

WEST DUNBARTONSHIRE COUNCIL

Report by Executive Director of Housing, Environmental and Economic Development

Housing, Environment and Economic Development Committee: 5 March 2008

Subject: Financial Report 2007/2008 to 15 January 2008 (Period 9)

1. Purpose

- 1.1** The purpose of the report is to provide the Committee with an update on the financial performance of the Housing, Environmental and Economic Development Department to 15 January 2008 (Period 9).

2. Background

- 2.1** The attached information provides details of the financial performance of the Department's Statutory Trading Accounts, (Appendix 1), Non Statutory Trading Accounts (Appendix 2) and the General Services Revenue Budgets (Appendix 3) for each of the major services within the Department. It should be noted that this report compares the actual expenditure to 15 January 2008 to the phased probable outturn as at that date.
- 2.2** The report also identifies the General Services Capital expenditure (Appendix 4).

3. Financial Performance - Statutory Trading Accounts

- 3.1** The Department's Statutory Trading Accounts, as detailed in Appendix 1, show a surplus of £716,240 at period 9, which is £87,632 more than the phased probable outturn surplus of £628,608. Significant variances are explained below.

3.2 Housing Maintenance - £75,030 (Favourable)

This favourable variance is mainly due to increased income arising from increased jobbing repairs work. It is now anticipated that the surplus will be around £371,000 compared to the original projected surplus of £331,000, an increase of £40,000.

4. Financial Performance - Non Statutory Trading Accounts

- 4.1** The Department's Non Statutory Trading Accounts, as detailed in Appendix 2, show a surplus of £497,927 at period 9, which is £17,170 more than the phased probable outturn surplus of £480,757. Significant variances are explained below.

4.2 Catering - £40,880 (Favourable)

The Catering Non Statutory Trading Account is showing a surplus at period 9 of £270,295, which is £40,880 more than the phased probable outturn surplus of £229,415. This is due to an over-recovery of income of £156,249, due in part to the increased income generated by the free school meals pilot, offset by the additional costs incurred of £115,369.

5. General Services Revenue Budget

5.1 The General Services Revenue probable outturn as detailed in appendix 3 amounts to £20,330,800. As at 15 January 2008, £16,639,099 had been spent against a phased probable outturn of £16,649,321, resulting in a small favourable variance of £10,222. Significant variances are explained below.

5.2 Regeneration - £104,250 (Favourable)

This favourable variance is primarily due to additional planning application fees of £66,930 and building warrant fees of £32,140. During the probable outturn exercise the information available suggested that although there would be an increase in fee income for 2007/2008, it was not predicted that the increased level would continue at the rate which it has.

5.3 Refuse Collection - £45,470 (Adverse)

Fuel costs are overspent by £23,390 and a year end overspend on this budget line seems inevitable. Income is also under-recovered by £27,860. The probable outturn was reduced to reflect an under-recovery early in the year. However this decrease has not been sufficient to alleviate the ongoing burden. The main problem is increased competition in commercial uplifts and reduced income from the sale of wheeled bins due to the Council's policy of issuing pre-owned bins free of charge.

6. Capital Programme

6.1 The Department's Capital Programme is projected to be £8,176,000 (including additional funding received) and £3,048,000 has been processed through the financial ledger at period 9. There is also £3,260,000 of expenditure incurred and/or committed as at period 9, but not yet processed through the financial ledger, resulting in a total spend to date including accruals and commitments of £6,308,000 compared to a phased probable outturn of £6,591,000, which results in a period 9 phased underspend of £283,000. It is anticipated that any underspending on the Capital Programme will be carried forward as slippage into the 2008/2009 financial year.

7. Personnel Issues

7.1 There are no personnel issues.

8. Financial Implications

- 8.1** The financial implications are that, overall, the Department's Statutory Trading Accounts have achieved £87,632 more of a surplus, the Non Statutory Trading Accounts have achieved £17,170 more of a surplus and the General Services Revenue budget has spent £10,222 less than anticipated as at period 9. The Department's Capital Account is £283,000 underspent as at period 9.

9. Risk Analysis

- 9.1** The present variances should be viewed in the knowledge that there are a number of variable factors which could arise between now and 31 March 2008 which could affect the year end spend.

10. Conclusion

- 10.1** The report identifies favourable variances on the Department's Statutory and Non Statutory Trading Accounts, the General Services Revenue Accounts and on the General Services Capital Account.

11. Recommendation

- 11.1** The Committee is asked to note the contents of this report.

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Date: 20 February 2008

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Appendix 1:	Analysis of Income and Expenditure - Statutory Trading Accounts
Appendix 2:	Analysis of Income and Expenditure - Non Statutory Trading Accounts
Appendix 3:	General Services Revenue Budget 2007/2008
Appendix 4:	General Services Capital Programme 2007/2008
Background Papers:	None
Wards Affected:	All