

EAST AYRSHIRE COUNCIL

DEVELOPMENT SERVICES COMMITTEE – 17 DECEMBER 2002

BUDGETARY CONTROL SUMMARY STATEMENT DEVELOPMENT SERVICES TO 22 SEPTEMBER 2002 (PERIOD 6)

Joint Report by Director of Finance and Director of Development 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 Development Services Department, for the period ended 22 September 2002 (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 capital charges.

2.2 Budget Performance to Period 6

The total expenditure to date amounts to £4,661,857 compared to a budget of £4,700,105, resulting in the actual expenditure being less than the budget by £38,248. The budget to 22 September 2002 is based on standard phasing for each period of expenditure and income, except where the Service Department has indicated otherwise. Period variances are highlighted at Item 3.

2.3 Projected Out-turn

The out-turn for the year is projected to be £11,553,620, being an increase of £17,730 over the annual estimate.

2.4 Summary of Objective Costs

	Budget Expend to 22-Sep-02 Period 6	Actual Expend to 22-Sep-02 Period 6	Variance Expend to 22-Sep-02 Period 6	Annual Estimate 2002-03	Projected Actual 2002-03	Variance	
	£	£	£	£	£	£	%
Economic Development	788,589	765,206	(23,383)	1,846,162	1,795,162	(51,000)	(3)
Planning & Building Control	370,955	363,593	(7,362)	818,685	853,515	34,830	4
Property	(442,955)	(428,523)	14,432	(910,870)	(900,870)	10,000	(1)
Roads & Transportation	3,983,516	3,961,581	(21,935)	9,781,913	9,805,813	23,900	0
TOTAL EXPENDITURE	4,700,105	4,661,857	(38,248)	11,535,890	11,553,620	17,730	0

2.5 Development Services - Summary of Subjective Costs

	Budget Expend to 22-Sep-02 Period 6	Actual Expend to 22-Sep-02 Period 6	Variance Expend to 22-Sep-02 Period 6	Annual Estimate 2002-03	Projected Actual 2002-03	Variance	
	£	£	£	£	£	£	%
Employee Costs	2,092,342	2,068,735	(23,607)	4,389,452	4,389,452	0	0
Premises Costs	42,174	52,892	10,718	254,557	276,687	22,130	9
Transport Related Costs	181,723	174,473	(7,250)	376,353	376,353	0	0
Supplies & Services	313,147	326,006	12,859	1,140,702	1,175,502	34,800	3
Third Party Payments	3,321,841	3,331,449	9,608	9,186,233	9,207,033	20,800	0
Transfer Payments	0	0	0	0	0	0	
TOTAL EXPENDITURE	5,951,227	5,953,555	2,328	15,347,297	15,425,027	77,730	1
Income	(1,251,122)	(1,291,698)	(40,576)	(3,811,407)	(3,871,407)	(60,000)	2
NET EXPENDITURE	4,700,105	4,661,857	(38,248)	11,535,890	11,553,620	17,730	0

3. ANALYSIS OF VARIANCES

3.1 Employee Costs

The current favourable variance of £23,607 results from current vacancies within the Department, however it is anticipated that employee costs will out-turn in line with estimate.

3.2 Premises Related Expenditure

An unfavourable variance of £22,130 is projected for the year for Property Costs. This relates to Dangerous Buildings costs of £13,130 re Catrine Weir, and £9,000 for Netherton Business Centre rent payable prior to disposal. It should be noted that East Ayrshire Council will also receive rent of £18,000 from the occupiers of the Centre prior to the anticipated disposal date.

3.3 Supplies and Services

An unfavourable variance of £34,800 is projected for the year for Supplies and Services. This is mainly due to the unbudgeted cost of Local Plan Inquiry Reporters' Fees of £20,000 and legal and professional indemnity fees of £4,800. There is also an additional provision of £10,000 for bad debts resulting from the number of tenants who have either terminated their leases without final settlement or are experiencing financial problems.

3.4 Third Party Payments

The current additional expenditure of £9,608 is projected to out-turn at an overspend of £20,800. This is due to unbudgeted costs for School Crossing Patrols. An additional patrol has been employed at a cost of £7,000 and there is also an unbudgeted recharge from Onsite for single status amounting to £13,800.

3.5 Income

There is currently additional income of £40,576 attributable mainly to a number of large Building Warrant and Planning Application fees received early in the year. Additional income of £60,000 has been projected for the year. Additional business loan repayments and additional income from Land Securities on the assignation of their lease to Eagle Star, will offset the reduction in Property Rent income arising from void properties.

4 RECOMMENDATION

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

Alex McPhee
Director of Finance
cj/15.11.02

Stephen Chorley
Director of Development Services

LIST OF BACKGROUND PAPERS

NIL