

WEST DUNBARTONSHIRE COUNCIL

Report by Chief Executive

Council : 25 April 2007

Subject: General Services Capital Grant 2007/08: Spend to Save Project Bids

1. Purpose of Report

- 1.1** The purpose of this report is to provide Members with a list of the bids recommended by the CMT for approval in connection with the 'spend to save' grant allocated by the Scottish Executive.

2. Background

- 2.1** The Council was advised in early February 2007 of additional capital grant monies to be made available during 2007/08. The total available to the Council is £1.011m. The conditions of the grant include 'investment in capital expenditure projects which maximise future savings to the Council'. All projects are to be substantially complete by 31 March 2008 and fully completed by 30 June 2008.
- 2.2** To comply with the grant conditions, the Head of Finance must sign a statement confirming the expenditure is proper capital expenditure and giving a statement breaking down costs and forecasting future savings. The statement must also report on asset management planning. This Statement of Compliance request is shown as Appendix I.

3. Main Issues

- 3.1** Departments were asked to consider and identify capital projects which meet the criteria of the grant.
- 3.2** Bids detailed in Appendix II (totalling £1.011m) are being recommended by the CMT for approval by Council. The net annual savings identified for these bids currently stands at £0.160m – excluding any further procurement savings gained from the procurement system bid.
- 3.3** Bids detailed in Appendix III (total costs identified as £0.728m) are acceptable bids but are not being recommended by the CMT for approval in conjunction with this grant.
- 3.4** Any capital bids within the appendices not approved by Members will be considered again during the capital budget process later this year.

3.5 As the projects are to be fully completed by 30 June 2008, if any slippage is highlighted during the monitoring process, a report will be brought to Council advising of options available to rectify the situation.

4. Personnel Implications

4.1 Any additional administration workload will require to be covered by existing Council staff.

5. Financial implications

5.1 The capital grant of £1.011m has been allocated by the Scottish Executive with direction to fully spend it prior to 30 June 2008.

5.2 Where appropriate, additional revenue costs have been taken into account when calculating net annual revenue savings. The potential annual revenue savings are detailed within Appendices II – III. For the bids recommended by the CMT, the savings identified will be in excess of £0.160m per annum.

6. Risk Analysis

6.1 The Council could lose funding if the grant is not fully spent by 30 June 2008. However, through regular monitoring and reporting necessary action will be taken to minimise this risk.

7. Conclusions

7.1 The Scottish Executive has allocated grant funding of £1.011m to the Council. Bids in excess of this have been received from departments. The CMT is recommending bids valuing £1.011m with a further £0.728m available for Members' consideration.

7.2 Potential net annual revenue savings of over £0.160m have been identified from the CMT recommended bids.

8. Recommendations

8.1 **It is recommended that Members agree the 'spend to save' bids put forward by the CMT to the value of £1.011m, per Appendix II.**

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Chief Executive
Date: 17 April 2007

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Appendix:

- I Statement of Compliance with Conditions of Grant
- II Capital grant – efficiency bids recommended
- III Capital grant – efficiency bids not recommended

Background Papers: Scottish Executive letter 2 February 2007 (offer of
additional capital grant for 2007/08)

General Services Capital Plan 2007/08

Departmental bids

Wards Affected: All wards affected