



Details of the Council's spending during 2008/09

Summary of Accounts

2008/09



Introduction

This is a quick guide to the Council's financial position for the 12 months ended 31 March 2009.

This summary is based on the information in the full version of the accounts. The figures in this summary were originally compiled having regard to proper accounting practice. For the purposes of this statement some modifications have been made to provide meaningful information. The full accounts have been independently assessed by Audit Scotland and certified as reliable.

A full copy of the 2008/09 audited accounts is available on request.

The accounts can also be found on our website - www.dumgal.gov.uk/annualaccounts

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Summary Operating Financial Review 2008/09

In the year to 31st March 2009 the Council had an overall surplus and was able to increase unallocated General Fund Balances to £9.8 Million. In addition to these unallocated balances the Council has also set aside significant amounts to support the affordability of major long term projects including the Waste Management/ Recycling PFI Scheme (£9 Million), the Smarter Schools PPP Project (£15.2 Million), Affordable Social Housing (£2.4 Million) and a range of other partnership projects.

A range of major projects have been progressed by the Council during the course of the year. These include the completion of the regeneration works at Stranraer Harbour, the completion

of new paving on Friars Vennel in Dumfries, restoration work on the Midsteeple in Dumfries, and the refurbishment of the Carlingwark Outdoor Centre. The DGOne Leisure Centre opened in May 2008.

Work has continued on building 10 new schools across Dumfries & Galloway as part of the Smarter Schools PPP Project.

A summary of the statements outlining the Council's financial performance for the year ended 31st March 2009 are provided on the following pages.



The cost of the Council's services

Income & Expenditure Account for the year ended 31 March 2009

The accounts below show the cost of running our services for the 12 months between April 2008 and March 2009, where the money came from to finance these costs, and the year end position.

	Expenditure £000	Income £000	Net Expend £000
Education	152,193	19,931	132,262
Social Work Services	110,274	27,084	83,190
Planning & Environment	38,783	8,366	30,417
Combined Services	45,964	9,884	36,080
Community & Customer Services	80,370	39,002	41,368
Chief Executive Services	6,606	1,921	4,685
Police	34,878	18,264	16,614
Fire	9,888	98	9,790
Corporate & Democratic Core	4,190	0	4,190
Non Distributed Costs	3,829	0	3,829
Trading (surpluses)/deficits	(547)	0	(547)
Equal Pay	1,503	0	1,503
less Central Support Recharges			(23,280)

Net cost of services

Depreciation and impairment of fixed assets	(24,128)
Repayment of loans and interest on loans	19,054
Interest and investment income	(2,079)
Transfer to reserves and other internal accounting	2,365

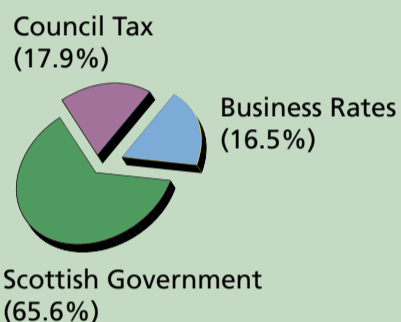
Amount to be met from Government grants and local taxation

Financed by:	
Revenue Support Grant	224,317
Business Rates	56,783
Council Tax	61,083

Total Income

Total Income	342,183
Surplus for year	(6,870)
General Fund Balance at the end of March 2008	39,607
General Fund Balance at the end of March 2009	46,477

We had a total income in 2008/09 of £342 Million. As the diagram shows most of this came from the Scottish Government (65.6%). Under one fifth of the Council's income comes from rates levied on business premises, the levels of which are controlled by the Scottish Government. Council Tax contributes to less than one fifth of the total income.



Balance Sheet

What the Council owns and is owed as at 31st March 2009

	31 March 2009 £000
Land, buildings, vehicles, machinery and infrastructure we own	537,313
Stock of materials	991
Money we are owed	55,903
Cash in the bank	12,415
Money the Council owes	(75,076)
Net Pension Fund Liability	(325,482)
Total	206,064

Financed by:

Borrowing	155,122
Non-distributable reserves (see note 1 below)	(17,791)
Distributable reserves (see note 2 below)	68,733
Total	206,064

Note 1: Non-distributable reserves - under UK accounting rules we must keep several accounting reserve funds. This is part of our accounting for what we spend on capital investment and the value of our assets plus the new accounting for pensions.

Note 2: Distributable reserves - these funds are available to spend on our services.

The figure for distributable reserves is made up of:

General Fund Balances		
- unallocated reserves	9,783	
- allocated service reserves	35,948	
- devolved school mgt reserve	746	
Usable Capital Receipts Reserve	15,300	
Repairs & Renewals Fund	1,816	
Capital Fund	2,695	
Insurance Fund	2,445	
Total	68,733	

The major projects included in the allocated service reserves are:

Waste Management/Recycling PFI Project sinking fund	8,986
Schools PPP Project sinking fund	15,194
Affordable Housing	2,384
Total	26,564

The Council has a duty under legislation to maintain prudent levels of balances and reserves and this is reviewed on an annual basis.

Cash Flow

	£000
Cash in bank at 31 March 2008	12,699
Cash in	28,930
Cash out	(29,214)
Cash in bank at 31 March 2009	12,415

Council Tax

	2006/07	2007/08	2008/09
Population of Dumfries & Galloway	148,030	148,300	148,580
Band D equivalent properties	55,700	56,200	56,800
In year collection - Dumfries & Galloway	94.8%	95.0%	95.3%
In year collection - Scotland	93.8%	94.2%	see note
Number of direct debit payments	42,159	41,913	42,780
Value of direct debit payments	£43,588,609	£46,149,056	£47,686,828
Percentage of direct debits of total collection value	65%	65%	68%

Note: This figure will not be available until January 2009 when Audit Scotland releases its national report.

How has Financial Services performed?

Section	Measure	2006/07	2007/08	2008/09
Treasury	Loans fund interest rate	4.84%	4.60%	4.20%
Payroll	Value	£189,740,762	£189,493,798	£193,176,732
Processing	Number of pays processed	252,005	248,874	247,959
	Percentage correctly processed	99.96%	99.98%	99.94%
Employee Numbers	Total employees of the Council	8,421	8,240	8,252

Capital Expenditure

Capital expenditure generally represents money spent by the Council on the purchasing, upgrading and improving assets such as buildings and roads. The Council receives the benefit from capital expenditure over a long period of time.

The following table outlines the major capital investment made during 2008/09

	£000s
Property works on Council properties	11,812
New build of schools	10,247
Infrastructure maintenance	5,346
Transportation projects across Dumfries & Galloway	2,305
Various information technology projects	2,966
DGOne leisure complex	1,490
Vehicles and operational equipment	1,382
Regeneration projects	934
DDA compliance works	670
Miscellaneous capital projects	623
Total	37,775

Capital Funding 2008/09

