

EAST AYRSHIRE COUNCIL

DEVELOPMENT SERVICES COMMITTEE – 10 MARCH 2004

**BUDGETARY CONTROL SUMMARY STATEMENT
DEVELOPMENT SERVICES TO 14 DECEMBER 2003 (PERIOD 9)**

**Joint Report by Director of Finance
and Director of Development 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 the Development Services Department, for the period ended 14 December 2003 (Period 9).

2 OVERALL POSITION

- 2.1** The following report relates to service costs and income directly controlled by the department and excludes rechargable costs for central services charges and capital charges.

2.2 Budget Performance to Period 9

The total expenditure to date amounts to £8,969,655 compared to a budget of £9,008,588, resulting in the actual expenditure being less than the budget by £38,933. The budget to 14 December 2003 is based on standard phasing for each period of expenditure and income, except where the Service Department has indicated otherwise. Period variances are highlighted at Item 3.

2.3 Projected Out-turn

The projected out-turn for the year is £13,764,041, being a decrease of £15,000 over the annual estimate.

2.4 Summary of Objective Costs

	Budget Expend to 14-Dec-03 Period 9	Actual Expend to 14-Dec-03 Period 9	Variance Expend to 14-Dec-03 Period 9	Annual Estimate 2003-04	Projected Actual 2003-04	Variance	
	£	£	£	£	£	£	%
Economic Development	1,351,639	1,351,639	0	1,854,224	1,854,224	0	0
Planning & Building Control	478,114	441,946	(36,168)	869,255	813,255	(56,000)	(6)
Property	(642,712)	(639,884)	2,828	223,434	223,434	0	0
Roads & Transportation	7,821,547	7,815,954	(5,593)	10,832,128	10,873,128	41,000	0
TOTAL EXPENDITURE	9,008,588	8,969,655	(38,933)	13,779,041	13,764,041	(15,000)	(0)

2.5 Development Services - Summary of Subjective Costs

	Budget Expend to 14-Dec-03 Period 9	Actual Expend to 14-Dec-03 Period 9	Variance Expend to 14-Dec-03 Period 9	Annual Estimate 2003-04	Projected Actual 2003-04	Variance	
	£	£	£	£	£	£	%
Employee Costs	3,287,881	3,301,528	13,647	4,704,303	4,704,303	0	0
Premises Costs	237,524	243,623	6,099	365,886	369,518	3,632	1
Transport Related Costs	219,889	219,200	(689)	365,373	365,373	0	0
Supplies & Services	643,760	718,836	75,076	1,833,302	1,901,312	68,010	4
Third Party Payments	7,973,196	7,973,194	(2)	11,598,519	11,643,803	45,284	0
Transfer Payments	0	0	0	0	0	0	
TOTAL EXPENDITURE	12,362,250	12,456,381	94,131	18,867,383	18,984,309	116,926	1
Income	(3,353,662)	(3,486,726)	(133,064)	(5,088,342)	(5,190,268)	(101,926)	2
NET EXPENDITURE	9,008,588	8,969,655	(38,933)	13,779,041	13,794,041	15,000	0

3. ANALYSIS OF VARIANCES

3.1 Employee Costs

The current unfavourable variance of £13,647 on employee costs relates primarily to additional overtime costs incurred by Roads & Transportation required to carry out supervision at the A76 Crossroads junction. However, these costs are recoverable from the Scottish Executive. The overspend on overtime costs is also offset to some extent by vacant posts within Economic Development and Planning & Building Control which have not yet been filled. Overall, it is anticipated that employee costs will out-turn in line with estimate.

3.2 Premises Related Expenditure

The current unfavourable variance of £6,099 relates to emergency repairs costs in relation to Bridge Street, Muirkirk and Littlemill School House, Rankinston, and an increase in rates payable due to vacant properties. However, it should be noted that the emergency repairs costs may be recoverable from the property owners if identified. Overall, it is anticipated that expenditure will outturn slightly above budget for the year.

3.3 Supplies and Services

The unfavourable variance on Supplies and Services of £75,076 relates primarily to overspends on material costs (£42,883) within Road & Transportation, consultancy fees (£16,183) within Economic Development and higher than anticipated costs in relation to professional fees and general office expenditure (£14,202) within Planning and Building Control due to the significant increase in application numbers. However, the overspends on material costs are most likely due to additional rechargeable works undertaken by the Roads Department which are therefore offset by the income received. Similarly, the additional costs incurred by Planning and Building Control can be offset by increased fee income. Overall, it is anticipated that expenditure will outturn above budget by approximately £68,000 by the year-end.

3.4 Third Party Payments

As at Period 10, expenditure on third party payments has been contained within budget. However, overall it is anticipated that expenditure will out-turn £45,284 above budget by the year-end due to unexpected additional costs of £41,000 relating to the changes in the General Levy distribution methodology introduced by the Strathclyde Passenger Transport (SPT) mid-year, and higher than expected costs in relation to cleaning at Kilmarnock and Cumnock Bus Stations.

3.5 Income

The current favourable variance on income of £113,064 primarily relates to Building Warrant and Planning Application Fees that have exceed expectations to date. Income recoveries for rechargeable works undertaken by Roads are also above expectations. It is anticipated that overall income will out-turn above the budgeted position for the year.

4 RECOMMENDATION

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

Alex McPhee
Director of Finance

Stephen Chorley
Director of Development Services

26 February 2004

LIST OF BACKGROUND PAPERS

NIL