

EAST AYRSHIRE COUNCIL

COMMUNITY SERVICES COMMITTEE – 2 APRIL 2003

BUDGETARY CONTROL SUMMARY STATEMENT COMMUNITY SERVICES TO 9 FEBRUARY 2003 (PERIOD 11)

Joint Report by Director of Finance and Director of Community Services

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 Community Services Department for the period ended 9 February 2003 (Period 11).

2 OVERALL POSITION

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

2.2 Budget Performance to Period 11

The net expenditure to date amounts to £27,078,996 compared to a budget of £27,415,282 resulting in the actual expenditure being lower than the budget by £336,286. The budget to 9 February 2003 is based on standard phasing for each period, except where the service department has indicated otherwise. Period variances are mainly attributable to phasing which should level out over the year, however if this is not the case reasons for the anticipated variances are highlighted at item 3.

2.3 Projected Out-turn

Based on all available information it is currently projected that the Community Services department will out-turn £32,100 below budget at 31 March 2003.

2.4 Summary of Objective Costs

	Budget Expend to 17-Nov-02 Period 8	Actual Expend to 17-Nov-02 Period 8	Variance Expend to 17-Nov-02 Period 8	Annual Estimate 2002-03	Projected Actual 2002-03	Variance	
	£	£	£	£	£	£	%
Central Management Support	451,859	400,074	(51,785)	424,239	395,439	(28,800)	(7)
Leisure Service	7,648,453	7,587,690	(60,763)	9,647,634	9,756,058	108,424	1
Cleansing & Waste Management	6,700,809	6,548,148	(152,661)	7,883,119	7,819,917	(63,202)	(1)
Trading Standards	360,821	348,919	(11,902)	431,488	440,088	8,600	2
Chemist & Analyst	142,073	142,073	-	159,026	154,956	(4,070)	(3)
Licensing	175,196	129,375	(45,821)	212,146	173,194	(38,952)	(18)
Emergency Plan	56,958	43,604	(13,354)	66,518	52,418	(14,100)	(21)
Joint Boards	11,879,113	11,879,113	-	23,196,940	23,196,940	-	-
TOTAL	27,415,282	27,078,996	(336,286)	42,021,110	41,989,010	(32,100)	-

2.5 Summary of Subjective Costs

	Budget	Actual	Variance	Annual	Projected	Variance	
	Expend to 17-Nov-02 Period 8	Expend to 17-Nov-02 Period 8	Expend to 17-Nov-02 Period 8	Estimate 2002-03	Actual 2002-03	£	%
	£	£	£	£	£	£	%
Employee Costs	5,391,146	5,437,509	46,363	6,270,623	6,384,603	113,980	2
Premises Costs	755,104	709,556	(45,548)	1,234,089	1,284,596	50,507	4
Transport Related Costs	487,547	492,269	4,722	530,274	514,551	(15,723)	(3)
Supplies & Services	1,571,247	1,673,266	102,019	1,894,222	2,317,464	423,242	22
Third Party Payments	20,719,549	20,594,357	(125,192)	33,985,716	33,961,119	(24,597)	0
TOTAL EXPENDITURE	28,924,593	28,906,957	(17,636)	43,914,924	44,462,333	547,409	1
Income	(1,509,311)	(1,827,961)	(318,650)	(1,893,814)	(2,473,323)	(579,509)	31
NET EXPENDITURE	27,415,282	27,078,996	(336,286)	42,021,110	41,989,010	(32,100)	-

3 ANALYSIS OF VARIANCES

3.1 Employee Costs

It is projected by the department that an adverse variance of approximately £113,980 will occur at the year-end. This includes the cost of two Countryside Access officers within Dean Castle Country Park. The additional cost of these posts is offset by grant funding detailed in income below. Other additional costs relate to specific projects within Libraries and Recreational Development the majority of which are offset by additional grants and other income.

3.2 Premises Costs

The department projects a net adverse year-end variance of £50,507, the majority of which relates to general repairs and energy costs within the Palace Theatre and to increased water and sewerage charges within Public Conveniences.

3.3 Transport Related Costs

A favourable variance of £15,723 is projected at the year-end. This relates to underspends within Cleansing and Waste Mgt operating lease costs and excess travel cost.

3.4 Supplies & Services

A year-end adverse variance of £423,242 is projected. This relates to the Leisure, Cleansing and Licensing Services. Additional costs within Recreational Development are linked to Better Neighbourhood projects, the costs of which are offset by grants. The adverse variance within Cleansing is as a result of additional expenditure in relation to recent legislation on the safe removal and disposal of fridge/freezers. The variance within Licensing and Community Safety relates to additional expenditure on Community safety projects and initiatives. It is anticipated that Scottish Executive grant funding will offset the Cleansing and Community Safety initiatives.

3.5 Third Party Payments

The majority of the £125,192 favourable variance to date at period 11 is attributable to timing. However an underspend of £24,597 is projected at the year-end. This is attributable to projected savings on recycling costs, Landfill Tax and landfill reinstatement within Cleansing and Waste Management. This is partially offset by Dean Castle Country Park (DCCP) payments to contractors.

3.6 Income

The net current favourable variance of £318,650 at period 11 is attributable to Scottish Executive grant contributions relating to the removal of fridge/freezers within Cleansing & Waste Management and Community Safety initiatives within Licensing. Additional revenue grant contributions from a variety of external agencies also account for a proportion of the favourable year to date variance within, Libraries, Museums, Dean Castle Country Park and CCTV. Further favourable variances relate to increased fees & charges within Museums and Recreational Development.

It is anticipated that the combination of external grant funding and increased fees and charges will result in the projected year-end favourable variance of £579,509.

4 RECOMMENDATIONS

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

Alex McPhee
Director of Finance

William Stafford
Director of Community Services

18th March 2003

LIST OF BACKGROUND PAPERS NIL

Implementation officer – W.Stafford (w.stafford@east-ayrshire.gov.uk)