

EAST AYRSHIRE COUNCIL

DEVELOPMENT SERVICES COMMITTEE – 15 JANUARY 2003

BUDGETARY CONTROL SUMMARY STATEMENT DEVELOPMENT SERVICES TO 17 NOVEMBER 2002 (PERIOD 8)

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 17 November 2002 (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 capital charges.

2.2 Budget Performance to Period 8

The total expenditure to date amounts to £7,296,821 compared to a budget of £7,489,837, resulting in the actual expenditure being less than the budget by £133,016. The budget to 17 November 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 £11,567,620, being an increase of £31,730 over the annual estimate.

2.4 Summary of Objective Costs

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2.5 Development Services - Summary of Subjective Costs

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3. ANALYSIS OF VARIANCES

3.1 Employee Costs

The current favourable variance of £22,945 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 £34,130 is projected for the year for Property Costs. This relates to Dangerous Buildings costs of £13,130 re Catrine Weir, and £11,000 for Netherton Business Centre rent payable prior to disposal. It should be noted that East Ayrshire Council will also receive rent of £22,000 from the occupiers of the Centre prior to the anticipated disposal date. Additional rates costs have been incurred for void shop properties.

3.3 Supplies and Services

An unfavourable variance of £46,800 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 £7,800. 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. There are additional Planning and Building Control costs for statutory advertising, postage and technical indices amounting to £9,000.

3.4 Third Party Payments

The current underspend of £26,992 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 £118,615 attributable mainly to a number of large Building Warrant and Planning Application fees received early in the year. Additional income of £64,000 has been projected for the year. Additional business loan repayments and 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/17.12.02

Stephen Chorley
Director of Development Services

LIST OF BACKGROUND PAPERS

NIL