

EAST AYRSHIRE COUNCIL

HOUSING COMMITTEE – 25 JANUARY 2006

**BUDGETARY CONTROL SUMMARY STATEMENT
BUILDING AND WORKS
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 Building and Works 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, FRS17 pension accounting adjustments and capital charges. The performance to date and projected out-turn is detailed separately within this report.

2.2 Projected Out-turn

The projected out-turn for Building and Works is a surplus of £2,050,430 at 31st March 2006 and is £1,360,200 above the annual budget. It is anticipated that income will outturn £2,011,350 above budget due to additional income from Technical Services and Housing. Sub-Contractors are projected to outturn £182,090 over budget due to the additional work noted above. Other Direct Costs are projected to outturn £235,640 above budget due also to the additional work noted above. Overheads are projected to outturn £105,020 above budget. This is due mainly to increased Central Administration costs arising from operational requirements along with a charge for Interest on Revenue Balances for which there is no provision in the budget.

2.3 Budget Performance to Period 9

The position to date at period 9 is a year to date surplus of £1,743,580 compared to a budgeted position of a year to date surplus of £314,890.

2.4 Summary of Subjective Costs

Phased Budget to 11/12/05	Actual Exp. To 11/12/05	Detail	Annual Estimate 2005/06	Projected Actual to 31/3/06	Variance (Favourable) / Adverse
(11,860,880)	(13,736,060)	INCOME	(17,520,000)	(19,531,350)	(2,011,350)
5,494,900	5,495,460	LABOUR COSTS	7,923,580	7,947,930	24,350
1,921,610	2,080,480	SUB CONTRACTORS	2,827,520	3,009,610	182,090
3,526,900	3,746,960	OTHER DIRECT COSTS	5,209,570	5,445,210	235,640
602,580	669,580	OVERHEADS	869,100	974,120	105,020
(314,890)	(1,743,580)	SURPLUS	(690,230)	(2,154,480)	(1,464,250)
0	0	PENSION ACCOUNTING ADJUSTMENT	0	104,050	104,050
(314,890)	(1,743,580)	SURPLUS INCLUDING PENSION ACCOUNTING ADJUSTMENT	(690,230)	(2,050,430)	(1,360,200)

3 RECOMMENDATIONS

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

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Executive Head of Finance

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Executive Director of Neighbourhood Services

9 January 2006

LIST OF BACKGROUND PAPERS NIL

For further information please contact William Stafford, Executive Director of Neighbourhood Services on 01563 556023