

EAST AYRSHIRE COUNCIL

COMMUNITY SERVICES COMMITTEE – 5 FEBRUARY 2003

BUDGETARY CONTROL SUMMARY STATEMENT COMMUNITY SERVICES TO 17 NOVEMBER 2002 (PERIOD 8)

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 17 November 2002 (Period 8).

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 8

The net expenditure to date amounts to £20,660,614 compared to a budget of £21,075,396 resulting in the actual expenditure being lower than the budget by £414,782. The budget to 17 November 2002 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 on budget at 31 March 2003.

2.4 Summary of Objective Costs

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2.5 Summary of Subjective Costs

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3 ANALYSIS OF VARIANCES

3.1 Employee Costs

It is projected by the department that an adverse variance of approximately £110,012 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 £31,730, the majority of which relates to general repairs and energy cost within the Palace Theatre and to increased water and sewerage charges within Public Conveniences.

3.3 Transport Related Costs

A favourable variance of £15,194 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 £363,353 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 £107,885 favourable variance to date at period 8 is attributable to timing. Net additional costs of £10,115 are projected at the year-end. Dean Castle Country Park (DCCP) payments to contractors will result in a net adverse variance at 31 March 2003, however this is offset by additional grant income. There will also be favourable variances within Waste Management landfill tax and landfill contract payments.

3.6 Income

The net current favourable variance of £301,824 at period 8 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 £500,016.

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

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18 January 2003

LIST OF BACKGROUND PAPERS
NIL

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