

# EAST AYRSHIRE COUNCIL

## POLICY AND RESOURCES COMMITTEE – 28 MARCH 2007

### BUDGETARY CONTROL SUMMARY STATEMENT POLICY AND RESOURCES (CENTRAL SERVICES)

#### Report by Executive Head of Finance

## 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 (Central Services).

## 2 OVERALL POSITION

- 2.1 The figures in the following report exclude rechargeable costs for central services charges and debt charges.

### 2.2 Projected Out-turn

There is currently an adverse variance of £0.079m anticipated at 31 March 2007. The projected out-turn figures reflect the views of service directors and are based on all currently available information. The figures shown take account of the reallocation of budgets approved by the Special Policy and Resources Committee on 16 October 2006.

### 2.3 Summary of Objective Codes

Actual Exp. To 4/2/07 £m	Actual Exp. To P11 as % of Annual Estimate	Service Division	Annual Estimate 2006/07 £m	Projected Actual to 31/3/07 £m	Variance (Favourable) / Adverse £m
0.660	78.5%	DEMOCRATIC PROCESS	0.842	0.832	(0.010)
34.976	79.2%	HOUSING & COUNCIL TAX BENEFIT SUBSIDY EXPENDITURE	44.163	44.163	0
2.472	29.4%	MISCELLANEOUS SERVICES	8.403	8.492	0.089
-	-	INCOME RECOVERED FROM OUTWITH GENERAL FUND	(0.749)	(0.749)	0
38.108	72.4%	TOTAL	52.659	52.738	0.079

### 2.4 Summary of Subjective Codes

Actual Exp. To 4/2/07 £m	Actual Exp. To P11 as % of Annual Estimate	Detail	Annual Estimate 2006/07	Projected Actual to 31/3/07	Variance (Favourable) / Adverse
1.307	84.4%	EMPLOYEE COSTS	1.549	2.490	0.941
0.016	63.8%	TRANSPORT COSTS	0.026	0.026	0
1.233	48.3%	SUPPLIES & SERVICES	2.556	2.245	(0.311)
0.576	11.3%	THIRD PARTY PAYMENTS	5.114	4.563	(0.551)
34.976	79.2%	HOUSING & COUNCIL TAX BENEFIT SUBSIDY	44.163	44.163	0
38.108	72.4%	TOTAL EXPENDITURE	53.408	53.487	0.079
-	-	INCOME	-	-	-
38.108	72.4%	TOTAL	53.408	53.487	0.079
-	-	INCOME RECOVERED FROM OUTWITH GENERAL FUND	(0.749)	(0.749)	0
38.108	72.4%	NET EXPENDITURE	52.659	52.738	0.079

### **3 ANALYSIS OF VARIANCES**

#### **3.1 Democratic Process**

General efficiencies on this heading result in a favourable variance of £0.010m at the end of the year.

It should be noted that the Scottish Executive have indicated that there will be no additional resources made available to local authorities towards the introduction of salaried Elected Members in 2007/08. The Executive has indicated that it expects that the effects of this national initiative will be broadly cost neutral with some offsetting savings being achieved through the new expenses arrangements. If additional costs are evident, however, they will require to be met from reserves for 2007/08.

#### **3.2 Housing and Council Tax Benefit Subsidy**

There are no material variances to report at this time.

#### **3.3 Miscellaneous Services**

Miscellaneous Services expenditure is, by its nature, less predictable than other areas, and this period an adverse variance of £0.089m is forecast. The sum retained against Energy Efficiency remains unutilised amounting to £0.551m. However redundancy costs of £0.965m arising from the closure of Cessnock Gardens and Rosebank as a result of the implementation of the Strategic Direction of Older Peoples Services in East Ayrshire (2006-2011) have been charged here.

### **4 FINANCIAL/LEGAL/POLICY IMPLICATIONS**

Nil

### **5 RECOMMENDATIONS**

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

Alex McPhee  
**Executive Head of Finance**

KM  
8 March 2007

### **LIST OF BACKGROUND PAPERS NIL**

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