

EAST AYRSHIRE COUNCIL

POLICY AND RESOURCES COMMITTEE – 15 NOVEMBER 2005

BUDGET REALIGNMENT – RENTAL INCOME – DISPOSALS

Report by Executive Director of Development and Property Services

1 PURPOSE OF REPORT

- 1.1 For Committee to consider making an adjustment to the Rental Income Budget of Development and Property Services, for properties that have been disposed of.

2 BACKGROUND

- 2.1 The present accounting procedures for dealing with property disposals are that all non-housing capital receipts are credited to the Council's central fund irrespective of which department held the property originally.
- 2.2 Notwithstanding the above, no adjustment is made to Development and Property Services annual rent receivable budget in respect of the loss of rent from generating properties that are disposed of.
- 2.3 As a result of the above, the Department is penalised as it has to find other ways of covering the loss of rental income.

3 FINANCIAL ADJUSTMENT

- 3.1 As a result of the disposals a rental budget adjustment of £96,450 requires to be made for disposals made in the year to 31st March 2005.

4. COMMUNITY PLAN – No implications

5 POLICY/LEGAL IMPLICATIONS – Nil

6 FINANCIAL IMPLICATIONS

- 6.1 Development and Property Services budget for Rental Income will require to be adjusted as noted in 3 above.

7 RECOMMENDATION

- 7.1 That Committee agree to the budget adjustment as proposed in 3.1 above.

J Lavery
Executive Director of Development & Property Services
25 October 2005

BACKGROUND PAPERS

Nil

IMPLEMENTATION OFFICER

For further information on this report, please contact Robert Paton (01563 576142).