

EAST AYRSHIRE COUNCIL

BUDGET MONITORING GROUP

REPORT OF MEETING HELD ON MONDAY 19 JUNE 2000 AT 1000 HRS IN THE CHIEF EXECUTIVE'S CONFERENCE ROOM, COUNCIL HEADQUARTERS, LONDON ROAD, KILMARNOCK

PRESENT: Councillors Drew McIntyre, Harry Wilson, John Knapp and Eric Jackson; David Montgomery, Chief Executive; and Alex McPhee, Director of Finance.

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

APOLOGIES: Councillors Kathleen Hall and Douglas Reid.

CHAIR: Councillor Drew McIntyre, Chair.

REPORT OF BUDGET MONITORING GROUP MEETING HELD ON 21 MARCH 2000

1. There was submitted and noted report of the meeting held on 21 March 2000.

BUDGETARY CONTROL STATEMENT - GENERAL SERVICES REVENUE ACCOUNT 1999/2000 - DRAFT OUT-TURN

- 2.1 There was submitted a report dated 7 June 2000 (circulated) by the Director of Finance which advised of the draft out-turn position of the General Services Revenue Account for the financial year ended 31 March 2000.

The Director of Finance summarised the position in respect of the General Services Revenue Account outlining that in the previous Autumn the Council had been facing a £2m deficit. Following the introduction of spending reduction measures and careful budget monitoring the out-turn position is a £0.091m surplus.

It was noted that this took account of income of £2.75m in respect of accelerated rental for King Street units in recognition that the effective date for the contract was in the 1999/2000 financial year.

The Director of Finance reported that the accounts were now being finalised and would be submitted to the Council at its meeting on 29 June 2000.

2.2 EDUCATION AND SOCIAL WORK

The Director of Education and the Depute Director of Social Work (Finance and Resources) joined the meeting.

The Chair stated that the Director must stay within the overall budgets which had been agreed for 2000/2001. Any variances which were identified were to be addressed immediately. This point was reiterated to each Director/Head of Service as they joined the meeting.

The Director of Education assured the Members that he was aware of the requirement to out-turn on budget and that he would be examining closely the budget

to ascertain issues which could arise with particular reference to variations on client group numbers which could arise particularly within the Social Work area.

The Director of Education and Depute Director of Social Work left the meeting.

2.3 DEVELOPMENT SERVICES

The Head of Economic Development, representing the Director of Development Services, joined the meeting.

The Group noted its concerns over the problems which had been experienced in relation to the winter maintenance budget and it was noted that the Director of Development Services was now reviewing the contracting costing system and was carrying out further investigative work.

It was agreed that this matter be discussed more fully at the next meeting with the Director of Development Services.

It was further noted that the Roads Section had initiated the implementation of a new costing system which should assist with their monitoring of income and expenditure.

It was noted that the Director of Finance intended to meet with the Director of Development Services in respect of the implications arising from the winter maintenance overspend in 1999/2000 and for the Group to discuss with the Director of Development Services in more detail at the next meeting

The Head of Economic Development left the meeting.

2.4 COMMUNITY SERVICES

The Director of Community Services joined the meeting.

The Director of Community Services reported on (i) the budgetary position and what he saw as the main area of sensitivity for 2000/2001- Cleansing DSO, which he was monitoring closely; (ii) the Grounds Maintenance DSO where work was going well being two grass cuts ahead of the number agreed to be delivered to the Council; and (iii) the Garden Maintenance Scheme which was on track with some 3,500 gardens included.

The Director of Community Services left the meeting.

2.5 HOMES AND TECHNICAL SERVICES

The Director of Homes and Technical Services joined the meeting.

The Director of Homes and Technical Services noted that he did not anticipate any significant budgetary pressure points in 2000/01, although repairs expenditure within the Housing Revenue Account always required close monitoring.

In relation to the proposed replacement of the Glasgow Management Information System the Director of Homes and Technical Services reported he had completed the specification of requirements and that a site visit to a potential supplier was planned to take place in the next two to three weeks. It was noted there was money in the budget for purchasing a new system

In relation to the concerns arising in the previous year about fee income for the Contracting and Technical Services Section, the Director of Homes and Technical

Services assured the Group that he would take all necessary measures to maximise income for the Section this year.

The Director of Homes and Technical Services spoke about the timing of work levels within the Building and Works Section and anticipated that this year would be better than last.

The Director of Homes and Technical Services left the meeting.

2.6 CORPORATE RESOURCES

The Chief Executive undertook to relay to the Depute Chief Executive in her new role as Director of Corporate Resources, the Group's sentiments about staying within the approved budget for 2000/2001 and taking whatever corrective action was necessary during the year.

GENERAL SERVICES CAPITAL PROGRAMME FOR THE YEAR ENDED 31 MARCH 2000

3. There was submitted a report dated 1 June 2000 (circulated) by the Director of Finance which updated on the out-turn position regarding the General Services Capital Programme 1999/2000.

The Director of Finance reported that the Capital Programme had out-turned at budget with only minor variances in each Department.

The Group noted the report.

HOUSING CAPITAL PROGRAMME FOR THE YEAR ENDED 31 MARCH 2000

4. There was submitted a report dated 16 June 2000 (circulated) by the Director of Finance which updated on the final position regarding the Housing Capital Programme 1999/2000.

The Director of Finance reported an overspend of £148,000 which, in a £8.6m budget, was within the planned 5% overspend allowance.

The Group noted the report.

GENERAL SERVICES REVENUE ACCOUNT TO 5 MAY 2000 (PERIOD 1)

5. There was submitted a report dated 7 June 2000 (circulated) by the Director of Finance which advised of the current budgetary control position of the General Services Revenue Account and Housing Revenue Account for the period ended 5 May 2000 (Period 1) and highlighted those issues which influenced the overall financial position which were currently known.

The Director of Finance noted that the 1999/2000 out-turn position was £381,000 better than projected. The Director of Finance noted that it was essential that Departments contain expenditure to the approved budgeted levels for 2000/2001.

The Chief Executive noted that he would contact all Directors to ensure that management action was in place to ensure that all Departments contained their expenditure to the approved budget levels for 2000/2001.

In relation to the matter of Social Work secure accommodation costs for the year it was noted that the Chief Executive had raised this general matter with CoSLA and

with Scottish Executive officials and it was a matter for consideration at a national level.

The Group otherwise noted the report.

TRADING SERVICES TO 5 MAY 2000 (PERIOD 1)

6. There was submitted a report dated 16 June 2000 (circulated) by the Director of Finance which advised of the draft out-turn position of the Trading Services of the Council for the period ended 5 May 2000 (Period 1).

The Director of Finance reported that Directors had not raised at this stage any specific difficulties for any of the Trading Services.

The meeting terminated at 1050 hrs.

AGENDA