

WEST DUNBARTONSHIRE COUNCIL
Report by Executive Director of Corporate Services
Council – 28 October 2009

Subject : General Services Revenue Budgetary Control Report : Period 5 (2009/10)

1. Purpose

- 1.1** The purpose of this report is to advise Members of the performance of the General Services revenue budget for the period to 15 September 2009.

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.
- 2.2** This report covers service expenditure and loan charges, which are budgeted at £208.913m. The balance of the budget comprises of requisitions, which are outwith the Council's control.

3. Main Issues

- 3.1** The summary report brings out an adverse variance (overspend) of £0.404m (0.44% of the phased budget). The overspend is broadly in line with the position forecast to the Strategic Finance Working Group on 25 August and 21 September 2009.
- 3.2** Notes on variances in excess of £25,000 are attached. The report collates a large amount of information and if any Member wishes further details on any of the variances it would be appreciated if contact could be made with the undernoted officer prior to the Council meeting.
- 3.3** Although the report indicates that expenditure is broadly in line with that anticipated during the budget exercise, 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.
- 3.4** Due to debt rescheduling which has taken place since the budget was set, the loan charges budget has been reduced for the year and vired into the Contingency Fund.

3.5 Following the Strategic Finance Working Group on 25 August 2009 a freeze on the filling of vacancies along with a freeze on all non essential spending on goods and services was put in place on 4 September. Due to the concerns in relation to the overall budgetary position of the Council, both in the current year and looking ahead to 2010/2011, the CMT considered it necessary as a matter of urgency to take action to reduce expenditure in the remainder of this financial year.

3.6 A reduction in expenditure of £1m has been set to be achieved in the remainder of this financial year by the actions detailed above. This sum will be removed from departmental budgets and vired into the contingency fund in future reports.

4. Personnel Issues

4.1 There are no personnel issues.

5. Financial implications

5.1 At 15 September 2009, the Council's revenue budget was showing a £0.404m overspend against budget.

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 identifies an adverse variance against budget of £0.404m. However this does not take account of the spending freeze saving of £1m agreed by the Corporate Management Team.

7.2 Council is asked to endorse the decision taken by the Corporate Management Team (paragraph 3.5) to bring the budget into line within the current financial year.

7.3 This report is submitted for consideration and comment.

Joyce White
Executive Director of Corporate Services
Date: 12 October 2009

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Appendix: Budgetary Control Report Period 5
Variance Analysis

Background papers: Ledger Output
Revenue Estimates 2009/10

Wards affected: All