

EAST AYRSHIRE COUNCIL

POLICY AND RESOURCES COMMITTEE – 7 FEBRUARY 2007

BUDGETARY CONTROL SUMMARY STATEMENT POLICY AND RESOURCES (CORPORATE SUPPORT)

Joint Report by Executive Head of Finance and Executive Director of Corporate Support

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 services within the remit of Policy and Resources (Corporate Support).

2 OVERALL POSITION

- 2.1 The following report relates to services and income directly controlled by the department and excludes rechargeable costs for central services charges and debt charges.

2.2 Projected Out-turn

There is a favourable variance of £0.298m anticipated to 31 March 2007 for the Department of Corporate Support. The projected out-turn figures represent the views of the Executive Director and are based on all currently available information.

2.3 Summary of Objective Costs

Actual Exp. To 10/12/06 £m	Actual Exp. To P9 as % of Annual Estimate	Service Division	Annual Estimate 2006/07 £m	Projected Actual to 31/3/07 £m	Variance (Favourable / Adverse £m)
0.312	65.6%	CHIEF EXECUTIVE OFFICE	0.473	0.458	(0.015)
0.220	74.8%	CENTRAL MANAGEMENT SUPPORT	0.295	0.295	0
0.443	56.8%	CORPORATE DEVELOPMENT & COMMUNICATION	0.779	0.719	(0.060)
0.834	67.2%	PERSONNEL	1.241	1.241	0
1.446	66.4%	LEGAL & ADMINISTRATION	2.179	2.139	(0.040)
1.878	62.8%	INFORMATION TECHNOLOGY	2.990	2.960	(0.030)
2.050	51.7%	FINANCE	3.963	3.810	(0.153)
0.059	152.6%	OTHER	0.039	0.039	0
-	-	INCOME RECOVERED FROM OUTWITH GENERAL FUND	(2.234)	(2.234)	0
7.242	74.5.8%	TOTAL	9.725	9.427	(0.298)

2.4 Summary of Subjective Codes

Actual Exp. To 10/12/06 £m	Actual Exp. To P9 as % of Annual Estimate	Detail	Annual Estimate 2006/07 £m	Projected Actual to 31/3/07 £m	Variance (Favourable) / Adverse £m
7.600	66.6%	EMPLOYEE COSTS	11.419	11.224	(0.195)
0.003	15.7%	PREMISES COSTS	0.020	0.020	0
0.043	48.6%	TRANSPORT COSTS	0.089	0.081	(0.008)
1.635	58.2%	SUPPLIES & SERVICES	2.809	2.924	0.115
0.034	20.0%	THIRD PARTY PAYMENTS	0.171	0.141	(0.030)
9.315	64.2%	TOTAL EXPENDITURE	14.508	14.390	(0.118)
(2.073)	81.3%	INCOME	(2.549)	(2.729)	(0.180)
7.242	60.6%	TOTAL	11.959	11.661	(0.298)
-	-	INCOME RECOVERED FROM OUTWITH GENERAL FUND	(2.234)	(2.234)	0
7.242	74.5%	NET EXPENDITURE	9.725	9.427	(0.298)

3 ANALYSIS OF VARIANCES

3.1 Chief Executive's Office

Employee Costs are anticipated to be £0.015m underspent at 31 March 2007 due to a delay in filling of vacancies.

3.2 Central Management Support

There are no material variances to report at this time.

3.3 Corporate Development and Communication

Employee Costs are anticipated to be £0.030m underspent at 31 March 2007 due to a delay in filling of vacancies. In addition, the level of radio advertising and media publications to date has fallen from last year and results in a variance of £0.030m. However, it should be noted that there may be a requirement to supplement the commitment set aside for information delivery and awareness regarding the change to proportional representation for the forthcoming council election.

3.4 Personnel

The Skills Training Unit is anticipating a surplus as income targets are higher than expected from Scottish Enterprise Ayrshire of approximately £0.030m. However, a pilot project set up for Managing Absence which will cost in the region of £0.030m, will offset this.

3.5 Legal and Administration Services

It is anticipated there will be a favourable variance of £0.040m as at 31 March 2007. This variance is principally due to higher than expected income, particularly Legal Fees, Court Fines and Licensing Board Permits/Licences, offsetting early retiral costs which arose in year and legal costs shared with Development and Property Services, in relation to a public enquiry and professional advice in respect of the Dumfries House and the wind farm at South Kyle Forest.

3.6 Information Technology

Delays in the implementation of e-Procurement result in less than anticipated expenditure this year on associated project costs. However, essential expenditure has been highlighted in relation to training requirements prior to implementation and has been offset, resulting in the net £0.030m variance shown.

3.7 Finance

There is an anticipated favourable variance of £0.153m as at 31 March 2007, having met significant expenditure on financial and other information systems, originally planned to be met from balances. This expenditure has been offset against underspends on Employee and Transport Costs as well as additional income received from Scottish Water for improved collection rates and additional DWP income.

3.8 Other

There are no anticipated material variances to report.

3.9 Community Regeneration Fund (CRF) & Community Voices Programme (CVP)

The Community Regeneration Fund (CRF)/Community Voices Programme (CVP) budget for 2006-07 is £5.182m and falls within the remit of the Executive Director of Corporate Support. This is 100% grant funded by Communities Scotland and includes an element of carry forward from 2005-06 of £0.535m.

Due to slippage on the Shortlees/Riccanton Neighbourhood Services Centre project and planned carry forward of the Community Planning Partnership Unit (CPPU) allocation, £1.035m has been agreed with Communities Scotland as carry forward to 2007-08.

4 USE OF DEPARTMENTAL BALANCES

4.1 No further draw down from balances is required at this time.

5 FINANCIAL/LEGAL/POLICY IMPLICATIONS

Nil

6 RECOMMENDATIONS

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

Alex McPhee
Executive Head of Finance

Elizabeth Morton
Executive Director of Corporate Support

KM
10 January 2007

LIST OF BACKGROUND PAPERS
NIL

Members wishing further information should contact Kirstin Muir, Financial Services Manager – Corporate Support, Tel: (01563) 576433.