

EAST AYRSHIRE COUNCIL

COMMUNITY SERVICES COMMITTEE – 15th SEPTEMBER 2004

BUDGETARY CONTROL SUMMARY STATEMENT COMMUNITY SERVICES TO 25th JULY 2004 (PERIOD 4)

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 25th July 2004 (Period 4).

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 £177,286 to £45,053,014 at Period 4. This is largely due to adjustments to budgeted precepts to Joint Boards and adjustments associated with the restructuring of services at 1st April 2004.

2.3 Projected Out-turn

Based on all available information, it is currently projected that Neighbourhood Services (Leisure and Protective Services) will out-turn at £45,085,223, which is £32,209 greater than the revised annual estimate for the year.

2.4 Budget Performance to Period 4

Actual expenditure to date amounts to £10,701,588 and represents 23.8% 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. Such timing variances should level out over the year, but if this is not the case reasons for the anticipated variances are highlighted in section 3 of this report.

2.5 Summary of Objective Costs

Actual Expend to 25-Jul-04 Period 4	Actual As % of Annual Estimate		Annual Estimate 2004-05	Projected Actual 2004-05	Variance (Favourable)/ Adverse
£	£		£	£	£
98,225	28.7%	Central Management Support	342,751	327,412	(15,339)
2,471,548	26.8%	Leisure Service	9,222,270	9,260,983	38,713
465,949	32.9%	Environmental Service	1,414,993	1,414,547	(446)
1,407,013	20.8%	Waste Management	6,754,368	6,773,693	19,325
130,050	28.7%	Trading Standards	453,600	461,868	8,268
54,395	31.6%	Chemist & Analyst	171,990	171,986	(4)
(65,155)	-30.2%	Licensing	216,092	205,340	(10,752)
11,973	17.4%	Emergency Plan	68,800	61,244	(7,556)
5,400,016	20.4%	Joint Boards	26,408,150	26,408,150	0
727,574	0.0%	Strategic Waste Fund	0	0	0
10,701,588	23.8%	TOTAL	45,053,014	45,085,223	32,209

2.6 Summary of Subjective Costs

Actual Expend to 25-Jul-04 Period 4	Actual As % of Annual Estimate		Annual Estimate 2004-05	Projected Actual 2004-05	Variance (Favourable)/ Adverse
£	£		£	£	£
2,121,124	29.7%	Employee Costs	7,152,432	7,198,278	45,846
332,037	25.4%	Premises Costs	1,305,990	1,316,206	10,216
284,973	39.2%	Transport Related Costs	726,268	733,847	7,579
555,037	27.8%	Supplies & Services	2,000,074	2,138,272	138,198
8,055,122	20.1%	Third Party Payments	38,793,711	38,844,937	51,226
0	0.0%	Transfer Payments	0	0	0
11,348,293	22.7%	TOTAL EXPENDITURE	49,978,475	50,231,540	253,065
(646,705)	13.1%	Income	(4,925,461)	(5,146,317)	(220,856)
10,701,588	23.8%	NET EXPENDITURE	45,053,014	45,085,223	32,209

3 ANALYSIS OF VARIANCES

3.1 Employee Costs

It is anticipated that an adverse variance of £45,846 will occur at the year-end. This is largely due to staffing arrangements within Local Offices.

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 £10,216 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 costs within Environmental Services.

3.3 Transport Related Costs

An unfavourable variance of £7,579 is projected at the year-end. This relates to external hire costs within Waste Management 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 £138,198 is projected. Of this amount £113,940 reflects anticipated expenditure on Community Safety initiatives, which will be offset by grant income (see 3.6 below).

Additional expenditure on the purchase of equipment for resale and on the visitor centre at Dean Castle Country Park along with community events, and publicity and promotion should generate additional income.

3.5 Third Party Payments

An unfavourable variance of £51,226 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 £220,856 is attributable to the receipt of grant funding for projects being undertaken at Dean Castle Country Park and for Community Safety 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 Cleansing 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

25th August 2004

LIST OF BACKGROUND PAPERS

NIL

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