

## EAST AYRSHIRE COUNCIL

### COMMUNITY SERVICES COMMITTEE – 17 SEPTEMBER 2003

#### BUDGETARY CONTROL SUMMARY STATEMENT COMMUNITY SERVICES TO 27 JULY 2003 (PERIOD 4)

##### 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 27 July 2003 (Period 4).

### 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 4

The net expenditure to date amounts to £13,800,638 compared to a budget of £13,944,455 resulting in the actual expenditure being lower than the budget by £143,817. The budget to 27 July 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 27-Jul-03 Period 4	Actual Expend to 27-Jul-03 Period 4	Variance Expend to 27-Jul-03 Period 4	Annual Estimate 2003-04	Projected Actual 2003-04	Variance	
	£	£	£	£	£	£	%
Central Management Support	146,659	193,160	46,501	455,475	409,241	(46,234)	(10)
Leisure Service	3,267,461	3,287,036	19,576	9,327,903	9,403,017	75,114	1
Cleansing & Waste Management	2,489,615	2,530,827	41,212	8,090,748	8,064,458	(26,290)	-
Trading Standards	139,857	132,872	(6,985)	443,946	449,495	5,549	1
Chemist & Analyst	50,400	54,897	4,497	163,796	163,386	(410)	0
Licensing	69,651	(175,039)	(244,690)	220,041	214,287	(5,754)	(2)
Emergency Plan	21,426	17,498	(3,928)	67,661	65,686	(1,975)	(3)
Joint Boards	7,759,386	7,759,386	-	25,218,000	25,218,000	-	-

TOTAL	13,944,455	13,800,638	(143,817)	43,987,570	43,987,570	-	-
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## 2.5 Summary of Subjective Costs

	Budget Expend to 27-Jul-03 Period 4	Actual Expend to 27-Jul-03 Period 4	Variance Expend to 27-Jul-03 Period 4	Annual Estimate 2003-04	Projected Actual 2003-04	Variance	
	£	£	£	£	£	£	%
Employee Costs	2,120,334	2,137,514	17,180	6,666,627	6,699,547	32,920	-
Premises Costs	315,159	402,592	87,433	766,621	807,761	41,140	5
Transport Related Costs	150,271	167,149	16,878	488,017	463,299	(24,718)	(1)
Supplies & Services	530,698	560,254	29,556	2,191,129	2,219,785	28,656	1
Third Party Payments	11,399,764	11,370,575	(29,189)	36,112,701	36,114,253	1,552	0
<b>TOTAL EXPENDITURE</b>	<b>14,516,226</b>	<b>14,638,084</b>	<b>121,858</b>	<b>46,225,095</b>	<b>46,304,645</b>	<b>79,550</b>	-
Income	(571,771)	(837,446)	(265,675)	(2,237,525)	(2,317,075)	(79,550)	(4)
<b>NET EXPENDITURE</b>	<b>13,944,455</b>	<b>13,800,638</b>	<b>(143,817)</b>	<b>43,987,570</b>	<b>43,987,570</b>	-	-

## 3 ANALYSIS OF VARIANCES

### 3.1 Employee Costs

It is projected by the department that an adverse variance of approximately £32,920 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, 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.

### 3.2 Premises Costs

The department projects a net adverse year-end variance of £41,140. 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.

### 3.3 Transport Related Costs

A favourable variance of £24,718 is projected at the year-end. This relates to an anticipated saving on wheeled bin lease payments within Cleansing and Waste Management.

### 3.4 Supplies & Services

A year-end adverse variance of £28,656 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 £29,189 favourable variance to date at period 4 is attributable to timing. However an overspend of £1,552 is projected at the year-end. This is attributable to waste management licence costs.

### **3.6 Income**

The projected favourable variance of £79,550 is attributable to the receipt of Burns Museum 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 and 3.4 above). The projected over recovery within Cleansing and Waste Management is the result of trade refuse charges and the receipt of Recycling Compost Grant Scottish Executive Grant. The favourable year-end variance within Licensing reflects 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 Pest Destruction income will be lower than budgeted.

## **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**

WS/PW

3 September 2003

## **LIST OF BACKGROUND PAPERS**

**NIL**

Implementation officer – [william.stafford@east-ayrshire.gov.uk](mailto:william.stafford@east-ayrshire.gov.uk)