

EAST AYRSHIRE COUNCIL

DEVELOPMENT SERVICES COMMITTEE – 16 DECEMBER 2003

BUDGETARY CONTROL SUMMARY STATEMENT DEVELOPMENT SERVICES TO 21 SEPTEMBER 2003 (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 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 rechargable costs for central services charges and capital charges.

2.2 Budget Performance to Period 4

The total expenditure to date amounts to £5,736,129 compared to a budget of £5,754,214, resulting in the actual expenditure being less than the budget by £18,185. The budget to 21 September 2003 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 currently projected for the year is £13,614,462, being an increase of £36,212 over the annual estimate. Steps will be taken over the remainder of the year to offset this overspend.

2.4 Summary of Objective Costs

	Expend to 21-Sep-03 Period 6	Expend to 21-Sep-03 Period 6	Expend to 21-Sep-03 Period 6	Annual Estimate 2003-04	Projected Actual 2003-04	Variance	
	£	£	£	£	£	£	%
Economic Development	923,525	906,930	(16,595)	1,854,224	1,854,224	0	0
Planning & Building Control	304,844	292,317	(12,527)	869,255	869,255	0	0
Property	(525,728)	(519,511)	6,217	197,190	192,402	(4,788)	(2)
Roads & Transportation	5,051,673	5,056,393	4,720	10,657,581	10,698,581	41,000	0
TOTAL EXPENDITURE	5,754,314	5,736,129	(18,185)	13,578,250	13,614,462	36,212	0

2.5 Development Services - Summary of Subjective Costs

	Budget Expend to 21-Sep-03 Period 6	Actual Expend to 21-Sep-03 Period 6	Variance Expend to 21-Sep-03 Period 6	Annual Estimate 2003-04	Projected Actual 2003-04	Variance	
	£	£	£	£	£	£	%
Employee Costs	2,227,366	2,219,457	(7,909)	4,704,303	4,704,303	0	0
Premises Costs	222,410	225,871	3,461	365,886	364,918	(968)	(0)
Transport Related Costs	184,086	187,508	3,422	365,373	365,373	0	0
Supplies & Services	408,155	427,617	19,462	1,773,302	1,773,970	668	0
Third Party Payments	4,223,757	4,211,066	(12,691)	10,221,803	10,262,803	41,000	0
Transfer Payments	0	0	0	0	0	0	0
TOTAL EXPENDITURE	7,265,774	7,271,519	5,745	17,430,667	17,471,367	40,700	0
Income	(1,511,460)	(1,535,390)	(23,930)	(3,852,417)	(3,856,905)	(4,488)	0
NET EXPENDITURE	5,754,314	5,736,129	(18,185)	13,578,250	13,614,462	36,212	0

3. ANALYSIS OF VARIANCES

3.1 Employee Costs

The current favourable variance of £7,909 on employee costs relates to vacant posts within Economic Development and Planning & Building Control which have not yet been filled. This is offset by additional overtime costs incurred by Roads & Transportation, required to carry out supervision at the A76 Crossroads junction. However, these costs are recoverable from the Scottish Executive. Overall, it is anticipated that employee costs will out-turn in line with estimate.

3.2 Premises Related Expenditure

The current unfavourable variance of £3,461 relates to emergency repairs costs in relation to Bridge Street, Muirkirk, and an increase in rates payable due to

vacant properties. However, with current underspends on cleaning costs to date, it is anticipated that expenditure will outturn slightly below budget for the year.

3.3 Transport Related Costs

The current unfavourable variance on Transport Related Costs of £3,422 relates to the higher than expected leased vehicle costs for the year. Overall, Transport Costs are expected to out-turn within budget.

3.4 Supplies and Services

The unfavourable variance on Supplies and Services of £19,462 relates to a overspends in professional fees, unavoidable Health & Safety Expenditure relating to training and IT equipment, and higher than anticipated marketing costs in respect of the councils vacant properties. However, it is anticipated that expenditure will be contained within the budget, with a small overspend of £668 projected for the year.

3.5 Third Party Payments

The current favourable variance of £12,961 relates primarily to an underspend on the grounds maintenance non-contract works to date. However, it is anticipated that this will out-turn on budget by the year-end. Additional costs of £41,000 relating to the Strathclyde Passenger Transport (SPT) General Levy have been projected, due to unexpected changes in the distribution methodology introduced by the SPT mid-year. This issue has been raised with the SPT.

3.6 Income

The current favourable variance on income of £23,930 primarily relates to Building Warrant and Planning Application Fees that have exceed expectations to date. Income recoveries for rechargeable works undertaken by Roads are also above expectations, however, this is primarily due to timing differences rather than additional work secured. It is anticipated that overall income will out-turn above the budgeted position due to additional property rentals.

4 RECOMMENDATION

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

Alex McPhee
Director of Finance
AK/28.11.03

Stephen Chorley
Director of Development Services

LIST OF BACKGROUND PAPERS

Nil

For further information on the content of the report contact Alistair Kidd, Financial Services Manager on 01563 555731