

# EAST AYRSHIRE COUNCIL

## POLICY AND RESOURCES COMMITTEE – 28 MARCH 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 £0.347m 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 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
0.382	80.6%	CHIEF EXECUTIVE OFFICE	0.474	0.459	(0.015)
0.257	87.1%	CENTRAL MANAGEMENT SUPPORT	0.295	0.295	0
0.545	70.0%	CORPORATE DEVELOPMENT & COMMUNICATION	0.778	0.718	(0.060)
1.026	82.7%	PERSONNEL	1.241	1.241	0
1.763	80.9%	LEGAL & ADMINISTRATION	2.179	2.139	(0.040)
2.432	76.4%	INFORMATION TECHNOLOGY	3.182	3.152	(0.030)
3.013	76.0%	FINANCE	3.963	3.761	(0.202)
0.073	187.1	OTHER	0.039	0.039	0
-	-	INCOME RECOVERED FROM OUTWITH GENERAL FUND	(1.886)	(1.886)	0
9.491	92.5%	TOTAL	10.265	9.918	(0.347)

## 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 £m	Projected Actual to 31/3/07 £m	Variance (Favourable) / Adverse £m
9.314	81.6%	EMPLOYEE COSTS	11.414	11.199	(0.215)
0.005	25.1%	PREMISES COSTS	0.020	0.011	(0.009)
0.050	55.9%	TRANSPORT COSTS	0.089	0.081	(0.008)
2.226	74.1%	SUPPLIES & SERVICES	3.006	3.111	0.105
0.050	29.0%	THIRD PARTY PAYMENTS	0.171	0.141	(0.030)
11.645	79.2%	TOTAL EXPENDITURE	14.700	14.543	(0.157)
(2.154)	84.5%	INCOME	(2.549)	(2.739)	(0.190)
9.491	78.1%	TOTAL	12.151	11.804	(0.347)
-	-	INCOME RECOVERED FROM OUTWITH GENERAL FUND	(1.886)	(1.886)	0
9.491	92.5%	NET EXPENDITURE	10.265	9.918	(0.347)

## 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, this may be utilised to meet the cost of additional external assistance procured in respect of town centre regeneration and to supplement the commitment already set aside for information delivery and awareness regarding the change to proportional representation for the forthcoming 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. Having met Further Education commitments this year it is still possible to meet consultancy costs of essential training required for the Councils payroll/personnel system.

### 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. In addition, as agreed at the January Licensing Board a contribution of £0.010m has been made towards a Bottle Marking Initiative to tackle underage drinking.

**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 £0.202m 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, Premises 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)**

Having notified Communities Scotland of carry forward of £1.035m of funding, the revised Community Regeneration (CRF)/Community Voices Programme (CVP) budget for 2006-07 is £4.147m falling within the remit of the Executive Director of Corporate Support and is fully committed to the year end.

Although part of P&R Central – Miscellaneous Services, £0.065 is also within the remit of the Executive Director of Corporate Support, and has been fully allocated by the Community Planning Partnership.

Funding also received in respect of young people Not in Education, Employment or Training (NEET) £0.400m and Financial Inclusion £0.280m have been notified to the Department of Education and Social Services and both elements are fully committed. Similarly, New Futures funding of £0.030m was remitted to the Department of Development and Property Services and is fully committed.

**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  
8 March 2007

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

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