

EAST AYRSHIRE COUNCIL

COMMUNITY SERVICES COMMITTEE – 10th NOVEMBER 2004

BUDGETARY CONTROL SUMMARY STATEMENT NEIGHBOURHOOD SERVICES (LEISURE AND PROTECTIVE SERVICES) TO 19th SEPTEMBER 2004 (PERIOD 6)

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 Neighbourhood Services (Leisure and Protective Services) for the period ended 19th September 2004 (Period 6).

2. OVERALL POSITION

- 2.1 The following report relates to service costs and income directly controlled by the service and excludes rechargeable costs for central services charges and debt charges.
- 2.2 The Neighbourhood Services (Leisure and Protective Services) annual budget at 1st April 2004, £45,230,300, has reduced by £45,290 to £45,185,010 at Period 6. This is largely due to adjustments to budgeted precepts to Joint Boards and adjustments associated with the restructuring of services at 1st April 2004. Additional budget of £132,000 has been received in relation to Youth Justice – Anti Social Behaviour.

2.3 Projected Out-turn

Based on all available information, it is currently projected that Neighbourhood Services (Leisure and Protective Services) will out-turn on budget at £45,185,010.

2.4 Budget Performance to Period 6

Actual expenditure to date amounts to £20,391,958 and represents 45.13% of the estimated expenditure for the year. Year-to-date variances have been analysed and are mainly attributable to timing of expenditure and receipt of income in advance of expenditure. Reasons for anticipated variances are highlighted in section 3 of this report.

2.5 Summary of Objective Costs

Actual Expend to 19-Sept-04 Period 6	Actual As % of Annual Estimate		Annual Estimate 2004-05	Projected Actual 2004-05	Variance (Favourable)/ Adverse
£	£		£	£	£
160,329	46.8%	Central Management Support	342,752	353,497	10,745
4,199,244	45.5%	Leisure Service	9,222,270	9,220,470	(1,800)
652,431	46.1%	Environmental Service	1,414,993	1,364,806	(50,187)
2,341,829	34.7%	Waste Management	6,754,368	6,842,274	87,906
198,133	43.7%	Trading Standards	453,596	453,596	0
68,044	39.6%	Chemist & Analyst	171,986	171,986	0
54,648	15.7%	Licensing	348,092	315,461	(32,631)
16,548	24.1%	Emergency Plan	68,803	54,770	(14,033)
12,251,082	46.4%	Joint Boards	26,408,150	26,408,150	0
449,670	0.0%	Strategic Waste Fund	0	0	0
20,391,958	45.13%	TOTAL	45,185,010	45,185,010	0

2.6 Summary of Subjective Costs

Actual Expend to 19-Sept-04 Period 6	Actual As % of Annual Estimate		Annual Estimate 2004-05	Projected Actual 2004-05	Variance (Favourable)/ Adverse
£	£		£	£	£
3,179,511	45.1%	Employee Costs	7,053,956	7,056,490	2,534
459,616	35.7%	Premises Costs	1,286,440	1,307,037	20,597
316,889	44.6%	Transport Related Costs	709,870	703,732	(6,138)
886,890	42.7%	Supplies & Services	2,078,378	2,128,972	50,594
17,230,680	44.2%	Third Party Payments	38,944,977	38,965,964	20,987
0	0.0%	Transfer Payments	0	0	0
22,073,586	44.1%	TOTAL EXPENDITURE	50,073,621	50,162,195	88,574
(1,681,628)	34.4%	Income	(4,888,611)	(4,977,185)	(88,574)
20,391,958	45.1%	NET EXPENDITURE	45,185,010	45,185,010	0

3. ANALYSIS OF VARIANCES

3.1 Employee Costs

It is anticipated that an adverse variance of £2,534 will occur at the year-end. This is largely due to staffing arrangements within Local Offices and difficulty in achieving staff turnover. This is offset by managed savings in other areas such as Environmental Services and Emergency Planning.

Additional staff costs within Community Safety relate to additional CCTV operators and support staff. These costs will be met from grant income (see 3.6 below).

3.2 **Premises Costs**

A net adverse year-end variance of £20,597 is projected. This is due to higher than anticipated expenditure on Non-Domestic Rates, trade refuse collection and depot charges within Leisure Services. This is partially offset by a projected saving on energy and rates costs within Public Conveniences and Trading Standards.

3.3 **Transport Related Costs**

A favourable variance of £6,138 is projected at the year-end. This relates to a saving on car leasing costs within Environmental Services. This is partially offset by external hire costs within Waste Management and Leisure and leased vehicle costs within Central Management Support. Additional car mileage allowances within Community Safety shall be met from grant income (see 3.6 below).

3.4 **Supplies & Services**

An adverse year-end variance of £50,594 is projected. This mainly reflects anticipated expenditure on Community Safety and schools environmental initiatives, which will be offset by grant income (see 3.6 below).

Reduced expenditure on Leisure catering reflects lower income figures (see 3.6 below).

3.5 **Third Party Payments**

An unfavourable variance of £20,987 is projected at the year-end. This is partly attributable to the later than anticipated cessation of a recycling initiative.

Expenditure on projects within Dean Castle Country Park will be offset by additional grant income (see 3.6 below).

3.6 **Income**

The projected favourable variance of £88,574 is attributable to the receipt of grant funding for projects being undertaken at Dean Castle Country Park and for Community Safety and schools environmental initiatives. These are offset by increased expenditure above. Additional income is anticipated from CCTV grant.

This is partially offset by lower than anticipated Trading Standards income in relation to petrol pumps and weighbridges. This reflects increased competition. It is also expected that Other Fees and Charges and Pest Destruction income within Environmental Services and Waste Management will be lower than budgeted.

4. RECOMMENDATIONS

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

Alex McPhee
Executive Head of Finance

William Stafford
**Executive Director of
Neighbourhood Services**

WS/PW

14th October 2004

LIST OF BACKGROUND PAPERS

NIL

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