

WEST DUNBARTONSHIRE COUNCIL

Report by Executive Director of Corporate Services

Reconvened Special Council : 9 February 2011

Subject : General Services Revenue Estimates and Council Tax – Update Report

1. Purpose

- 1.1** The purpose of this report is to provide Council with further information that has emerged since the preparation of the report for the scheduled meeting on 27 January in relation to budget issues that will allow Members to agree:

- the General Services Revenue Estimates for 2011/12
- the council tax level for 2011/12

2. Background

- 2.1** The Special Council meeting held on 27 January was adjourned to allow time for further information to emerge from the Scottish Government in relation to a possible revision to the level of funding that had been allocated to West Dunbartonshire Council for the financial year 2011/12.
- 2.2** Members are requested to bring along all papers that were issued on the 18 January for the original meeting on 27 January.
- 2.3** Members are asked to note, that as previously advised, all figures are based on the provisional allocations announced in finance circular 14/2010 issued on 9 December 2010 but which cannot be formally confirmed until the Local Government Finance (Scotland) Order 2011 is approved by the Scottish Government in early February.

3. Main Issues

- 3.1** Para 2.3 (& appendix 1) of the report to the Special Council on 27 January identified a funding gap of £2.450m for 2011/12 that requires to be closed by the application of a number of net efficiencies.
- 3.2** Since that report was produced, a review of collection performance has been carried out and, as a result, it is recommended that the overall council tax collection level be increased by 0.25% to 97.25%. This management adjustment reduces the above funding gap by £0.095m
- 3.3** Following a review of the methodology used in the distribution of supporting people funding, we have been advised by CoSLA that the Scottish Government has agreed to allocate a further £5m to be distributed between the ten councils most disadvantaged in the original allocation. This allocation increases the funding available to West Dunbartonshire Council by £1.005m. It is hoped that formal confirmation of this funding will be received prior to the meeting.

3.4 As a result of both of the above adjustments, the funding gap has now reduced by £1.100m to £1.350m.

4. People Implications

4.1 As detailed within the original report to Special Council 27 January 2011.

5. Financial Implications

5.1 As detailed within the report.

6. Risk Analysis

6.1 As detailed within the original report to Special Council 27 January 2011.

7. Equalities Impact Assessment

7.1 As detailed within the original report to Special Council 27 January 2011.

8. Conclusions and Recommendations

8.1 Following consideration of the budget pressures facing the Council, together with the savings options identified whilst also maintaining the Council's commitment to keep council tax levels as low as possible, it is recommended that the Council accepts the additional funding of £1.190m available from the Scottish Government and agrees to a standstill council tax level. To achieve this recommendation, Council will be required to agree net efficiencies of £1,350,000.

8.2 The Council is committed to medium term budgeting and options to address the indicative funding gap for 2012/13 and 2013/14 will be considered at an early date by the Strategic Finance Working Group.

8.3 Following consideration of budget information provided, Council is recommended to:

- Set the band D council tax level for 2011/12 at £1,163 which represents a 0% increase and assumes a collection rate of 97.0%
- Agree net efficiencies of £1,350,000
- Remit consideration of the forecast funding gap for 2012/14 to the Strategic Finance Working Group.

.....
For Joyce White
Executive Director of Corporate Services
Date: 4 February 2011

Person to Contact: David Connell, Head of Finance & ICT
Council Offices, Garshake Road, Dumbarton
Tel: (01389) 737191. E-mail david.connell@west-dunbarton.gov.uk

Appendices: None

Background Papers: Report to Special Council 27 January 2011.
Report to Special Council: 21 December 2010.
Draft Revenue Estimates 2011/12 & Savings Options

Wards Affected: All