

WEST DUNBARTONSHIRE COUNCIL
Report by Executive Director of Corporate Services
Council – 27 January 2010

Subject : General Services Revenue Probable Outturn (2009/10)

1. Purpose

- 1.1** The purpose of this report is to advise Members of the anticipated performance of the General Services revenue budget as at 31 March 2010.

2. Background

- 2.1** At a meeting of West Dunbartonshire Council on 12 February 2009, Members agreed the revenue estimates for 2009/10. A total net budget of £243.941m was approved (Appendix A, column A).
- 2.2** Debt rescheduling exercises and non-essential spending freeze targeted savings levels produced a transfer of £1.550m to the contingency fund and reduced the departmental anticipated spend at that stage to £242.391m (Appendix A, column B).
- 2.3** During the estimates process for 2010/11, departments were asked to review their current year spend and update for the likely outturn position. Corporately, the Council is anticipating spend of £243.779m (Appendix A, column C).

3. Main Issues

- 3.1** The summary report brings out a favourable variance (underspend) of £0.162m (0.07% of the annual budget).
- 3.2** In comparing revised estimate (shown in Appendix A, column B) to the indicative probable (column C) there are four larger variances. The main variances have previously been highlighted within the budgetary control reports to Council and are summarised below:
- 3.2.1** Corporate Services (£0.614m favourable) – mainly due to vacancies held throughout the department, together with additional income from housing benefits and less than anticipated rent rebates/allowances payments.
- 3.2.2** Educational Services (£1.396m adverse) – a number of burdens affect this budget and have been unable to be absorbed by favourable variances elsewhere. Staffing costs, energy costs, residential school placements are higher than anticipated, with grant income being lower than estimated during the budget process.

3.2.3 Miscellaneous Services (£0.542m adverse) – mainly due to additional pension costs and the corporate trawl savings target which is contra to favourable variances across a number of departmental staffing budgets.

3.2.4 Loan charges (£0.125m adverse) – due to a further fall in short term investment interest rates beyond that anticipated.

4. Personnel Issues

4.1 There are no personnel issues.

5. Financial implications

5.1 Currently the Council is anticipating a favourable year end position of £0.162m.

6. Risk Analysis

6.1 The present variance should be viewed in the knowledge that there are a number of variable factors which could arise between now and 31 March and which could affect the year end results.

7 Officers' Conclusions and Recommendations

7.1 The report anticipates a favourable year end position against budget of £0.162m.

7.2 This report is submitted for consideration and comment.

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Date: 14 January 2010

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Appendix: Probable outturn 2009/10

Background papers: Departmental Draft Probable Outturn 2009/10

Wards affected: All