

EAST AYRSHIRE COUNCIL

COMMUNITY SERVICES COMMITTEE – 12 NOVEMBER 2003

BUDGETARY CONTROL SUMMARY STATEMENT COMMUNITY SERVICES TO 21 SEPTEMBER 2003 (PERIOD 6)

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 21 September 2003 (Period 6).

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 6

The net expenditure to date amounts to £20,614,291 compared to a budget of £20,360,021 resulting in the actual expenditure being greater than the budget by £254,270. The budget to 21 September 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/

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	Budget Expend to 21-Sept-03 Period 6	Actual Expend to 21-Sept-03 Period 6	Variance Expend to 21-Sept-03 Period 6	Annual Estimate 2003-04	Projected Actual 2003-04	Variance	
	£	£	£	£	£	£	%
Central Management Support	204,964	261,072	56,108	455,475	438,733	(16,742)	(4)
Leisure Service	4,341,183	4,819,488	478,305	9,327,903	9,372,842	44,939	1
Cleansing & Waste Management	3,765,289	3,713,251	(52,038)	8,090,748	8,101,987	11,239	-
Trading Standards	206,975	194,290	(12,685)	443,946	442,991	(955)	-
Chemist & Analyst	68,250	68,492	242	163,796	163,386	(410)	-
Licensing	102,495	(106,488)	(208,983)	220,041	186,060	(33,981)	(15)
Emergency Plan	31,787	25,108	(6,679)	67,661	63,571	(4,090)	(6)
Joint Boards	11,639,078	11,639,078	-	25,218,000	25,218,000	-	-
TOTAL	20,360,021	20,614,291	254,270	43,987,570	43,987,570	-	-

2.5 Summary of Subjective Costs

	Budget Expend to 21-Sept-03 Period 6	Actual Expend to 21-Sept-03 Period 6	Variance Expend to 21-Sept-03 Period 6	Annual Estimate 2003-04	Projected Actual 2003-04	Variance	
	£	£	£	£	£	£	%
Employee Costs	3,114,747	3,147,903	33,156	6,666,627	6,709,151	42,524	-
Premises Costs	461,008	475,962	14,954	766,621	786,389	19,768	3
Transport Related Costs	299,961	271,397	(28,565)	488,017	446,535	(41,482)	(9)
Supplies & Services	851,429	804,177	(47,253)	2,355,353	2,383,330	27,977	1
Third Party Payments	16,548,676	17,026,795	478,119	36,112,701	36,159,760	47,059	-
TOTAL EXPENDITURE	21,275,823	21,726,234	450,411	46,389,319	46,485,165	95,846	-
Income	(915,801)	(1,111,943)	(196,141)	(2,401,749)	(2,497,595)	(95,846)	(4)
NET EXPENDITURE	20,360,021	20,614,291	(254,270)	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 £42,524 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, early retiral costs, 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 Sports and Health Development costs are offset by additional income (see 3.6 below).

3.2 Premises Costs

The department projects a net adverse year-end variance of £19,768. 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 general repairs within CCTV, 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 Trading Standards and Licensing, and maintenance and Metered Water within Community Resources.

3.3 **Transport Related Costs**

A favourable variance of £41,482 is projected at the year-end. This relates to anticipated savings on wheeled bin lease payments and car lease payments within Cleansing and Waste Management.

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 adverse variance of £27,977 is projected. This relates to costs associated within the Burns Exhibition, Sports and Health Promotion 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. This is partially offset by anticipated savings within Central Management Support.

3.5 **Third Party Payments**

The majority of the £478,119 unfavourable variance to date at period 6 is attributable to timing. However an overspend of £47,060 is projected at the year-end. This is attributable to 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 £95,846 is attributable to the receipt of Burns Museum Grant, Access Grant, Sports and Health Development Income and Performing Rights Charges. These are offset by increased Employee Costs and Supplies and Services expenditure (see 3.1, 3.4 and 3.5 above). The favourable year-end 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 Finance

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Director of Community Services

WS/PW

29 October 2003

LIST OF BACKGROUND PAPERS

NIL

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