

EAST AYRSHIRE COUNCIL

COMMUNITY SERVICES COMMITTEE – 1 FEBRUARY 2006

BUDGETARY CONTROL SUMMARY STATEMENT REFUSE COLLECTION AND STREET CLEANSING TO 11th DECEMBER 2005 (PERIOD 9)

Joint Report by Executive Head of Finance and Executive Director of Neighbourhood Services

1. PURPOSE OF REPORT

- 1.1 To advise Members of the current budgetary control position and the projected out-turn for the year for Refuse Collection and Street Cleansing for the period ended 11th December 2005 (Period 9).

2. OVERALL POSITION

- 2.1 The following report relates to service costs and income controlled by the department and includes rechargeable costs for central service charges, FRS 17 pension accounting adjustments and capital charges. The performance to date and projected out-turn for each service is detailed separately within this report.

2.2 Projected Out-turn

The projected out-turn for Refuse Collection is a surplus of £14,570 and the projected out-turn for Street Cleansing is a surplus of £5,755 at 31st March 2006.

2.3 Refuse Collection Budget Performance to Period 9

The position to date at period 9 is a year to date deficit of £239,209 compared to a budgeted position of year to date deficit of £220,302. This is mainly due to the timing of income and expenditure. The projected outturn for the year is a surplus of £14,570, which is £10,430 less than the annual budgetary surplus of £25,000. Projected savings on vehicle running and maintenance costs and manual worker costs are partially offset by an interest on revenue balances charge. A provision of £21,410 for FRS 17 pension accounting entries which are required to be included in the Council's year-end financial statements is anticipated.

2.4 Street Cleansing Budget Performance to Period 9

The position to date at period 9 is a year to date deficit of £127,892 compared to a budgeted position of year to date deficit of £213,293. This is mainly due to the timing of income and expenditure. The projected outturn for the year is a surplus of £5,755, which is £14,245 less than the annual budgetary surplus of £20,000. Additional income in relation to CRF, BNSF and Quality of Life Hit Squads is offset by costs relating to CRF Hit Squad, early retiral costs, an adverse interest on revenue balances position and an anticipated increase in capital charges. Additional deep cleaning projects will also be undertaken. A provision of £14,245 for FRS 17 pension accounting entries which are required to be included in the Council's year-end financial statements is anticipated.

2.5 Summary of Subjective Costs – Refuse Collection

Budget Expend to 11-Dec-05 Period 9	Actual Expend to 11-Dec-05 Period 9		Annual Estimate 2005-06	Projected Actual 2005-06	Variance
£	£		£	£	£
(1,644,922)	(1,554,552)	INCOME	(2,924,920)	(2,926,300)	(1,380)
1,070,806	1,011,657	LABOUR COSTS	1,583,925	1,576,145	(7,780)
735,805	732,628	OTHER DIRECT COSTS	1,116,260	1,104,900	(11,360)
58,613	49,476	OVERHEADS	199,735	209,275	9,540
220,302	239,209	TOTAL	(25,000)	(35,980)	(10,980)
0	0	PENSION ACCOUNTING ADJUSTMENT	0	21,410	21,410
220,302	239,209	SURPLUS INCLUDING PENSION ACCOUNTING ADJUSTMENT	(25,000)	(14,570)	10,430

2.6 Summary of Subjective Costs – Street Cleansing

Budget Expend to 11-Dec-05 Period 9	Actual Expend to 11-Dec-05 Period 9		Annual Estimate 2005-06	Projected Actual 2005-06	Variance
£	£		£	£	£
(1,045,233)	(1,098,165)	INCOME	(1,889,856)	(2,021,896)	(132,040)
909,989	876,700	LABOUR COSTS	1,325,492	1,384,682	59,190
311,267	313,383	OTHER DIRECT COSTS	429,999	473,899	43,900
37,270	30,974	OVERHEADS	114,365	143,315	28,950
213,293	127,892	TOTAL	(20,000)	(20,000)	0
0	0	PENSION ACCOUNTING ADJUSTMENT	0	14,245	14,245
213,293	127,892	SURPLUS INCLUDING PENSION ACCOUNTING ADJUSTMENT	(20,000)	(5,755)	14,245

3. RECOMMENDATIONS

3.1 It is recommended that Members note the contents of this report.

Alex McPhee
Executive Head of Finance

William Stafford
Executive Director
Neighbourhood Services of

WS/PW

16th January 2006

LIST OF BACKGROUND PAPERS

NIL

Implementation officer – william.stafford@east-ayrshire.gov.uk