

EAST AYRSHIRE COUNCIL

BUDGET MONITORING GROUP

**REPORT OF MEETING HELD ON MONDAY 29 JANUARY 2001 AT 1400 HRS
IN THE CHIEF EXECUTIVE'S CONFERENCE ROOM, COUNCIL
HEADQUARTERS, LONDON ROAD, KILMARNOCK**

PRESENT: Councillors Drew McIntyre, Harry Wilson, John Knapp, Finlay MacLean and Jimmy Carmichael; David Montgomery, Chief Executive; and Alex McPhee, Director of Finance.

ATTENDING: Ian Arnott, Corporate Accounting Manager; Julie Jamieson, Financial Services Manager for Corporate Accounting; and Jennifer Morrison, Administrative Officer.

APOLOGY Councillor Eric Jackson.

CHAIR: Councillor Drew McIntyre, Chair.

**REPORT OF BUDGET MONITORING GROUP MEETING
HELD ON 27 NOVEMBER 2000**

1. There was submitted and noted a report of the meeting held on 27 November 2000 (circulated).

**BUDGETARY CONTROL STATEMENT - GENERAL SERVICES REVENUE
ACCOUNT TO 15 DECEMBER 2000 (PERIOD 9)**

2. There was submitted a report dated 6 November 2000 (circulated) by the Director of Finance which advised of the current budgetary control position of the General Services Revenue Account for the period ended 15 December 2000 (Period 9).

The Director of Finance summarised the position in respect of the General Services Revenue Account, highlighting the overall projected surplus of £0.500m and outlining the projected individual areas of surplus and overspend in relation to the various Services.

The Director of Finance stated that particular areas of note were:

- (i) a reduction in the Social Work deficit to £29,000 from last meeting's position of £170,000 deficit;
- (ii) Development Services where the snow emergency situation in December had resulted in a move from a £129,000 deficit position at the last meeting to a £318,000 deficit;
- (iii) a £152,000 underspend under Miscellaneous Services arising from the three days of industrial action undertaken by Unison; and
- (iv) the reduction in debt charges to the Council arising from the rescheduling of the Council's loan portfolio and lower than forecast interest rates.

The Group thereafter considered the report Service by Service and the following points were noted.

2.1 EDUCATION

It was reported by the Director of Finance that the Director of Educational and Social Services had assured him that Education would out-turn on budget.

2.2 SOCIAL WORK

The Group noted that transport costs had reduced significantly since last year, but further work appeared to be merited by the Director to seek to reduce these costs further towards budgeted levels.

2.3 COMMUNITY SERVICES

No issues of concern were noted.

2.4 DEVELOPMENT SERVICES

Suggestions were made regarding the potential benefits from a degree of co-ordination of repairs to roads and pavements between Roads and Homes and Technical Services (where ground was held under the Housing Account eg garage lock-ups and some shopping areas). It was agreed that an early meeting be arranged between the Directors of Development Services and of Homes and Technical Services to progress examination of the possibilities.

2.5 CENTRAL SERVICES

No issues of concern were noted.

The Director of Homes and Technical Services joined the meeting.

HOUSING REVENUE ACCOUNT TO 15 DECEMBER 2000 (PERIOD 9)

3. There was submitted a joint report dated 17 January 2001 (circulated) by the Directors of Finance and of Homes and Technical Services which advised of the current budgetary control position of the Housing Revenue Account for the period ended 15 December 2000 (Period 9).

The Director of Finance reported a move from the position last meeting of a £284,000 deficit to a £65,000 projected surplus. It was noted that a major factor in this change was a reduction in debt charges. The need for closer alignment between repairs advance commitment estimates and the value of work actually carried out was identified.

The Director of Homes and Technical Services accepted the Director of Finance's comments in relation to property costs, and assured the Group that management action was being taken to ensure that the budget would not be exceeded at year end.

The Group was also advised that a report would be submitted to the next Housing Committee presenting a programme which would address the problems currently being experienced in relation to voids.

It was agreed to note thereafter the report.

TRADING SERVICES TO 15 DECEMBER 2000 (PERIOD 9)

4. There was submitted a report dated 19 January 2001 (circulated) by the Director of Finance which advised of the current budgetary control position of the Trading Services of the Council for the period ended 15 December 2000 (Period 9).

4.1 BUILDING AND WORKS

The Director of Finance noted that the surplus of £150,000 was in line with that previously reported. The Director of Homes and Technical Services noted that he anticipated no difficulties in achieving the surplus being reported.

The Director of Homes and Technical Services left the meeting.

The Group otherwise noted the contents of the report in relation to the other Trading Services of the Council.

GENERAL SERVICES CAPITAL PROGRAMME TO PERIOD 9

5. There was submitted a report dated 16 January 2001 (circulated) by the Director of Finance which updated on the projected performance of the General Services Capital Programme for the current financial year.

The Director of Finance reported that the Technical Services Section had indicated that the programme would be completed by 31 March 2001 and the Director of Development Services had provided assurance that the target for Capital Receipts would be achieved. On that basis he expected the Capital Programme to be within the 5% variance at the year end.

The Group otherwise noted the contents of the report.

HOUSING CAPITAL PROGRAMME TO PERIOD 9

6. There was submitted and noted a report dated 16 January 2001 (circulated) by the Director of Finance which updated the Group on the current position regarding the Housing Capital Programme 2000/2001.

The meeting terminated at 1445 hrs.

AGENDA