

EAST AYRSHIRE COUNCIL

COMMUNITY SERVICES COMMITTEE – 5 FEBRUARY 2004

BUDGETARY CONTROL SUMMARY STATEMENT COMMUNITY SERVICES TO 16 NOVEMBER 2003 (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 16 November 2003 (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 £27,273,638 compared to a budget of £27,766,442 resulting in the actual expenditure being less than the budget by £492,804. The budget to 16 November 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 section 3 of this report.

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 2004.

2.4 Summary of Objective Costs

	Budget Expend to 16-Nov-03 Period 8	Actual Expend to 16-Nov-03 Period 8	Variance Expend to 16-Nov-03 Period 8	Annual Estimate 2003-04	Projected Actual 2003-04	Variance	
	£	£	£	£	£	£	%
Central Management Support	353,225	376,113	22,888	455,475	475,532	20,057	4
Leisure Service	6,186,289	6,038,536	(147,753)	9,327,903	9,339,450	11,547	-
Cleansing & Waste Management	5,165,154	5,011,974	(153,180)	8,090,748	8,096,891	6,143	-
Trading Standards	279,000	259,431	(19,569)	443,946	440,455	(3,491)	(1)
Chemist & Analyst	81,900	83,484	1,584	163,796	165,053	1,257	1
Licensing	139,965	(42,854)	(182,819)	220,041	197,779	(22,262)	(10)
Emergency Plan	42,139	35,791	(6,348)	67,661	62,017	(5,644)	(8)
Joint Boards	15,518,770	15,511,163	(7,607)	25,218,000	25,210,393	(7,607)	-
TOTAL	27,766,442	27,273,638	(492,804)	43,987,570	43,987,570	-	-

2.5 Summary of Subjective Costs

	Budget Expend to 16-Nov-03 Period 8	Actual Expend to 16-Nov-03 Period 8	Variance Expend to 16-Nov-03 Period 8	Annual Estimate 2003-04	Projected Actual 2003-04	Variance	
	£	£	£	£	£	£	%
Employee Costs	4,159,486	4,239,357	79,871	6,666,627	6,760,065	93,438	1
Premises Costs	684,725	587,194	(97,531)	946,621	979,900	33,279	4
Transport Related Costs	396,907	324,085	(72,822)	488,017	434,849	(53,168)	(11)
Supplies & Services	1,229,919	1,103,921	(125,998)	2,175,353	2,135,603	(39,750)	2
Third Party Payments	22,494,210	22,498,038	3,828	36,112,701	36,155,949	43,248	-
TOTAL EXPENDITURE	28,965,247	28,752,595	(212,652)	46,389,319	46,466,366	77,047	-
Income	(1,198,805)	(1,478,957)	(280,152)	(2,401,749)	(2,478,796)	(77,047)	(3)
NET EXPENDITURE	27,766,442	27,273,638	(492,804)	43,987,570	43,987,570	-	-

3 ANALYSIS OF VARIANCES

3.1 Employee Costs

It is projected by the department that an adverse variance of approximately £93,438 will occur at the year-end. This is due to difficulty in meeting staff turnover targets across various sections, long term sickness cover for two staff at Local Offices, additional staffing costs at the Palace Theatre, increased manual workers costs within Recycling reflecting increased throughput within the Council's Material Recovery Facility and additional costs associated with the disposal of fridges and freezers.

Additional staff costs within Community Safety will be met from savings achieved on supplies and services (see 3.4 below).

3.2 Premises Costs

The department projects a net adverse year-end variance of £33,279. This is due to higher than anticipated energy costs at the Palace Theatre and water and ground rent charges within Cleansing and Waste Management. It is also projected that expenditure on fixtures and fittings and the maintenance of plant at local offices and Non Domestic Rates within the Museums service will be greater than budgeted.

The above is partially offset by projected savings on Non Domestic Rates within Licensing, and maintenance and Metered Water within Community Resources.

3.3 Transport Related Costs

A favourable variance of £53,168 is projected at the year-end. This relates to anticipated savings on wheeled bin lease payments and car lease payments within Leisure Client and Cleansing and Waste Management. A saving is also anticipated from the delayed lease of a new mobile library.

This is partially offset by greater than budgeted expenditure on car mileage allowances and transport hires within Leisure Services.

3.4 Supplies & Services

A year-end favourable variance of £39,750 is projected. This relates to management action taken, particularly within Central Management Support and Cleansing and Waste Management to produce savings to offset additional expenditure elsewhere. In addition, savings on administration costs will be achieved within Trading Standards. Reduced expenditure from the Community Safety Grant awarded to the Council for 2003/04 reflects the proportion of the grant used to fund staff costs (see 3.1 above).

The above is partially offset by costs associated with the Burns Exhibition, and Performing Rights charges. These costs are offset by additional income (see 3.6 below). It is also anticipated that costs associated with destitute burials, the removal and disposal of fridges and freezers and the removal of abandoned motor vehicles will be greater than budgeted.

3.5 Third Party Payments

An unfavourable variance of £43,248 is projected at the year-end. This is attributable to waste management landfill contract charge, waste management licence costs, and the cost of cleansing additional streets not included in the Service Level Agreement. Additional costs associated with the Access project at Dean Castle Country Park are offset by grant income (see 3.6 below).

3.6 Income

The projected favourable variance of £77,047 is attributable to the receipt of Access Grant. These are offset by increased Supplies and Services expenditure and Third Party Payments (see 3.4 and 3.5 above). The favourable year-end variance within Licensing reflects both increased licence fee income and the receipt of a CCTV grant contribution from Strathclyde Police. This is partially offset by lower than anticipated Trading Standards income in relation to petrol pumps and weighbridges.

This reflects increased competition. It is also expected that Other Fees and Charges and Pest Destruction income within Cleansing and Waste Management will be lower than budgeted.

4. RECOMMENDATIONS

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

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Director of Community Services

WS/PW
12 December 2003

LIST OF BACKGROUND PAPERS - NIL

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