



To: Leadership Board

On: 26 April 2023

Report by: Chief Executive, Director of Finance and Resources, and Chief Finance Officer Renfrewshire HSCP

Heading: Revenue and Capital Budget Monitoring as at 6 January 2023

1. Summary of Financial Position

- 1.1. The projected revenue outturn at 31 March 2023 for those services reporting to the Leadership Board is an underspend position of £0.004m.
- 1.2. The projected capital outturn at 31 March 2023 for projects reporting to the Leadership Board is a breakeven position against the revised budget for the year.
- 1.3. This is summarised in the table below and further analysis is provided in the Appendices.

Table 1: Revenue

Division	Revised Annual Budget £000	Projected Annual Outturn £000	Budget Variance (Adv)/Fav £000	Budget Variance %
Adult Services	93,607	92,765	842	0.9%
Chief Executives	20,570	21,408	(838)	(4.1%)
Total	114,177	114,173	4	0.0%

Table 2: Capital

Division	Revised Annual Budget £000	Projected Annual Outturn £000	Budget Variance (Adv)/Fav £000	Budget Variance %
Chief Executives	38,926	38,926	0	0%
Leisure Services	1,688	1,688	0	0%
Total	40,614	40,614	0	0%

2. Recommendations

- 2.1. Members are requested to:
 - (a) Note the projected Revenue outturn position detailed in Table 1 above;
 - (b) Note the projected Capital outturn position detailed in Table 2 above; and
 - (c) Note the budget adjustments detailed at sections 4 and 6.

3. Revenue

- 3.1. The Revenue Budget Monitoring report at Appendix 1 identifies a projected annual underspend of £0.004m for all services reporting to this Board. Detailed division reports can be found in Appendix 2, along with an explanation of each significant projected variance.
- 3.2. The projected outturn is based on information currently available, and assumptions made by service budget holders.
- 3.3. The main reasons for the projected outturn position are indicated in the appendices showing both the subjective analysis (what the budget is spent on) and the objective analysis (which division is spending the budget).
- 3.4. The most significant areas to bring to member's attention are outlined below:
 - OneRen continues to experience increased cost and reduced revenue generation in the short to medium term as a result of both temporary and more permanent behavioural changes in recovery from COVID-19. In addition the level of pay award agreed for 2022/23 is in excess of the level of budgetary provision made, resulting in an increased forecast overspend. OneRen is also facing steeply increasing utilities costs which are currently being managed within existing resources through close financial management. The Board and management team of OneRen continue to put measures in place to mitigate the level of financial support required.
 - Within Adult Services, managed by Renfrewshire HSCP, the service continues activity in response to the pandemic, which includes providing support to external care providers in order to ensure their ongoing financial sustainability.

At Period 10, the service estimates that costs of £2.419m will be incurred specifically in relation to COVID-19 Adult Social Care services by the end of the financial year; this includes costs related to financial sustainability payments to private adult and elderly care providers. The projected costs are however based on the current position and may change depending on any further impact of COVID on internal and externally provided services.

The Scottish Government provided the HSCP with additional COVID-19 funding in the final quarter of 2021/22, and this was held as an earmarked reserve and utilised to fund COVID-19 costs incurred this financial year. In this context, additional costs specifically relating to the COVID-19 response are not therefore included within this report. The uncommitted proportion of this funding was returned to the Scottish Government in February 2023.

4. Revenue Budget Adjustments

- 4.1. Members are requested to note from Appendix 1 that budget adjustments totalling £0.207 million have been processed since the previous report to board; this relates to the allocation of budget to fund the 2022/23 pay settlement.

5. Capital

- 5.1. The Capital Investment Programme 2022/23 to 2026/27 was approved by the Council on 3 March 2022.
- 5.2. For the Chief Executive's Service, the approved capital spend for 2022/23 is £38.926m (£44.981m approved Capital Plan). For Leisure Services, the approved capital spend for 2022/23 is £1.688m (£0.754m approved Capital Plan).
- 5.3. Further details can be found in Appendix 3.

6. Capital Budget Adjustments

- 6.1. Since the 2022/23 budget was approved in March, budget adjustments totalling £5.121m have arisen. £6.580m of these adjustments have occurred since the previous board report as a result of:

- **Leisure Services**

Budget carried forward into 2023/24 from 2022/23 (£0.698m):

- Community Halls Refurbishment: (£0.698m) to reflect expected timing of work at Steeple Hall and Bargarran.

- **Chief Executives**

Budget carried forward into 2023/24 from 2022/23 (£5.882m) based on updated cashflows for the following projects:

- Glasgow Airport Investment Area: (£2.700m);
- Clyde Waterfront and Renfrew Riverside: (£2.646m);
- AIMIDS South: (£0.536m).

Implications of this report

1. Financial

The projected budget outturn position for the revenue budget reported to the Leadership Board is an underspend of £0.004m. Income and expenditure will continue to be monitored closely for the rest of the financial year and, where necessary, steps will be taken to mitigate any overspend.

The projected outturn position for capital budgets reported to the Leadership Board is breakeven. The Capital programme will continue to be monitored closely for the rest of the financial year.

2. HR and Organisational Development

None directly arising from this report.

3. Community/Council Planning

None directly arising from this report.

4. Legal

None directly arising from this report.

5. Property/Assets

Capital projects will result in new assets (City Deal) and refurbishment, and improvement to Cultural Infrastructure and Public Realm assets.

6. Information Technology

None directly arising from this report.

7. Equality and Human Rights

The recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report because for example it is for noting only. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.

8. Health and Safety

None directly arising from this report.

9. Procurement

None directly arising from this report.

10. Risk

The risk that the Council will overspend its approved budgets for the year will be managed at a Council-wide level by the Chief Executive and Directors.

11. Privacy Impact

None directly arising from this report.

12. Cosla Policy Position

N/a.

13. Climate Risk

None directly arising from this report.

List of Background Papers

The Capital Investment Programme 2022/23 to 2026/27, approved by Council on 3 March 2022

Authors: Revenue - Valerie Howie, Finance Business Partner
Capital - Geoff Borland, Finance Manager

RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2022/23
1 April 2022 to 6 January 2023

POLICY BOARD : LEADERSHIP BOARD

Objective Summary	Approved Annual Budget at Period 8	Budget Adjustments	Revised Annual Budget at Period 10	Projected Outturn	Budget Variance (Adverse) or Favourable		Previous Projected Outturn Variance	Movement
	£000	£000	£000	£000	£000	%	£000	£000
Adult Services	93,607	0	93,607	92,765	842	0.9%	1,021	(179)
Chief Executive's Service	20,363	207	20,570	21,408	(838)	(4.1%)	(835)	(3)
NET EXPENDITURE	113,970	207	114,177	114,173	4	0.0%	186	(182)

Subjective Summary	Approved Annual Budget at Period 8	Budget Adjustments	Revised Annual Budget at Period 10	Projected Outturn	Budget Variance (Adverse) or Favourable		Previous Projected Outturn Variance	Movement
	£000	£000	£000	£000	£000	%	£000	£000
Employees	44,111	211	44,322	43,833	489	1.1%	682	(193)
Premises Related	815	0	815	917	(102)	(12.5%)	(53)	(49)
Transport Related	837	0	837	475	362	43.2%	349	13
Supplies and Services	15,522	0	15,522	16,268	(746)	(4.8%)	(747)	1
Third Party Payments	76,446	487	76,933	77,461	(528)	(0.7%)	(727)	199
Transfer Payments	6,430	900	7,330	7,167	163	2.2%	332	(169)
Support Services	91	0	91	74	17	18.7%	16	1
Depreciation and Impairment Losses	0	0	0	0	0	0.0%	0	0
GROSS EXPENDITURE	144,252	1,598	145,850	146,195	(345)	(0.2%)	(148)	(197)
Income	(30,282)	(1,391)	(31,673)	(32,022)	349	1.1%	334	15
NET EXPENDITURE	113,970	207	114,177	114,173	4	0.0%	186	(182)

RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2022/23
1 April 2022 to 6 January 2023

POLICY BOARD : LEADERSHIP BOARD - ADULT SERVICES

Objective Summary	Approved Annual Budget at Period 8	Budget Adjustments	Revised Annual Budget at Period 10	Projected Outturn	Budget Variance (Adverse) or Favourable		Previous Projected Outturn Variance	Movement
	£000	£000	£000	£000	£000	%	£000	£000
Older People	60,147	0	60,147	60,920	(773)	(1.3%)	(846)	73
Physical or Sensory Difficulties	7,536	0	7,536	7,354	182	2.4%	198	(16)
Learning Difficulties	21,251	0	21,251	20,200	1,051	4.9%	1,240	(189)
Mental Health Needs	3,870	0	3,870	3,497	373	9.6%	437	(64)
Addiction Services	803	0	803	794	9	1.1%	(8)	17
NET EXPENDITURE	93,607	0	93,607	92,765	842	0.9%	1,021	(179)

Objective Heading	Key Reasons for Projected Variance
Older People	Spend within care at home continues to increase as the service continues to support delayed discharges and demand.
Physical or Sensory Difficulties	Underspends in employee costs reflecting national recruitment issues facing all Health & Social Care.
Learning Difficulties	Underspends in employee costs reflecting national recruitment issues facing all Health & Social Care. Further underspend within adult care placements reflective of the current client profile but subject to change depending on demand and the implementation of planned adult care placements over the financial year.
Mental Health Needs	Underspends in employee costs reflecting national recruitment issues facing all Health & Social Care. Further underspend within adult care placements reflective of the current client profile but subject to change depending on demand and the implementation of planned adult care placements over the financial year.

RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2022/23
1 April 2022 to 6 January 2023

POLICY BOARD : LEADERSHIP BOARD - ADULT SERVICES								
Subjective Summary	Approved Annual Budget at Period 8	Budget Adjustments	Revised Annual Budget at Period 10	Projected Outturn	Budget Variance (Adverse) or Favourable		Previous Projected Outturn Variance	Movement
	£000	£000	£000	£000	£000	%	£000	£000
Employees	38,952	0	38,952	38,483	469	1.2%	661	(192)
Premises Related	442	0	442	486	(44)	(10.0%)	(51)	7
Transport Related	836	0	836	474	362	43.3%	349	13
Supplies and Services	2,220	0	2,220	2,099	121	5.5%	120	1
Third Party Payments	76,320	487	76,807	77,335	(528)	(0.7%)	(727)	199
Transfer Payments	4,265	904	5,169	5,004	165	3.2%	332	(167)
Support Services	87	0	87	70	17	19.5%	16	1
Depreciation and Impairment Losses	0	0	0	0	0	0.0%	0	0
GROSS EXPENDITURE	123,122	1,391	124,513	123,951	562	0.5%	700	(138)
Income	(29,515)	(1,391)	(30,906)	(31,186)	280	0.9%	321	(41)
NET EXPENDITURE	93,607	0	93,607	92,765	842	0.9%	1,021	(179)

RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2022/23
1 April 2022 to 6 January 2023

POLICY BOARD : LEADERSHIP BOARD - CHIEF EXECUTIVE'S SERVICE
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Objective Summary	Approved Annual Budget at Period 8	Budget Adjustments	Revised Annual Budget at Period 10	Projected Outturn	Budget Variance (Adverse) or Favourable		Previous Projected Outturn Variance	Movement
	£000	£000	£000	£000	£000	%	£000	£000
Chief Executive and Management	299	(31)	268	265	3	1.1%	3	0
Policy and Commissioning	4,627	152	4,779	4,767	12	0.3%	11	1
Marketing and Communications	3,703	86	3,789	3,784	5	0.1%	9	(4)
City Deal & Infrastructure	0	0	0	0	0	0.0%	0	0
Leisure Services (incl Renfrewshire Leisure)	11,734	0	11,734	12,592	(858)	(7.3%)	(858)	0
NET EXPENDITURE	20,363	207	20,570	21,408	(838)	(4.1%)	(835)	(3)

Objective Heading	Key Reasons for Projected Variance
Chief Executive and Management	No significant projected year end variances to report.
Policy and Commissioning	No significant projected year end variances to report.
Marketing and Communications	No significant projected year end variances to report.
City Deal & Infrastructure	No significant projected year end variances to report.
Leisure Services (incl Renfrewshire Leisure)	The projected overspend position reflects the significant challenges OneRen continues to face following the pandemic and its impact on commercial income, in addition to the higher level of pay award now agreed for 2022/23.

RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2022/23
1 April 2022 to 6 January 2023

POLICY BOARD : LEADERSHIP BOARD - CHIEF EXECUTIVE'S SERVICE								
Subjective Summary	Approved Annual Budget at Period 8	Budget Adjustments	Revised Annual Budget at Period 10	Projected Outturn	Budget Variance (Adverse) or Favourable		Previous Projected Outturn Variance	Movement
	£000	£000	£000	£000	£000	%	£000	£000
Employees	5,159	211	5,370	5,350	20	0.4%	21	(1)
Premises Related	373	0	373	431	(58)	(15.5%)	(2)	(56)
Transport Related	1	0	1	1	0	0.0%	0	0
Supplies and Services	13,302	0	13,302	14,169	(867)	(6.5%)	(867)	0
Third Party Payments	126	0	126	126	0	0.0%	0	0
Transfer Payments	2,165	(4)	2,161	2,163	(2)	(0.1%)	0	(2)
Support Services	4	0	4	4	0	0.0%	0	0
Depreciation and Impairment Losses	0	0	0	0	0	0.0%	0	0
GROSS EXPENDITURE	21,130	207	21,337	22,244	(907)	(4.3%)	(848)	-59
Income	(767)	0	(767)	(836)	69	9.0%	13	56
NET EXPENDITURE	20,363	207	20,570	21,408	(838)	(4.1%)	(835)	(3)

RENFREWSHIRE COUNCIL
CAPITAL INVESTMENT STRATEGY - NON-HOUSING SERVICES
1st April to 6th January 2023
POLICY BOARD: LEADERSHIP

Project Title	Current Year 2022-23							Full Programme - All years		
	Prior Years Expenditure to 31/03/2022*	Approved Budget 2022-23	Budget Adjustments in 2022-23	Revised Budget 2022-23	Projected Outturn 2022-23	Budget Variance (Adverse) or Favourable	Total Approved Budget to 31-Mar-27 £000	Projected Outturn to 31-Mar-27 £000	Budget Variance (Adverse) or Favourable	
LEISURE SERVICES										
Leisure Investment Programme	52,279	0	321	321	321	0	52,600	52,600	0	0%
Grass Pitches & Changing Facilities	3,872	0	369	369	369	0	4,241	4,241	0	0%
Community Halls Refurbishment	1,710	754	244	998	998	0	3,433	3,433	0	0%
Lagoon Internal Play Centre	0	0	0	0	0	0	1,000	1,000	0	0%
Total Leisure Services	57,861	754	934	1,688	1,688	0	61,274	61,274	0	0%
CHIEF EXECUTIVES										
City Deal Projects										
Glasgow Airport Investment Area	38,662	2,314	-766	1,548	1,548	0	43,053	43,053	0	0%
Clyde Waterfront & Renfrew Riverside	21,821	37,714	-11,554	26,160	26,160	0	117,748	117,748	0	0%
Airport Access	2,934	0	0	0	0	0	141,991	141,991	0	0%
Economic Development										
GAIA Regeneration	2,109	0	1,891	1,891	1,891	0	5,500	5,500	0	0%
AMIDS: Public Realm Phase 1 Netheron Square	246	2,726	962	3,688	3,688	0	3,933	3,933	0	0%
AMIDS: District Heating Network	3,882	2,007	1,204	3,211	3,211	0	7,093	7,093	0	0%
AMIDS: South	415	220	2,208	2,428	2,428	0	42,328	42,328	0	0%
Total Chief Executives	70,069	44,981	(6,055)	38,926	38,926	0	361,646	361,646	0	0%
TOTAL LEADERSHIP BOARD										
	127,930	45,735	(5,121)	40,614	40,614	0	422,920	422,920	0	0%

*Rolling programmes have a prior year year expenditure of £0 as the expenditure is not directly linked from one year to the next as a singular project.