

WEST DUNBARTONSHIRE COUNCIL

Report by the Executive Director of Housing, Environmental and Economic Development

Housing, Environment and Economic Development Committee: 7 September 2011

Subject: Financial Report 2011/2012 to 31 July 2011 (Period 4)

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 31 July 2011 (Period 4).

2. Background

- 2.1** The attached information provides a summary of the financial performance of the Department's General Services and Trading Accounts (Appendix 1) , a detailed analysis of the spend for each budget (Appendix 2), and the General Services Capital Expenditure (Appendix 3). It should be noted that this report compares the actual expenditure to 31 July 2011 to the phased budget as at that date.
- 2.2** The additional information included at Appendix 2 provides the Committee with the opportunity to review the spending performance in more detail, and this greater transparency will assist the Committee in fulfilling its scrutiny role.

3. Financial Performance - General Services and Trading Accounts

The Department's General Services and Trading Accounts, as detailed in Appendix 1, show a total spend of £7,150,338 at period 4, against a phased budget of £6,948,569 resulting in an adverse variance of £201,769. Significant variances are explained below.

3.1 Grounds Maintenance & Street Cleaning Client - £83,000 Adverse

In the days following the strong winds on 24 May 2011 considerable overtime was undertaken by the Grounds Maintenance and Street Cleaning trading operation. This expenditure on clear-up works is outwith the normal subsidy paid by the client account to the trading operation.

3.2 Leisure Services - £131,625 Adverse

This adverse variance is largely due to a fall in COSMO Club membership with declines also evident across other activities. A full report on this issue was presented to Members in June 2011 and the action plan is currently being implemented.

3.3 Homeless Persons - £142,993 Favourable

This favourable variance is mainly due to the continuing high occupancy of the temporary units.

3.4 Anti-Social Behaviour - £41,954 Adverse

This adverse variance is caused primarily by the continuation of the CCTV service inherited by HEED in June 2010 following financial difficulties encountered by the previous provider, Clydebank CCTV Trust. If the present service continues for the remainder of the year net expenditure in excess of £90,000 will arise which is currently unbudgeted. A report on future proposals for CCTV will be presented to the Committee over the coming months.

4. Capital Programme

4.1 At Appendix 3 it can be seen that the Department has a Capital Programme of £12.107m (including additional funding received) and £1.222m has been processed through the financial ledger at period 4, compared to a phased budget at 31 July amounting to £1.216m resulting in a phased overspend of £6,000.

4.2 The Department's total programme is £2.495m greater than previously reported to Council. There is £2.4m included for Civic Heart Works and an additional £5,000 for SPT Funding. For both items additional expenditure is funded from contributions from third parties. In addition, £90,000 is included for Milton Community Facility. This is a CFCR (capital funded from current revenue) funded project.

5. People Implications

5.1 There are no implications.

6. Financial Implications

6.1 The Department's General Services and Trading Accounts have spent £201,769 more than budgeted as at period 4. The overall budget will continue to be closely monitored throughout the year to ensure that services are delivered within budget limits.

6.2 There is a small overspend at present on General Services Capital.

7. Risk Analysis

- 7.1** 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 2011 which could affect the year end spend. For example, in addition to the issue surrounding CCTV which has already been mentioned, there is the inherent shortfall in Skypoint income following the decision taken by Education & Life Long Learning Committee in December 2010 to close Faifley library. As well as the direct financial impact of this change should other options for use of the facility not be realised its sustainability may be compromised.

8. Equalities, Health and Human Rights Impact Assessment (EIA)

- 8.1** No issues were identified in a screening for potential equality impact of this report.

9. Strategic Assessment

- 9.1** The report is for noting. As such it does not directly affect any of the strategic priorities. It does, however, identify resources available to the Council to deliver the Strategic Priorities, principally Social and Economic Regeneration.

10. Conclusions and Recommendations

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

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Date: 23 August 2011

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Appendices:

1. General Services and Trading Accounts Summary
2. General Services and Trading Accounts Detail
3. General Services Capital Programme 2011/12

Background Papers: None

Wards Affected: All