

## EAST AYRSHIRE COUNCIL

### POLICY AND RESOURCES COMMITTEE – 14 NOVEMBER 2006

#### 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 £0.378m anticipated to 31 March 2007 for the Department of Corporate Support. The projected out-turn figures represent the views of the service director and are based on all currently available information.

### 2.3 Summary of Objective Costs

Actual Exp. To 17/09/06 £m	Actual Exp. To P6 as % of Annual Estimate	Service Division	Annual Estimate 2006/07 £m	Projected Actual to 31/3/07 £m	Variance (Favourable) / Adverse £m
0.210	44.2%	CHIEF EXECUTIVE OFFICE	0.473	0.458	(0.015)
0.110	43.2%	CENTRAL MANAGEMENT SUPPORT	0.255	0.255	0
0.286	36.8%	CORPORATE DEVELOPMENT & COMMUNICATION	0.779	0.719	(0.060)
0.537	44.1%	PERSONNEL	1.216	1.216	0
0.920	45.4%	LEGAL & ADMINISTRATION	2.029	1.999	(0.030)
1.291	44.8%	INFORMATION TECHNOLOGY	2.880	2.830	(0.050)
0.706	18.1%	FINANCE	3.914	3.691	(0.223)
0.039	99.6%	OTHER	0.039	0.039	0
-	-	INCOME RECOVERED FROM OUTWITH GENERAL FUND	(2.234)	(2.234)	0
4.099	43.8%	TOTAL	9.351	8.973	(0.378)

## 2.4 Summary of Subjective Codes

Actual Exp. To 17/09/06 £m	Actual Exp. To P6 as % of Annual Estimate	Detail	Annual Estimate 2006/07 £m	Projected Actual to 31/3/07 £m	Variance (Favourable) / Adverse £m
4.963	43.5%	EMPLOYEE COSTS	11.404	11.189	(0.215)
0.002	10.0%	PREMISES COSTS	0.020	0.020	0
0.025	28.6%	TRANSPORT COSTS	0.089	0.086	(0.003)
1.104	42.2%	SUPPLIES & SERVICES	2.615	2.585	(0.030)
0.018	10.6%	THIRD PARTY PAYMENTS	0.171	0.141	(0.030)
6.112	42.7%	TOTAL EXPENDITURE	14.299	14.021	(0.278)
(2.013)	74.2%	INCOME	(2.714)	(2.814)	(0.100)
4.099	35.4%	TOTAL	11.585	11.207	(0.378)
-	-	INCOME RECOVERED FROM OUTWITH GENERAL FUND	(2.234)	(2.234)	0
4.099	43.8%	NET EXPENDITURE	9.351	8.973	(0.378)

## 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, in the region of £0.030m, as approved at Corporate Management Team has been agreed to be met by Corporate Support and so offsets the surplus highlighted.

### **3.5 Legal and Administration Services**

It is anticipated there will be a favourable variance of £0.020m on Employee Costs at 31 March 2007 which is principally due to the timing of filling of vacancies. There is also a £0.010m favourable variance anticipated on Supplies and Services arising from general management efficiencies.

### **3.6 Information Technology**

Delays in the implementation of e-Procurement result in less than anticipated expenditure this year on associated project costs of £0.050m.

### **3.7 Finance**

There is an anticipated favourable variance of £0.223m at 31 March 2007 arising from the timing of filling of vacancies, less than anticipated expenditure on car mileage allowances and additional income secured through additional agency fees received from Scottish Water arising from improved collection rates, and additional income from the Department of Work and Pensions.

### **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, as well as £1.015m set aside for the Shortlees/Riccarton Neighbourhood Services Centre which is now on target for completion in 2007-08.

As part of conditions of grant, the Community Planning Partnership submitted to Communities Scotland by the end of September, details of planned spend for 2006-07, and any carry forward to 2007-08.

Due to slippage on the Shortlees/Riccarton 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** As highlighted at the last P&R Committee an indicative draw down from balances of £1.710m is required this year for Corporate Support. Any further draw down will be advised at future meetings.

**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  
25 October 2006

**LIST OF BACKGROUND PAPERS  
NIL**

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