult Day Care Services, which is anticipated by April 2010. Options to be determined thereafter. Possible sites within Kilmarnock identified by Asset management being examined by Head of Community Care.

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

EDUCATIONAL AND SOCIAL SERVICES

General Projects

There were a number of minor projects due to be completed within the year:-

Fabric Upgrades and Refurbishments

The underspend primarily relates to a number of schemes which are less than originally budgeted, although some schemes have also slipped in terms of progress and will now be completed in 2010/11. A proportion of the underspend will be required, in part, to offset those schemes which cost more than approved budget allocation.

Projects

The Netherthird Community Centre project carried forward from 2008/09 cost £0.096m more than the available budget. Costs of approximately £0.094m to complete the remainder of works relating to the new Galston Primary School were also incurred during the 2009/10 financial year.

PPP Schools

The costs to acquire furniture and equipment in 2009/10 in relation to the PPP schools costs £0.107m less than originally anticipated.

Elderly Day Care Facilities

The costs in relation to the Stewarton Townhouse project in 2009/10 were less than anticipated due to the original contractor going into administration. A new contractor has now been appointed and the remainder of the works will be completed in 2010/11.

Telecare

The Telecare project is an important element of service redesign in relation to Social Work sustainability and there has been some slippage in budget utilisation to ensure expenditure is aligned to new models of care.

	Revised Budget 2009/10	Actual Expenditure to Date	Variance
Fabric Upgrades & Refurbishments	3.645	2.640	(1.005)
Projects	0.535	0.738	0.203
PPP Schools	0.200	0.093	(0.107)
Care Homes Elderly	0.008	0.005	(0.003)
Elderly Day Care Facilities	0.435	0.245	(0.190)
Children's Homes	0.004	0.027	0.023
Telecare	0.200	0.100	(0.100)
TOTAL EDUCATION & SOCIAL SERVICES	5.027	3.848	(1.179)

NEIGHBOURHOOD SERVICES

Capital Programme

Outturn expenditure is £10.719m, which represents 80.8% of the available budget.

The underspend primarily relates to slippage on the Kilmarnock Athletics Facilities, Dalmellington & Bellsbank Library, Palace Theatre, Sports Pavilions, Cemetery Extensions, and various roads and transportation schemes including 20 Mph School Zones, Rural Improvement Schemes, Stewarton Park & Ride, Bridge Strengthening and Decriminalisation of Parking Enforcement. All schemes will be completed in full during 2010/11.

The slippage on the above scheme have been offset to some extent by additional costs to complete the CCTV / Risk Monitoring Centre and Stewarton Community Facilities projects, and increased Road Resurfacing work.

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

NEIGHBOURHOOD SERVICES

Crosshouse Area Centre

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m
3.866	3.638	3.816

Development		Design		Tender		Construction	
Start	Finish	Start	Finish	Start	Finish	Start	Finish
N/A	20-09-07	18-10-07	04-07-08	07-07-08	31-10-08	24-04-09	28-05-09
Expected Progress							
Actual Progress							



External View

Financial Status

Early indications are that there may be an underspend overall; currently estimated at £0.050m.

Project Life Cycle

Property opened on 12 April; 6 weeks ahead of schedule. Minor snagging issues being addressed.

Palace Theatre / Grand Hall

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m
1.281	1.115	1.281

Development		Design		Tender		Construction	
Start	Finish	Start	Finish	Start	Finish	Start	Finish
						11-01-10	31-03-10
Expected Progress							
Actual Progress							

Financial Status

Project is currently anticipated to outturn on budget.

Project Life Cycle

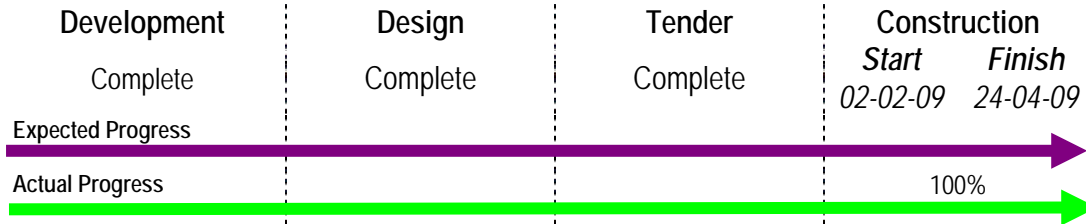
The front of house, stage and installation of lift are now completed. The balance of funding in 2009/10 was used to procure a new sound and lighting system which will make the venue more accessible to larger acts. Works are currently on-going with regard to the Phase 3 improvement programme, including the cleaning of the stonework and replacement of the roof; currently anticipated to commence in summer 2011. Work is also ongoing to submit an application to Historic Scotland and the Scottish Art Council for additional funding.

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

NEIGHBOURHOOD SERVICES

Baird Institute

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m
0.650	0.670	0.670



Financial Status

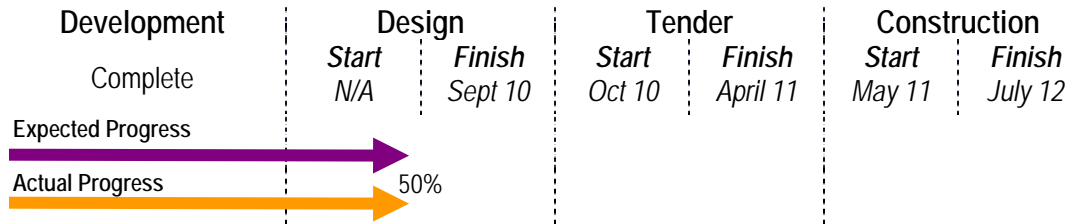
Project is currently estimated to be overspent by £0.020m.

Project Life Cycle

Phase 1 works are now complete. Phase 2 works funded from partially from CARS currently being progressed; decision from CARS anticipated June / July 2010. Timetable will be established following confirmation of funding.

Kilmarnock Athletics Facilities

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m
5.625	0.053	5.625



Artists Impression

Financial Status

Budget revised to £5.625m following Cabinet decision on 6 May 2009.

Project Life Cycle

Revised designs incorporating the engineering solutions required to meet Scottish Water requirements have been prepared. Indicative estimates suggested revised design above available budget, however, tender documents will continue to be prepared and issued in order to test market conditions. Potential options to revise costs can be explored if market prices continue to be higher than the available budget. Previous designs and tender documents prepared will be salvaged where possible to try and minimise delays.

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 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	0.012	5.600								

Expected Progress

Actual Progress

Financial Status

£0.150m set aside for staff welfare facilities.

Project Life Cycle

Options for New Depot Facility currently under review due to early designs based on the indicative requirements of Building & Works, Roads and Street Lighting being above the available budget. Work ongoing to prepare a report for Corporate Management Team outlining proposals and assessing options. Works at Gauchalland Depot with regard to the provision of office and welfare facilities on-going; floor plans "locked down", currently with planning. Anticipated completion on site estimated November 2010.

Stewarton Sports Facilities

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m	Development		Design		Tender		Construction	
			Start N/A	Finish N/A	Start 07/10/08	Finish 16/10/09	Start 19/10/09	Finish 30/10/10	Start Dec 10	Finish Jan 12
4.300	0.027	4.300								

Expected Progress

Actual Progress

50%

Financial Status

Minor expenditure was incurred in 2009/10

Project Life Cycle

Designs are "locked-down". EU Journal notice for design and build has been issued; anticipated award October 2010. Currently anticipated that formal start of site will be December 2010.



Artist's Impression

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

NEIGHBOURHOOD SERVICES

Dean Ford Bridge

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m	Development		Design		Tender		Construction	
			<i>Start</i> TBC	<i>Finish</i> TBC	<i>Start</i> TBC	<i>Finish</i> TBC	<i>Start</i> TBC	<i>Finish</i> TBC	<i>Start</i> TBC	<i>Finish</i> TBC
1.000	0.022	1.000								

Expected Progress



Actual Progress



Financial Status

Expenditure in 2009/10 relates to feasibility works.

Project Life Cycle

Preliminary design work was carried out during 2009/10. It is anticipated that construction will be carried out during 2010/11.

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

NEIGHBOURHOOD SERVICES

General Projects

There are a number of minor projects due to start and finish within 2009/10.

Strategic Priorities

The final costs in relation to the CCTV Monitoring Centre and the Stewarton Community Centre were higher than originally anticipated.

Facility Improvement

The sports pavilion project has slipped by £0.816m. The Dalmellington & Bellsbank Library works have also slipped into 2010/11.

Cemetery Extensions

Work at Cumnock, Kilmaurs and New Cumnock cemeteries did not proceed as planned in 2009/10 due to new planning regulations require formal planning for all works. This work will be completed in 2010/11.

Traffic and Road Safety

A number of roads and transportation schemes including 20 Mph School Zones, Rural Improvement Schemes, Stewarton Park & Ride, Bus Real Time Information system and Decriminalisation of Parking Enforcement have slipped during 2009/10. All schemes will be completed in full during 2010/11.

Structures

A number of schemes on the bridges programme have slipped into 2010/11 resulting in an underspend of £0.285m.

Carriageways & Footways

The variance relates to additional resurfacing works that were undertaken in 2009/10 to compensate for slippage on traffic and road safety allocations.

	Revised Budget 2009/10 £m	Actual Expenditure to Date £m	Variance £m
Strategic Priorities	0.000	0.179	0.179
Facility Improvements	2.225	1.129	(1.096)
Cemetery Extension	0.576	0.246	(0.330)
Playparks	0.531	0.494	(0.037)
Traffic & Road Safety	1.933	1.044	(0.889)
Structures	1.094	0.809	(0.285)
Carriageways & Footways	2.175	2.381	0.206
Street Lighting	0.220	0.198	(0.022)
Flood Prevention Schemes	0.055	0.032	(0.023)
Depots	0.110	0.063	(0.047)
TOTAL	8.919	6.575	(2.344)

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

NEIGHBOURHOOD SERVICES

Housing Investment Programme

As at Period 13 the spend is £14.163m, which is £1.453m below budget. The underspend on the Housing Investment Programme primarily relates to external contractors for the window replacement, gas central heating and kitchen replacement programmes being unable to deliver on previously indicated activity levels. In relation to the windows programme, this has been as a direct result of manufacturing difficulties. It should also be noted that the severe weather during December and early January have also had an impact on the ability of the Building & Works service to deliver elements of the programme as staff were redirected to emergency work during this period.

Service	Revised Budget 2009/10 £m	Actual Expenditure to Date £m	Variance £m
Asbestos	0.250	0.126	(0.124)
Energy Efficiency	3.194	3.110	(0.084)
Efficient Heating	2.922	2.548	(0.374)
External Envelope Enhancement	1.409	0.981	(0.428)
Modern Facilities & Services	6.384	5.809	(0.575)
Neighbourhood Improvements	0.386	0.662	0.276
Safe & Secure Neighbourhood	0.381	0.242	(0.139)
Sheltered Housing Safety & Improvement	0.690	0.602	(0.088)
Council House Building Programme	0.000	0.083	0.083
Total Housing Expenditure	15.616	14.163	(1.453)

Asbestos

Underspend reflects difficulties delivering programme of works during 2009/10. Works will now be completed in 2010/11.

Energy Efficiency

Underspend relates to external contractors for the UPVC Window Replacement Programme being unable to deliver on the expected level of activity.

Efficient Heating

Slippage has increased on central heating replacements being undertaken by B&W due to redeployment during winter period onto emergency works.

External Envelope Enhancement

Underspend reflects difficulties delivering programme of works during 2009/10. Works will now be completed in 2010/11.

Modern Facilities and Services

Underspend reflects difficulties delivering programme of works during 2009/10. Works will now be completed in 2010/11.

Neighbourhood Improvements

Additional timber clad addresses have been included in 2009/10.

Safe and Secure Neighbourhood

Difficulties with reaching agreement with private owners on the Door Entry programme has slowed progress, resulting in slippage into 2010/11.

Sheltered Housing Safety and Improvement

Rotten joists at St Maur's Gardens has slowed the progress of the refurbishment work.

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

NEIGHBOURHOOD SERVICES

Sources of Funding

	Approved Budget 2009/10 £m	Actual Expenditure 2009/10 £m
Revenue Funding (CFCR)	5.561	6.183
Sale of Council Dwellings and Other Capital Receipts	4.888	2.083
Anticipated Borrowing	5.167	5.897
Total	15.616	14.163

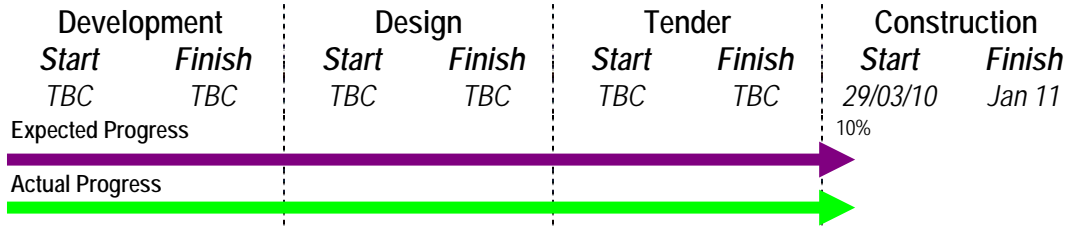
As a result of current economic conditions, the contribution to the Housing Investment Programme from capital receipts generated from council house sales is likely to be significantly less than originally anticipated. This therefore resulted in an increased borrowing requirement for the HRA in 2009/10 and beyond. However, this will be offset by higher rental income in the current year than originally anticipated and greater forecast receipts in future years after the current economic conditions have dissipated. This will continue to be kept under regular review.

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

NEIGHBOURHOOD SERVICES

Council House Building Programme – Phase 1

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m
1.000	0.083	1.000



Financial Status

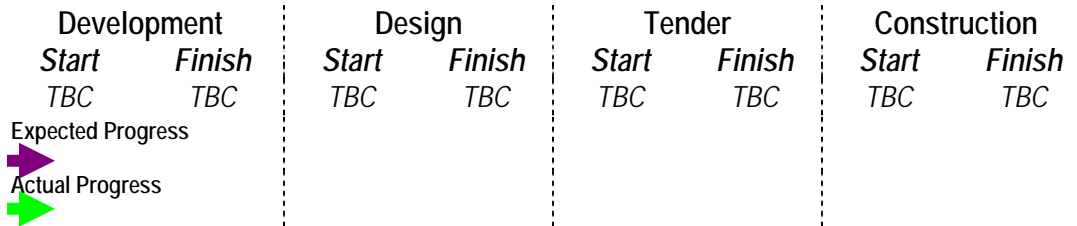
Budget is based on assumed £0.100m to construct each unit with a maximum grant of £0.025m per house.

Project Life Cycle

Project is to construct 10 new council houses on the site of the former St Matthew's Primary School. Works commenced on site 29 March 2010; due to be complete January 2011

Council House Building Programme – Phase 2

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



Financial Status

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

Project Life Cycle

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

CORPORATE SUPPORT

Capital Programme

Expenditure to date is £3.550m, which represents 98.1% of the available budget.

The small underspend relates to slippage on the Corporate Office, Health & Safety, Cumnock Town Centre Regeneration and London Road HQ projects as against phased budget, offset by costs associated with the acceleration of works associated with the fit out of the Strand Street Building.

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

CORPORATE SUPPORT

Major Projects

Council Chambers / Data Centre/London Road HQ

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m	Development		Design		Tender		Construction	
			Start	Finish	Start	Finish	Start	Finish	Start	Finish
3.900	2.279	3.900	N/A	N/A	N/A	N/A	N/A	N/A	27/07/09	13/09/10

Expected Progress

Actual Progress

60%



New Timber Joist

Financial Status

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

Project Life Cycle

Works to the Chambers are now completed, official opening 13 May 2010. Tender awarded for the data centre; with an anticipated construction start of June 2010. 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 courtyard to be completed by March 2011.

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

CORPORATE SUPPORT

Kilmarnock Town Centre Regeneration

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m
22.992	2.474	22.992

Financial Status

The budget has been revised to take account of a £1.156m award from the TCRF and £0.075m from Scottish Enterprise. However, it is anticipated that expenditure in respect of this funding will not be incurred until 2010/11.

Project Life Cycle

Strand Street – firm costs can only be established after final tenders are award in relation to the remaining elements of the main civil engineering works. Possible delays to entry.

Civic Centre – works on-going regarding proposals to clean the stonework and repair the roof.

Opera House – Works on-going to conclude a Developer Agreement.

TCRF - submissions prepared and signed 16 March 2010. Works to commence shortly.

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

CORPORATE SUPPORT

Cumnock Town Centre

Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m
14.718	2.871	14.718

Financial Status

The budget has been augmented to include the TCRF funding award of £0.749m, which has to be spent by 31 March 2010.

Project Life Cycle

Office / Retail Development

Due to the acquisition by negotiation of the remaining site required for the office, the CPO application was no longer required. Cottages have now been demolished. Discussions are on-going with existing tenants and owner occupiers within the Glaisnock Shopping Centre with regard to the future development of the site. Details of vacant properties in Townhead Street have been passed to the tenants / owners as an opportunity to relocate. 44 / 46 Townhead Street anticipated to be demolished May 2010, completed by June 2010. Currently progressing technical information to enable the discharge of the relevant planning condition, prior to work commencing on site.

TCRF Bid – full funding allocation received in relation to the TCRF public realm improvements. Contractor has started on site; car park on former burgh yard anticipated completion end May 2010.

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

CORPORATE SUPPORT

Corporate Support General Projects

As at Period 13, there was some slippage on the Backup Data Centre project.

	Revised Budget 2009/10 £m	Actual Expenditure to Date £m	Variance £m
Corporate Information Technology	1.440	1.271	(0.169)
TOTAL	1.440	1.271	(0.169)

2009/2010 FINANCE AND SERVICE STRATEGY OUTTURN REPORT TO 31 MARCH 2010

FINANCE & ASSET MANAGEMENT

Capital Programme

Expenditure to date is £1.082m, which represents 150.3% of the available budget.

	Revised Budget 2009/10 £m	Actual Expenditure to Date £m	Variance £m
Contingency Funding	0.000	0.000	0.000
Corporate Office Accommodation	0.720	0.000	(0.720)
Vehicle Procurement	0.000	1.082	1.082
TOTAL FINANCE AND ASSET MANAGEMENT	0.720	1.082	0.362

Contingency Funding

All of the contingency funding has been reallocated to projects during the financial year.

Corporate Office Accommodation

The remaining balance on the Health & Safety / DDA budgets and Corporate Office budgets are not currently committed against any schemes.

Vehicle Procurement

Following option appraisals, vehicles costing £1.082m will be purchased rather than leased.

Vehicle Details	Dept	Cost £m
2 Mercedes Econic Refuse Collection Vehicles	Neighbourhood Services	0.260
1 Crafter Panel Van	Neighbourhood Services	0.029
3 Volkswagen T5 Panel Vans	Neighbourhood Services	0.051
1 Scarab Minor Hydrostatic Sweeper	Neighbourhood Services	0.069
9 Citroen Nemo Vans	Neighbourhood Services	0.080
6 Euro 4 FALF Tipper /Gritter / Skip vehicles	Neighbourhood Services	0.462
1 Citroen C4 Picasso	Educational and Social Services	0.016
2 Jacobsen LF3800 Fairway Mowers	Neighbourhood Services	0.058
Volkswagen Van	Corporate Support	0.011
2 Toro Greenmasters	Neighbourhood Services	0.046
Total		1.082